

DATE: 15 APRIL 2016
PUBLICATION: THE SUN
SECTION: BUSINESS
HEADLINE: D.B.E GURNEY EXPECTS TO TURN AROUND, HELPED BY 'HARUMI'
CATEGORY: COMPANY NEWS

D.B.E Gurney expects to turn around, helped by 'Harumi'

BY **WAN ILAIKA MOHD ZAKARIA**

sunbiz@thesundaily.com

PETALING JAYA: D.B.E Gurney Resources Bhd, which has inked a strategic cooperation agreement with Pexden Holding Sdn Bhd, expects to turn around in the financial year ending Dec 31, 2016 (FY16), with the help of its newly launched halal-certified fried chicken brand, called Harumi.

"This year, we expect to shift our sales from processed chicken to fried chicken ... we expect 30% of the sales to come from Harumi.

"We will see in the third quarter results, it will be totally different," D.B.E Gurney group managing director Datuk Alex Ding Seng Huat said at a press conference yesterday.

In FY15, the group recorded a net loss of RM10.75 million, on revenue of RM119.55 million.

Under the agreement, Pexden will provide the technical know-how, machinery, production expertise, branding, related software and other advisory services for the chicken products under Harumi brand to D.B.E Gurney.

D.B.E Gurney will then market and sell secondary processed value-added chicken products throughout the country under Harumi brand through kiosks, mobile trucks, outlets, restaurants and cafes.

"We aim to have 3,000 kiosks, 300 food trucks and 30 restaurants by 2018 through franchising. We already have 50 franchise kiosks."

This year, Ding said, the group is targeting to have around 500 kiosks, 50 food trucks and five restaurants across Peninsular Malaysia.

To open a franchise kiosk, he said, the operator needs to invest RM3,500 in capital investments, not more than RM100,000 for a food truck and below RM200,000 for a restaurant.

He said, with expected RM300 sales of a day, kiosk franchises could gain around RM9,000 a month, with gross margins at 40-45%.

Meanwhile, Ding said Harumi is the first local fried chicken brand that has obtained halal certification from the Department of Islamic Development Malaysia.

Thus, he said, the franchise opportunity will especially benefit bumiputra entrepreneurs due to its halal certification and provide vast opportunities to young entrepreneurs who are looking to start a business in the food and beverage industry.

Going forward, Ding said, the group plans to bring the Harumi brand to the international market, including Indonesia, the Philippines, Vietnam and Thailand.

“We plan to do it in the next one to two years. For now, we intend to be more aggressive in Malaysia and hope to open our first fast food restaurant in Perak by mid-year,” he added.