

TRANSNET



port terminals



TRANSNET PORT TERMINALS 2025

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CHIEF EXECUTIVE'S OVERVIEW



“ Transnet Port Terminals (TPT) is South Africa’s leading terminal operator and performs a pivotal logistics function by connecting the country to the rest of the world. TPT is instrumental for the efficient loading and offloading of bulk, containers, automotive and break-bulk cargo across 16 coastal terminals and three inland terminals. ”

VOLUME PERFORMANCE

2024/2025FY was a challenging year for TPT across four sectors, namely containers, automotive, bulk and breakbulk. Geopolitical uncertainties dominated world trade, with over 50 countries experiencing national elections. Legislative changes in the European Union and the US added complexity to maritime trade.

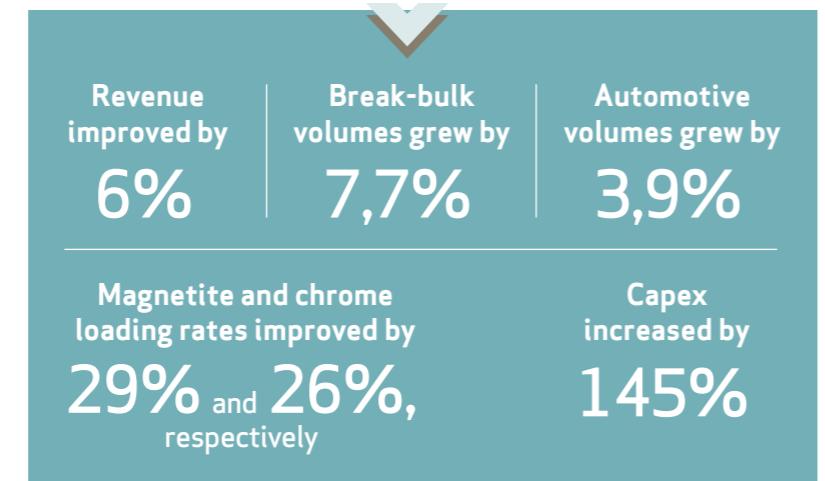
While TPT narrowly missed its annual container target, we experienced some areas of positive performance. The Durban Multi-Purpose terminal (MPT) handled a record breaking 226 000 twenty-foot equivalent units (TEUs), while the Durban Container Terminal (DCT) Pier 1 and Port Elizabeth Container Terminal (PECT) exceeded volume targets. The Durban Maydon Wharf Terminal also reintroduced the handling of containers, signifying TPT's commitment to flexibility and resilience. The container terminals also cleared backlogs of vessels waiting at anchorage at all ports.

Overall, automotive volumes increased by 3,9% year-on-year. Similarly, break-bulk volumes increased by 7,7% owing to Richards Bay, Port Elizabeth, East London MPTs and Cape Town MPT exceeding annual targets.

FINANCIALS

TPT exhibited resilience and resolve in its operations, as demonstrated in its financials. Revenue increased by 6%, and container revenue grew by 7%. Net operating expenses increased by 11%, largely due to implementing the fourth operating shift at several terminals to comply with labour legislation. Capital investment was R3,436 billion, significantly exceeding the prior year's spend of R1,400 billion. This reflects TPT's determination to aggressively replace its ageing equipment fleet. Return on invested capital was 15%, exceeding the weighted average cost of capital (WACC) of 12%.

HIGHLIGHTS



PRIVATE SECTOR PARTICIPATION (PSP)

The 25-year joint venture with International Container Terminal Services (ICTSI) for Durban's Pier 2 will boost efficiency, competitiveness and introduce much needed investment. Several administrative matters need to be completed before commencement. Several other PSP projects, are at various stages of implementation, across its business, including the Ngqura Manganese Export Terminal (NMET), Richards Bay's chrome and magnetite terminal, the East London and Durban Agri Terminals and the Durban MPT.

ASSET UTILISATION

In recent years, TPT's ageing fleet has resulted in poor equipment availability and operational performance. To rectify this, we have implemented the overall equipment effectiveness (OEE) methodology in the last two years. This has resulted in the accurate measurement and root cause analysis of equipment downtime, enabling data-driven interventions to resolve challenges as they occur. TPT has entered into several long-term original equipment manufacturer (OEM) partnerships to ensure the timely availability of spares and key skills to ensure that equipment maintenance is optimally implemented. TPT has also worked closely with industry to acquire supporting equipment from customers, reflecting a collaborative and holistic approach to resolving equipment challenges.



