**MEDIA STATEMENT**

**TRANSNET REPORTS PROGRESS AS INVESTMENT AND REFORM DELIVER RESULTS**

**[Johannesburg, 10 September 2026**] Transnet SOC Ltd ("Transnet") today announced its financial results for the year ended 31 March 2026, reflecting improved operational performance, stronger cash generation and continued progress in implementing its reform and growth agenda.

Key highlights are as follows:

- **Revenue increased by 7.1%** to **R88.6 billion**, driven by higher rail and pipeline volumes and weighted average tariff increases.
- **Reported a profit** of R4.6 billion, compared to a loss of R1.9 billion in the previous financial year.
- **EBITDA increased by 0.7%** to **R30.9 billion** with the EBITDA margin decreasing by 2.2% to 34.8%.
- **Net operating expenses** increased by 10.8% to R57.7 billion.
- **Capital investment decreased** to R23.3 billion, supporting infrastructure renewal, operational recovery and future growth.

## Financial and Operational Performance

The improvement in financial performance was supported by higher rail and pipeline volumes, tariff adjustments across the business and continued efforts to improve operational efficiencies.

Rail volumes increased by 4.9% to 167.9 million tonnes, reflecting the positive impact of focused interventions aimed at improving network reliability, maintenance execution and asset availability. Pipeline volumes also recorded growth during the reporting period.

While challenges remain, the improvements achieved during the year indicate that Transnet's operational recovery efforts are beginning to deliver measurable results.

Importantly, these gains are increasingly being recognised by customers and industry stakeholders. Users of the freight logistics system have acknowledged improvements in rail performance and service delivery, while industry bodies, including the citrus sector, have recognised enhancements in port operations that contributed to improved export performance.

The operational improvements achieved across the network have also been acknowledged by the Minister of Transport and Cabinet as part of government's broader efforts to restore South Africa's freight logistics system and support economic growth.

## Reinvent for Growth Driving Recovery

The progress achieved during the year was underpinned by the implementation of Transnet's Reinvent for Growth (R4G) strategy, which continues to serve as the Company's roadmap for operational recovery, financial sustainability and long-term growth.

The reporting period was characterised by a number of operational challenges, including derailments, rail network and rolling stock constraints, security incidents, tippler and power supply disruptions, adverse weather conditions, resource constraints, community unrest and customer-related demand challenges. The rail and port businesses were also affected by take-or-pay penalty adjustments of R658 million.

Despite these headwinds, the R4G strategy enabled focused interventions aimed at improving maintenance execution, enhancing asset reliability, increasing operational discipline, strengthening critical technical capability and improving procurement and supply chain efficiency.

These interventions contributed to improved operational performance, higher rail volumes, stronger cash generation and increased customer confidence, while laying the foundation for sustained growth and competitiveness.

## Durban Gateway Terminal Transaction

A key milestone during the year was the implementation of Transnet's Private Sector Participation (PSP) strategy through the Durban Gateway Terminal (DGT) transaction, which supports the modernisation and long-term competitiveness of South Africa's port system.

As part of the transaction, Transnet disposed of a 49.999% interest in DGT to International Container Terminal Services Inc. (ICTSI) for R10.5 billion, with effect from 1 January 2026.

The transaction generated a profit on disposal of R12.5 billion, including a related fair value adjustment, and strengthened the Group's overall financial performance for the year.

Transnet retains a 50.001% shareholding in DGT, while management control transferred to ICTSI. The transaction represents an important step in attracting private investment, improving operational performance and supporting the long-term modernisation of South Africa's port infrastructure.

## Investing in Long-Term Growth

To support ongoing recovery and future growth, Transnet invested R23.3 billion during the year in critical infrastructure, equipment renewal and operational improvements.

The investment programme focused on strengthening the rail network, improving port performance, enhancing asset reliability and increasing operational efficiency across the organisation.

In addition, National Treasury's approval of R14.8 billion in grant funding through the Budget Facility for Infrastructure (BFI) for strategic rail and port projects is expected to further support infrastructure development, improve network performance and reduce future funding requirements.

Transnet continues to work closely with its Shareholder Representative and National Treasury to advance its recovery and growth agenda while strengthening long-term financial sustainability.

## Advancing Reform and Private Sector Participation

Transnet continued to make progress in implementing South Africa's freight logistics reform programme during the year.

Progress was made towards the incorporation of the Transnet National Ports Authority (TNPA) as a wholly owned subsidiary, while the accounting separation of Transnet Freight Rail into the Transnet Freight Rail Operating Company (TFR) and the Transnet Rail Infrastructure Manager (TRIM**)** was completed.

TRIM remains central to South Africa's rail reform agenda and will play an increasingly important role in improving infrastructure management, network quality and reliability.

Progress was also made in opening the rail network to third-party operators. Rail Access Agreements have been concluded with 11 Train Operating Companies (TOCs), with the first operators expected to commence services during the 2026/27 financial year.

The introduction of TOCs is expected to support additional rail volumes, increase network utilisation, expand customer access and contribute to the long-term recovery and competitiveness of South Africa's freight rail system.

## Strengthening Governance and Accountability

Governance and accountability remain central to Transnet's recovery strategy.

The Company welcomed the Auditor-General's confirmation that its reporting of irregular expenditure was accurate and complete in all material respects.

While irregular expenditure decreased during the year, Transnet acknowledges that further progress is required. Management and the Board remain committed to resolving historic cases, strengthening procurement controls and improving accountability across the organisation.

**Focus for the Year Ahead**

Transnet remains focused on improving operational reliability, increasing freight volumes, strengthening customer confidence and creating a safer and more efficient operating environment.

Guided by the Reinvent for Growth strategy, the organisation will continue to prioritise operational recovery, infrastructure investment, private sector participation, rail reform and financial sustainability.

Building on the progress achieved during the reporting period, Transnet expects continued improvements in operational performance, increasing participation by private rail operators and the implementation of strategic infrastructure projects to support South Africa's economic growth and competitiveness.

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