

A. Executive Summary

1. Vodacom Pty Ltd ("**Vodacom**") welcomes the opportunity to provide written comments on the applications submitted by Cell C (Pty) Ltd ("**Cell C**"), as notified in the Government Gazette, No. 49831, on 6 December 2023 ("**the Notice**"), being:
 - An application for the transfer of control of Cell C's individual electronic communications network services ("**I-ECNS**") license, as well as its individual electronic communications services ("**I-ECS**") license, to The Prepaid Company (Pty) Ltd ("**TPC**") ("**Cell C's service licenses application**"); and
 - An application for the transfer of control of Cell C's radio frequency spectrum licenses in the 900 MHz and 1800 MHz, and the 2100 MHz radio frequency spectrum band ("**Cell C's spectrum licenses application**") (collectively "**Cell C's / the applications**").
2. Vodacom submits that there are significant obstacles to the Authority granting Cell C's applications. The Authority may not grant an application for transfer of control of a license where the applicant (licensee) is in breach of legislation and/or its license conditions. Such breaches would need to be remedied before the Authority could consider and approve such applications.
3. The available evidence indicates that Cell C is currently operating in breach of section 31 of the Electronic Communications Act ("**ECA**") and its spectrum license conditions. As such, until those breaches are remedied, the applications may not be granted.
4. In addition, and even if the breaches are remedied and the applications are subsequently granted, Vodacom submits that conditions should be imposed to ensure that risks of harm to competition are mitigated.

B. Statutory Framework

1. Vodacom notes the statutory framework set out in the Notice in terms of which the Authority will consider the applications:
 - Section 13(1) of the ECA, read with Regulation 11 of the Processes and Procedures Regulations for Individual Licenses, 2010 (as amended) ("**the Processes and Procedures Regulations**");
 - Section 32(2A) of the ECA, read with Regulation 15 of the Radio Frequency Spectrum Amendment Regulations, 2015 (as amended) ("**the RFS Regulations**"); and
 - Section 2(f) of the ECA.
2. We point out that there are additional legislative provisions that should guide the Authority in its decision-making process, i.e.:
 - In terms of section 2 of the Independent Communications Authority of South Africa Act 13 of 2000 ("**the ICASA Act**"), the Authority is mandated to regulate electronic communications in the public interest and to achieve the objectives contemplated in the underlying statutes (sections 2(b) and (c) of the ICASA Act). To this end, the Authority is obliged to monitor the broadcasting, postal and electronic communications sectors to ensure compliance with this Act and the underlying statutes (section 4 of the ICASA Act). Implicit in these obligations is the requirement to ensure that the relevant legislation is complied with and that legislative breaches are not ignored or condoned.
 - There are also a host of other objectives contained in section 2 of the ECA that are as important to meet the primary objective of the ECA, being the regulation of electronic communications in the

public interest. These objectives include, but are not limited to, the promotion of stability in the ICT Sector.

C. Cell C's application for transfer of control I-ECNS and I-ECS Licences

1. Regulation 11 of the Processes and Procedures Regulations provides that applications for the transfer of control of individual service licences will be evaluated based on the following criteria:

- Promotion of competition in the ICT sector
- Interests of consumers; and
- Equity ownership by historically disadvantaged groups.

2. Regulation 11(3) of the Processes and Procedures Regulations records:

"(3) The Authority will not consider any application if the Applicant is:
(a) in arrears with respect to any fees due and payable to the Authority;
(b) found to be non-compliant by the Complaints and Compliance Committee ('CCC') with regards to the applicable regulations and/or the provisions of the Act and has failed to remedy the non-compliance."

3. In circumstances where the CCC has not yet made a finding against the Applicant but there is evidence to support such a finding, the necessary investigation ought to be conducted and resolved before processing an application. The Authority is not empowered to process an application and grant relief to an applicant where there is evidence to establish *prima facie* that the Applicant is non-compliant with the Act or Regulations.
4. Where there are elements of the application that cause concern regarding the promotion of competition in the ICT sector, interests of consumers, and the equity ownership by historically disadvantaged groups, the Authority may refuse the application or impose conditions before approving the application, to mitigate the identified concerns.