LOOKING AHEAD

TPT is exploring several strategic opportunities and collaborative initiatives:

Market expansion:

TPT is actively pursuing partnerships with other ports within the African continent, aligning with Africa's growth hotspots and regional connectivity initiatives like the NEPAD North-South Corridor.

Back-of-port development:

Collaboration with the City of Cape Town and Western Cape Government on rail infrastructure and logistics solutions to enhance hinterland connectivity.

Technology integration:

Exploring and implementing automation possibilities, data analytics, and remote operations to mitigate weather disruptions and optimise terminal performance.

Agricultural hub development:

Investigations to upgrade Cape Town's MPT to handle barley, wheat, and other commodities, as well as targeting new agricultural markets.

Tariff alignment:

TPT continuously reviews its pricing strategies to maintain competitiveness and promote local development.

TPT will implement integrated planning, ensure consistent communication, and work collaboratively with all stakeholders for the advancement of South Africa. We have turned the corner and look forward to a brighter future for our Company.

Jabu Mdaki
Chief Executive

BUSINESS OVERVIEW

TPT's cargo terminal operations play a crucial role in the South African economy by facilitating the efficient movement of imports, exports and transshipments. This ensures ongoing year-round connectivity with regional and global trading partners, enhancing trade flows. TPT works to boost the reliability and efficiency of its operations, driving down business costs through innovative practices.

TPT's vision aims to maximise Shareholder value through:

- Enhancing the efficiency, cost-effectiveness and viability of current port operations;
- Leveraging a portfolio of world-class infrastructure assets;
- Strengthening global supply chains;
- Growing revenue by joining global strategic partnerships to explore new business opportunities;
- Generating sustainable economic growth; and
- Promoting regional integration.

TPT offers cargo handling services across a diverse customer base, including shipping lines, freight forwarders and cargo owners. It manages four primary business segments: containers, dry bulk, break-bulk, and automotive. The division operates 16 terminals with 68 berths distributed across seven coastal ports and three inland terminals linked by rail to the ports of Richards Bay and Port Elizabeth.

CONTAINERS

TPT operates container terminals in the ports of Durban, Ngqura, Port Elizabeth and Cape Town, with a cumulative annual capacity of 5.7 million TEUs. The Durban and Cape Town container terminals are nearing their capacity limits; however, plans are underway to expand their capabilities.

DRY BULK

The bulk sector operations involve managing dry bulk commodities through a network of conveyor belts, tipplers, stackers, reclaimers and ship loading and unloading equipment. Mineral bulk commodities are handled at the ports of Richards Bay, Port Elizabeth and Saldanha, while agricultural bulk commodities are processed at the ports of Durban and East London.

BREAK-BULK

TPT manages steel, timber, granite, abnormal and project cargo, and other commodities through break-bulk operations in MPTs across all seven ports. Traditional bulk cargo is also handled at break-bulk facilities, utilising a skip operation or a mobile conveyor.

