
INDUSTRY OVERVIEW

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FORECASTING BASES AND ASSUMPTIONS

Euromonitor prepared the Euromonitor Report based on the following assumptions: (i) the economies of Hong Kong, Mainland China, Singapore, Japan and Australia are expected to maintain steady recovery over the forecast period (2019–2024), having taken into consideration the effects of the COVID-19 pandemic and other external factors (ii) there will be no further external shock, such as a financial crisis or supply chain disruptions, that affects the supply and service of the consumer food service industry during the forecast period in Hong Kong, Mainland China, Singapore, Japan and Australia; (iii) and key market drivers such as the global economy’s recovery from the COVID-19 pandemic and positive consumer sentiment regarding dining out are expected to boost the development of the consumer food service market in Hong Kong, Mainland China, Singapore, Japan and Australia.

CLASSIFICATION OF THE CONSUMER FOOD SERVICE INDUSTRY

The consumer food service industry consists of catering establishments or restaurants that prepare and serve food and beverages that are ready for consumption to customers. Meals are generally served within these establishments where takeaway and food delivery services are also offered. The consumer food service industry can be split into the following sub-categories: Fine Dining Restaurants, Casual Restaurants, Quick Service Restaurants and Other Catering Establishments. Bakeries are excluded from the definitions of consumer food service industry.

- **Fine Dining Restaurants** refer to restaurants that serve high quality food with full table services such as seating, ordering of food and service of meals through wait staff for customers by the table. Reservations are also available upon request. Fine Dining Restaurants generally offer a higher-end dining setting and customers generally have longer mealtimes as compared to Casual Restaurants. Menus, often encompassing set lunches and dinners, typically offer a variety of complex food preparation styles and higher food quality, which attribute to higher menu prices than those in Casual Restaurants.
- **Casual Restaurants** refer to catering establishments that serve moderately priced food with table service in a casual dining environment. Compared to Fine Dining Restaurants, Casual Restaurants also have more flexible food service times, longer business hours, faster turnaround times per customer, and higher traffic. Casual restaurants are separated into the following two categories:
 - **Fast Casual Restaurants** offer the convenience that quick service restaurants have, but with higher prices and food quality. Compared to Premium Casual Restaurants, Fast Casual Restaurants emphasise on lower cost meals and offer limited or no table service, which is generally more suited for individual or small-group dining, and the consumer turnover of Fast Casual Restaurants is higher as mealtimes are often shorter. Payment at Fast Casual Restaurants are often made at the counter either before or after the meal. Examples of this segment include fast and affordable noodle restaurants such as our Group, as well as Cha Chaan Tengs, café and bars.

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- **Premium Casual Restaurants** adopt more upscale settings than Fast Casual Restaurants with menus marketed at a higher price point since the emphasis is placed on higher food quality, taste, service and experience. Premium Casual Restaurants usually offer full table service with payments taken at the end of the meal by the waitstaff. The dining setting is more suitable for large group gatherings and mealtimes are generally longer than fast casual restaurants. Examples include teahouses, dim sum parlours, and full service casual Chinese and Western restaurants.
- **Quick Service Restaurants** refer to establishments that provide fast and consistent food services at economical prices, typically with no table service in a simple dining environment. Payments are taken at the time of order and mealtimes are short. Menus often require minimal preparation, which attributes to low menu pricing. Many Quick Service Restaurants have implemented digital ordering systems to facilitate orders, preparation and service with speed and efficiency.
- **Other Catering Establishments** include takeaway or delivery-only shops, hawker stalls, roadside vendors, ice cream parlours, food courts, event catering, convenience stores that sell prepared food, and establishments not otherwise described in the segments above.

1. OVERVIEW OF THE FOOD SERVICE INDUSTRY IN HONG KONG

Consumer Food Service Industry Experienced Overall Positive Growth

As a major international hub, Hong Kong has a vibrant culinary scene that offers a wide variety of food and dining experiences from cultures all over the world. Between 2015 and 2019, the total revenue of the consumer food service industry in Hong Kong increased from HK\$113.5 billion to HK\$121.1 billion, representing a CAGR of 1.6%. While the consumer food service industry experienced a healthy growth between 2015 to 2018, the industry saw a weakened performance in late 2019 as consumer spending on food service declined due to incidents of social unrest in key business areas which resulted in a downturn in tourism, corporate events and domestic spending.

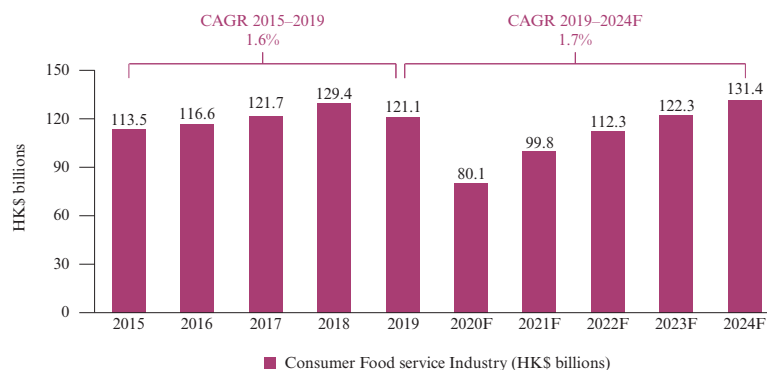
Positive Outlook for Food Service Industry in Short and Medium Term

The consumer food service industry was heavily impacted by the coronavirus outbreak in 2020, representing a substantial drop in total revenue from HK\$121.1 billion in 2019 to HK\$80.1 billion in 2020. However, it is projected that the consumer food service industry in Hong Kong will grow at a healthy CAGR of 1.7% between 2019 and 2024, reaching a total revenue of HK\$131.4 billion in 2024. In Hong Kong, consumer food service is considered as a necessity spending for the majority due to the hectic lifestyles adopted by the local populous. The recovery in the consumer food service industry is driven by the recovery spending from consumers as they adjust to the “new norm” imposed by the COVID-19 pandemic. Nonetheless, the forecasted growth is expected to be aligned with the recovery of the Hong Kong economy and the effectiveness of the Hong Kong government’s measures to contain the COVID-19 pandemic, which both have direct impacts to the overall consumer sentiment.

The Hong Kong government has already started to introduce measures aimed at stimulating the economy by supporting local businesses and their costs in running operations especially within the consumer food service industry. There have been four rounds of subsidy schemes so far with the latest round of applications that ended on 28 January 2021. The fund draws on the Anti-epidemic Fund (AEF) and offers various levels of one-off subsidy ranging from HK\$100,000 to HK\$500,000 depending on the floor area of the licensed premise. The earlier rounds have provided HK\$6.3 billion in subsidies for catering businesses and the fourth round of the AEF subsidy scheme is expected to provide an additional HK\$3.4 billion for catering businesses in need. In addition, the Hong Kong government’s rollout of the COVID-19 immunisation programme in March 2021 as well as the COVID-19 control measures implemented by the government throughout the pandemic period are expected to play a large role in the recovery of Hong Kong economy and consumer food service industry as its success will further lax social distancing measures.

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Table 1 Total Retail Sales Value of Consumer Food Service Industry in Hong Kong (2015–2024F)



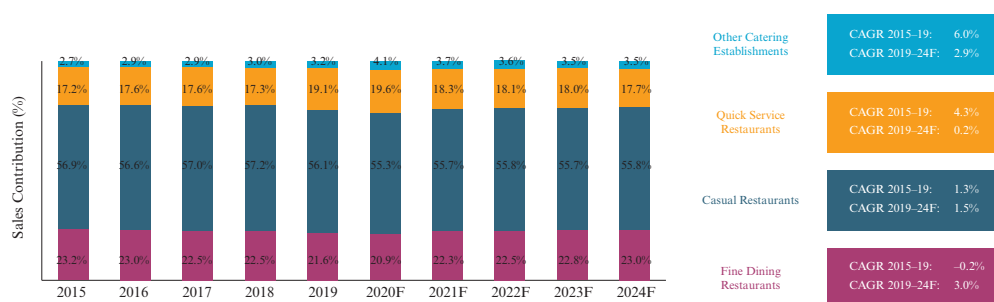
Source: Euromonitor Report

Casual Restaurants Made Up the Largest Consumer Food Service Category by Revenue

The consumer food service industry can be split into the following four sub-categories: Fine Dining Restaurants, Casual Restaurants, Quick Service Restaurants and Other catering establishments. Casual Restaurants represented the largest of the four, accounting for over half of the total revenue generated in the consumer food service industry in 2019. This was followed by Fine Dining Restaurants and Quick Service Restaurants which represented 21.6% and 19.1% of the industry respectively. The Other Catering Establishments category was the smallest by revenue, accounting for 3.2% of the industry in 2019.

