



**EXPLANATORY MEMORANDUM ON THE DECISION OF
THE INFO-COMMUNICATIONS MEDIA DEVELOPMENT AUTHORITY
IN RELATION TO THE PROPOSED CONSOLIDATION BETWEEN DUNCAN
HOLDCO III LLC AND SOFTBANK GROUP CORP. AND XENITH IG SINGAPORE
PTE. LTD.**

14 MAY 2026

SECTION I:	INTRODUCTION
SECTION II:	CONSOLIDATION APPLICATION
SECTION III:	ASSESSMENT APPROACH
SECTION IV:	ASSESSMENT
SECTION V:	DECISION

SECTION I: INTRODUCTION

1. Duncan Holdco III LLC (“**Duncan**”) and SoftBank Group Corp. (“**SoftBank**”), and Xenith IG Singapore Pte. Ltd. (“**Xenith IG**”) informed that SoftBank, DigitalBridge Group, Inc. (“**DigitalBridge**”), DigitalBridge Operating Company, LLC (“**DBOC**”), Duncan Holdco LLC and Duncan Holdco LLC’s wholly owned subsidiaries, Duncan Sub I Inc. and Duncan Sub II LLC, had entered into a definitive agreement for proposed acquisition of 100% voting power in DigitalBridge (Xenith IG’s parent company) by Duncan (wholly owned subsidiary of Duncan Holdco LLC, which in turn is a wholly owned indirect subsidiary of SoftBank) (the “**Proposed Consolidation**”).
2. Under the Telecommunications Act 1999 (the “**Act**”), Duncan, SoftBank and Xenith IG were required to seek IMDA’s approval for the Proposed Consolidation given that SoftBank would obtain effective control of Xenith IG. On 17 March 2026, Duncan, SoftBank and Xenith IG (collectively referred to as the “**Applicants**”) jointly submitted a Short Form Consolidation Application (“**Consolidation Application**”) to IMDA for approval, in accordance with Sub-section 10.3.6 of the Code of Practice for Competition in the Provision of Telecommunication and Media Services 2022 (the “**Code**”).
3. On 1 April 2026, IMDA issued a consultation paper and invited comments from the industry and public on the Consolidation Application (the “**Consultation**”). IMDA did not receive any comments at the close of the Consultation on 15 April 2026.
4. This Explanatory Memorandum covers the following matters: the Consolidation Application, the legal standards, procedures and analytical framework that IMDA used to assess the Consolidation Application, IMDA’s assessment of the Consolidation Application and IMDA’s decision.
5. Unless otherwise defined, all capitalised terms in this decision paper shall have the same meanings ascribed to them in the Act, the Code or IMDA’s Advisory Guidelines Governing Consolidation Review and Tender Offer Process, as applicable.

SECTION II: CONSOLIDATION APPLICATION

Background of the Applicants

6. Xenith IG was granted a Facilities-Based Operations (“**FBO**”) licence on 11 April 2022. It is licensed to deploy and operate dark fibre services to non-residential premises and is a designated telecommunication licensee.
7. SoftBank is a Japanese investment holding company that invests in AI infrastructure and digital infrastructure, amongst other investments, that are required to support widescale AI deployment. Duncan, a Delaware limited liability company, is a wholly owned indirect subsidiary of SoftBank established as a holding company for SoftBank’s investment in DigitalBridge, and has no independent operations of its own.

Duties of Designated Telecommunication Licensees (“DTLs”) and Acquiring Parties

8. Pursuant to Section 37(2) of the Act, read with the Telecommunications (Designated Telecommunication Licensees) Notification 2012, a DTL for the purposes of Part 5A of the Act is:
 - (a) A telecommunication licensee which is granted a licence under Section 5 of the Act to provide facilities-based operations; or
 - (b) A telecommunication licensee which is granted a licence under Section 5 of the Act to provide services-based operations and is declared by IMDA to be a DTL.
9. Under Part 5A of the Act, DTLs and parties acquiring voting shares or voting power in DTLs (the “**Acquiring Party**”) are required to comply with various provisions relating to such acquisitions under the Act and Section 10 of the Code. Specifically, pursuant to Sub-section 10.3.6 of the Code, the DTL and every Acquiring Party must seek IMDA’s approval in connection with any transaction that results in a Consolidation. Under the Code, a Consolidation would occur if any transaction would result in, *inter alia*, the Acquiring Party becoming a 30% Controller of a DTL, acquiring the business of a DTL as a going concern, or obtaining Effective Control over the DTL.
10. According to Section 10.4.6.4(b) of the Code, a Short Form Consolidation Application may be submitted where the DTLs, Acquiring Parties and/or the Post-Consolidation Entity will not have:
 - (a) A market share of 30% or more of any telecommunication market in Singapore; or
 - (b) A market share of between 20% and 30% of any telecommunication market in Singapore, and the Post-Consolidation combined market share of the three largest DTLs or a combination thereof, is 70% or more of any telecommunication market in Singapore.

