



MEDIA RELEASE

14 August 2023

CCCS Consults on the Proposed Acquisition by Grab Rentals Pte. Ltd. of Trans-cab Holdings Ltd.

1. The Competition and Consumer Commission of Singapore (“**CCCS**”) is inviting public feedback on the proposed acquisition by Grab Holdings Limited (“**Grab**”) through its wholly-owned subsidiary, Grab Rentals Pte. Ltd. (“**GrabRentals**”) of 100 per cent of the shares of Trans-cab Holdings Ltd. (“**Trans-cab**”) (collectively, the “**Parties**”) (the “**Proposed Acquisition**”).
2. CCCS accepted an application by the Parties on 7 August 2023 for a decision on whether the Proposed Acquisition, if carried into effect, would infringe section 54 of the Competition Act 2004, which prohibits mergers that have resulted, or may be expected to result, in a substantial lessening of competition within any market in Singapore.

The Parties

Grab and GrabRentals

3. GrabRentals operates a fleet of private-hire cars for rental to drivers for the provision of ride-hail services to passengers.¹ In Singapore, Grab operates primarily over a mobile application across the digital financial services, delivery and mobility sectors, which also include ride-hail platform services.

Trans-cab

4. Trans-cab is a private taxi operator in Singapore. It also operates a fleet of private-hire cars for rental to drivers for the provision of ride-hail services. Trans-cab offers phone taxi booking services to passengers but only for the taxi fleet operated by Trans-cab. Trans-cab's business also includes other services such as towing, credit finance, car leasing and advertising.

¹ A ride-hail service is a point-to-point transport service obtained through a phone or application booking.

The Proposed Acquisition

5. The Parties submitted that they overlap in the following services in Singapore:
- a) Rental of private-hire cars for ride-hail services ("**Rental Market**"); and
 - b) Provision of platforms matching drivers and passengers for the provision of ride-hail services ("**Platform Market**"),²
- collectively, the "**Relevant Markets**".
6. According to the Parties, the Proposed Acquisition will not result in a substantial lessening of competition in the Relevant Markets in view of the following:
- a) minimal overlaps between the Parties;
 - b) lack of prohibitive barriers to entry;
 - c) the Rental Market is highly fragmented and competitive with strong competitors which drivers are well-informed of and can easily switch to; and
 - d) Grab will continue to be constrained by the strong competition posed by other technology companies and taxi operators in the Platform Market. Passengers are well-informed and use more than one ride-hail platform service, while drivers exhibit a high level of price sensitivity and are inclined to switch to rival operators when presented with more favourable fee structures, rates, or incentives.
7. The Parties also submitted that there are no vertical relationships between GrabRentals and Trans-cab, and the Proposed Acquisition will not give rise to competition concerns in view of the following:
- a) Trans-cab's workshop currently only serves its own fleet of taxis and private-hire cars. Even if GrabRentals fully relies on Trans-cab's workshop following the Proposed Acquisition, third party workshops would still be able to service other rental fleets in Singapore, and private cars more generally; and

² Grab provides a platform, through the Grab mobile application, that matches drivers (of both taxis and private-hire cars) and passengers for ride-hail services in Singapore. Trans-cab, on the other hand, offers phone taxi booking services to passengers but only for the taxi fleet operated by Trans-cab.

- b) With respect to the Platform Market, under the Land Transport Authority's point-to-point regulatory framework, drivers are free to use Grab or any other platforms to offer ride-hail services in the Platform Market. It is not expected that there will be any significant increase in the number of drivers on the Grab mobile platform as compared to before the Proposed Acquisition.

Public Consultation

- 8. CCCS is inviting public feedback on the Proposed Acquisition. The closing date for submissions is 25 August 2023, 5 p.m. In particular, CCCS would like to seek views on the impact of the Proposed Acquisition on the price, quality, quantity, and other attributes of the following services in Singapore:
 - a) The rental of taxis to drivers for the provision of street-hail or ride-hail services;
 - b) The rental of private-hire cars to drivers for the provision of ride-hail services;
 - c) The provision of street-hail services by taxi drivers;
 - d) The provision of ride-hail services by taxi and private-hire car drivers; and
 - e) The provision of ride-hail platform services to drivers and passengers.
- 9. More information on the public consultation can be accessed and downloaded from the CCCS website at www.cccs.gov.sg under the section "[Public Consultation](#)". If the submission or correspondence contains confidential information, please also provide CCCS with a non-confidential version of the submission or correspondence.

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About the Competition & Consumer Commission of Singapore

The Competition and Consumer Commission of Singapore (“**CCCS**”) is a statutory board of the Ministry of Trade and Industry. CCCS administers and enforces the Competition Act 2004 which empowers CCCS to investigate and adjudicate anti-competitive activities, issue directions to stop and/or prevent anti-competitive activities and impose financial penalties. CCCS is also the administering agency of the Consumer Protection (Fair Trading) Act 2003 or CPFTA which protects consumers against unfair trade practices in Singapore. Our mission is to make markets work well to create opportunities and choices for businesses and consumers in Singapore.

For more information, please visit www.cccs.gov.sg.

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