Casual Restaurants appeal to many consumers with their variety of cuisine offerings and relatively affordable prices. Average spending on a meal within this category can range from HK\$50 to HK\$300. Compared to Fine Dining Restaurants, Casual Restaurants also have more flexible food service times, longer business hours, faster turnaround times per customer, and higher traffic.

Table 2 Restaurant Revenue in Hong Kong split by sub-categories (2015–2024F)



Source: Euromonitor Report

1.1 Overview of Casual Restaurants in Hong Kong

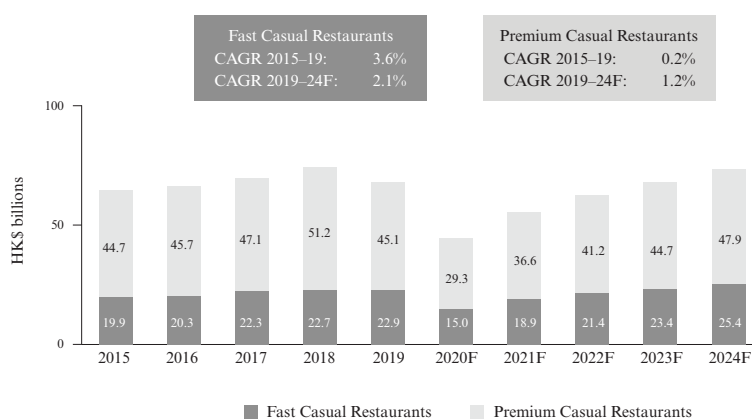
Growth of Fast Casual Restaurants Outpacing that of Premium Casual Restaurants' Growth

Premium Casual Restaurants accounted for 66.4% of the total revenue of Casual Restaurants while Fast Casual Restaurants accounted for the remaining 33.6% of the total revenue of Casual Restaurants in 2019. Although Fast Casual Restaurants accounted for a smaller portion, it grew at a higher rate between 2015 to 2019 with a CAGR of 3.6%, as opposed to the CAGR of 0.2% for Premium Casual Restaurants during the same period. Fast Casual Restaurants achieved such growth mainly by the increase in number of restaurant outlets from 3,313 in 2015 to 3,447 in 2019, while Premium Casual Restaurants saw a decline in the number of restaurants from 3,902 in 2015 to 3,817 in 2019. Between 2019 and 2024, the revenue of the Casual Restaurants category is expected to grow at CAGR of 1.5%, while the revenue of Fast Casual

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Restaurants and Premium Casual Restaurants are expected to grow at a CAGRs of 2.0% and 1.2% respectively. The trend of enjoying a standard of convenient and freshly prepared meals with value for money in the Fast Casual Restaurants is expected to remain prevalent in the coming years. In addition, due to the COVID-19 social distancing measures such as restriction on large group dining, Fast Casual Restaurants have demonstrated more resilience than Premium Casual Restaurants and Fine Dining Restaurants as Fast Casual Restaurants are more suitable for individual and small group dining.

Table 3 Casual Restaurants Revenue in Hong Kong, (2015–2024F)



Source: Euromonitor Report

Asian Cuisine Made Up Most of the Casual Restaurants Segment

Within the Casual Restaurants category, Asian restaurants, including Chinese cuisine restaurants, accounted for the major portion of the market, representing a market share of 77.0% in 2019, while Western restaurants accounted for the remaining 23.0% in 2019. Amongst Asian restaurants, Chinese cuisine restaurants contributed 87.2% of the sales while other Asian cuisine restaurants such as Japanese, Thai and Korean accounted for the remaining 12.8% revenue share of Asian restaurants in 2019. This was mainly due to the strong cultural heritage in Hong Kong and the fact that Chinese food, especially those offered at casual Asian noodle specialty restaurants, is sold at affordable prices whilst being freshly and quickly prepared, thus appealing to much of the Hong Kong population. The comparatively low-price points and fast turnaround times have further cemented Asian noodle specialty restaurants as a popular staple dining option rather than a trendy meal option.

Table 4 Casual Restaurants Revenue Split by Cuisine Type in Hong Kong, (2015–2024F)



Source: Euromonitor Report

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1.2 Drivers for Fast Casual Restaurants in Hong Kong

High Demand for Fast Casual Restaurants as Consumers Look for A Balance Between Quality and Price

Between 2015 and 2019, there had been an increasing demand for more affordable dining options which has driven the revenue of Fast Casual Restaurants to grow from HK\$19.8 billion in 2015 to HK\$22.8 billion in 2019, representing a CAGR of 3.6%. While Hong Kong consumers are generally cost conscious, they are willing to pay more for better quality as compared to cheaper meals that are of lower quality. Fast Casual Restaurants are perceived to strike a balance between quality and price as compared to other dining segments, such as the high quality but expensive offering of Fine Dining Restaurants and the cheap but low quality offering of Quick Service Restaurants. In addition, the weakened economy driven by social unrests in 2019 and the COVID-19 pandemic has pushed consumers who would typically visit Premium Casual Restaurants to dine more at Fast Casual Restaurants due to convenience, more cost effective meals and the limitation of dining options in areas near or within residential areas. Upscale dining at Premium Casual and Fine Dining Restaurants focus on the dining experience and result in a longer dining time than Fast Casual Restaurants. Due to the uncertainties experienced during the social unrest, planning ahead and enjoying longer meals may have been a luxury many diners could not afford as transportation to and from these restaurants could be disrupted. Instead, Fast Casual Restaurants which also have more outlets than Premium Casual Restaurants could offer the spontaneity and convenience that diners prioritised during this period.

Having A Busy Lifestyle Prompts Consumers to Dine Out or Order takeaway

As an international hub, Hong Kong people are known for working long hours and leading a busy lifestyle. According to the 2019 Report on Annual Earnings and Hours Survey published by the Census and Statistics Department, the median weekly working hours of Hong Kong employees stood at 44.3 hours in 2019. Due to long working hours, it is common for office workers and households to prioritise convenience when selecting dine-out or takeaways options in favour of cooking meals at home. The process of buying groceries, cooking and cleaning after the meal may not be an ideal trade off due to the amount of effort and time spent. As a result, Fast Casual Restaurants, which serve food quickly and have an efficient checkout process, are favoured by busy consumers, office workers and other workers who are seeking for a quick and filling meal. Asian noodle specialty restaurants, in particular, are popular options within Fast Casual Restaurants as many fit the convenient requirement of busy workers.

Customisation from Fast Casual Restaurants and Quick Service Restaurants Offer Unique Dining Experiences

Hong Kong generally has a high proportion of consumers who dine at restaurants due to the convenience and wide variety of cuisine options. While these have been strong reasons for dining out, some Fast Casual and Quick Service Restaurants have incorporated the element of customisation into their dining experience. Chain Fast Casual Restaurants, such as our Group, allow consumers to choose ingredients, soup base and even spiciness level to match their preference, and Quick Service Restaurants, such as certain burger restaurant, allows consumers to create their preferred burger meals through some customisation option. These elements of customisation not only cater to a wide variation of diets, but also done in a cost-effective manner and enable consumers to enjoy unique dining experiences which offset brand fatigue, further boosting consumer loyalty.