D. Cell C's application for transfer of control of its spectrum licenses

1. RFS regulation 15(8) provides that:

"(8) The Authority will not approve the assignment, ceding or transfer of control of a radio frequency spectrum licence:
(a) where a licensee has been found, by the Complaints and Compliance Committee ('the CCC'), to have contravened the provisions of the Act, the ICASA Act, the Regulations, the Terms and Conditions of a radio frequency spectrum licence or a licence granted in terms of Chapter 3 of the Act, and has failed to comply with an order by the Authority in terms of section 17E(4) of the ICASA Act;
(b) if such transaction will not promote competition; or
(c) if such transfer will result in the reduction of equity ownership held by HDP to be less than 30%."

2. In circumstances where the CCC has not yet made a finding contemplated in Reg 15(8)(a) against the applicant but there is evidence to support such a finding, the necessary investigation ought to be conducted and resolved before processing an application. The Authority is not empowered to process an application and grant relief to an applicant where there is evidence to establish *prima facie* that the applicant is non-compliant with the Act or Regulations.

3. This provision reinforces the general principle that relief would not be granted to an applicant with “dirty hands”¹ – one who fails to make full disclosure of all information relevant to the application and/or is in breach of the legislation in terms of which the license rights are granted.

E. Cell C's spectrum

1. The Cell C spectrum licences application is made on the basic premise that Cell C is the sole licensee and the only party in control of the identified spectrum, being:
 - 900 MHz Band –
880.2 – 889.6 MHz
904.2 to 905.4 MHz
925.2 – 934.6 MHz
949.2 – 950.4 MHz
 - 1800 MHz Band
1748.0 – 1759.8 MHz
1843.0 – 1854.8 MHz
 - 2100 MHz Band
1960.0 - 1965.0 MHz
2150.0 - 2155.0 MHz
2. The application also contains an implicit confirmation that Cell C currently complies with all legislation and the terms of its spectrum licences. This would include compliance with section 31 of the ECA which prohibits any person from transmitting or receiving any signal by radio except under and in accordance with a Radio Frequency Spectrum Licence granted by the Authority to such person in terms of the ECA.
3. If the premise for the application – namely that Cell C solely controls the identified spectrum – is false, then the application cannot be granted as it would be assessed on incomplete or inaccurate information. If the spectrum is also controlled by other parties or licensed to other parties, those facts must be disclosed as they are material to the assessment of the application.
4. Further or alternatively, if the position is that Cell C has participated in conduct which breaches section 31 – allowing others to transmit or receive signals on its spectrum without a licence granted by the Authority – then the application also cannot be granted for non-compliance with the Act and its Licence conditions.
5. Cell C would be required to remedy its unlawful conduct before the transfer of control applications could be granted.

F. Control of Cell C's spectrum

1. Vodacom has studied the Authority's “2023/2024 Q1 Voice & Data Service QoS Reports in the Gauteng Province” as submitted to licensees on 6 October 2023 for comment and feedback. These reports provide useful insight into the relative performance of mobile network operators (“**MNOs**”) in Gauteng, albeit in the sample area, as illustrated below:

¹ *Lushaka Investment (Pty) Ltd & others v National Home Builders Registration Council & others*[2009] JOL 24150 (GSJ) at [78]