AUTOMOTIVE

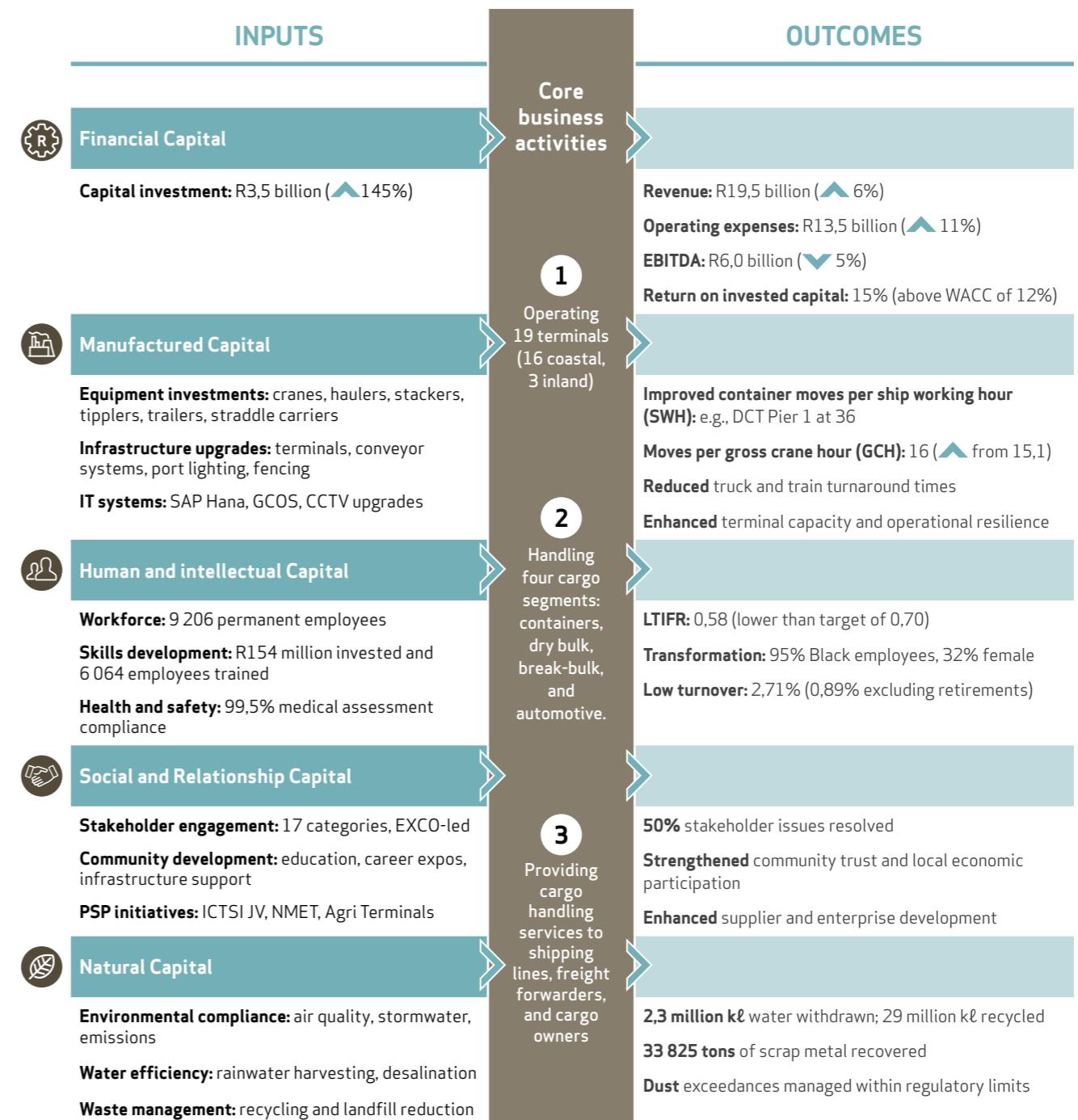
TPT operates automotive terminals at the ports of Durban, East London, and Port Elizabeth. These facilities handle a variety of vehicles driven onto and off vessels.

The strategy focuses on becoming a world-class terminal operator, interfacing with rail and other logistics supply chains. A high-performance culture is essential to achieve this, enabling:

- Financial sustainability and growth;
- Operational excellence with predictable, reliable, and efficient terminal-handling services;
- An integrated, sustainable, and customer-focused port ecosystem; and
- Proactive planning across the ecosystem to achieve operational excellence.



A summary of our capital inputs and outcomes for the 2024/25 year is as follows:



WHERE WE OPERATE



OVERVIEW OF KEY PERFORMANCE INDICATORS

To keep TPT on track with its objectives, specific key performance indicators (KPIs) have been identified. The following table presents these KPIs, their targets and actual performance in each area.

Key performance area and indicator	Unit of measure	2024 Actual	2025 Target	2025 Actual	2026 Target
Financial sustainability					
Revenue	R million	18 456	20 255	19 502	21 801
EBITDA	R million	6 334	6 321	5 987	6 697
Operating Profit Margin	%	23%	21%	19%	21%
Return on average total assets	%	28%	31%	25%	26%
Revenue per employee	R million	2,1	1,8	2,1	2,1
Capital expenditure ^(a)	R million	1 400	3 962	3 436	4 040
Volume growth					
Containers	TEUs	4 152 288	4 416 000	4 091 718	4 380 017
Bulk	tons	71 609 424	78 637 510	69 868 018	77 219 425
Break-bulk	tons	28 494 922	27 901 342	30 693 534	28 227 297
Vehicles	units	773 506	827 600	803 908	778 167
Operational efficiency and productivity					
Container dwell time					
DCT – Pier 1	days	3	3	3	3
- Imports	days	5	5	5	5
- Exports	days	7	10	6	10
- Transshipment	days				
DCT – Pier 2	days	2	3	2	3
- Imports	days	8	6	7	6
- Exports	days	8	10	7	10
- Transshipment	days				
CTCT	days	2	3	3	3
- Imports	days	9	7	8	7
- Exports	days	9	15	9	11
- Transshipment	days				
Moves per gross crane hour					
DCT – Pier 1	moves per hour	16	20	18	19
DCT – Pier 2 ^(b)	moves per hour	16	20	15	18
CTCT	moves per hour	12	19	14	19
PE	moves per hour	15	20	18	18
NCT	moves per hour	16	20	16	18
Container moves per ship working hour					
DCT – Pier 1	moves per hour	34	43	36	43
DCT – Pier 2 ^(b)	moves per hour	38	51	37	46
CTCT	moves per hour	24	41	28	41
PE	moves per hour	25	32	26	32
NCT	moves per hour	36	46	34	36

REGULATORY ENVIRONMENT

The National Ports Act, No. 12 of 2005 (Ports Act) defines TPT's operational framework.