Online Food Delivery Grows During the Covid-19 Pandemic but expected to become a New Normal

Between 2015 and 2019, the total consumer food service revenue generated by food delivery grew from HK\$8.4 billion to HK\$10.5 billion, representing a CAGR of 9.1%. The Fast Casual Restaurants and Quick Service Restaurants are the main contributors to delivery service as the style of food is not contingent upon meticulous preparation, plating and service as opposed to upscale dining such as Fine Dining Restaurants and Premium Casual Restaurants. Traditionally, food delivery is made through offline channels such as in-person takeaways or phone orders, however in recent years due to technological

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advancements and smart phone adoption, there has been a growing presence of online food ordering. Revenue generated by online food ordering grew from HK\$170.9 million to HK\$443.8 million between 2015 to 2019, representing a CAGR of 26.9%.

The overall rise in food delivery is a testament to how Hong Kong consumers prefer convenience and efficiency. Between 2015 and 2019, major food delivery operators such as Deliveroo, Foodpanda and Uber Eats launched promotional campaigns and utilised local key opinion leaders to draw awareness towards online food delivery. The rollout of mobile apps operated by these food delivery operators, which integrates online ordering from food service and food delivery through third-party logistics, has also made the process more convenient by lowering previous challenges of this service such as ordering only from a web browser. Food delivery has become popular in 2020, as outings and social gatherings were minimised to prevent the COVID-19 infections. There has also been an increasing demand for food deliveries in areas outside the central business districts as businesses have adopted “work-from-home” arrangements due to the COVID-19 pandemic. During this period, food delivery operators saw a significant boost in demand in Hong Kong. As many consumers become accustomed to online food ordering, the habit spurred by the convenient aspect of the process may become long lasting post the COVID pandemic and lead to a higher proportion of online food orders than before.

1.3 Barriers to Entry for Consumer Food Service in Hong Kong

High Rental Costs, Rising Wages and Fierce Competition Erode Restaurants’ Profit Margins

Rental and labour costs are key components of a restaurant’s operating costs. In general, rent costs account for more than 30% of the total operating costs of a restaurant in Hong Kong. Rental costs for retail premises increased in 2017 and 2018, according to data from the Rating and Valuation Department of Hong Kong. Although rents fell in 2019, rent costs in Hong Kong remained high and continued to exert financial pressure on restaurants, particularly in light of the difficult business environment they experienced in 2019 and 2020. Labour costs increased between 2015 and 2019, as shown in the increase in the median monthly wages of restaurant staff at a CAGR of 5.6% to reach HK\$13,800 in 2019. From May 2019, the Statutory Minimum Wage rate was raised to HK\$37.5 an hour, an 8.7% rise from the previous level of HK\$34.5. The increase was projected to add an extra HK\$700 million a year to the expenses of the business sector. The Hong Kong Consumer Food service industry is also a fragmented and competitive environment. Hong Kong has one of the highest concentrations of restaurants per capita in the world. This means more choices for the consumer and a higher established standard for catering businesses.

1.4 Business Model and Operational Costs of the Hong Kong Consumer Food Service industry

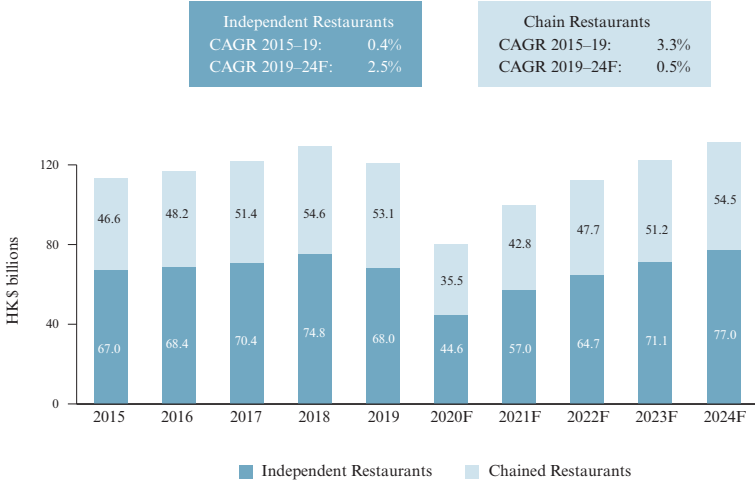
Chain Restaurants have had a Significant Share of Consumer Food Service Industry and Higher Growth Rate than Independent Restaurants

Chain restaurants represent a significant proportion of restaurants in Hong Kong. In 2019, chain restaurants generated a total revenue of HK\$53.1 billion, accounting for a market share of 43.8%, whilst independent restaurants generated HK\$68.0 billion, accounting for a market share of 56.2%. Although the overall market share of chain restaurants was still smaller than that of independent restaurants, their revenue growth rate was higher than that of the independent restaurants. The high growth rate of chain restaurants was attributable to the high levels of standardisation and consistency in their menus, food quality, level of service and atmosphere across the outlets, which helps to achieve operational efficiency. The purchase of food ingredients in bulk also helps to reduce the per unit cost of ingredients, thus offering competitive pricing and ensuring a stable supply. These factors have made chain restaurants more resilient to the challenges faced by the overall consumer food service industry in late 2019 and 2020. Both the 2019 social unrest in the latter half of 2019 and COVID-19 pandemic have distorted consumer expenditure, and independent restaurants were more impacted than chain restaurants. Despite this, independent restaurants are set to recover quicker than chain restaurants between 2019 to 2024 due to stronger consumer support for small local businesses.

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Between 2019 and 2024, independent restaurants are expected to record a CAGR of 2.5% to reach HK\$77.0 billion revenue, while chain restaurants are expected to record a CAGR of 0.5% to reach HK\$54.5 billion during the same period.

Table 5 Chain and Independent Restaurants Revenue in Hong Kong, (2015–2024F)



Source: Euromonitor Report

Chain Asian Noodle Specialty Restaurants Adopt Centralised Operations

Asian noodle specialty restaurants in Hong Kong are typically categorised as Fast Casual Restaurants. Larger chain Asian noodle specialty restaurants such as our Group typically operate their business with a central kitchen where soup bases, sauces, marinades and other food ingredients are prepared for all the outlets in Hong Kong, ensuring consistency in the taste and quality of food among the outlets and reduce the overall time and costs of food processing through economies of scale. Most Asian noodle specialty restaurants have designed their menu items such that it can be prepared under relatively simple procedures, in order to reduce reliance on highly experienced chefs and reduce food preparation time.

The main costs components for Asian noodle specialty restaurants are labour costs, rent and rates, and ingredient costs. Typical staff required in an Asian noodle specialty restaurant include a restaurant manager, cooks, kitchen workers, cashier and waiters/waitresses. It is also common for chain Asian noodle specialty restaurants to adopt a centralised procurement policy under which the procurement department is responsible for purchasing the food ingredients for all the outlets. This allows the chain restaurants to enjoy greater bargaining power when negotiating with suppliers and maintain consistency in the quality of ingredients.

Fast Casual Restaurants have Remained Resilient during Uncertain Times

Fast Casual Restaurants have remained resilient during the COVID-19 outbreak due to its affordable price point, relatively high volume turnover and flexible business model, such as high adaptability to delivery services. According to the Euromonitor Survey, a vast majority of respondents mentioned that they dine in or order takeaways and delivery from Fast Casual Restaurants more frequently than from Premium Casual Restaurants. Not only are Fast Casual Restaurants able to offer cheaper meal options than Premium Casual Restaurants, but also prepared with higher quality food ingredients than Quick Service Restaurants, which enable Fast Casual Restaurant meals to be considered as a staple dining option, acceptable to be eaten multiple times throughout the week for many consumers. In contrast, most Premium Casual Restaurants are more expensive and cannot be considered as a recurring meal throughout the week. Furthermore, a significant portion of Fast Casual Restaurants have adopted offline delivery or takeout services prior to the COVID-19 and hence have the infrastructure in place to easily adopt an online food

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delivery model during the pandemic. As a result, Fast Casual Restaurants have demonstrated higher resilience than other dining segments such as Fine Dining and Premium Casual Restaurants.

Labour Costs in Hong Kong’s Consumer Food service Industry Increased Steadily

Labour costs of the consumer food Service industry increased steadily between 2015 and 2019, with median monthly wages of restaurant staff rising from HK\$11,100 to HK\$13,800.