The Consolidation Application

11. On 17 March 2026, the Applicants submitted a Short Form Consolidation Application as the Proposed Consolidation will not result in the Post-Consolidation Entity having a market share of more than 30% in any telecommunication market in Singapore. Based on the Consolidation Application, both Duncan and SoftBank currently do not participate in any of the telecommunication services in Singapore or outside of Singapore. SoftBank has four affiliates that are licensed as Services-Based Operator (Individual) (“**SBO(I)**”) licensees and provide telecommunication services in Singapore i.e., BBIX Singapore Pte. Ltd. (“**BBIX**”) provides internet exchange services, Cubic Telecom Singapore Pte. Ltd. (“**Cubic**”) operates a connectivity platform for devices and vehicles, SB Telecom Singapore Pte. Ltd. (“**SB Telecom**”) provides network connectivity and resale of fixed-line services, and SoftBank Robotics Singapore Pte. Ltd. (“**SoftBank Robotics**”) provides commercial autonomous cleaning robots. The Applicants submitted that Xenith IG mainly operates dark fibre infrastructure and provides connectivity

services between data centres and selected building locations in Singapore, and there is no overlap between the telecommunication services that Xenith IG provides, and those provided by BBIX, Cubic, SB Telecom and SoftBank Robotics. Hence, the Proposed Consolidation will not alter the market share of the Post-Consolidation Entity in any telecommunication market in Singapore.

12. The Applicants also submitted that they do not foresee any significant impact to competition in any telecommunication market in Singapore following the completion of the Proposed Consolidation for the following reasons:
 - (a) Currently, Xenith IG only provides dark fibre services and has a market share of approximately 10% to 20% of the non-residential terrestrial dark fibre services in Singapore;
 - (b) There are a significant number of market competitors in the telecommunication markets in which Xenith IG participates in, and some competitors have significantly larger shares of the markets than Xenith IG;
 - (c) SoftBank's affiliates (i.e., BBIX, Cubic, SB Telecom and SoftBank Robotics) do not provide the same telecommunication services as Xenith IG and are SBO(I) licensees that do not own or operate any telecommunications network infrastructure unlike Xenith IG, which is a FBO licensee that owns and operates dark fibre infrastructure; and
 - (d) The Proposed Consolidation will not result in a reduction of the number of competitors or lessen the competition of the telecommunication markets in Singapore.
13. Furthermore, the Applicants submitted that the Proposed Consolidation would result in Xenith IG having access to greater resources and expertise in digital infrastructure as part of a larger global platform, and this is expected to benefit the telecommunications industry in Singapore.
14. The Applicants also submitted that they do not foresee any disruption to the provision of telecommunication services to Xenith IG's existing customers as a result of the Proposed Consolidation.

SECTION III: ASSESSMENT APPROACH

15. Pursuant to Section 10.7.1 of the Code, IMDA will not approve a Consolidation Application where it determines that the transaction is likely to substantially lessen competition in any telecommunication market in Singapore or it is in the public interest to deny the Consolidation Application. IMDA will find that a Consolidation substantially lessens competition where the Consolidation would likely: (a) result in a significant reduction in existing competition in any Singapore telecommunication market; or (b) significantly impede the development of future competition in any Singapore telecommunication market.

