



Decision

Proposed acquisition of Kelion Midco Limited (Manx Telecom) by CVC DIF & JT (C-084)

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Jersey Competition Regulatory Authority
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1. Summary

1.1 Dunlop Bidco Limited (the **Purchaser**) proposes to acquire the entire issued share capital of Kelion Midco Limited, which ultimately controls Manx Telecom (Manx Telecom Trading Limited – the **Target**), from Kelion Holdco Limited, which is ultimately owned by Basalt Infrastructure Partners II (the **Seller**) (the **Proposed Transaction**). The Purchaser is a newly formed non-trading joint venture owned by CVC DIF (DIF Infra 8 Participations 3 B.V.) and JT (JT (NewCo) Limited).

1.2 The Proposed Transaction has been notified to the Jersey Competition Regulatory Authority (the **JCRA**) for approval pursuant to Article 21 of the Competition (Jersey) Law 2005 (the **Law**). The JCRA has determined the Proposed Transaction will not lead to a substantial lessening of competition in any relevant market in Jersey and hereby approves the Proposed Transaction.

2. The Application

2.1 The application in respect of the Proposed Transaction, submitted on a joint basis by the Purchaser and the Seller, has been progressed in accordance with the JCRA's published guidelines on mergers and acquisitions.¹

2.2 On 14 November 2025, notice of the application was published on the JCRA website² and in the Jersey Gazette.³ The notice of application initiated a 10-day public consultation which closed on 27 November 2025. No responses to the consultation were received.

2.3 The Proposed Transaction was also notified to the following competition authorities: the Guernsey Competition and Regulatory Authority (GCRA) and the Cyprus Commission for the Protection of Competition.

3. The Parties

The Purchaser

3.1 The Purchaser is a private limited company incorporated in Isle of Man (Registration Number 022901V) and is wholly owned by CVC DIF which holds [REDACTED] of the issued share capital and JT (NewCo) Limited, which holds the remaining [REDACTED]. Joint control of the Purchaser is exercised by CVC DIF and JT through a shareholders' agreement to be entered into in connection with the Proposed Transaction.

¹ [Guideline 8 - Mergers and Acquisitions | JCRA](#)

² [C-084 - CVC DIF and JT, Kelion Midco Limited \(Manx Telecom\) - Notice of Application | JCRA](#)

³ [CVC DIF and JT, Kelion Midco Limited \(Manx Telecom\): notice of application](#)

CVC DIF

3.2 CVC DIF (DIF Infra 8 Participations 3 B.V.) is an infrastructure fund manager founded in 2005.

It is registered in the Netherlands, with registration number 96495545. CVC DIF focuses on assets that deliver long-term, stable cash flows, including public private partnerships, renewable energy platforms and projects, regulated assets and other infrastructure platforms and assets in the digital infrastructure, transportation and energy sectors in Europe, the Americas and Australia.

3.3 The parent company of CVC DIF is CVC Capital Partners, registered in Jersey with registration number 140080.

3.4 [REDACTED]

JT

3.5 JT (NewCo) Limited is registered in Jersey, with registration number 160942. Its parent is JT Group Limited, registered in Jersey, with registration number 84230. The JT Group is wholly owned by the States of Jersey.

3.6 JT is the incumbent telecoms operator on Jersey, offering fixed voice, broadband, mobile and leased line services. It operates under a Class III Licence issued by the JCRA⁴ and is subject to economic regulation (including price controls and wholesale access requirements) in markets where it has been found to have significant market power (**SMP**). This includes the defined wholesale fixed broadband market, wholesale fixed voice market and wholesale leased line market.⁵

3.7 JT also operates an international business, offering specialised services such as SIM swap prevention, mobile number portability, enterprise messaging and sponsored roaming.

3.8 In the 2024 financial year JT's turnover in Jersey was circa [REDACTED].

The Target

3.9 The Target, Kelion Midco Limited is a non-trading holding company incorporated in the Isle of Man with registration number 021633V. It ultimately owns Manx Telecom Trading Limited (**Manx Telecom**), a company incorporated in the Isle of Man with registration number 005629V.

Manx Telecom

⁴ [JT Licence](#)

⁵ [Telecoms Market Review – Final Decision](#)

3.10 Manx Telecom is a telecommunications provider and mobile network operator, providing a range of products and services, including fixed broadband and internet connectivity, mobile connectivity, including e-sim and internet of things and data hosting/IT managed services, data storage and third-party solutions. The focus of its operations is the Isle of Man.

3.11 [REDACTED].

The Seller

3.12 The Seller is Kelion Holdco Limited, registered in the Isle of Man with registered number 016894V. The Seller is controlled by funds comprising Basalt Infrastructure Partners II, a registered collective investment scheme, registered in Guernsey, and regulated by the Guernsey Financial Services Commission, with reference 2269554. Certain investors in Basalt Infrastructure Partners II are also direct co-investors in the Seller, with such co-investment comprising [REDACTED] of the Seller's issued share capital.