Table 6 Labour Cost (2015–2019)

HK\$	2015	2016	2017	2018	2019	CAGR 2015–19
Median monthly wages of restaurant staff*	11,100	11,800	12,400	13,100	13,800	5.6%

Source: Census and Statistics Department of Hong Kong

* The above does not include the Mandatory Provident Fund. The catering industry follows a different MPF scheme due to the highly fluid nature of these industries.

Ingredient Costs Rose in Hong Kong in 2019 due to Rising Food Prices in Mainland China

Hong Kong relies heavily on Mainland China as an important food source especially for fresh food. According to the Food and Health Bureau, more than 90% of fresh pork, fresh beef and vegetables in Hong Kong were imported from Mainland China in 2019. Between 2015 and 2019, the prices of major raw materials such as meat, vegetables, fish and seafood, had been increasing in Hong Kong due to the rising prices of fresh food in Mainland China.

Table 7 Consumer Price Index Indicators in Hong Kong (2015–2019)

Price Index (2010 = 100)	2015	2016	2017	2018	2019	CAGR 2015–19
Consumer Price Index (CPI)	122.9	125.9	127.8	130.8	134.6	2.3%
Index of Food and Non-Alcoholic Beverage Prices	126.8	129.4	131.8	137.6	139.9	2.5%
Index of Meat Prices	131.6	135.8	139.3	144.8	148.3	3.0%
Index of Fish and Seafood Prices	152.3	153.9	156.2	166.3	171.5	3.0%
Index of Vegetables Prices	119.5	126.1	122.3	128.4	132.3	2.6%
Index of Other Food Prices	110.6	111.0	115.0	119.5	118.2	1.7%

Source: Euromonitor Report

Decline in Retail Rent due to Economic Slowdown in Hong Kong in 2019

Between 2015 and 2019, the average monthly rent for retail premises in Hong Kong was in decline due to the slowdown of the retail sector. The overall slowdown of the retail sector resulted in falling demand for retail space and, subsequently, a downward adjustment of the retail rental price in Hong Kong. Between 2015 and 2019 the average private property rent on Hong Kong Island and Kowloon both recorded an overall decline, which represents a CAGR of –1.2% and –2.1% respectively.

Table 8 Retail Rent for Hong Kong (2015–2019)

HK\$	2015	2016	2017	2018	2019	CAGR 2015–2019
Average private property rentals (per square feet) per month	136.7	128.1	131.3	133.6	132.5	–0.8%

Source: Rating and Valuation Department of Hong Kong

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1.5 Consumer Food Service Competitive Landscape in Hong Kong

Fragmented Consumer Food Service Industry Shows Sign of Consolidation Led by Local Chain Players

The Casual Restaurants category is fragmented and competitive, with the top five companies accounting for 20.0% of the total Casual Restaurants’ market revenue in 2019. The five leading companies in the Casual Restaurants category were domestic establishments and have a strong Chinese cuisine restaurant portfolio. In terms of number of restaurants, our Group ranks third within the Casual Restaurants category in 2019, which supports consumer notion that the Tam Jai and SamGor brands are accessible and widely recognised.

Table 9 Casual Restaurants Competitive Landscape in Hong Kong, Top 5 (2019)

<u>Rank</u>	<u>Company</u>	<u>Background information</u>	<u>Market share (%)</u>	<u>Number of restaurants</u>
1	Group A	A food and beverage company comprised of Chinese, Asian and European restaurants.	6.2	343
2	Group B	A food and beverage company comprised of Chinese, and other Asian restaurants.	4.1	68
3	Group C	A food and beverage company comprised of Chinese, and other Asian restaurants.	3.7	139
4	Group D	A food and beverage company comprised of Chinese restaurants.	3.5	49
5	Our Group		2.5	122
	Others		80.0	15,769

Source: Euromonitor Report

The Fast Casual Restaurants category is more consolidated than the Casual Restaurants category with the top five companies accounting for 29.5% of the Fast Casual Restaurants market revenue in 2019. In 2019, three out of the top five groups were domestic companies and four out of the five companies had more than 120 restaurants, emphasising the importance of Fast Casual Restaurants being easily available and located for consumers. In terms of number of restaurants, our Group ranks third within the Fast Casual Restaurants category in 2019.

Table 10 Fast Casual Restaurants Competitive Landscape in Hong Kong, Top 5 (2019)

<u>Rank</u>	<u>Company</u>	<u>Background information</u>	<u>Market share (%)</u>	<u>Number of restaurants</u>
1	Group C	A food and beverage company comprised of Chinese, and other Asian restaurants.	11.1	139
2	Our Group		7.4	122
3	Group A	A food and beverage company comprised of Chinese, Asian and European restaurants.	4.7	180
4	Group E	A food and beverage company comprised of Chinese restaurants.	3.7	26
5	Group F	A Western styled coffee house chain.	2.6	120
	Others		70.5	6,687

Source: Euromonitor Report

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Asian Noodle Specialty Restaurants are Dominated by a Few Large Players

The Asian noodle specialty restaurants segment is highly consolidated, with the top five companies accounting for 92.0% of the segment’s revenue in 2019. In 2019, our Group was ranked number one in market revenue as well as number of restaurants and had captured more than half of the segment through our well-known TamJai and SamGor brands. The diversity of cuisines in the Asian noodle specialty restaurants segment (such as Chinese, Vietnamese and Japanese noodles) reflects local consumers’ interest in noodles, a type of food that they are familiar with and find comfort in. According to the Euromonitor Survey, our Tam Jai and SamGor brands were the most recognised Asian noodle brands in Hong Kong. Majority of those who recognised the brands visited Tam Jai and/or SamGor more than once a month.

Table 11 Asian Noodle Specialty Restaurants Competitive Landscape in Hong Kong, Top 5 (2019)

<u>Rank</u>	<u>Company</u>	<u>Background Information</u>	<u>Market share (%)</u>	<u>Number of restaurants</u>
1	Our Group		58.5	122
2	Group G	A Chinese chained noodle restaurant group.	12.1	22
3	Group H	A group offering quick service, casual dining and institutional catering.	8.9	20
4	Group I	A Vietnamese chained noodle restaurant group.	6.9	20
5	Group J	A Japanese chained noodle restaurant group.	5.6	24
	Others		8.0	N/A

Source: Euromonitor Report

Our Group has several competitive strengths in the consumer food service industry and has a top five position in 2019 within a fiercely contentious market in terms of total revenue. Despite being in a specialised category of Asian noodle specialty restaurants, our Group also stands in the second position within Fast Casual Restaurants in terms of total revenue. Below are some advantages that our Group holds:

- An extensive network of restaurants to reach a larger consumer base
- A pionner in the mixian market
- Establishment of a highly standardised and scalable business model that enables future growth

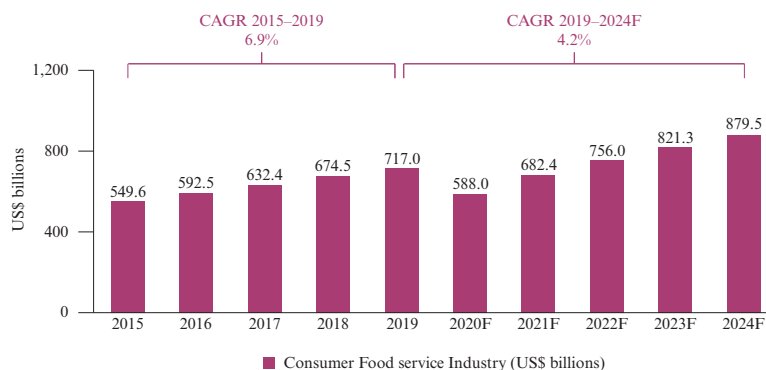
2. OVERVIEW OF THE FOOD SERVICE INDUSTRY IN MAINLAND CHINA

Consumer Food Service Industry in Mainland China Offers a Blend of Tradition and Innovations

The consumer food service industry in Mainland China offers a wide range of local, regional and international cuisines, set against its broad geographic coverage with diverse culinary traditions in different regions. Between 2015 and 2019, the consumer food service industry grew at a CAGR of 6.9%, reaching a total revenue of US\$717.0 billion in 2019. While the consumer food service industry saw a contraction of revenue of –18.0% from 2019 to 2020, the market is expected rebound quickly owing to the industry’s rapid adoption of technologies, leveraging on Chinese consumers’ extensive usage of smartphones and mobile apps. Online food delivery has grown rapidly from US\$42.4 billion in 2015 to US\$92.1 billion in 2019, led by major mobile platforms that offer consumers a wider variety of restaurant choices and bigger discounts than before. The consumer food service industry is expected to reach US\$879.5 billion in 2024, representing a CAGR of 4.2%.

