

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)

TRANSNET RELEASES AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 WITH AN UNMODIFIED AUDIT OPINION

Noteholders are advised that the Company's unmodified audited annual financial statements for the year ended 31 March 2026 have been published and are available on Transnet's website: <https://www.transnet.net/AnnualResults>

The annual financial statements are available for inspection at the registered office of Transnet, 96 Rissik Street, Braamfontein, Johannesburg from 09:00 to 16:00 on business days.

Salient features of the financial performance compared to the prior financial year are as follows:

- **Revenue** increased by 7,1% to R88,6 billion;
- **EBITDA** (Earnings before interest, taxation, depreciation and amortisation) increased by 0,7% to R30,9 billion;
- **Profit for the year is** R4,6 billion, which is >100% improvement from prior year.
- **Cash generated** from operations after working capital changes decreased by 12,4% to R25,06 billion;
- **Capital investment** decreased by 2,9% to R23,3 billion for the year;
- **Rolling cash interest cover** (including working capital changes) is 1,5 times and
- **Gearing at 49,5%**, is within debt covenant requirements of <50%.

Performance overview

The Company experienced significant improvement in operating environment, particularly in the rail and pipeline Business owing to the **implementation of the recovery plan**. Transnet's revenue performance for the year ended 31 March 2026 **improved by 7,1%** when compared to the prior year driven by weighted average tariff increases and volume increases.

This was achieved despite various challenges that continue to impact the rail business which include historic under-investment, theft and vandalism, declining reliability of legacy fleet resulting in lower volumes railed.

The entity recorded an **EBITDA of R30,9 billion** for the year, which was 0,74% higher than the prior year.

During the reporting period, as part of the implementation of Transnet's **private sector participation strategy**, Transnet established the DGT a 100% owned subsidiary of the Group which resulted in Transnet Port Terminal's DCT Pier 2 net assets (carrying value of R3,3 billion) transferring into DGT. Transnet then disposed of a 49,999% interest in DGT to International Container Terminal Services Inc. (ICTSI) for R10,5 billion with an effective date of disposal of 1 January 2026.

The profit on disposal of the interest in DGT (including the related fair value adjustment) of R12,5 billion was recognised in the current reporting period. This disposal also resulted in Transnet transferring management control of DGT to ICTSI and DGT therefore being recognised as an associate of the Group with Transnet retaining a 50,001% shareholding in DGT.

The Group did **report a R4,6 billion net profit** for the year. The improvement in the profit position is mainly due to the sale of pier 2 terminal in the current year and improvement in rail and pipeline volumes.

Audit opinion

The Auditor-General of South Africa, the Company's independent statutory external auditor, has expressed an unmodified audit opinion on the annual financial statements for the year ended 31 March 2026.

Emphasis of matter

Material uncertainty related to going concern

Without modifying their opinion, external auditors have included an emphasis of matter pertaining to a material uncertainty related to going concern, as detailed in the going concern assessment on the 31 March 2026 Annual Financial Statements.

The Board strongly believes that the associated risks will be satisfactory addressed with the mitigation strategies in place and continues to manage these strategies as a priority to ensure that they materialise as envisaged.

The Board further concluded, after carefully considering the progress of the recovery plan and the financial support from the Government through the provision of R196bn guarantee support, that there is an expectation that the Group will continue to have access to adequate resources and facilities to be able to continue its operations as well as fund the capital investment programme for the foreseeable future, as a going concern.



Operational outlook

Transnet has fully transitioned into the execution of its Reinvent for Growth (R4G) Strategy. While continuing to build on the progress achieved through the Tactical Recovery Plan, the R4G Strategy is designed to transform and grow the business as Transnet repositions itself for long-term sustainability in an increasingly competitive and evolving logistics market. Central to this strategy is the commitment to delivering a more reliable, predictable and customer-centric logistics network that supports South Africa's economic growth and development objectives.

This strategic transition continues to gain momentum across our operations, delivering an approximate 5% year-on-year increase in overall volumes. Key cargo segments recorded double-digit growth, led by containers at approximately 10% and automotive volumes at approximately 13%. These results reflect the continued dedication of our workforce and the benefits of ongoing efforts to improve operational reliability, enhance service delivery, strengthen customer confidence and embed a culture centred on performance, safety and service excellence.

The 2025/26 financial year also marked a significant milestone in advancing Transnet's growth and transformation objectives through the commencement of the Durban Gateway Terminal (DGT) partnership with ITSCI. This transaction represents the first in a series of strategic private sector participation (PSP) initiatives aimed at mobilising private capital, specialised expertise and operational capabilities to support the expansion and modernisation of South Africa's freight logistics network. PSPs remain a cornerstone of the Reinvent for Growth Strategy and will play a critical role in enhancing operational performance, expanding network capacity, improving competitiveness and supporting long-term financial sustainability.

As Transnet continues to execute its R4G Strategy, the focus remains on building a more efficient, financially resilient and customer-focused organisation. Through ongoing operational improvements, strategic partnerships and targeted investments, Transnet aims to strengthen its value proposition, unlock economic growth, facilitate trade and contribute to South Africa's long-term competitiveness and prosperity.

Regulatory reforms

Transnet will continue to navigate an ever-changing legislative landscape on its path of recovery, including reforms that could result in the corporatisation of National Ports Authority.



Johannesburg

10 September 2026

JSE Debt Sponsor

Absa Corporate and Investment Bank (a division of Absa Bank Limited)