



Transnet SOC Limited

(Incorporated in the Republic of South Africa)

(Registration Number: 1990/000900/30)

Issuer Bond Code: BITRA

("Transnet", "the Company" or the "Issuer")

S&P GLOBAL RATINGS KEEPS TRANSNET'S RATINGS UNCHANGED BUT PLACES THE COMPANY ON A CREDIT WATCH

Transnet Noteholders are informed that on 29 November 2024, S&P Global Ratings (S&P) announced its ratings action on Transnet following their annual ratings review.

Transnet's current rating from S&P is 'BB-'. S&P has kept Transnet's 'BB-' issue rating on the company's senior unsecured debt, the 'BB' issue rating on its ZAR3.5 billion government-guaranteed debt, and the 'zaAA-/zaA-1+' South Africa national scale ratings on the group remains unchanged. However, S&P has placed the company on credit watch.

S&P's rating decision reinforces the urgency for Transnet to ensure its long-term viability by adequately addressing current leverage levels and capital structure challenges.

Transnet Group Chief Executive, Ms Michelle Phillips says: 'S&P's decision comes while the Company is implementing a Recovery Plan which was approved by the Transnet Board in October 2023 with the aim of improving operational and financial performance of the Company. Through the Recovery Plan, Transnet is implementing a series of focused interventions to improve operational and financial performance. The steps towards the desired financial recovery and operational excellence include improving the availability and reliability of rolling stock and rail network infrastructure and implementing operational excellence initiatives to improve productivity, reduce downtime and enhance service delivery. This reinforces the significance and urgency of Transnet's ongoing initiatives to address operational and financial challenges and position the organisation as an enabler of economic growth.'

"Over the next few months, Transnet management will update S&P regularly on the progress made around addressing the concerns on operational and financial performance, capital investment plans, and capital structure of Transnet."

For a detailed analysis of the rating, please refer to the following link:

https://www.transnet.net/InvestorRelations/SENS%20Announcements/ResearchUpdateTransnetSOCLtd-Ratings_Nov-29-2024.PDF



Johannesburg

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