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Table 12 Total Retail Revenue of Consumer Food Service Industry in Mainland China (2015–2024F)



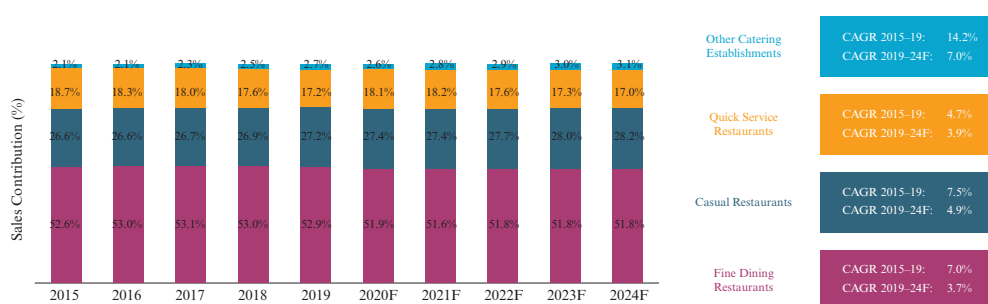
Source: Euromonitor Report

All Consumer Food Service Categories Enjoyed Strong or Moderate Growth with Fine Dining Restaurants Maintaining the Largest Market Share

Fine Dining Restaurants represent the largest of the four restaurant categories in Mainland China, accounting for 52.9% of the consumer food service industry revenue in 2019. It is followed by Casual Restaurants with 27.2% and Quick Service Restaurants with a 17.2% market share. The Other Catering Establishments represent the smallest category by revenue, accounting for just 2.7% of the industry in 2019.

All three main categories of restaurants, namely Fine Dining Restaurants, Casual Restaurants and Quick Service Restaurants, showed robust growth in terms of revenue terms between 2015 and 2019, with Casual Restaurants leading with a CAGR of 7.5% in revenue terms, followed closely by Fine Dining Restaurants at 7.0% and Quick Service Restaurants at 4.7%. Between 2019 and 2024, all four restaurant categories are expected to maintain moderate growth momentum, representing a CAGR between 3.7% to 7.0%. This suggests that the macro growth drivers, such as Mainland China’s urbanisation, increasing disposable incomes and rising appetite for dining out will continue to support the growth of consumer food service industry.

Table 13 Restaurant Revenue in Mainland China split by sub-categories, (2015–2024F)



Source: Euromonitor Report

2.1 Overview of Casual Restaurants in Mainland China

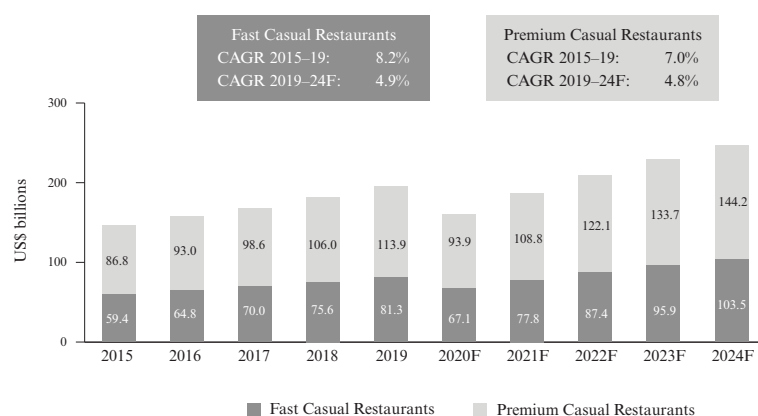
Fast Casual Restaurants and Asian Cuisine Show Steady Growth in Review Period

Casual Restaurants can be split into Fast Casual Restaurants and Premium Casual Restaurants. Between 2015 and 2019, Fast Casual Restaurants grew at a higher CAGR of 8.2% than Premium Casual Restaurants which grew at 7.0% CAGR. The same trend is expected to continue with Fast Casual Restaurants outpacing Premium Casual Restaurants from 2019 to 2024 due to the increasingly sophisticated offerings from Fast Casual Restaurants and effectively shortening the differentiation from Premium Casual Restaurants.

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In 2019, within Casual Restaurants, Asian restaurants are the predominant cuisine in Mainland China with 89.3% market share with Chinese cuisine contributing a significant portion. Many Chinese restaurants are also categorised within the Fast Casual segment. These restaurants are capturing more consumers by developing mobile apps targeting the local dining market. These mobile apps are integrated within popular social media platforms in Mainland China and can incorporate loyalty membership plans that offer rewards and discounts. Chinese brands are often more in touch with the local culture and can relate better with Chinese consumers. Within Asian Casual Restaurants category, Asian noodle specialty restaurants are a popular choice for consumers. It is known that noodles originated from China and there is a strong culture of noodles consumption in Mainland China. Different regions in Mainland China have varying local preparations of noodle dishes. The long history of eating Chinese noodles has not faded in modern times as Chinese restaurants are adapting to the new generation of consumers.

Table 14 Casual Restaurants Revenue in Mainland China, (2015–2024F)



Source: Euromonitor Report

2.2 Drivers in the Consumer Food Service Industry in Mainland China

Urbanisation and Rising Incomes are Key Drivers for Consumer Food Service in Mainland China

Mainland China’s economic development and urbanisation have been a key macro growth driver for the consumer food service industry between 2015 and 2019. Since the early 1980s, more than 300 million rural migrants have moved to Chinese cities, drawn by opportunities in urban areas. According to the World Bank, 60.3% of people live in urban areas in Mainland China as of 2019, comparing to 55.5% as of 2015. Urbanisation has also contributed to increasing disposable incomes, smaller households and busier lifestyles. The combination of higher incomes and busy lifestyles has boosted the demands for dining out for more opportunities to try out new cuisines and experiences while saving time for cooking. While convenience is the main priority, the quality of both ingredients and preparation remain an important factor for choosing a meal option. Out of the dining options provided in Mainland China, Fast Casual Restaurants provide a good balance to support the local consumers’ food consumption priorities.

Consumer Food Service Industry makes Growing use of Digital Technologies

Consumer food service restaurants in Mainland China are increasing their usage of digital technologies, particularly mobile apps, to attract consumers, boost consumer loyalty and offer greater convenience. A number of Chinese restaurants has started developing membership plans and engaging with consumers through social media platforms, such as WeChat or their self-developed mobile apps to enhance communication with consumers. Under membership plans, restaurants usually offer rewards and discounts through the mobile apps. Such initiatives also allow restaurants to gather consumer data, which can be used to analyse consumers’ preferences and adapt products and services to the ever-changing consumer trends. The rise of social media and internet key opinion leaders is another factor that has an influential impact on deciding

INDUSTRY OVERVIEW

meal options. Thus, consumer food service players are paying closer attention to social media trends and incorporating consumer insights into their marketing strategies. Other innovative applications of digital technology include mobile apps that inform customers when their orders are ready and the trial rollout of robot chefs and waiters in some restaurants to improve efficiency and attract customers.

