

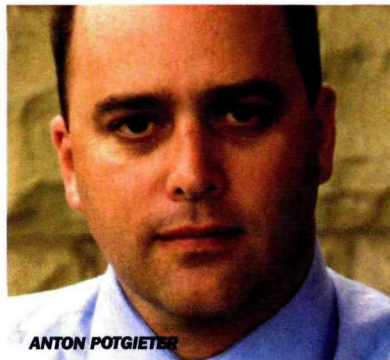
[TELECOMS - BUSINESS]

Huge warns of iTalk battle

THE COMPETITION Commission has recommended that MTN's bid to acquire the remaining 59% of cellphone and airtime retail distributor iTalk Cellular be approved, but AltX-listed Huge Group says it plans to "vehemently oppose this transaction".

Last year, Huge Group aimed to purchase 59% of iTalk Cellular from the Bebinchand Seevnarayan Trust. In May this year, Huge Group received approval for its proposed acquisition, in a deal valued at about R511 million. However, mobile operator MTN, which already owns a 41% stake in iTalk Cellular, decided to step in and exercise its pre-emptive rights and contest the deal.

The Competition Commission has now recommended that the MTN acquisition be approved by the Competition Tribunal. Huge Group executive chairman Anton Potgieter says the deal is by no means done. "We can now apply to take our arguments before the Competition



ANTON POTGIETER

Tribunal and, if we have to, the Competition Appeal Court. Over the past months we have accumulated and prepared extensive evidence supporting the fact that MTN's bid is highly anti-competitive, and will have the effect of a substantial lessening of competition by removing an effective competitor from the market."

— Staff Reporter