With 21 Terminal Operator licences, TPT has established a Compliance Risk Management Plan and a Critical Control Framework, including control self-assessments (CSAs). These CSAs, conducted biannually, ensure adherence to the Ports Act and Terminal Operator licences. The Act further obliges TPT to comply with applicable legislative requirements, such as the National Environmental Management Act, 1998 (Act No. 107 of 1998) and its supporting acts, along with issued environmental authorisation, licences and permits. Annual reports on operations, performance, finance, Safety, Health, Environment and Quality (SHEQ), competition, and compliance with the legislative requirements are submitted to the Transnet National Ports Authority (TNPA), which conducts mandatory annual audits to ensure ongoing compliance and improvement.



OVERVIEW OF KEY PERFORMANCE INDICATORS continued

Key performance area and indicator	Unit of measure	2024 Actual	2025 Target	2025 Actual	2026 Target
Train Turnaround time ^(c)					
DCT - Pier 1	hours	2,6	4,0	2,8	4
DCT - Pier 2	hours	3,3	4,0	3,8	4
CTCT	hours	4,0	4,0	4,3	4
NCT	hours	4,8	4,0	4,5	4
Saldanha ^(d)	minutes	112	111,0	112	111
Richards Bay	hours	11,9	11,0	11,9	11
Port Elizabeth	hours	10,4	12,0	11,6	12
Truck turnaround time					
DCT - Pier 1	minutes	96	65	90	65
DCT - Pier 2 ^(e)	minutes	89	65	95	65
CTCT	minutes	58	40	59	40
NCT	minutes	36	35	34	35
Richards Bay MPT	minutes	87	35	87	50
Loading rate					
Saldanha Iron Ore Terminal	tons per hour	7 940	8 250	8 103	8 250
RB DBT - Loading - Magnetite	tons per hour	1 211	1 300	1 558	1 550
RB DBT - Loading - Chrome	tons per hour	836	900	1 050	1 000
RB DBT - Loading - Coal	tons per hour	608	750	666	700
RB DBT - Offloading - Coking Coal	tons per hour	238	350	278	350
Sustainable developmental outcomes					
Employment					
Employee headcount (permanent)	number	8 982	11 229	9 206	10 342
Health and Safety					
LTIFR	number	0.59	0.70	0.58	0.70

(a) Capital expenditure excludes capitalised borrowing costs.

(b) Prime berths for 2021/22, 2022/23 are berths 108, 203 and 204. From 2023/24, the overall SWH and GCH are utilised.

(c) Majority of terminals measured in hours. Saldanha is the exception and is measured in minutes.

(d) Rake process time inside tippler - Subject to service design review.

(e) Targets based on historical information and operational methodology not available.



The steady flow of new equipment, together with improved relations with key OEMs, part suppliers, and shipping lines has stabilised operations. We now plan to consistently increase volumes and transition the terminals to operating levels that are aligned with global best practice.

OPERATIONAL PERFORMANCE REVIEW

VOLUMES

Break-bulk volumes exceeded the full year target and the prior year, driven by solid performances at Durban MPT. Automotive volumes exceeded prior year volumes despite unfavourable economic conditions. However, bulk volumes declined due to aged infrastructure at the Port Elizabeth bulk terminal (over 70 years old), adverse weather, and rail supply challenges across the terminals, especially at the Saldanha iron ore terminal.

Container volumes declined by 1,5% year-on-year. The Durban and Eastern Cape terminals experienced empty berthing windows, resulting in low berth utilisation and loss of potential volumes. Adverse weather conditions and equipment breakdowns also negatively affected operational performance.

Containers

TPT handled 4 092 million TEUs, falling short of its annual budget target by 7%, reflecting ongoing operational and market challenges. The container throughput was impacted by adverse weather conditions and equipment shortages, resulting in reduced productivity at the ports of Durban and Cape Town. Imports, exports, and transshipments fell short of the budget by 3,5%, 4,4% and 26,8% respectively.