2.3 Consumer Food Services Competitive Landscape in Mainland China

Leading Players Account for a Small Share of Mainland China’s Huge Consumer Food Service Market

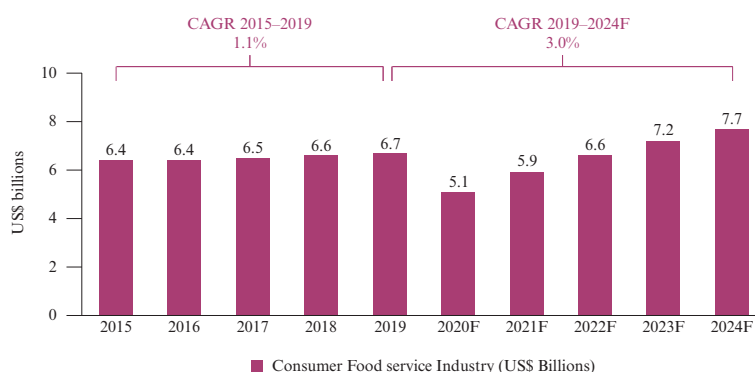
The consumer food service industry in Mainland China is highly fragmented due to the country’s extensive geographical coverage. The total number of restaurants increased from 8.4 million in 2015 to 9.9 million in 2019. The top five companies accounted for less than 3.0% of the consumer food service industry revenue in 2019. Three out of the top five companies are multinational chain restaurants that also play in the Casual Restaurants category.

3. OVERVIEW OF THE FOOD SERVICE INDUSTRY IN SINGAPORE

Consumer Food Service Industry in Singapore Records Moderate Growth

Singapore is known for its vibrant consumer food service industry offering a huge variety of cuisines and menus that continuously respond to the consumers’ changing appetite. The consumer food service industry in Singapore recorded moderate growth between 2015 and 2019, with a CAGR of 1.1%, generating a total revenue of US\$6.7 billion in 2019. Singapore is well known for its high income levels and hectic lifestyles. Therefore, local consumers are dining out or ordering food online more often, due to increasing disposable incomes and growing demand for convenience. On the other hand, Singapore’s consumer food service industry is well developed and highly competitive, with restaurants competing to offer promotions and discounts, which has weakened revenue growth to some extent. In 2020, the consumer food service industry revenue is expected to contract by –23.8%, declining from US\$6.7 billion in 2019 to US\$5.1 billion in 2020 due to the effects of the COVID-19 which forced restaurant closure and introduced social distancing measures. Despite this, the consumer food service industry is expected to recover as restaurants adapt to these challenges through the increase adoption of online delivery services, contactless payment methods and increase safety measures to provide a safe dining environment. Between 2019 to 2024, the consumer food service industry is expected to reach US\$7.7 billion of revenue in 2024, representing a CAGR of 3.0%.

Table 15 Total Retail Revenue of Consumer Food Service Industry in Singapore (2015–2024F)



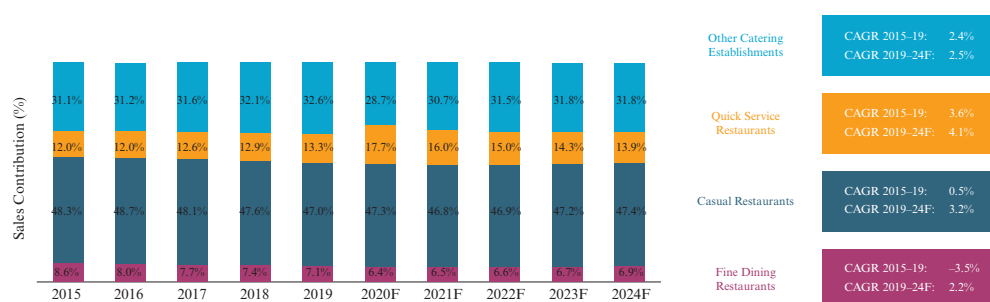
Source: Euromonitor Report

INDUSTRY OVERVIEW

Consumer Food Service Categories sees Healthy Growth with Casual Restaurants Maintaining the Largest Market Share

Casual Restaurants are the largest contributor to the consumer food service industry in Singapore, accounting for 47.0% of total industry revenue in 2019 following by Other Catering Establishments which include hawker centres, street food and event catering services, which contributed approximately 32.6% of total industry revenue. On the other hand, Quick Service Restaurants and Fine Dining Restaurants maintained a lower contribution of 13.3% and 7.1% of total industry revenue respectively in 2019. The high market share of Other Catering Establishments can be attributed to a large number of hawker centres and the high frequency of visits by its customers, both domestic and international, between 2015 to 2019.

Table 16 Restaurant Revenue in Singapore split by sub-categories (2015–2024F)



Source: Euromonitor Report

3.1 Overview of Casual Restaurants Segment in Singapore

Premium Casual Restaurants Remains Larger than Fast Casual Restaurants but Fast Casual Restaurants Records Higher Growth Rates

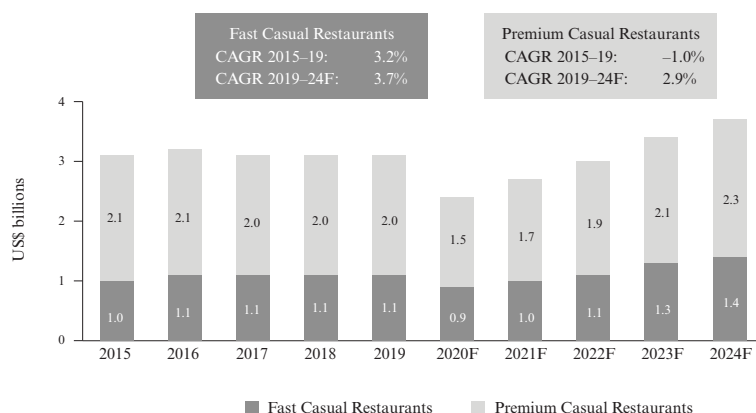
The Casual Restaurants category in Singapore is primarily dominated by Premium Casual Restaurants, accounting for 60.2% of the Casual Restaurants category. The clear positioning of Premium Casual Restaurants helps avoid fierce competition from Fast Casual Restaurants and Quick Service Restaurants. Despite this, Fast Casual Restaurants experienced strong growth from 2015 to 2019, representing a CAGR of 3.4% and reached a total revenue of US\$1.1 billion in 2019 as compared to Premium Casual Restaurants which dropped revenue by a CAGR of 1.0% during the same time period, reaching US\$2.0 billion. Between 2019 and 2024, Fast Casual Restaurants is expected to maintain its growth momentum at a CAGR of 3.7%, reaching US\$1.4 billion by 2024 and Premium Casual is expected to grow at a CAGR of 2.9% to reach US\$2.3 billion.

Within Casual Restaurants, Western and Asian cuisines have similar revenue contributions, as Western cafes, bistros and bars are just as popular as Asian cuisines in Singapore. Between 2019 and 2024, the proportions accounted by these two main types of cuisine will remain relatively stable.

An important restaurant type within Fast Casual Restaurants is the Asian noodle specialty restaurants segment. Like most types of dishes in Singapore, noodles are heavily influenced by neighbouring Asian regions such as Malaysia, China and India. These regions all have strong noodle culture stemming from rich carbohydrate diet. Apart from traditional and regional influences, Asian noodles are also a cost-efficient meal option, which fits the needs of the modern Singaporean consumers.

INDUSTRY OVERVIEW

Table 17 Casual Restaurants Revenue in Singapore, (2015–2024F)



Source: Euromonitor Report

3.2 Drivers in the Consumer Food Service Industry in Singapore

Demand for Convenience is a Key Driver Consumer Food Service in Singapore

Demand for convenience has been a major factor in shaping the consumer food service industry in Singapore between 2015 and 2019. There is a strong culture of dining at Fast Casual and Quick Service Restaurants due to the efficient preparation and casual nature of these restaurants. According to statistics by the Ministry of Manpower of Singapore, the average working hours of employees in Singapore are 44.7 hours per week (or 8.9 hours per day) in 2019, which contributed to local consumers’ preference for convenience in terms of meal options. There is also growing popularity among Casual Restaurants and street stalls/kiosks, where food preparation, ordering and payments are all relatively efficient. The trend for convenient casual meals has also benefited online food ordering. Food delivery platforms such as GrabFood, Deliveroo and Foodpanda offer consumers a wide variety of choices and the convenience of food deliveries.

