EXPLANATORY MEMORANDUM ON THE DECISION OF

THE INFO-COMMUNICATIONS MEDIA DEVELOPMENT AUTHORITY

IN RELATION TO THE PROPOSED CONSOLIDATION BETWEEN

MERIDIAN NETWORKS PTE LTD AND SUPER SISTEM CRUZ PTE LTD

17 JULY 2026

SECTION I: INTRODUCTION

1. On 19 May 2026, Meridian Networks Pte Ltd ("**MNPL**") and Super Sistem Cruz Pte Ltd ("**SSZ**") (together with its relevant parent entities identified in paragraph 6 below) (collectively referred to as the "**Applicants**") jointly submitted a Short Form Consolidation Application ("**Consolidation Application**") to IMDA to seek approval for the proposed 50% acquisition of SSZ by MNPL (the "**Proposed Consolidation**"). This is 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**").

2. On 5 June 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 22 June 2026.

3. 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.

4. 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

5. SSZ was granted a Facilities-Based Operations ("**FBO**") licence on 25 April 2024. It is licensed to provide, amongst others, terrestrial International Private Leased Circuit ("**IPLC**") Services and Sale of Indefeasible Rights of Use ("**IRU**") of Submarine Cable Capacities in Singapore, and is a designated telecommunication licensee ("**DTL**"). SSZ also owns and operates fibre pairs in the SEAX-1 submarine cable system landing in Singapore. SSZ's services are provided on a wholesale, arm's length basis to regional carriers and enterprise customers.

6. MNPL is a newly incorporated investment holding company in Singapore and is owned by Indonesian investment holding companies engaged in the vessel shipping industry, namely, PT Damai Pelita Perkasa (45%) ("**DPP**") and PT Perintis Mandiri Utama (40%) ("**PMU**")[1]. DPP is owned by Mr Pieters Adyana Utomo (40%), Ms Stephanie Anindya Utomo (30%) and Mr Rezeki Adyana Utomo (30%). PMU is owned by Mr Barli Hasan (50%) and Ms Paula Marlina (50%).

[1] The remaining shareholder of MNPL is PT Darma Pertiwi Raya (15%). PT Darma Pertiwi Raya is not considered an Acquiring Party to the Consolidation.

7. MNPL and its relevant parent entities identified in paragraph 6 do not provide any telecommunication service or hold any telecommunication licence in Singapore or in any other jurisdiction.

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 19 May 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. The Applicants submitted that the Proposed Consolidation is an acquisition of a 50% controlling stake in SSZ by a non-telecommunication entity, where MNPL acquires a 50% shareholding in Super Sistem Capital Investment Pte Ltd ("**SSCI**"), the 100% direct holding company of SSZ.

12. The Applicants submitted that the Proposed Consolidation will not raise any significant competition issues in Singapore and will not substantially lessen competition in any telecommunication market in Singapore. MNPL states that it is a newly incorporated Singapore company and has no subsidiaries and does not hold any FBO or SBO licence in Singapore. MNPL and any of the other Acquiring Parties do not participate in any telecommunication market in Singapore and has no existing market share in any telecommunication services in other parts of the world. The Proposed Consolidation therefore does not reduce the number of telecommunication competitors in Singapore, especially in the submarine cable capacity market where SSZ is focused in. There is also no overlap between SSZ's telecommunication activities and the activities of MNPL or any of its affiliates in Singapore. None of MNPL's affiliates engage in (a) the same telecommunication activities as SSZ; or (b) any activities in any upstream or downstream markets in which SSZ operates.

13. The Applicants have further submitted that the Proposed Consolidation will serve the public interest in Singapore as it will strengthen Singapore's submarine cable hub position by combining Super Sistem Group's cable landing and MNPL's affiliated cable ship vessel operations to provide integrated, end-to-end submarine cable services from a Singapore base.

14. The Applicants also submitted that the Proposed Consolidation will not result in any disruption to SSZ's existing service provisioning, and does not involve any transfer of SSZ's business, assets, licence or operations. SSZ will continue to hold its FBO Licence and provide the same services on the same quality of service and commercial terms post transaction, while existing directors will remain on the board to ensure operational and regulatory continuity. The proposed consolidation will also not involve any exclusivity arrangement, preferential access rights, or restrictions that would disadvantage other market participants.

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 there is public interest concern. 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 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 efficiency gains 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. IMDA considers that the Proposed Consolidation will result in a Non-Horizontal Consolidation. MNPL and its parents do not currently participate in any telecommunication market in Singapore or in other jurisdictions, and none of MNPL's affiliates engage in the same telecommunication activities as SSZ or are in any activities in any upstream or downstream markets in which SSZ operates.

B. Competition and Public Interest Assessment

Competition Assessment

22. IMDA has assessed that the Proposed Consolidation is unlikely to result in a substantial lessening of competition in any telecommunication market in Singapore. This is in light of the following considerations:

    (a) This is a Non-Horizontal Consolidation which will not result in any change in the market structure of any telecommunication market in Singapore;

    (b) Based on the data available, IMDA estimates that the Post-Consolidation Entity will have less than 5% share in any of the telecommunication market that it will be operating in. There are also no changes to SSZ's market share. There is no proposed discontinuation of SSZ's existing services arising from the consolidation, and the consolidation does not involve any transfer of SSZ's business, assets, licence or operations;

    (c) The telecommunication markets that SSZ participates in, namely the international submarine cable capacity and terrestrial IPLC, remain competitive, with many local and international providers. In light of the competitive landscape, IMDA has assessed that it is unlikely for the Post-Consolidation Entity to unilaterally restrict output, raise prices or reduce quality as enterprises can switch to other providers; and

    (d) IMDA also notes that MNPL is a newly incorporated holding company with limited presence in Singapore, and none of the Applicants or their affiliates are involved in the telecommunication market in Singapore or in other jurisdiction. While DPP and PMU hold indirect minority interests in, and are affiliated with, Indonesian-based companies whose core operations involve submarine cable installation or repair, DPP's and PMU's core businesses do not include the provision or management of submarine cable installation or repair. Hence, it is unlikely that the Post-Consolidation Entity can leverage on market power that it may possess in other jurisdiction (if any), to adversely impact any telecommunication market in Singapore.

Public Interest Assessment

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

SECTION V: DECISION

24. IMDA has concluded its review of the Consolidation Application. Taking into consideration the Applicants' submissions and further clarifications, and IMDA's assessment above, IMDA has assessed that the Proposed Consolidation is not likely to result in a substantial lessening of competition in any of the telecommunication market

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.