

Sino Hua-An operations in China not affected by typhoon

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SINO Hua-An International Bhd's (2739) operations in China have not been hit by typhoon Morakot hitting the country's south-eastern coastal provinces in Fujian and Zhejiang. The main-board listed metallurgical coke manufacturer said the devastating typhoon did not interrupt its operations as its wholly-owned unit, Linyi Yehua Coking Co Ltd is located in Shandong Province. Sino Hua-An vice president corporate communication and investors relations Bernard Tan said Shandong Province, which is closer to northern China, is more than 1,000km away from Fujian Province and over 500km from Zhejiang Province. "None of our coal suppliers and steelmaker customers are affected as most of them are located in Shandong Province. In short, it is business as usual," he said in a statement. Typhoon Morakot, which hit China on Sunday, forced some one million people in the affected provinces to evacuate as the storm toppled houses and flooded hundreds of houses and farmlands. Flights were cancelled and delayed, while some local bus services were suspended. Sino Hua-An, the first China-based company to be listed on Bursa Malaysia, produces metallurgical coke from coal. Its business operation is exclusively located at Linyi City in Shandong province. Coke is a critical raw material in steelmaking. The syariah-compliant company, which is recovering from the global economic slowdown and challenges in the steel industry, reported RM23.6 million net loss on the back of RM311 million revenue for the first quarter ended March 31 2009. For the current year ending December 31 2009, Sino Huan-An, which is benefiting from China's 4 trillion yuan stimulus package, expects things to get better but might not reach pre-crisis levels.