



MEDIA RELEASE

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CCCS Clears Proposed Acquisition by Green Estee Pte Ltd of shares in HG Metal Manufacturing Limited

1. The Competition and Consumer Commission of Singapore (“**CCCS**”) has cleared the proposed acquisition of new ordinary shares in HG Metal Manufacturing Limited (“**HG Metal**”) by Green Estee Pte. Ltd. (“**Estee**”) (collectively, the “**Parties**”) (the “**Proposed Transaction**”).
2. CCCS has assessed that the Proposed Transaction, if carried into effect, will not infringe the section 54 prohibition of the Competition Act 2004 (the “**Act**”), which prohibits mergers that may substantially lessen competition within any market in Singapore.

Background

3. Estee is mainly involved in investment holding and the trading of iron ore and hot briquetted iron. Estee holds a majority share in BRC Asia Limited (“**BRC**”) (approximately 61%), a company listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). BRC’s activities in Singapore include supplying reinforcing steel and structural steel products.
4. HG Metal, also listed on SGX-ST, is currently owned by Estee as a minority shareholder (approximately 5%). HG Metal is also active in supplying reinforcing steel and structural steel products in Singapore.
5. On 6 June 2024, CCCS began reviewing the Parties’ application for a decision on whether the Proposed Transaction would infringe section 54 of the Act. CCCS conducted a public consultation and sought feedback from various stakeholders, including competitors and customers of the Parties and BRC.

CCCS's Assessment

Relevant Markets Affected by the Proposed Acquisition

6. BRC and HG Metal both supply reinforcing steel¹ and structural steel products² in Singapore. Esteel and HG Metal do not overlap in the supply of any other goods or services in Singapore. In its assessment, CCCS considered the markets for (i) the supply of reinforcing steel products as a whole, as well as in relation to each of the specific overlapping types of reinforcing steel products in Singapore; and (ii) the supply of structural steel products in Singapore (collectively referred to as the **"Relevant Markets"**).

Competition Assessment

7. CCCS cleared the proposed acquisition as it is unlikely to substantially lessen competition because:
- a) BRC and HG Metal will continue to face competition from a number of other competitors in the Relevant Markets. CCCS noted that BRC and HG Metal are not each other's closest competitor in supplying reinforcing steel products in Singapore;
 - b) Barriers to entry and expansion in the Relevant Markets are not impossible to overcome. The market's excess capacity for supplying reinforcing steel products suggests that competitors can increase their supplies based on demand; and
 - c) Customers generally have the ability to switch suppliers, engage multiple suppliers, and negotiate with suppliers on prices.
8. Further information on the notification and CCCS's Grounds of Decision will be made available in due course on [CCCS's Public Register](#) at www.cccs.gov.sg.

¹ The overlapping reinforcing steel products are steel reinforcing bars (**"Rebars"**), Rebar mechanical splice and thread (**"Coupler and Thread"**), cut and bend Rebars (**"Cut and Bend"**), steel welded wire mesh (**"Mesh"**), and prefabricated reinforcing steel products (**"Prefab"**) based on the Parties' and BRC's submissions.

² The overlapping structural steel products are angle bars, flat bars, steel plates, and beams based on the Parties' submission.

About the Competition and Consumer Commission of Singapore (CCCS)

The 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.

For media clarifications, please contact:

Ms. Ashley Tuen
Senior Executive
Communications
Competition and Consumer Commission of Singapore
Email: ashley_tuen@cccs.gov.sg
DID: 6991 7059

Ms. Grace Suen
Senior Assistant Director
Competition and Consumer Commission of Singapore
Email: grace_suen@cccs.gov.sg
DID: 6325 8216