



Tunku Naquiyuddin (right) briefing the media. With him is independent non-executive director Datuk Mohd Shahar Abdul Hamid.

# Sino Hua-An eyes 2nd listing

## Company taking step due to low price on Bursa

**PETALING JAYA:** Sino Hua-An International Bhd expects to complete a preliminary report on the company's proposed secondary listing next month.

Executive chairman Tunku Naquiyuddin Tuanku Ja'afar said there was "a serious consideration" for a secondary listing due to the company's low trading price on Bursa Malaysia.

When the report was completed, discussions would commence with the company's financial advisors and directors to assess the feasibility of the move, executive director Cedric Choo Sia Teik said at a press briefing on the company's results yesterday.

The company is China's largest independent metallurgical coke producer.

On which overseas exchanges the company was considering, Tunku Naquiyuddin said: "It could be Singapore, Hong Kong or London.

"But Hong Kong looks interesting as it is used to China companies' listing there. We could also be placed in

the energy/fuel category that would be more exciting (for investors) than in the industrial sector."

Sino Hua-An is trading at a price-earnings ratio of five times at 61 sen on yesterday's close, well below its reference price of RM1. It was listed on Bursa Malaysia on March 26, 2007 in place of Antah Holdings Bhd following the completion of the latter's restructuring scheme.

On the company's future earnings, Choo said Sino Hua-An's financial year 2008 (FY08) growth would be driven by a 50% capacity expansion of its plant in Shandong Province, pushing production up to 1.8 million tonnes by June from 1.2 million tonnes at present.

At present prices, the capacity increase worked out to an estimated total turnover of RM1.2bil for FY08 compared with RM852.7mil for the financial year ended Dec 31, 2007 (FY07), Choo said.

On the deferment of the proposed acquisition of 49% equity interest in Jiangxin Steel Co Ltd, Tunku

Naquiyuddin said: "I hereby confirm that it is a merely a deferment and not a cancellation."

Among the reasons for the deferment were the high financing costs on bonds and other instruments in the current capital market, he said.

"We are in no hurry. We will wait to see how the subprime issue plays out in the US," he added.

Choo said after the company's new capacity came online in the second half of the year, there would also be more internally generated funds to make the acquisition.

At 1.8 million tonnes, Sino Hua-An would be at the maximum production capacity permitted by China government regulations.

For the fourth quarter ended Dec 31, Sino Hua-An posted a consolidated net profit of RM37.4mil on revenue of RM233.4mil compared with RM30.4mil net profit and RM186.3mil revenue in the previous corresponding period. For FY07, it recorded net profit of RM127.5mil, up almost 11% against RM115mil in FY06.