



21 APR, 2022

## Sushi King: New outlets, fresh concepts on the way

The Sun, Malaysia

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➤ Operator Texchem Resources allocates RM10m to open more restaurants, including kiosks, satellite stores

**PETALING JAYA:** Texchem Resources Bhd, the founder and operator of Sushi King Sdn Bhd, said the Japanese chain restaurant business is poised to benefit from Malaysia's economic recovery and reopening of international borders.

Texchem executive chairman Tan Sri Dr Fumihiko Konishi said demand for dine-in at its restaurants has rebounded.

"Moving forward, the strategy is to focus on opening additional outlets that feature different concepts such as Sushi King kiosk and Sushi King satellite outlets that serve takeaway sushi."

Konishi said these outlets require much lower capital expenditure and a shorter time to launch.

The group has allocated RM10 million to open outlets, including 20 kiosks, this year.

The outlets will be located at new locations

with high footfalls to target a larger customer base while leveraging on Sushi King's existing kitchen facilities in the nearby restaurants to drive revenue without high investment costs.

Konishi said the first Sushi King kiosk at a petrol station in Subang Jaya, Selangor, has been well accepted by customers. The group will replicate the same model and identify locations at other petrol stations, hospitals and supermarkets.

"This expansion strategy caters to the increasing demand by consumers for takeaway and optimises the current infrastructure we have established so far, which includes a large network of kitchen facilities and membership database to drive sales."

The group said it will be selective and prudent in the deployment of resources. The key is to increase profitability in its restaurant division while maintaining a competitive edge

and market presence.

When the food and beverage industry had to abide by the dine-in restrictions due to Covid-19, Texchem implemented various rationalisation initiatives, including closing its operations in Indonesia and certain non-performing outlets in Malaysia.

The total number of restaurants has been streamlined to 121 outlets from 150 before the pandemic, which decreased the pre-tax loss for FY21 for the group's restaurant division to RM1.3 million versus RM15 million a year ago, it said.

Sushi King has introduced automation at its restaurants, including self-order and robotic tray delivery to reduce manpower requirements in addition to continuous new menu creation and intensified marketing activities. This has made operations leaner with a healthier cost structure and higher operational efficiency.

On the corporate front, Texchem has completed the acquisition of an additional 28% equity interest in Sushi King Group for RM102.2 million cash, which increased its stake to 98.35% from 70.35%.



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## SUMMARIES

View of a Sushi King outlet. Dine-in numbers at Sushi King restaurants have rebounded, Texchem Resources says.

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