

PROPOSED NTUC ENTERPRISE - KOPITIAM ACQUISITION



CCCS concluded that the proposed acquisition, if carried into effect, will not lead to a substantial lessening of competition within the relevant markets in Singapore.

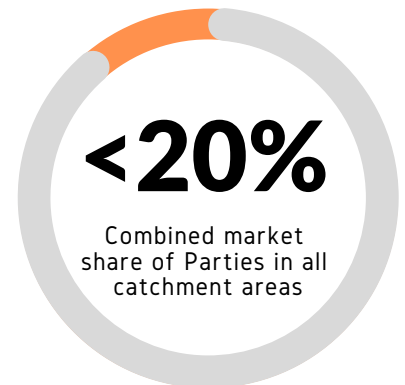
CCCS's Assessment

RELEVANT MARKET 1:

SALE OF HOT MEALS TO CONSUMERS IN HAWKER CENTRES, COFFEE SHOPS & FOOD COURTS WITHIN CATCHMENT AREAS OF 500 METRES RADIUS* FROM THE PARTIES' PREMISES

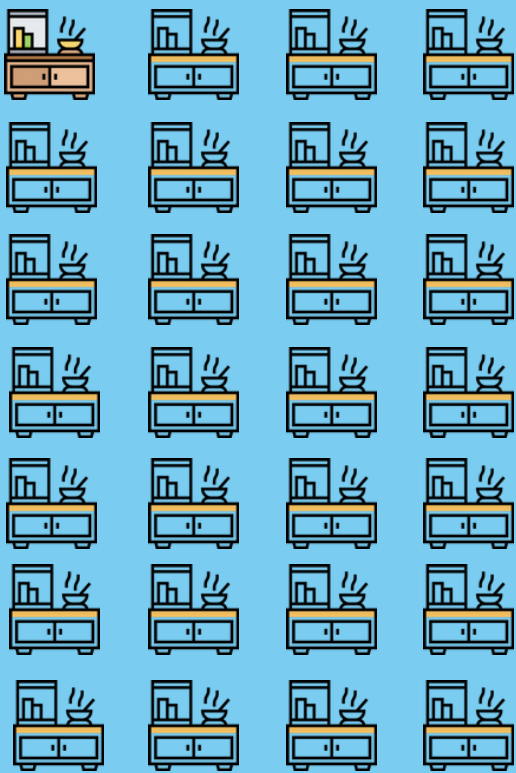


- Parties only directly sell hot meals in a very limited number of stalls located mainly within the Street Stall premises[^] they operate.
- Parties compete with many stalls operated by other food vendors within their own premises, even without considering the competing stalls in other Street Stall premises within the catchment areas.



* A catchment area is identified when both Parties are within 500 metres from each other, and the size of the catchment area is defined as an area of 500 metres radius with respect to each of the Parties' premises.

[^] Hawker centres, coffee shops and food courts are collectively referred to as "Street Stall premises".



RELEVANT MARKET 2:

RENTAL OF STALLS IN HAWKER CENTRES WITHIN SINGAPORE TO FOOD VENDORS

- Small number of hawker centres operated by merged entity relative to the total number of hawker centres in Singapore.
- Regulatory oversight by NEA on management of hawker centres and terms imposed on food vendors.

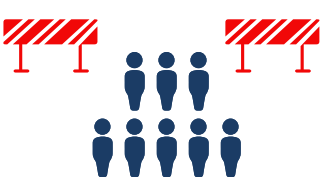
(Icon made by Freepik from www.flaticon.com)

RELEVANT MARKET 3:

RENTAL OF STALLS IN COFFEE SHOPS & FOOD COURTS TO FOOD VENDORS, WITHIN CATCHMENT AREAS OF 500 METRES TO 1 KM RADIUS FROM THE PARTIES' PREMISES



(Icon made by Freepik from www.flaticon.com)



- **Parties are not each other's closest competitor;** many other strong competing operators remain, e.g. Koufu, Food Junction, Food Republic, Kimly, Broadway, etc.
- **Food vendors have some bargaining power, more so for corporate entities;** there are sufficient options for them to choose from, and master lessors want to rent out stalls quickly.
- **There are opportunities to enter and expand;** more areas for eating establishments could be made available, and food vendors can scale up to become master lessors of eating establishments.
- **Collusion between operators of coffee shops & food courts is less likely** in view of large number of competitors.
- **Merged entity does not plan to mandate food vendors to procure food supplies exclusively from NTUC Enterprise.**