



Audited condensed consolidated financial results

for the year ended 31 March 2026



SALIENT FEATURES

Revenue increased by 7,1% to R88,6 billion, in line with improved rail and pipeline volumes and weighted average tariff increases.

Net operating expenses increased by 10,8% to R57,7 billion, due mainly to increased personnel, maintenance and security costs, and the impact of the third party claims reversal in the prior year.

EBITDA increased by 0,7% to R30,9 billion, with the EBITDA margin at 34,8%.

Depreciation, derecognition and amortisation increased by 14,0% to R21,8 billion, due mainly to capital expenditure over the financial year.

Net finance costs increased by 7,2% to R15,8 billion, due mainly to increased total borrowings over the reporting year.

Profit for the year improved significantly to R4,6 billion (2025: R1,9 billion loss).

Capital investment decreased by 2,9% to R23,3 billion for the year.

Cash generated from operations increased by 50,5% to R33,1 billion.

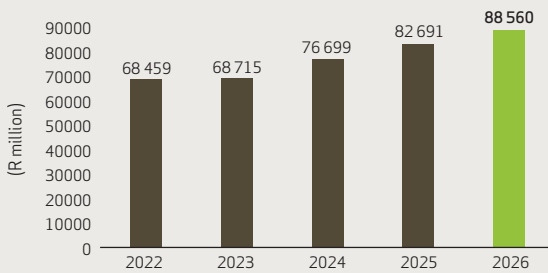
Gearing of 49,4% and cash interest cover (including working capital changes) at 1,5 times.

2,7% of labour costs spent on training, focusing on artisans, engineers and engineering technicians.

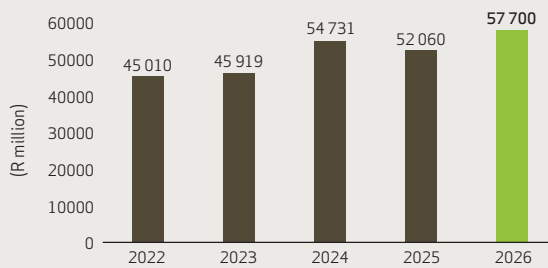
LTIFR performance of 0,73 against a tolerance of 0,75, which is within the global benchmark of 1,0.

Level 2 B-BBEE certification and spend of R44,7 billion or 115,0%, of total measured procurement spend, as defined by DTIC codes.

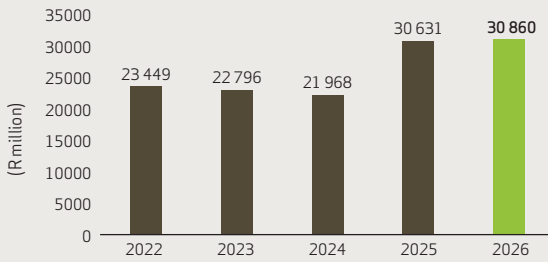
Revenue 6,6%*



Operating expenses 6,4%*



EBITDA 7,1%*

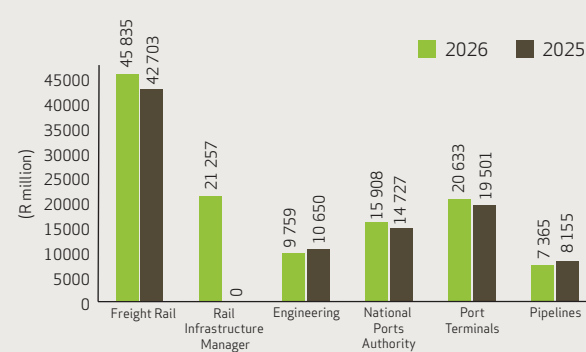


* Compound annual growth rate.

Condensed statement of financial position

	Audited 31 March 2026	Audited 31 March 2025
(in Rand million)		
Non-current assets	347 132	339 813
Current assets	28 146	27 054
Total assets	375 278	366 867
Capital and reserves	142 469	134 349
Non-current liabilities	167 858	140 240
Current liabilities	64 951	92 278
Total equity and liabilities	375 278	366 867

Segment revenue



Corporate information

Transnet SOC Ltd
Incorporated in the Republic of South Africa
Registration number 1990/000900/30

Directors
Executive directors
Ms MJ Phillips (Group Chief Executive)
Ms RNM Maphumulo (Group Chief Financial Officer)

Non-executive directors
Dr A Sangqu (Chairperson), Ms R Buthelezi, Mr M Debel, Mr B Jiya, Ms L Letsoalo, Ms KG Mbonambi, Prof FS Mufamadi, Mr D Patel, Ms B Sedupane, and Ms MP Zambane.

