

Sino Hua-An eyes coke plant

But the Chinese company says its plans for Malaysia still at a very early stage

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KUALA LUMPUR: Sino Hua-An International Bhd's plans to set up a coke-manufacturing plant in Malaysia to cater to the demand in the region is still at a preliminary stage, according to executive director Cedric Choo.

He said the company was still studying the feasibility of the plant as a lot of things needed to be considered before the plan could take off.

"We do, however, notice that there is inadequate coke supply in this region and that will be taken into consideration," he told reporters yesterday after the company's AGM.

The coke produced was not meant to be exported to China, Choo said, adding that, however, there was no time frame for the set-up of the plant.

Sino Hua-An was listed on the Main Market of Bursa Malaysia on March 26, 2007. It was the first red chip counter on the exchange whereby its business operation was wholly and exclusively located in Linyi City, Shandong Province, China.

Its first plant was located in Shandong and its principal activities include the production and sale



From left: Cedric Choo, executive chairman Tunku Naquiyuddin Tuanku Ja'afar and Liu Guodong looking at the annual report

of metallurgical coke.

Coke is used as an energy source in steel-making blast furnaces. Two tonnes of iron ore and 0.5 tonne of coking coal are required to produce one tonne of pig iron.

Meanwhile, managing director Liu Guodong said the outlook for the steel industry in China had been stabilised after facing a slowdown

last year.

At the moment, demand for steel was increasing but, at the same time, there was an oversupply of steel in China, Liu said, adding that plans by the Chinese Government to boost infrastructure facilities in rural areas next year would help boost the demand for steel in the country.