These operational constraints coincided with a difficult global container shipping market in 2024/25, characterised by overcapacity, falling freight rates, and a 1% contraction in global container throughput due to trade tensions and subdued demand.

Regionally, South African ports face increasing competition from expanding transhipment hubs in neighbouring countries. Domestic policy uncertainties, such as the draft Merchant Shipping Bill, risk raising freight costs and complicating port competitiveness also impact terminal operations. Despite these headwinds, strategic tariff methodologies and infrastructure investments aim to enhance South Africa's attractiveness as a maritime hub, supporting a cautious but hopeful outlook for container volumes through Transnet's terminals in the near term.

Global container throughput is expected to contract slightly by about 1% in 2025, according to Drewry, marking only the third annual contraction since 1979. This decline is driven by trade tensions, particularly US trade policy changes, tariff uncertainties, and subdued consumer demand in key markets like China, Europe, and the US.

Durban and Cape Town experienced operational challenges limiting container volume growth in 2025. These challenges include equipment shortages, logistical inefficiencies, and weather-related disruptions such as extreme weather and strong winds, causing delays.

- Despite these challenges:
 - DCT Pier 1 exceeded budget by 8,3%, maximising the output from the limited equipment availability;
 - PECT exceeded budget by 6,9% due to increased reefer volumes; and
 - DBN MPT was 73,4% above budget. The terminal has been used as a release valve for both Pier 1 & Pier 2.

Bulk

- Bulk volumes were 11,2% below budget and 2,4% below prior year volumes.
- Iron Ore volumes ended 10,1% below budget due to poor rail reliability, weather delays (high wind/swells), and equipment breakdowns.
- Manganese volumes recovered strongly in the last quarter, despite pressure on commodity prices during the year, ending just 2,3% below budget. During the year, volume was affected by rail supply challenges (cable theft, derailments).
- Chrome volumes serviced amounted to 99,7% of the annual budget, just 15 076 tons shy of the full year budget.
- Magnetite volumes were 7,8% below budget due to vessel scheduling, tippler maintenance shuts, weather delays, wet magnetite, and a derailment affecting inbound rail lines.

Iron is the most widely used metal worldwide, essential for the construction, engineering, automotive, and machinery industries, primarily as a key component in steel. In 2024, the iron ore market experienced significant price fluctuations, starting strong and then plummeting before rebounding slightly in the latter months. Key factors dampening global demand include the declining steel production in China and a weak domestic Chinese property and construction industry.

Manganese is essential for manufacturing lithium-ion batteries, used in electrical backup systems and electric vehicles and steel production. The manganese sector accounts for about 5% of South African mining output and exports, significantly contributing to the economy. In 2024, global production saw modest growth, driven by demand from steelmaking and battery manufacturing. However, supply chain disruptions, particularly from South Africa and Kazakhstan, and geopolitical factors like the conflict in Ukraine, led to production declines in some key areas. South Africa, the leading producer, saw modest growth in production, but the lack of major new projects suggests stable production in the future. The International Manganese Institute anticipates continued demand growth but cautions about potential supply chain disruptions and geopolitical uncertainties.



Magnetite is a key element in various industries due to its diverse applications. It is used in making steel, bolts, household gadgets, equipment, industrial facilities, automotive components, machinery, infrastructure development, shipbuilding and railway lines. The demand for magnetite is expected to remain steady, aligning with global steel demand as world economies grow. The primary challenge lies in rail supply to the Port, as road trucking is not a feasible option for transporting this commodity.

Chrome is essential for hardening steel, manufacturing stainless steel, and producing various alloys. South Africa is a leading global exporter of chrome (chromium ore), with the Port of Richards Bay being one of the key export hubs. However, due to logistical supply chain challenges, a significant volume of chrome exports has also been routed through the Port of Maputo in Mozambique. Richards Bay has faced backlogs and capacity constraints, exacerbated by bottlenecks in transporting chrome from mines to ports and severe flooding in KwaZulu-Natal. Market prices and volumes showed the usual drop between December to February, but picked up thereafter.

South Africa is a pivotal player in the global coal market, ranking as the fifth-largest seaborne exporter. The nation's coal exports serve diverse industrial applications worldwide, from electricity generation to steel production. The demand for South African export coal from Europe is expected to remain strong as the continent supplements its energy mix to mitigate the effects of the Russia-Ukraine war, with European countries restarting coal-fired power plants. India is also expected to remain a top destination for South African coal, driven by its increasing manufacturing output and expanding power generation infrastructure. Coal markets declined in 2024 compared to the peak in 2021/22FY and 2022/23FY. This impacted overall volume performance, but due to opportunities in the markets, the budgeted volume was still exceeded.

