

Telkom SA SOC Limited

(Registration Number 1991/005476/30)

JSE Share Code: TKG

JSE Bond Code: BITEL

ISIN ZAE000044897

("Telkom" or "the Company")

**No share rights issue**

Shareholders are advised that Telkom has no intention to do a rights issue. In the unlikely event where the Board takes a decision to issue shares, an official announcement through the JSE Stock Exchange News Services (SENS) will be issued to inform all shareholders. Telkom remains comfortable with its balance sheet with a net debt to EBITDA of 0.7x as reported for the period 31 March 2020. There has been no increase in debt since our annual results for the period 31 March 2020.

On 7 August 2020, Telkom issued its Integrated Report for the year ended 31 March 2020 with Notice of Annual General Meeting (AGM) scheduled to take place on 10 September 2020. The Telkom Board is requesting general authority for directors to issue shares for cash, a standard resolution passed annually. In the upcoming AGM, the Board is requesting to increase the threshold from 5% to 10%. Although the Board does not expect to issue shares, they have taken a view to increase the threshold to provide the Board agility and flexibility to enable an effective post COVID 19 response, should this be necessary.

The Board would like to reiterate that the amendment of the resolutions is not an expression of Telkom's intention to issue shares to the market.

Centurion

3 September 2020

Sponsor

Nedbank Corporate and Investment Banking