Consumer Food Service Industry Flourishes with Consumers’ Receptiveness to New Food Trends

The new generation of consumers are seeking experiential elements in their dining experience and place greater emphasis on dining experiences and pleasure. Singaporeans are among the most well-travelled in the world. According to the Department of Statistics Singapore, Singaporeans made about 24.9 million overseas trips in 2019. Through the travels, consumers have become exposed to other cultures and more open to experimenting with new cuisines and dining experiences. The consumer food service industry has flourished with consumers’ receptiveness to new food trends, with bubble tea and fried chicken being notable examples.

3.3 Consumer Food Service Competitive Landscape in Singapore

Consumer Food Service Industry Remains Highly Competitive and Continues to see New Entrants

The consumer food service industry in Singapore is highly competitive and fragmented, with many consumer food service companies offering a huge variety of dining establishments and cuisine types. Between 2015 to 2019, supported by Singaporean’s strong food culture, local market players are keen to open new restaurant outlets where consumers are passionate about exploring new restaurants and cuisines. The total number of restaurants increased from 27,826 in 2015 to 28,468 in 2019.

INDUSTRY OVERVIEW

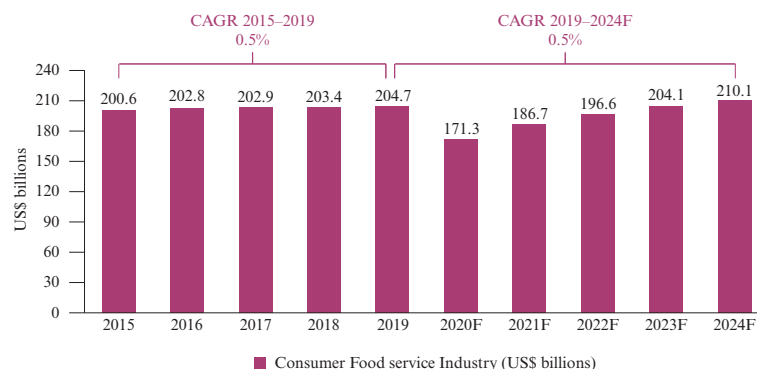
The top five restaurant companies by market share are all chain restaurants with established multinational brands. These top five companies accounted for a market share of 13.5% in 2019. Within the Casual Restaurants category, the market landscape is also highly fragmented with the top five companies accounting for 11.6% of the total Casual Restaurants revenue in 2019. The leading players are a mix of Asian cuisine restaurant groups and cafe chains.

4. OVERVIEW OF THE FOOD SERVICE INDUSTRY IN JAPAN

Consumer Food Service Industry in Japan Recorded Slow Growth

Japan has a large and relatively mature consumer food service industry, supported by high income and sophisticated consumer preferences. The consumer food service industry offers an abundance of culinary choices and a large variety of restaurants. Many restaurants specialise in a single type of dish, such as sushi, battered and deep-fried food or specific types of noodles. The industry recorded marginal growth from 2015 to 2019 with a CAGR of 0.5%, generating total revenue of US\$204.7 billion in 2019. The slow growth was mainly due to the relative maturity of the industry and weak demand due to a declining and ageing population. Between 2019 and 2024, the consumer food service industry is expected to maintain a similar pace of growth at a CAGR of 0.5%, reaching US\$210.1 billion of revenue in 2024. The industry has been hit by the COVID-19 with an estimated 16.3% decline in revenue for 2020. However, government campaigns and stimulus measures are expected to mitigate the impact and help businesses recover. These measures include the “Go To Eat” Campaign launched on 1st October 2020 and US\$14.4 billion in subsidies to support restaurants hit by shorter trading hours during the pandemic as part of a US\$708 billion package announced in December 2020.

Table 18 Total Retail Revenue of Consumer Food service Industry in Japan (2015–2024F)



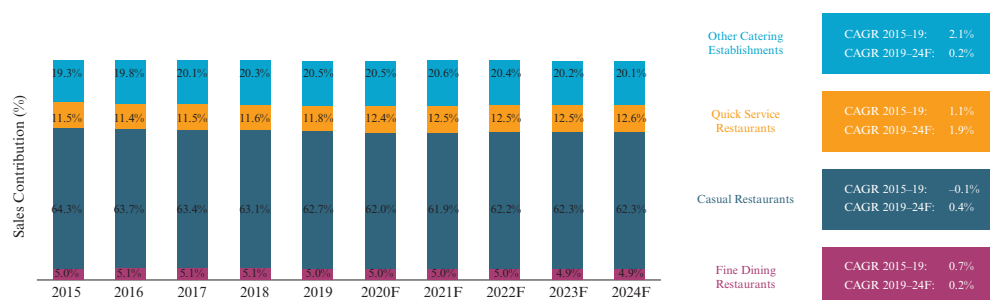
Source: Euromonitor Report

Fast Casual Restaurants Dominate Japan’s Casual Restaurants Category

Casual Restaurants are the largest contributor to the consumer food service industry in Japan, accounting for 62.7% of total industry revenue in 2019, followed by restaurants in the Other Catering Establishments, which accounted for a revenue share of 20.5%. Convenience stores are the main contributor to consumer food service revenue for the Other Catering Establishments category, as all the major convenience store chains in Japan sell pre-prepared meals through their extensive network of outlets. The Fine Dining Restaurants category is the smallest category by revenue, accounting for just 5.0% of the industry. Within the Casual Restaurants category, Fast Casual Restaurants accounted for 75.4% of the Casual Restaurants category’s revenue in 2019. Fast Casual Restaurants face strong competition from Quick Service Restaurants due to increasing demand for fast service and affordable meals. However, Fast Casual restaurants are able to differentiate from Quick Service Restaurants by offering more unique menus and quality food. For example, some family restaurants offer specific fusion dishes which combine Japanese and Western elements to appeal to the Japanese palette.

INDUSTRY OVERVIEW

Table 19 Restaurant Revenue in Japan split by sub-categories (2015–2024F)



Source: Euromonitor Report

Opportunities in the Consumer Food Service Industry in Japan

Long History of Noodle Consumption and an Affinity for Mala Spice in Japan

Noodles have a long history in Japan with the first varieties introduced from China during the Nara period (710–794). Today, there are many popular styles of noodles available in Japan such as udon, ramen and soba. Japanese consumers are accustomed to consuming noodles as a meal given the history and variety of offerings. Apart from noodles, Japanese consumers are receptive to other Chinese influenced food and spices. In recent years, there has been a new trend of spice called Mala. The origin of this spice is from Sichuan, China and is used in various dishes but also widely known to be combined with soup noodles. The trend of incorporating this spice in popular foods is evident in Japan with a local convenience store giant introducing a mala famichiki (Fried chicken) and a local instant cup noodle producer introducing mala flavoured instant noodles to the Japan market.

Restaurants which Offer Speedy Services Gain Popularity Among Busy Consumers

Due to demographic and lifestyle changes, such as the increasing number of single households and families in which both parents work, and ageing population, consumers in Japan are shifting to convenient and time-saving options. As a result, restaurants that offer speedy service or prepare meals quickly are also increasingly favoured by consumers due to their ability to serve customers quickly. An example of this trend is the growing popularity of tachigui, otherwise known as standup noodle shops. Tachigui is particularly well received among office workers looking for a quick lunch. The process of tachigui involves customers choosing their food from picture menu buttons, which processes an order ticket that the customers then hand to the counter staff. A customer’s order will be served within three minutes or so, and most people can finish their meal in just a few minutes. Fast Casual Restaurants have benefitted from the demand for time-saving dining options, as they typically have smaller or simpler menus than Fine Dining and Premium Casual Restaurants which allows them to turn out dishes quickly.

Shift in Consumers’ Dietary Habits Promotes the Growth of a Greater Variety of Cuisines

While traditional Japanese diet is rich in fish and seafood, there has been a shift in consumers’ dietary habits towards meat-based dishes, driven by Westernisation of the Japanese diet and increasing consumption of ready-to-eat meals, which often include meat dishes. Within meat, pork is generally consumed more often than beef, due to its more affordable prices for daily consumption. The overall increasing acceptance of meat-based dishes is expected to promote a greater variety of cuisines and dishes beyond traditional Japanese cuisines. In particular, Chinese cuisines, which feature chicken and pork extensively, will also benefit from this trend as consumers consume more meat-based dishes.