Break-bulk

Break-bulk, or general cargo, involves transporting separate pieces rather than using containers. This includes items like wind turbines, cables, generators, steel, wood and pipes, all handled through TPT's MPTs. These terminals also facilitate the export of bulk commodities via a skip operation when demand exceeds the capacity of bulk terminals.

- Break-bulk volumes exceeded the budget by 10,0%;
- Port Elizabeth MPT surpassed budget by 23,1%, Durban MPT by 16,2%;
- The Richards Bay MPT was 17,9% above budget, had a positive performance largely due to Sulphur DBT cargo diverted to MPT until the conveyor belts have been commissioned. Coal also experienced favourable market conditions;
- Cape Town MPT exceeded budget by 126%, mainly due to increased volume handling on agri-products, seasonal trends, new and returning customers;
- Saldanha MPT performed at 3,5% below budget, due to a decline in performance on other breakbulk products.
- East London MPT break-bulk performance was 9,3% above budget. The terminal had a positive volume performance due to exceptional performance on the livestock exports.

Automotive

- A total of 803 908 automotive units were handled, 3,9% above the prior year;
- Imports increased by 23,1% above prior year; and
- Port Elizabeth's volumes were 9,2% higher than prior year volumes, largely due to VW exports. Durban's volumes increased by 6,1%.

Significant economic and geopolitical uncertainties influenced South Africa's automotive landscape. The first two quarters of the year saw a decline in auto imports as importers and distributors reduced orders until South Africa's election outcomes. The last two quarters of the year saw imports surging once local political stability was established.

Vehicle car sales increased in the second quarter primarily due to easing inflation and interest rate cuts. This allowed importers and distributors to revise their Durban 2024 import orders, increasing terminal import throughput. Vehicle exports were impacted by a demand slowdown in the European Union, stricter carbon emission rules and timing effects of new model introductions.

A key concern is the potential impact of the US tariff increases on the automotive industry. Less than 7% of local vehicles are exported to the USA. However, 48% of exports via East London are destined for the US market. The impact on Durban Roro may be minimal, while East London may be significantly impacted.

Container moves per ship working hour

TPT measures operational efficiency by average moves per ship working hour (SWH).

- Overall, the SWH for major container terminals at TPT nationally improved to 32 moves per hour (2023/24FY: 31);
- DCT Pier 1: SWH improved to 36 moves per hour (2023/24FY: 34);
- DCT Pier 2: SWH decreased to 37 moves per hour (2023/24FY: 38);
- Ngqura Container Terminal: SWH declined to 34 (2023/24FY: 36); and
- (CTCT): SWH increased to 28 moves per hour (2023/24FY: 24).

The SWH performance across the container terminals has been adversely impacted by equipment availability and reliability challenges at the dedicated container terminals. Adverse weather conditions, such as strong winds and rain, also affected operational performance.

These challenges are being addressed through a focused turnaround plan, which includes replenishing key equipment fleet in the short and medium term and acquiring critical spares to support the maintenance teams. Collaborative initiatives between TPT and customers have yielded several pieces of equipment to assist the operation. TPT has also entered into several long-term OEM equipment and spare contracts to streamline the acquisition of critical assets in a more efficient manner. Additional technical resources also supplement these efforts.

OPERATIONAL PERFORMANCE REVIEW continued

Moves per gross crane hour

The average moves per gross crane hour (GCH) increased from year-on-year to 16,0 (2023/24FY: 15,1). This improvement is despite adverse weather conditions and the poor reliability and availability of key operating equipment. The current fleet has equipment that is past its design life, which reduces reliability. To address these issues, refurbishment interventions are underway, along with long-term contracts for critical spares supply. TPT also entered into an OEM partnership strategy to secure long-term agreements for equipment supply and complete asset life cycle management.

Train turnaround time

The Durban Container Terminal (Pier 1 and Pier 2) consistently stayed below the four-hour target. Additionally, the Port Elizabeth Bulk Terminal maintained a train turnaround time under the 12-hour threshold.

The Saldanha Iron Ore Terminal slightly exceeded its rake turnaround time target of 111 minutes, achieving 112 minutes due to intermittent equipment and rail supply challenges. Similarly, the Richards Bay Bulk Terminal marginally exceeded its train turnaround time target of 11 hours, reaching 11,9 hours, primarily due to equipment challenges and adverse weather conditions.

