

Sino Hua-An posts fourth consecutive quarterly loss

PETALING JAYA: Metallurgical coke producer Sino Hua-An International Bhd posted its fourth consecutive losing quarter in the three months ended June 30, 2015 with a net loss of RM20.61mil or 1.84 sen per share because of the suspension of a subsidiary's production plant.

In a filing with Bursa Malaysia, Sino Hua-An said the plunge in second-quarter earnings was due to the temporary suspension of the production plant, which was part of the Chinese government's efforts to obligate industries "perceived to be polluting" the environment to meet newly revised environmental protection standards.

Last year, Sino Hua-An posted a net profit of RM2.6mil or 0.23 sen per share.

The company first slipped into the red in the third quarter of last year, due to lower average selling price of metallurgical coke and lower sales volume, which continued to hover at that low in the fourth quarter.

In the first quarter of this year, the company posted a net loss of RM11.21 million or 1 sen per share, indicating how the plant's closure had affected the earnings.

Then, its revenue in the second quarter declined 98.6% to RM3.57mil compared to the same quarter last year.

In the first-half of this year, Sino Hua-An's net loss bottomed to RM31.82mil, or 2.84 sen per share, compared to a net profit of RM3.22mil, or 0.29 sen per share, in the first-half of last year.

Revenue dwindled 72.79% to RM158.32mil compared with the same period of last year.

"Operations of the plant had to be temporarily halted to implement relevant rectification work on the plant, hampering the generation of by-products that contribute and supplement the overall revenue of the company," Sino Hua-An said.