

Rain to submit merger proposal to Telkom in due course

Data-only network provider Rain intends to submit a formal non-binding proposal to bigger rival Telkom in due course, it said on Tuesday, 16 August, after retracting a media statement on its merger proposal sent last week.



Customers are served at a branch of South Africa's mobile operator, Telkom, in Johannesburg, South Africa on 2 March 2022. Reuters/Siphiwe Sibeko/File Photo

Last Thursday, the country's Takeover Regulation Panel (TRP), a regulatory body, slammed rain for issuing a press release detailing its proposed merger with Telkom, saying the announcement was issued without prior approval as required by regulations. The panel requested a retraction from rain.

After seeking legal advice and engaging with the panel, rain said it was withdrawing its press release.

On Friday Telkom, which is currently in discussions with the country's second biggest mobile operator MTN about a possible merger, said if an offer or formal proposal is received from Rain, its board would consider it in accordance with its legal obligations.

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