Truck turnaround time

The average truck turnaround time performance maintained its prior year performance of 73 minutes, though exceeding the budgeted targets. This was primarily due to equipment breakdowns, increased volumes and adverse weather conditions impacting operational activities.



FINANCIAL PERFORMANCE REVIEW

	Year ended 31 March 2025 R million	Year ended 31 March 2024 R million	% change	
Revenue	19 502	18 456	6%	
- Containers	9 345	8 723	7%	
- Dry bulk	4 636	4 712	(2%)	
- Break-bulk	4 024	3 602	12%	
- Automotive	1 497	1 419	5%	
Operating expenses	13 515	12 122	11%	
Energy costs	948	966	(2%)	
Maintenance	704	684	3%	
Materials	724	747	(3%)	
Personnel costs	6 923	5 989	16%	
Other	4 216	3 737	13%	
Profit from operations before depreciation, derecognition, amortisation, short term incentives (STI) and items listed below (EBITDA)	5 987	6 334	(5%)	
Depreciation, derecognition and amortisation	2 296	2 019	14%	
Profit from operations before items listed below	3 691	4 315	(14%)	
Impairments and fair value adjustments	1 082	(25)	(4 441%)	
Net finance costs	1 522	(1 131)	35%	
Profit before taxation	4 132	5 472	(24%)	
Total assets (excluding CWIP)	R million	14 294	15 265	(6%)
Profitability measures				
EBITDA margin*	%	31%	34%	
Operating margin**	%	19%	23%	
Return on average total assets (excluding CWIP)***	%	25%	28%	
Asset turnover (excluding CWIP)****	times	1,3	1,2	
Capital investments^	R million	3 436	1 400	145%
Employees				
Number of employees (permanent)	number	9 206	8 982	0,02
Revenue per employee	R million	2,10	2,05	0,03

* EBITDA expressed as a percentage of revenue.

** Profit from operations before impairment of assets, fair value adjustments, net finance costs and taxation expressed as a percentage of revenue.

*** Profit from operations before impairment of assets, fair value adjustments, net finance costs and taxation expressed as a percentage of average total assets, excluding capital work-in-progress (CWIP).

**** Revenue divided by average total assets, excluding CWIP.

^ Actual capital expenditure (replacement plus expansion), excluding borrowing costs and including capitalised decommissioning liabilities.

FINANCIAL PERFORMANCE REVIEW continued

Revenue for the year increased by 6% to R19,5 billion (2023/24FY: R18,5 billion), mainly attributed to strong performances in the break-bulk and automotive sectors. Operating expenses rose by 11% to R13,5 billion (2023/24FY: R12,1 billion), mainly due to higher labour costs from implementing the fourth shift and annual wage increases. Repairs, maintenance, and materials costs remained steady, while other costs increased due to higher group recoveries, customer claims, TNPA rentals increases, electricity and IT costs. There were savings in fuel costs due to reduced volumes handled in the containers and bulk sectors, and a lower fuel price on average compared to the previous year.

TPT's EBITDA declined by 5% to R6,0 billion (2023/24FY: R6,3 billion). The return on invested capital has decreased to 15% (2024: 22%), although this remains above the WACC of 12%. TPT invested R3,436 billion to ensure sustained capacity and improved operational efficiency. This was a substantial increase over the prior year's spending and enabled major equipment replacements.

CAPEX ALLOCATED IN 2024/25FY:

Container terminals

CTCT

- Progress payments of R448,9 million for 28 replacement rubber-tyred gantry cranes;
- R86 million to replace 47 haulers and two reach stackers; and
- R3,8 million on the feasibility phase of the expansion of capacity from one million TEU per annum to 1.4 million TEU per annum.

DCT Pier 2

- Progress payments of R 525,5 million to replace four ship-to-shore (STS) cranes;
- R414,5 million to replace 20 straddle carriers. Of the 20, 16 were handed to operations by the year-end, with the remaining four arriving in April 2025; and
- R110,1 million for replacement haulers, trailers, forklifts and spreaders.

DCT Pier 1

- R141,2 million to replace 16 RTG cranes. Components for first nine machines were delivered in November 2024, with assembly currently underway;
- R242,2 million for acquiring haulers, trailers, reach stackers, spreaders and forklifts. Most equipment was received in 2024/25FY, with remaining units to be delivered in 2025/26FY; and
- R6,0 million on the development of an empty container stack.

PECT

- R107,8 million to replace an STS crane. Delivery of components was received in 2024/25FY with assembly complete by year-end, with commissioning and endurance testing to be completed; and
- R25,7 million on the mid-life refit of one STS crane.