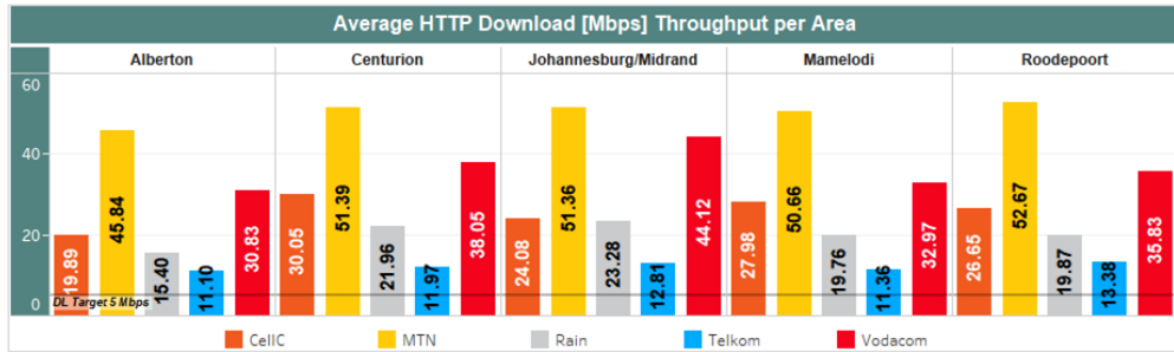
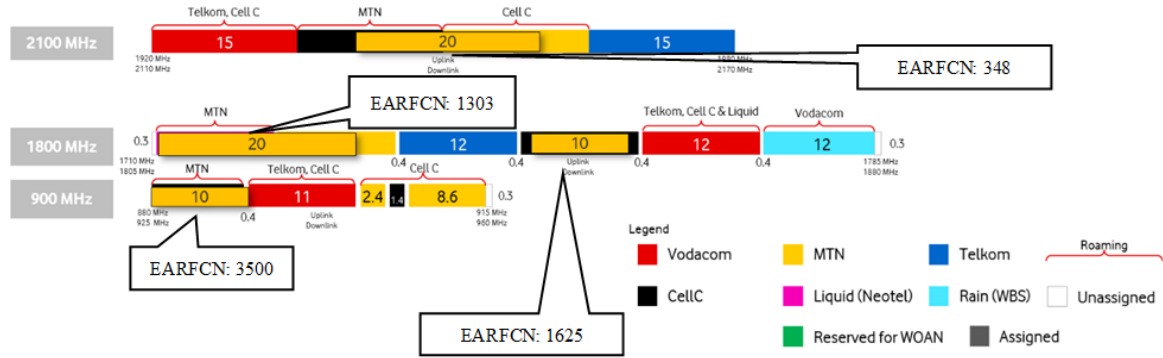


Figure 4. Average HTTP Download Throughput Results per Area (Mbps)

- MTN's significant apparent outperformance on data download speeds is surprising, given that MTN has a similar spectrum assignment to Vodacom and Telkom after the 2022 IMT auction, and largely shares the same sites as Vodacom in this area.
- Although not as pronounced, the subsequent drive test conducted by the Authority in Limpopo, submitted to licensees on 20 October 2023 for comment and feedback, showed a similar trend for MTN's data download performance, as follows:

		Mamphokgo				Marble Hall			Mphahlele			Riba Cross			Sehlabakwane			Grand Total
		Matlala Hospital	MotemaMotelema Post Office	Mphahlele Secondary School	Groblersdal	Motel Shopping Complex	N11 SASOL station	Bopet Shopping Centre	Mamaolo Community Hall	Seleteng Taxi Rank	Burgersfort	Ratjanang Secondary School	Thusong Service Centre	Maserumo Tshwathakhe Primary School	Sikhoana Secondary School	Stolberg		
HTTP DL Throughput - Avg [Mbps]	CellC	22.87	18.98	44.35	17.64	12.65	26.84	13.26	2.07	26.34	21.37	2.33	1.59	9.26	1.17	43.15	19.57	
	MTN	35.24	34.47	60.46	24.25	23.26	42.46	18.81	1.49	69.86	66.08	12.94	5.17	20.62	1.53	79.94	35.87	
	Rain				12.00	3.57	28.01				10.07						15.93	
	Telkom		23.50	6.57	12.99	4.61	12.00	35.87	15.42	14.52	14.47			12.22		11.81	15.81	
	Vodacom	3.54	22.47	13.70	6.75	5.85	19.11	24.28	29.77	21.33	26.40	16.64	4.82	15.56	2.41	31.39	18.68	
HTTP UL Throughput - Avg [Mbps]	CellC	5.07	3.00	22.68	17.06	1.77	13.92	2.56	0.36	14.89	5.49	3.01	13.35	13.74		9.31	10.31	
	MTN	11.09	4.56	37.55	11.75	2.18	14.61	6.83		19.71	6.60	2.34	16.90	12.21		19.10	13.30	
	Rain				9.17	3.11	22.62				14.84						15.14	
	Telkom		6.64	2.20	21.21	1.23	19.95	10.88	20.78	25.04	23.14			15.68		10.52	15.55	
	Vodacom	4.12	16.86	9.02	2.58	6.15	18.63	12.47	12.60	17.17	17.84	5.07	1.31	3.39	0.99	9.05	10.92	
HTTP DL Capacity	CellC	30.39	36.49	98.51	75.08	0.25	38.32	14.16	1.78	56.52	114.07	8.69	9.17	11.02	0.90	95.77	42.80	
	MTN	46.51	55.30	183.25	38.25	7.88	51.73	16.96	2.90	147.32	151.01	18.12	12.83	26.50	0.79	162.26	62.23	