16. IMDA may also approve the Consolidation Application with conditions designed to reduce any anti-competitive harm or effect, or public interest concern. The Applicants may propose possible conditions for IMDA's consideration that could reduce any potential adverse competitive impact of the Consolidation or public interest concern arising from the Consolidation.
17. Consolidations can generally be considered as "Horizontal Consolidations" or "Non-Horizontal Consolidations". A Horizontal Consolidation refers to a consolidation involving two or more entities that are current competing providers of the same services or services that are reasonable substitutes. A Non-Horizontal Consolidation refers to a consolidation involving two or more entities that are not current competitors. Where a consolidation has both Horizontal and Non-Horizontal aspects, IMDA will assess each aspect of the consolidation under the appropriate standard.
18. IMDA recognises that Horizontal Consolidations may give rise to competition concerns by eliminating direct competitors. This may result in the creation of a market participant with Significant Market Power ("**SMP**") which has the ability to unilaterally restrict output, raise prices, reduce quality or otherwise act, to a significant extent, independently of competitive market forces. Such consolidations may also result in a concentrated market in which the remaining participants are more easily able to undertake concerted anti-competitive actions, such as price-fixing. However, Horizontal Consolidations that result in the Post-Consolidation Entity having a market share of 30% or less in any Singapore telecommunication market are generally less likely to raise competitive concerns.
19. In contrast, Non-Horizontal Consolidations are generally less likely to raise competitive concerns and often facilitate competition by creating a more efficient market participant. However, Non-Horizontal Consolidations can have adverse competitive effects where at least one of the entities has SMP or participates in a concentrated market with few other competitors. The risk is that the Non-Horizontal Consolidation may eliminate a potential competitor or limit the ability of non-affiliated competitors to access an "upstream" input or a "downstream" facility necessary to deliver services to End-Users.
20. IMDA will also consider whether the Consolidation will result in significant efficiencies that could not have been achieved without the Consolidation and which would likely be passed to consumers. In addition, IMDA will also take into account any other public interest considerations.

SECTION IV: ASSESSMENT

A. Assessment of Whether the Proposed Consolidation is Horizontal or Non-Horizontal

21. Under the Proposed Consolidation, Duncan and SoftBank will indirectly acquire between 30% to 50% of the voting power in Xenith IG through the acquisition of all the issued and outstanding equity interests of DigitalBridge, the parent of Xenith IG.

22. IMDA notes that Duncan, SoftBank and their parents do not currently participate in any telecommunication market in Singapore. While SoftBank’s affiliates (i.e., BBIX, Cubic, SB Telecom and SoftBank Robotics) operate telecommunication services in Singapore, they do not provide the same telecommunication services as Xenith IG. Hence, IMDA considers that the Proposed Consolidation will result in a Non-Horizontal Consolidation.

B. Competition Assessment

23. IMDA notes that Duncan and SoftBank do not exercise control over any portfolio companies that engage in the same telecommunication services as Xenith IG. While SoftBank’s affiliates operate in the downstream telecommunication markets to the dark fibre services market that Xenith IG operates in Singapore, IMDA notes that there are a number of service providers deploying dark fibre to non-residential premises and providing dark fibre lease services, and it is unlikely that the Proposed Consolidation will limit the ability of non-affiliates to access upstream dark fibre services required to deliver telecommunication services to End-Users. Hence, IMDA is satisfied that there is little risk of the Proposed Consolidation substantially lessening competition in the telecommunication markets in Singapore.
24. Notwithstanding the above, IMDA conducted an assessment on the likely competitive effect of the Proposed Consolidation on the service segment that Xenith IG participates in.

Dark Fibre Services

Market Definition

25. Dark fibre service refers to the provision of “Layer 1” passive fibre infrastructure to telecommunications licensees and enterprises required for connectivity services. IMDA considers dark fibre services as wholesale in nature¹ as they are passive facilities generally used as input for downstream services i.e., must be “lit” by service providers in the Operating Company (“OpCo”) layer using their own active equipment before any retail services such as consumer Internet broadband and enterprise data connectivity can be delivered to end-user customers. IMDA previously defined the geographic market for dark fibre services to be national as customers must acquire from a service provider within Singapore². IMDA had also previously defined two markets for dark fibre services:
- (a) Wholesale “Layer 1” Residential Dark Fibre Services Market; and
 - (b) Wholesale “Layer 1” Non-Residential Dark Fibre Services Market.

