

Telkom SA SOC Limited  
Registration number 1991/005476/30)  
JSE share code: TKG  
JSE bond code: BITEL  
ISIN: ZAE000044897

("Telkom" or "the Group")

### **Telkom reaches an Out-of-Court Settlement with ICASA**

Shareholders are advised that Telkom and the Independent Communications Authority of South Africa ("ICASA") have reached an out-of-court settlement which brings to an end the high court litigation over the licensing of high demand spectrum.

The settlement addresses the two principal complaints that led to Telkom adopting the legal route, namely; the unfair restriction on Telkom to bid for spectrum in the past auction and the need for ICASA to consider the competitive effect of spectrum arrangements in the licensing of unassigned spectrum.

The parties have agreed that Telkom will withdraw the court application and that each party will pay its own legal costs. In return, ICASA has undertaken to do the following:

- commencing with the licensing of the spectrum that remained unassigned in the auction by no later than 30 June 2022 and that this licensing process will be concluded within the current financial year;
- in its licensing of the unassigned 800MHz, it will have regard to the outcome of the auction, the imbalances in the sub-1GHz and the need to promote competition in the post auction dispensation; and
- conducting a study on the impact of a possible secondary market of spectrum on competition and, if necessary, provide an adequate and enabling regulatory framework.

Telkom has, in good faith, entered into a forward-looking settlement providing ICASA the opportunity to resolve current market challenges identified by competition authorities while allowing operators to focus on the business of providing superior service to their customers.

### **Centurion**

08 April 2022

### **Sponsor**

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