- The Authority's QoS reports referred to above confirm the stark disparity observed during Vodacom's own drive tests.
- In order to understand the reason for MTN's performance results, Vodacom analysed the spectrum frequencies being used by MTN to achieve these results. The analysis established that the primary reason for these higher MTN results is that MTN is transmitting and receiving signals by radio on high demand spectrum licensed to others, including Cell C.
- MTN's spectrum holdings were confirmed before the recent spectrum auction declaration was made and that declaration did not include rights to transmit or receive signals over Cell C spectrum identified above.
- The spectrum on which MTN currently transmits and receives signals (giving it the massive observed advantage) is not within its declared spectrum holdings, nor was this additional spectrum acquired by MTN through the auction process.
- The relevant carriers on which MTN is transmitting and receiving signals are identified in the illustration below. Of relevance to the current application, this illustration shows clearly how **spectrum licensed to Cell C is controlled by MTN**. Further, on Vodacom's analysis, there is no evidence that the spectrum is in fact controlled by Cell C; rather, the evidence indicates that MTN has taken control of the Cell C spectrum.



- In the 900 MHz band:

- MTN has deployed a 10 MHz LTE carrier with a centre frequency of 930 MHz, between 925 MHz and 935 MHz (eARFCN 3500). This is spectrum licensed to Cell C.
- MTN is also deploying a carrier using 949 MHz to 950.6 MHz, which is spectrum licensed to Cell C.
- The carriers deployed by MTN also use the unlicensed guardbands between Cell C spectrum and adjacent assignments.

- In the 1800 MHz band:

- MTN has established a 20 MHz LTE carrier with a centre frequency at 1815.3 MHz, between 1805.3 MHz and 1825.3 MHz. This combines the MTN spectrum assignment and Liquid spectrum assignment (together with the unlicensed guardband between them) in the 1800MHz band into a single carrier.
- MTN has established a 10 MHz LTE carrier between 1842.9 MHz and 1854.9 MHz (eARFCN 1625), which is spectrum licensed to Cell C.
- The carriers deployed by MTN also use the unlicensed guardbands between Cell C spectrum and adjacent assignments.

- In the 2100 MHz band:

- MTN has established a 20 MHz carrier with the centre frequency of 2144.8 MHz between 2134.8 MHz and 2154.8 MHz (eARFCN 348). This combines the MTN spectrum assignment and Cell C spectrum assignment (together with the unlicensed guardband between them) in the 2100MHz band into a single carrier.
- The carriers deployed by MTN also use the unlicensed guardbands between Cell C spectrum and adjacent assignments.

9. Vodacom is aware that spectrum sharing agreements were concluded between licensees during the COVID-19 pandemic in terms of the ICT Covid-19 National Disaster Regulations (as amended) ("**ICT Covid Regulations**") and that those agreements may have included granting permission to MTN, Cell C and Liquid to share each other's spectrum. However, the aforesaid dispensation ended at the beginning of 2022, and the Authority confirmed to all operators that all arrangements and/or agreements made during that period could not continue after the ICT Covid Regulations had been repealed.