Reasons for the Proposed Transaction

3.13 The parties are of the view that the partnership between CVC DIF, an experienced digital infrastructure investor, and JT, a long-term operator and incumbent within the Crown Dependency Islands, has the potential to deliver significant benefits to both the Target and the wider Crown Dependencies. Collectively, CVC DIF and JT believe that Manx Telecom aligns with their respective investment criteria, and that they are well positioned to provide the requisite support and expertise to enable Manx Telecom to realise its anticipated growth ambitions.⁶ Further, JT's shareholder, the States of Jersey, has affirmed that this initiative aligns with its strategic objectives and provides JT with a platform to expand its reach through a broader international network.

3.14 For the Seller, Basalt Infrastructure Partners II acquired Manx Telecom as part of their infrastructure investment strategy. [REDACTED] These efforts culminated in the preparation and execution of an exit strategy resulting in the Proposed Transaction.

4 Requirement for JCRA approval

4.1 Under Article 2(1)(b) of the Law, a merger or acquisition (referred to in this paper as a 'merger') occurs where a person who controls an undertaking acquires direct or indirect control of the whole or part of another undertaking. On completion of the Proposed

⁶ [JT Group and CVC DIF form Strategic Partnership to acquire Manx Telecom Group - Creating Largest Crown Dependencies Telecom Provider - JT Global](#)

Transaction, the Target will be owned and controlled by the Purchaser. Therefore, the Proposed Transaction constitutes a merger as defined by the Law.

4.2 According to Article 20(1) of the Law, a person must not execute certain mergers or acquisitions except and in accordance with the approval of the JCRA. Article 4 of the Mergers and Acquisitions (Jersey) Order 2010⁷ (the **Order**) states that a merger is notifiable if one or more of the parties to a merger has an existing share of 40% or more of the supply or purchase of goods or services of any description supplied to or purchased from persons in Jersey and neither of the exemptions⁸ apply.

4.3 JT, which will exercise joint control over the Purchaser alongside CVC DIF, currently holds over 40% of the market share for various telecommunications services in Jersey, and in these services, the Target has an existing, de minimis, share of supply. On this basis, the parties consider the Proposed Transaction is notifiable pursuant to Article 4 of the Competition (Mergers and Acquisitions) (Jersey) Order 2010 and none of the exceptions apply.

5 Market definition

Approach

5.1 Under Article 22(4) of the Law, the JCRA must determine if a merger would substantially lessen competition in Jersey or in any part of Jersey. As an initial step, the JCRA will identify the markets which are likely to be affected by a merger since market definition provides a framework within which the competitive effects of a merger can be assessed.

5.2 When defining a market, the JCRA may take note of its own previous decision-making practice and/or market definitions applied by other competition authorities. These previous decisions are not precedents and are not binding, either on the merging parties or on the JCRA. Competition conditions may change over time, changing the market definition, and market definition will always depend on the prevailing facts⁹.

⁷ [Competition \(Mergers and Acquisitions\) \(Jersey\) Order 2010](#)

⁸ Set out at Article 4(a) and 4(b) of the Order.

⁹ This approach is consistent with that taken under EU law – see, for example, Joined Cases T-125/97 and T-127/97 [2000] ECR II-01733, paragraphs 81-82. Article 60 of the Law requires the JCRA to attempt to ensure that as far as possible questions arising in relation to competition are dealt with in a manner that is consistent with the treatment of corresponding questions arising under European Union law in relation to competition within the European Union.

Views of the parties

5.3 The Parties consider that the relevant economic market comprises the provision of retail services in respect of the following categories where there is a de minimis overlap:

- Broadband;
- Fixed line;
- Mobile; and
- Leased lines.

5.4 The Parties submit that, given the localised nature of the services in question, the relevant geographic market for the purposes of assessing the Proposed Transaction is Jersey.

5.5 The Parties note that JT is the incumbent telecommunications provider in Jersey and currently supplies fixed line and broadband services within the local market. JT has been designated as having SMP in the wholesale fixed line, broadband and leased line markets and is therefore subject to regulatory obligations to offer wholesale access services. These obligations and associated price controls facilitate market entry by enabling operators without their own infrastructure to compete in the retail segment. JT also operates as a Mobile Network Operator in Jersey, providing retail mobile services to the end-users.

5.6 [REDACTED].

5.7 Notwithstanding the above, the Parties consider that a detailed market definition is not required in this instance, given that the Proposed Transaction results in only a marginal incremental increase in market shares as Manx Telecom's presence in Jersey is minimal, with negligible turnover. Accordingly, the Parties submit that there is no plausible basis on which the Proposed Transaction could give rise to competition concerns in Jersey under any market definition.

JCRA consideration

5.8 The relevant product market is defined primarily by reference to the likely response of consumers and competitors.¹⁰ It will comprise products and/or services which are regarded as interchangeable or substitutable by the consumer, by reason of the product's characteristics, prices and intended use. An undertaking cannot have a significant impact on the prevailing conditions of a market if customers can easily switch to other service providers.

