

Texchem to invest RM36mil for expansion this year

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GEORGE TOWN: Texchem Resources Bhd will spend about RM36mil to expand its business divisions this year.

Group president and chief executive officer Yap Kee Kong said that RM20mil would go to increase the Sushi King outlets in the country and in Indonesia to 146 from 135 currently.

There are 133 outlets in Malaysia and two in Indonesia presently, operating under the

group's Restaurant division.

"The expansion would add six Sushi King outlets in Malaysia and five in Indonesia.

"About RM1.8mil will be spend on setting up another two Hoshino outlets in the country," Yap said after an AGM.

For the food division, the group will spend RM5mil to increase the number of fish ponds in Myanmar to 15 this year from eight currently.

"Next year, we are aiming to increase to 26," he added.

Yap said the food division would continue to accelerate its upstream integration as well as strategic supply chain management while building expertise and enlarge its economies of scale necessary to supply internally and externally to Texchem's own food processing activities.

On the polymer business, the group will allocate RM5mil to expand the medical

device, aerospace, and automotive segments.

"The polymer division has recently received approval to supply polymer based components for use in the aircrafts of two major airlines," Yap added.

Yap said for the venture business division, the group would spend RM4mil to increase the output of environmentally friendly biomass plastics to 12,000 tons this year from 3,000.

On its industrial division, the group will continue to intensify diversification into the manufacturing of latex glove chemicals and distribution of food additives that are in development stages.

"The division has expanded into the Philippines and will continue to intensify its effort to build new business segments while at the same time strengthen collaboration with suppliers and customers for its traditional business," Yap said.