10. All of the evidence available to Vodacom indicates that the control of Cell C's spectrum by MTN described above is unlawful. This evidence includes:

- No notice has been published regarding the proposed transfer of Cell C's spectrum licences or transfer of control of Cell C's licences to MTN;
 - No notice has been published by the Authority notifying interested parties of an amendment of Cell C's licences;
 - The Authority has not given any notice pertaining to the granting of licence rights to MTN, whether jointly or otherwise; and
 - The current Cell C application does not disclose that MTN (or any other party) enjoys rights over the Cell C spectrum – the application is made on the basis that Cell C enjoys sole rights over the spectrum.
11. On the face of this evidence, it is apparent that the terms and conditions applicable to Cell C's spectrum licences are being breached and Cell C is participating in conduct in breach of section 31 of the ECA in both:
- Permitting MTN to take control of its spectrum and transmit and receive signals in breach of section 31; and
 - Participating in conduct where unlicensed guardbands (between MTN and Cell C assignments) are used to transmit and receive signals. Vodacom is aware that the prohibition to the utilisation of guard band in the 900 MHz spectrum band may fall away during the course of 2024, but as at the date of Vodacom's submissions (and when Cell C submitted its spectrum licences application), the abovementioned prohibition was and still is in place.
12. Vodacom submits that before the Authority can consider Cell C's spectrum licences applications (and by implication, also Cell C's service licences application) currently before it, the Authority should first investigate whether Cell C is contravening section 31 of the ECA. If so, then such conduct should be referred to the CCC for determination, considering the content of regulation 15(8)(a) of the RFS Regulations (quoted above).
13. Vodacom notes that when it discovered the above facts, before the current application was made by Cell C, it approached the Authority and raised its concerns. Vodacom has not yet received a response to its inquiries.

G. Spectrum "acquired" by Cell C in the ITA spectrum auction

1. In Annexure A of Form B9, where Cell C is requested to indicate the Radio Frequency Spectrum currently licenced to it, Cell C lists its 900 MHz, 1800 MHz and 2100 MHz spectrum licences referred to above. In addition, Cell C states:

"Cell C was awarded 10 MHz Radio Frequency Spectrum at the Spectrum Auction but the licence has not been issued yet."

2. The above comment is vague and unparticularised. It also does not indicate whether the application seeks approval for transfer of rights related to this auctioned spectrum. If not clarified, this may mislead the Authority in making the required decision.
3. The Invitation to Apply on the Licensing Process for International Mobile Telecommunications in respect of the provision of Mobile Broadband Wireless Access Services for urban and rural areas using the Complementary Bands, IMT700, IMT800, IMT2600 and IMT3500, published in Government Gazette No 45628 on 10 December 2021 (**"the ITA"**) provided the following in respect of payment of the Auction Fee:

"18.1.3. It is the responsibility of the participants to arrange their own finance in order to pay the Auction Fee. The payment of the Auction Fee must be paid into the Authority's bank account within thirty (30) working days after the public announcement of the award process results by the Authority for the Lots acquired in IMT2600 and IMT3500.

18.1.6 Non-payment, late or incomplete payment of the Auction Fee may lead to the non-issuing of the Licence. The Lot may then be auctioned at a later stage or the Authority may determine an alternative licensing process in terms of the Radio Frequency Spectrum Regulations, 2015 (as amended)."

4. Whilst Cell C successfully bid on and acquired 10 MHz in the 3500 MHz band for the amount of R288 200 000.00, Vodacom understands that Cell failed to make payment of the Auction Fee.
5. The fact that Cell C did not meet the terms and conditions of the ITA was confirmed by the Authority during a meeting related to Social Obligations, held on 14 July 2023 with licensees that acquired spectrum in the spectrum auction. Further, in the Authority's PowerPoint presentation on Social Obligations, the Authority addressed the allocation of Public Services Institutions consistent with proportional spectrum assigned to each successful licensee.² The only licensees that were allocated Social Obligations (as successful bidders) were Telkom, Liquid Telecom, Rain, MTN and Vodacom. The necessary implication of this engagement was that Cell C forfeited and has no right to the 10MHz in the 3500 MHz band on which it bid.
6. In light of these facts, the assertion in Cell C's spectrum licences application quoted above is misleading and a failure to clarify the position will likely cause confusion and disputes in the future. Vodacom submits that the Authority should immediately clarify the position and instruct Cell C to amend its application to remove reference to the 10MHz in the 3500 MHz band on which it successfully bid at the auction, which it forfeited.

