



## MEDIA RELEASE

27 January 2023

### CCCS clears Proposed Acquisition by SATS International SAS of Promontoria Holding 243 B.V.

1. The Competition and Consumer Commission of Singapore (“**CCCS**”) has cleared the proposed acquisition by SATS International SAS, a wholly-owned subsidiary of SATS Ltd. (“**SATS**”), of Promontoria Holding 243 B.V., a holding company which indirectly owns 100 per cent. of the shares in WFS Global Holdings S.A.S. (“**WFS**”) (the “**Proposed Transaction**”).
2. Following its assessment, CCCS has concluded that the Proposed Transaction, if carried into effect, will not infringe section 54 of the Competition Act 2004 (the “**Act**”), which prohibits mergers which have resulted, or may be expected to result, in a substantial lessening of competition (“**SLC**”) within any market in Singapore.

#### Background

3. CCCS accepted an application on 2 November 2022 for a decision on whether the Proposed Transaction would infringe section 54 of the Act.

#### The Parties

##### SATS

4. SATS is a Singapore-based company listed on the Singapore Exchange. SATS operates at both Singapore Changi Airport (“**Changi Airport**”) and Seletar Airport:
  - a) SATS has a concession from Changi Airport Group (“**CAG**”) to provide ground handling services and cargo handling services at Changi Airport, as well as a separate concession to provide ground handling services for scheduled flights at Seletar Airport.
  - b) In relation to the provision of premium passenger services, SATS provides:
    - i. the full suite of premium bespoke passenger services (*i.e.*, including personalised and private reception, dedicated airport security clearance

and exclusive lounge facilities) for private jet passengers at the Seletar Business Aviation Centre at Seletar Airport; and

- ii. premium lounge services for commercial airline passengers at Changi Airport.

## WFS

5. WFS is based in Paris, France. WFS operates primarily in the provision of cargo handling services, and provides ground handling services, passenger and premium lounge services, as well as other freight related services. In Singapore, WFS operates under the brand name “JetQuay” and manages the JetQuay CIP<sup>1</sup> Terminal, a separate private terminal at Changi Airport which provides the full suite of premium bespoke passenger services (*i.e.*, including personalised and private reception, dedicated airport security clearance and exclusive lounge facilities) for both commercial airlines passengers and private jet passengers. WFS does not provide any ground handling services or cargo handling services in Singapore (whether at Changi Airport or Seletar Airport). WFS also does not provide any services at Seletar Airport.
6. WFS, through JetQuay, engages SATS to provide security services, check-in services and baggage handling services as WFS does not have the requisite concession granted by CAG to provide ground handling services at Changi Airport.

## **CCCS’s Assessment**

7. After consulting stakeholders and evaluating all relevant information, CCCS has concluded that the Proposed Transaction, if carried into effect, will not lead to a SLC in Singapore.
8. In particular, CCCS found that:
  - a) The Parties, *i.e.* SATS and WFS, do not compete in the provision of any products and services in Singapore, and potential competition between the Parties in the provision of any products and services is limited. While the Parties provide premium bespoke passenger services in Singapore, they do so at different airports to serve different passenger groups and there will likely be sufficient potential bidders for the concessions to operate premium bespoke passenger services in Singapore after the Proposed Transaction.
  - b) Competition concerns are unlikely to arise from the vertical links between the Parties, where SATS provides ground handling services and other peripheral services to WFS at the JetQuay CIP Terminal. In particular, a refusal by the Parties to procure ground handling services from competitors of SATS, or

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<sup>1</sup> CIP refers to Commercially Important Persons.

refusal by the Parties to provide ground handling services to competitors of WFS is unlikely to foreclose competitors, as such strategies would either not have a material impact on competitors, not be viable, or not be in the Parties' business interests to carry out.

- c) Competition concerns are unlikely to arise from the combination of the Parties' portfolios for the supply of ground handling services, cargo handling services, premium lounge services and premium bespoke passenger services. In particular, competitors in the provision of ground handling services, cargo handling services, premium lounge services and premium bespoke passenger services are unlikely to be foreclosed due to the following reasons:
- i. Existing and potential competitors of ground handling services and cargo handling services possess comparable portfolios and are able to retain and compete for customers.
  - ii. The barriers to entry to provide ground handling services and cargo handling services in Singapore would not be materially impacted.
  - iii. The Parties are unlikely to tie or bundle premium bespoke passenger services with ground handling services or cargo handling services given the distinct target customer groups across these services.
  - iv. Customers are also able to refuse and reject any form of tying or bundling, procuring services based on their own requirements instead.

9. Further information on the notification and CCCS's Grounds of Decision will be made available in due course on [CCCS's Public Register](#) at [www.cccs.gov.sg](http://www.cccs.gov.sg).

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## **About the Competition & Consumer Commission of Singapore**

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

For more information, please visit [www.cccs.gov.sg](http://www.cccs.gov.sg).

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