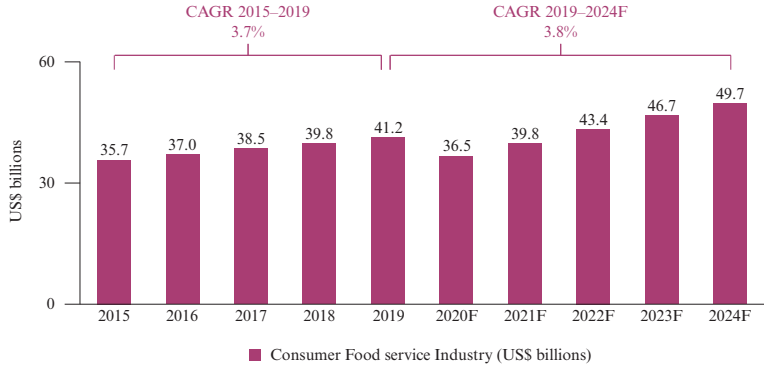
INDUSTRY OVERVIEW

5. OVERVIEW OF THE FOOD SERVICE INDUSTRY IN AUSTRALIA

Consumer Food Service Industry in Australia Records Healthy Growth

Australia has a vibrant consumer food service industry, as dining out is firmly embedded in the national culture. The industry records healthy growth from 2015 to 2019 with a CAGR of 3.7%, generating total revenue of US\$41.2 billion in 2019, driven by the domestic and tourist consumption. Consumers have been dining out more often, thanks to rising income and lifestyle factors, such as demand for convenience and the desire to experience gourmet and international cuisines. Between 2019 and 2024, the consumer food service industry is expected to maintain strong growth at a CAGR of 3.8%, reaching US\$49.7 billion of revenue in 2024. The consumer food service industry in Australia was significantly impacted by the COVID-19 and lockdown restrictions, with an estimated 16.3% decline in revenue in 2020. However, the industry appears to be on path to recover as restrictions were gradually lifted since May 2020. According to data from the Australia Bureau of Statistics, revenue from cafes, restaurants and takeaway services reached the lowest level since the pandemic began in April 2020 and has been climbing since May 2020. By January 2021, revenue from cafes, restaurants and takeaway services was only 2.8% lower than that in January 2020.

Table 20 Total Retail Revenue of Consumer Food service Industry in Australia (2015–2024F)



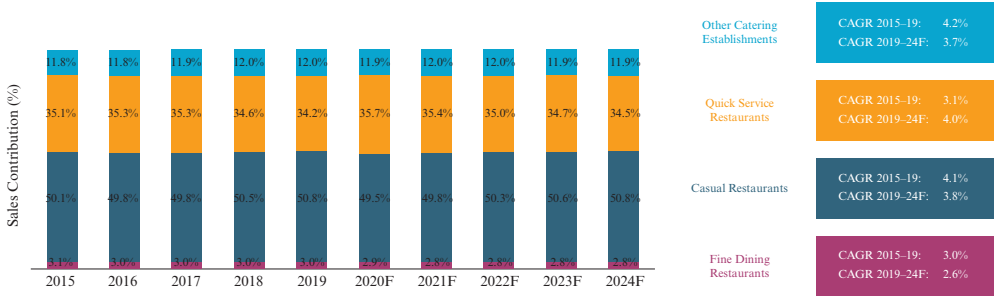
Source: Euromonitor Report

Fast Casual Restaurants Dominate the Casual Restaurants Category while Asian Cuisines Gain Popularity within Casual Restaurants

Casual Restaurants are the largest contributor to the consumer food service industry in Australia, accounting for 50.8% of total industry revenue in 2019, followed by Quick Service Restaurants, which contributed 34.2% of total industry revenue. On the other hand, Other Catering Establishments and Fine Dining Restaurants maintained a lower contribution of 12.0% and 3.0% of the total industry revenue respectively in the same period. Casual Restaurants in Australia are largely dominated by Fast Casual Restaurants, accounting for 84.4% of its revenue in 2019. Fast Casual Restaurants are favoured by Australian consumers due to their relaxed dining environment, speedy service and a decent quality of food. Within Casual Restaurants, the value share of Asian cuisines is quite small, at 8.2% in 2019.

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Table 21 Restaurant Revenue in Australia split by sub-categories (2015–2024F)



Source: Euromonitor Report

Opportunities in the Consumer Food Service Industry in Australia

Growing Chinese Migrant Population Boosts Awareness and Popularity Chinese Cuisine

Australia’s changing demographics, with immigrants from Asian countries and their descendants making up an increasing proportion of the population in recent years, has boosted awareness and popularity of Asian cuisines, with Chinese cuisine becoming one of the most popular cuisines in the country. According to data from the Australian Bureau of Statistics, the number of Chinese-born people living in Australia has nearly doubled between 2009 and 2019, reaching 677,240 people (2.7% of Australia’s total population) in 2019. Migrants from Mainland China have been the second largest group of overseas-born migrants in Australia, after migrants from England since 2017. The influx of Chinese migrants from various regions in China has resulted in more restaurants offering specific Chinese cuisines offered at restaurants. Consumers have also become more discerning with their choice of Chinese dishes, as they increasingly look for specific regional cuisine from China instead of generic “Chinese” food.

Fast Casual Restaurants Enjoy Strong Growth as they Offer a Combination of New Concepts, Quality Food and a Relaxed Dining Setting

Fast Casual Restaurants is one of the fastest growing restaurant categories in Australia, representing a CAGR of 7.1% between 2015 and 2019. This can be attributed to millennial consumers’ demand for innovative dining concepts, quality food at reasonable prices, and a more casual lifestyle. In today’s digital age, consumers are constantly exposed to the latest food trends, new dining concepts and cuisines through internet and social media. The fast changing world of Fast Casual Restaurants appeals to consumers who are always looking for new experiences. In terms of dining ambience, there has been a shift towards a more casual atmosphere such as dressing in a more casual way, sharing dishes and socialising over meals, which makes them feel relaxed and comfortable.

Increasing Focus on Healthy Eating Drives Food Trends

Healthy eating is a growing trend in Australia and it has driven a number of food trends and concepts, such as veganism, farm-to-plate and mindful eating. Consumers are also becoming more health conscious due to growing coverage of health and wellness topics in one’s daily life. The increasing focus on healthy eating has contributed to the growing popularity of Asian cuisines, as Asian cuisines are generally perceived to be healthy due to the use of a balanced mix of food groups (e.g. vegetables, fish and seafood, plant-based protein) and the use of fresh ingredients. Furthermore, climate change and its impact on Australia such as periodic extreme heatwaves and wildfires, has raised environmental awareness and encouraged consumers to switch to more sustainable food sources.

INDUSTRY OVERVIEW

SOURCES OF INFORMATION

We commissioned the Euromonitor Report from Euromonitor to conduct an analysis of, and to report on, the consumer food service industry in Hong Kong, Mainland China, Singapore, Japan and Australia. A total fee of US\$52,500 was paid to Euromonitor for the preparation of the Euromonitor Report. Established in 1972, Euromonitor is the world leader in strategy research for both consumer and industrial markets. The Euromonitor Report has been compiled after thorough and diligent research conducted by Euromonitor’s Hong Kong office. The market research process was undertaken through a top-down central research and bottom up intelligence to present a comprehensive and accurate picture of the consumer food service industry in the mentioned markets. Euromonitor’s detailed primary research involved: (i) a secondary research which involved the review of Euromonitor’s proprietary database, published sources from government and regulatory statistics and independent research reports; (ii) a primary research which involved interviews with a sample of leading industry participants and industry experts for latest data and insights on future trends and to verify and cross-check the consistency of data and research estimates; (iii) the Euromonitor Survey conducted in December 2020, to provide key findings on “Consumer preference of casual dining in Hong Kong”, (iv) projected data were obtained from historical data analysis plotted against macroeconomic data with reference to specific industry-related drivers and (v) review and cross-checks of all sources and independent analysis. Euromonitor has utilised both primary and secondary sources to validate all data and information collected.