



Executive chairman Tunku Naquiyuddin Ibni Tuanku Ja'afar (left) and executive director Cedric Choo Sia Teik

Sino Hua-An grows with mainland's steel industry

On the back of the mainland government's HK\$4.5 trillion economic stimulus package, China's key industries are gearing for an expected upturn in the second half of this year. The steel industry – a barometer of the mainland economy – is poised for a stronger finish as demand quickly starts to pick up. This development is good news for Sino Hua-An, the largest independent producer of metallurgical coke in Shandong with an almost 10 per cent market share.

"We are riding on the growth of the Chinese steel industry," said Tunku Naquiyuddin Ibni Tuanku Ja'afar, the firm's executive chairman. Coke is an essential raw material for manufacturing steel.

Sino Hua-An prides itself as the first publicly listed Chinese company on Bursa Malaysia. Malaysia's first red-chip company believes that its strategy gives international and Asian investors the opportunity to tap into the fast-growing Chinese market and gives them greater value for their investments.

Sino Hua-An's financial health and debt-free status are attractive to new investors as it made HK\$227 million profit after tax in 2007 and has HK\$1.8 billion in assets. The company expects increased business as the mainland rolls out more infrastructure and development projects.

Sino Hua-An has boosted its production capacity of metallurgical coke to 1.8 million tonnes in mid-2008 from 1.2 million tonnes the previous year. It also invested in a coal-washing facility, which allows it to save on production cost and consistently deliver higher quality raw materials.

The coke producer has a well-experienced workforce and maintains strong relationships with Chinese clients and partners in the rail and power plant industries.

The company is also pushing the sale and production of its by-products including coal gas, tar, ammonium sulphate, crude benzene, coal slime and middlings. It is also open to strategic local partnerships and possible mergers and acquisitions.