¹ Refer to the Explanatory Memorandum on the “Decision of the Info-communications Development Authority in relation to the Proposed Consolidation between Seraya AQX Pte Ltd and SPTel Pte Ltd” dated 16 October 2025.

² Refer to the Explanatory Memorandum on the “Decision of the Info-communications Development Authority of Singapore in relation to the Long Form Consolidation Application submitted by OpenNet Pte Ltd, the Netlink Trust, CityNet Infrastructure Management Pte Ltd and Singapore Telecommunications Ltd” dated 28 August 2013.

26. The Applicants submitted that Xenith IG provides dark fibre services to non-residential, enterprise customers such as major global hyperscalers, cloud service providers, and global carriers and telecommunications service providers.
27. The wholesale “Layer 1” residential dark fibre services market is excluded from IMDA’s competitive assessment as Xenith IG only provides dark fibre services to the non-residential market. For the purposes of this assessment, IMDA will adopt the market definition for wholesale “Layer 1” non-residential dark fibre services market as set out in paragraph 25 above as they remain relevant.

Competitive Assessment

28. Given that Duncan, SoftBank and SoftBank’s affiliates (i.e., BBIX, Cubic, SB Telecom and SoftBank Robotics) do not operate in the dark fibre services market, the Proposed Consolidation would not alter Xenith IG’s position or market share in the wholesale “Layer 1” non-residential dark fibre services market. Therefore, IMDA is satisfied there is little risk that the Proposed Consolidation would substantially lessen competition in the wholesale “Layer 1” non-residential dark fibre services market.
29. While Xenith IG has an estimated market share of 10% to 20% (based on the number of subscriptions for dark fibre services) of the non-residential dark fibre services market in Singapore, there are a number of service providers including NetLink NBN Management Pte Ltd (“NLT”), SingTel Ltd, StarHub Limited and BlueTel Networks Pte Ltd that also deploy and operate dark fibre infrastructure to non-residential areas. NLT is also the licensed dark fibre network company of the Nationwide Broadband Network and is required to offer wholesale “Layer 1” dark fibre services on regulated terms to both residential and non-residential areas. Therefore, the Proposed Consolidation is unlikely to result in a substantial lessening of competition in the wholesale “Layer 1” non-residential dark fibre services market as Xenith IG is unlikely to be able to unilaterally restrict output, raise prices, or reduce quality as customers can switch to alternative service providers providing dark fibre services.

C. Public Interest Assessment

30. IMDA has not identified any public interest concerns arising from the Proposed Consolidation.

Assessment on Other Key Points from the Applicants

31. Overall, IMDA notes that the Proposed Consolidation will not risk foreclosure of access to any telecommunication services in Singapore as there are multiple alternative providers in the wholesale “Layer 1” non-residential dark fibre services market that Xenith IG participates in. Thus, IMDA determines that the Applicants will not have SMP after the Proposed Consolidation. The Post-Consolidation Entity is unlikely to have the ability to unilaterally restrict output, raise prices, reduce quality or otherwise act independently of its competitors.

32. The Applicants have confirmed that the Proposed Consolidation will not affect, nor result in any changes to, existing contracts with enterprise customers. The Applicants do not foresee any service disruption arising from the Proposed Consolidation. They further shared that Xenith IG is fully committed to honouring all existing contractual obligations and will proactively engage key customers to inform them about the Proposed Consolidation and provide reassurances that services will remain business-as-usual.
33. The Applicants have indicated that neither Duncan nor SoftBank are directly involved in providing telecommunication services in Singapore. While SoftBank indirectly controls BBIX, Cubic, SB Telecom, and SoftBank Robotics, these companies' operations do not overlap with Xenith IG's operations and hence are distinct and separate from the local market dynamics. Given these factors, it is unlikely that any overseas market power could be leveraged in the Singapore telecommunications market due to the Proposed Consolidation.

SECTION V: DECISION

34. Taking into consideration the Applicants' submissions and further clarifications, IMDA has concluded its review of the Consolidation Application and has assessed as above, that the Proposed Consolidation is not likely to result in a substantial lessening of competition in any of the telecommunication markets in Singapore. IMDA is also of the view that there are no public interest concerns arising from the Proposed Consolidation. IMDA therefore approves the Consolidation Application.