¹⁰ [JCRA Guideline 7 - Market Definition](#)

5.9 The JCRA has previously considered transactions in the telecommunications sector. Notably, in Case C-042 Sure, Airtel¹¹, the JCRA focused its analysis on the retail mobile market, the area where the two parties had the most material overlap. Further, it was noted that this approach was consistent with the market definition used in the EC in recent telecoms mergers. With respect to the geographic definition, the JCRA set out a view that the relevant market should be defined as national in scope.

5.10 On the basis of the parties' rationale for notification, set out above, the JCRA considers the more likely relevant economic market to be the provision of retail telecommunications services, across broadband, fixed line, mobile and leased lines in Jersey. However, the JCRA agrees the precise market definition can be left open. This is because, as outlined below, the Proposed Transaction would not result in a substantial lessening of competition in Jersey on any reasonable basis.

6 Effect on Competition

Approach

6.1 After defining the relevant market, the JCRA considers the respective market shares of the competitors in that market, both before and after the proposed transaction. These shares can be used as an indication of the overall level of market concentration which will be brought about as a result of the merger. The analysis will consider whether the merger creates or enhances the ability or incentive to exercise market power, and whether other market forces (such as the entry of new competitors or countervailing power of customers) will eliminate this risk. The assessment will also consider any pro-competitive effects or efficiencies that may result from the merger.

6.2 For conglomerate mergers, the JCRA's focus will be on assessing whether the merged entity would have the ability or incentive to foreclose the market to competitors, either by denying access to important inputs upstream, or by denying access to 'routes to market' downstream. Another concern with conglomerate mergers is the ability to condition sales in a way that links products in separate markets together (through tying or bundling).

6.3 For horizontal mergers, these may impede effective competition in a market by removing competitive constraints on one or more firms, which consequently would have increased market power without resorting to coordinated behaviour (non-coordinated effects). This is

¹¹ [C-042 Sure, Airtel | JCRA](#)

more likely in circumstances where, for example, the merging firms have large market shares or consumers' ability to switch supplier is limited.

6.4 When assessing mergers, the JCRA will have regard to the guidelines produced by the European Commission. It may also consider the substantive merger guidelines applied by the CMA, as well as those of other competition authorities.

Views of the parties

6.5 The Parties submit that the Proposed Transaction will not result in a substantial lessening of competition in Jersey, nor any lessening at all, on the basis that the nature and scope of services provided in Jersey will remain unchanged.

6.6 The Parties demonstrate the de minimis nature of Manx Telecoms operations by estimating the incremental increase in JT's share of supply across the markets where there is overlap. Leased lines are identified as having the largest potential impact, with an incremental increase of less than 0.5% and mobile the smallest impact, at less than 0.1%.¹²

6.7 This is consistent with the operations of Manx Telecom, which does not actively compete or operate in Jersey. As noted, in Jersey, JT will remain the dominant provider. Other providers, including Sure, Homenet/Newtel, will continue to provide effective competition, supported by ongoing regulatory oversight by the JCRA.

6.8 Further, the Parties note that the merger may offer enhanced service options for tri-island enterprise customers, potentially improving the quality of service offerings without raising competition concerns.

JCRA consideration

Conglomerate effects

6.9 The Proposed Transaction has been notified on the basis that JT holds a market share exceeding the 40% in the provision of telecommunications services in Jersey. The JCRA has assessed the potential for the Proposed Transaction to give rise to conglomerate effects.

6.10 The JCRA notes that JT is subject to economic regulation and operates under its JCRA issued licence. As JT has been designated as having SMP in the wholesale fixed line, broadband and leased line markets, it is subject to regulatory obligations to offer wholesale access services. These obligations and associated price controls facilitate market entry by enabling operators without their own infrastructure to compete in the retail segment and this will remain unchanged following the Proposed Transaction. Further, the licence contains

¹² This has been calculated based on the relevant turnover of the Parties.

conditions to Fair Competition (Licence Condition 38) which would prevent any anti-competitive foreclosure.

6.11 Consistent with this, JT will not have the ability to condition sales through tying or bundling with its own existing products or services.

Horizontal effects

6.12 Before and following the Proposed Transaction, there is a de minimis horizontal overlap in Jersey between the parties in respect of broadband, fixed line, mobile and leased lines.

6.13 With respect to this Proposed Transaction, the market share of the Target across all market categories is very small (<0.5%), the Proposed Transaction will result only in a very small incremental increase in combined market share. Under those circumstances, the JCRA would not expect the Proposed Transaction to result in a substantial lessening of competition. This is because the Target, Manx Telecom, does not represent a significant competitive constraint on JT. This is consistent with the nature of Manx Telecom's operations in Jersey, where the services are incidental, [REDACTED]. This means, following the Proposed Transaction, the competitive dynamics in Jersey will remain unchanged, with different services available from various other providers, supported by ongoing regulatory oversight by the JCRA.

Conclusion

6.14 The JCRA has determined there are no factors present which suggest the Proposed Transaction may detrimentally impact competition in any market in Jersey.

7 Decision

7.1 On this basis, the JCRA concludes the Proposed Transaction will not substantially lessen competition in Jersey or any part of Jersey and is therefore approved under Article 22(1) of the Law.

01 December 2025

By Order of the Jersey Competition Regulatory Authority