H. Promotion of competition

Vodacom has considered the proposed transaction and the impact on competition in the ICT Sector, taking into account the assessment and evidence provided in the redacted Acacia report (which was submitted on behalf of Cell C/TPC).

As the Authority is aware, the proposed transaction has also been notified to the Competition Commission ("the Commission"), which is currently seized with its own process. At the request of the Commission, Vodacom has responded to a set of questions raised, setting out its concerns regarding the proposed transaction and potential remedies. A copy of Vodacom's response to the Commission is attached hereto as Annexure A. Vodacom requests that this response be incorporated into these submissions.

In relation to Acacia's report, Vodacom strongly disagrees with its conclusion that the proposed transaction would not give rise to concerns relating to input foreclosure³. In contrast to Acacia's assessment, Vodacom considers that it is clear that, post-transaction, TPC would have both the ability and incentive to favour the distribution of Cell C's mobile services over the services of other MNOs. Vodacom sets out its response to the Acacia report in relation to the following areas:

- The appropriate competition scenario: It is possible, as Acacia considers, that TPC would engage in complete foreclosure of other MNOs by distributing only Cell C offers. Vodacom considers however that the transaction raises potentially significant competition concerns even if TPC engages in 'partial' foreclosure, by favouring Cell C offers over rival MNOs.

² See page 5 of the PowerPoint presentation on Social Obligations prepared by the Authority's Council Committee responsible for the Licensing of IMT Spectrum dated 14 July 2023.

³ Acacia labelled the theory of harm as customer foreclosure rather than input foreclosure.

- The evidence available to Vodacom is consistent with TPC being dominant in the bulk distribution of airtime in South Africa. This implies that it would be able to behave independently of rivals and ultimately its customers (downstream retail distribution points) after the transaction.
- Furthermore, Vodacom considers that it is possible that TPC has restrictive/exclusive agreements with downstream retail distributors which could make it challenging for TPC's rivals to compete with TPC – this would further entrench TPC's dominance in the bulk wholesale airtime market.
- TPC has the ability to favour Cell C, and also an increased incentive to do so after the transaction. Therefore, the transaction has the potential to lead to significant competition concerns by TPC unduly favouring Cell C after the transaction, to the detriment of rival MNOs and ultimately consumers.

The appropriate competition scenario

TPC⁴ currently distributes mobile airtime and SIMs for the four main MNOs in South Africa (Vodacom, MTN, Telkom and Cell C). There are two broad scenarios that could be considered in relation to input foreclosure:

- First: TPC could decide to stop distributing the mobile airtime and SIMs of other MNOs in South Africa and thereby exclusively distribute the mobile services of Cell C.
- Second: TPC could decide to continue to distribute the mobile airtime and SIMs of all four MNOs in South Africa but decide to favour the distribution of Cell C's mobile services.

Acacia's competition assessment concluded that the first of these scenarios is unlikely to be realistic and would not give rise to competition concerns. Acacia did not consider the second scenario. In Vodacom's view the first scenario could materialise in relation to some of Cell C's rivals and/or some geographic areas in South Africa. The second scenario also has the potential to raise significant competition concerns. Vodacom therefore considers that both scenarios could give rise to significant competition concerns.

TPC's dominance

Vodacom considers that TPC is likely to hold a dominant position in the bulk wholesale airtime market, given that:

- TPC is likely to hold a high market share for the wholesale distribution of prepaid airtime.

TPC is likely to hold a high market share for the wholesale distribution of prepaid airtime. Under South African competition law, a firm is presumed to be dominant if it holds a market share of above 45%. Vodacom would urge the Authority to consider TPC's market share for the wholesale distribution of prepaid airtime, given that Vodacom does not have precise data on market shares. Vodacom submits that TPC is the market leader for the distribution of prepaid airtime in South Africa⁵. [REDACTED]

This shows that TPC is also a very important distributor of prepaid airtime for the other MNOs. This is consistent with TPC describing itself as "the leading distributor of prepaid products for all the major SA network operators"⁷. Acacia has also stated that BLT/TPC is an important customer for Cell C for the purchase and distribution of prepaid airtime⁸.