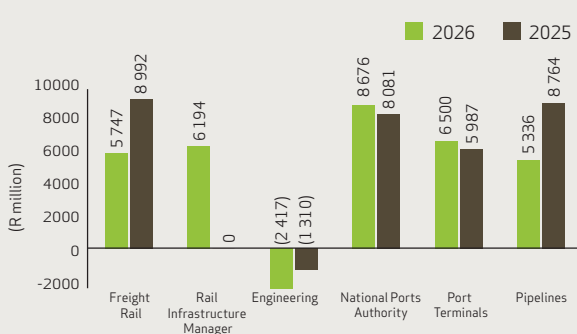
Group Company Secretary
S Bopape, 138 Eloff Street, Braamfontein
Johannesburg, 2000

Auditors
Auditor-General of South Africa, 4 Davenry Street, Lynnwood
Bridge Office Park, Lynnwood Manor, Pretoria, SA
Postal address PO Box 446, Pretoria, 0001

Condensed statement of cash flows

	Audited 31 March 2026	Audited 31 March 2025
(in Rand million)		
Cash flows from operating activities	8 499	13 761
Cash flows utilised in investing activities	(13 601)	(24 818)
Cash flows from financing activities	7 051	7 165
Net increase/(decrease) in cash and cash equivalents	1 949	(3 892)
Cash and cash equivalents at the beginning of the year	9 992	13 884
Total cash and cash equivalents at the end of the year	11 941	9 992

Segment EBITDA



Overview

Transnet's revenue performance for the year ended 31 March 2026 improved by 7,1% when compared to the prior year driven by volume increases in the rail and pipeline businesses and weighted average tariff increases. Transnet also reported a marginal improvement in EBITDA of 0,7%. Transnet however, continued to be hampered by various operational challenges, mainly affecting the rail and port businesses, including derailments, on-going rail network and rolling stock challenges, security incidents, tippler challenges, power failures, adverse weather conditions, low demand for 12m light containers, resource constraints, community unrest, and customer cancellations/challenges. Take or pay penalties of R658 million were also adjusted for in the rail and port businesses.

The disposal of the 49,999% interest in DGT (DCT Pier 2 assets) also impacted port volumes in the final quarter but was the main driver for the profit recorded for the financial year of R4,6 billion. The improvement in revenue, EBITDA and profitability is positive, but it is clear that Transnet must maintain its continued focus on addressing operational challenges to aid in returning the Company to a sustained profitable operational performance and in so doing address rising debt levels. Further capital investment of R23,3 billion will contribute positively to operational efficiencies, especially in the rail and port businesses.

Governance and compliance

The Public Finance Management Act (PFMA) aims to promote transparency, accountability and sound financial management of revenue, expenditure, assets and liabilities within public institutions. Good governance and compliance remain key priorities for the organisation.

The 2025 financial year marked the first year in which the AGSA audited and expressed an opinion on the completeness and accuracy of irregular expenditure, fruitless and wasteful expenditure and losses through criminal conduct disclosed in the annual financial statements, post the exemption period. The audit concluded that the reported irregular expenditure was accurate and complete in all material respects. This demonstrates that the exemption period was utilised to improve internal controls and governance processes. However, the AGSA raised certain findings and identified areas of disagreement, which the organisation addressed during the current financial year.

Although there has been a reduction in the year-on-year irregular expenditure incurred, as disclosed in the annual financial statements and integrated report, the organisation acknowledges that the amount incurred remains high. This is mainly attributable to the continued spending on the multi-year irregular contracts for

which condonation applications are being prepared for submission to National Treasury. The amount of newly identified and reported irregular expenditure incurred represents only a small portion of the total irregular expenditure amount.

Four material irregularities were communicated by the AGSA in the current financial year and are detailed in the annual financial statements and audit report.

The Board acknowledges its fiduciary and governance responsibilities to ensure that material irregularities, including significant non-compliance, fraud, or financial misconduct, are appropriately investigated and addressed. The Board will continue to monitor the implementation of remedial actions, adherence to agreed timelines and accountability measures to ensure that identified internal control deficiencies are adequately addressed through the relevant management and governance structures.

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 into a wholly owned subsidiary of Transnet. The Minister of Transport, in a letter dated 20 March 2025, established a task team chaired by the DoT, to provide recommendations to the minister on the most suitable process for incorporating National Ports Authority. The fully utilised R47 billion Guarantee Framework Agreement (GFA) provided that Transnet must establish the National Ports Authority as a wholly-owned subsidiary by 30 April 2025. However, following several submissions and engagements with the DoT, and the work of the task team, National Treasury withdrew the incorporation date of 30 April 2025, to allow the task team to establish the appropriate mechanisms and timelines required to incorporate National Ports Authority, in a manner that will have a minimal impact on the financial sustainability and going concern status of Transnet. On 30 March 2026, the ministerial task team discussed the possible financial solutions and process that will be recommended to the Ministers of Transport and Finance as the most suitable options for the incorporation of National Ports Authority. Transnet is awaiting the final outcome of the work of the task team. Transnet Freight Rail has completed the accounting separation

Short form announcement

This short-form announcement is the responsibility of the Transnet Board of Directors. It is only a summary of the information contained in the integrated report and annual financial statements and does not contain full or complete details. Any investment decision should be based on the integrated report and annual financial statements available on the Transnet website at www.transnet.net. The integrated report and annual financial statements are also available for inspection at the registered office of Transnet.