⁴ TPC purchases mobile services from the MNOs, but it is then Blue Label Distribution, Glozell Distribution, and Glozell Retail Solutions who then distribute the mobile services to retailers/partners. For simplicity, we just refer to TPC throughout this submission.

⁵ TPC has also described itself as the market leader <https://www.bluelabeltelecoms.co.za/grp-blt-distribution.php>

⁷ https://www.bluelabeltelecoms.co.za/online_reports/ar2023/our-business-model.php

⁸ Acacia (15 September 2023) – The Prepaid Company and Cell C competition assessment, paragraph 62.

- TPC has the best distribution network, which is likely to be difficult for rivals to replicate.

TPC's extensive distribution network is likely to further entrench its dominant position. Through its relationships with retail partners, TPC has over 150,000 distribution points across South Africa covering a variety of formal and informal channels. Having a wide range of distribution channels is particularly important in South Africa, given its demographics e.g., a large share of the population living in rural areas, and part of the population still not having access to the internet meaning that they cannot purchase mobile services online.

It will likely take time to build up an extensive distribution network, with TPC benefitting from having been in the market since 2001. TPC may have relationships with a number of downstream retailers that would not be easily replicated through switching to rival bulk distributors. Many of these downstream retailers are likely to be quite small, as demonstrated by 60% of TPC's retail outlets being independents⁹. Given this, TPC is likely to have significant bargaining power relative to these retail outlets. Vodacom is concerned that many retail outlets may be exclusively committed to TPC for either contractual (e.g., exclusivity clauses) or commercial reasons. It would be useful for the Authority to further explore this.

TPC's ability to foreclose

Given that TPC is likely to hold a dominant position (or at the very least hold considerable market power), it is likely to have the ability to foreclose other MNOs by favouring the services of Cell C. This is because it would be difficult for MNOs to find an equivalent distributor to TPC if it started favouring the distribution of Cell C's mobile services.

TPC will be able to use different ways of incentivising retailers to favour Cell C's services post-merger, such as by offering:

- Higher commissions for Cell C's services;
- Bonuses for reaching specific sales targets relating to Cell C's services;
- Bonuses for porting subscribers from other networks to Cell C; and
- Better credit terms for Cell C's services, which is an important part of the business model for bulk distributors.

Price is likely to be the key driver of consumers' choice of MNO for prepaid services, especially given that Cell C will have a similar network quality and coverage to Vodacom and MTN as a result of its roaming agreements with these players.

In order to influence consumers' choice of prepaid airtime, retailers/agents would also have to induce consumers to use Cell C's SIM cards. This is because consumers will only be able to purchase prepaid airtime from an MNO for which they also have a SIM card. TPC's retail partners will get many customers coming into their outlets wanting to purchase prepaid airtime. This will provide the retail partners with an opportunity to induce consumers to also switch SIM cards, where this is necessary. In effect, TPC would be able to leverage its dominant position in the bulk wholesale airtime market into the prepaid SIM card market.

[REDACTED]

⁹ https://www.bluelabeltelecoms.co.za/online_reports/ar2017/operational-overview.php

TPC's incentive to foreclose

TPC will also have the incentive to favour the distribution of Cell C's mobile services. This is because by favouring Cell C, TPC would also benefit from a share of the variable margin that Cell C¹⁰ will make on incremental sales in addition to the commission that it would receive from Cell C. Given TPC's market power, it may be difficult for other MNOs to switch away from TPC should TPC start favouring Cell C, which will limit the loss of sales that TPC generates from other MNOs.

The incentive to favour Cell C could become even stronger in the future if TPC were to increase its share in Cell C above 53.57%, which we understand would not require any further approval from the Authority or the Commission. Given this, it would be useful for the Authority to also consider a scenario where TPC's stake in Cell C could increase as high as 100%.

¹⁰ Although Cell-C is not that profitable on the whole, it is still likely to make material profits on incremental sales.