NCT

- R79,0 million on acquiring replacement haulers, with all equipment received by year-end; and
- R26 million on the mid-life refurbishment of Rubber Tyred Gantry (RTG) cranes and Rail Mounted Gantry's (RMG). The work is ongoing.

Bulk and MPT terminals

Saldanha Iron Ore Terminal

- R137,7 million on the further execution of the Tippler 3 and associated works project. Significant milestones include the appointment of replacement contractors for the tippler Original Equipment Manufacturer (OEM) work and bulk electrical power installation;
- R61,6 million for acquiring replacement conveyor belting materials; and
- R38,2 million on the initial phase of the mid-life refurbishment of Stacker Reclaimer 3 and R5,2 million on the remaining works to refurbish of Stacker Reclaimer 1.

RCB DBT

- R100,6 million on the reconstruction of the fire-damaged Arcelor Mittal South Africa (AMSA) conveyor route;
- R45,2 million on the reconstruction of the fire-damaged FOSKOR conveyor route;
- R8,9 million on the reconstruction of the fire-damaged RBTG conveyor route; and
- R29,1 million for the completion of the new Berth 804 loader.

RCB MPT

- R31,6 million replacing 74 haulers; and
- R7,0 million on fencing the Kendal Inland terminal.

Port Elizabeth Bulk Operating Terminal

R107,5 million on the terminal refurbishment to enable its continued operations until the proposed Ngqura Mn Terminal is constructed.

All terminals

- R547 million on copex and capital spares;
- R12,8 million on the upgrade of fuel storage facilities and fuel bowsers at various terminals for environmental compliance and to align with operational requirements;
- R7,1 million for upgrading the SAP system to SAP Hana, which integrates online analytical and transactional processing, storing data in memory for faster processing and integration; and
- R7,0 million on the general cargo operating system (GCOS) upgrade, R1,7 million on IT infrastructure backup and storage, and R1,3 million on developing a driver truck management system.

LOOKING AHEAD

Volume targets for 2025/26FY

- Containers: 4,38m TEUS;
- Bulk: 77,22m tonnes;
- Break-bulk: 28,23m tonnes; and
- Automotive: 778 167 units.

Revenue growth targets for 2025/26FY

- Revenue: R21,8 billion (2024/25FY: R19,5 billion);
- EBITDA: R6,7 billion (2024/25FY: R6,0 billion);
- Operating profit margin: 21% (2024/25FY: 19%); and
- Capex: R4,040 billion (2024/25FY: R3,436 billion).

Operational outlook for 2025/26FY

- Attain a minimum SWH of 46 at DCT Pier 2, 43 at Pier 1, 41 at CTCT, and 36 at NCT through the appropriate resourcing and skills development, key equipment replacement and refurbishments, terminal partnerships with shipping lines, a 24/7 maintenance regime;
- Maintain truck turnaround time below the target of 65 minutes both for Pier 1 and 2, 40 minutes for CTCT, and 35 minutes for NCT;
- Maintain train turnaround times below four hours at the container terminals, 12 hours at the Port Elizabeth Bulk Terminal, 11 hours at the Richards Bay Bulk Terminal, and 111 minutes at the Saldanha Iron Ore Terminal;
- Implement a recovery plan to support key enablers and improve business performance;

- Continue the container incentive scheme to improve operational performance further; and
- Enhancing security capacity and capability through technology, community partnerships, upskilling security employees and embedding a security culture.

Capital investment

In the short term, TPT will invest to create and sustain capacity. This includes:

- Replacing or refurbishing key equipment (cranes, stackers, tipplers, trailers, straddle carriers);
- Completing the rebuild of the AMSA conveyor route at Richards Bay Dry Bulk Terminal (RB DBT);
- Environmental upgrades at Saldanha Iron Ore Terminal to comply with Air Emissions Licence conditions;
- Completing the turnkey procurement phase for executing semi-automation projects at DCT Pier 1 and CTCT;
- Port of Durban terminal lighting upgrades;
- The award of a contract for boundary fencing and the start of construction at Durban Agri-port and Durban Maydon Wharf;
- Concrete repairs to the port gallery structures at the RB DBT;
- Security and Closed Circuit Television (CCTV) upgrades at container and MPTs in Cape Town, Saldanha, Ngqura and Richards Bay;
- Approval of the business case for a PSP for funding and operating the proposed 16 mtpa Port of Ngqura Manganese Export Terminal, with TPT as the majority shareholder; and
- Completing IT projects, including implementing SAP Hana and upgrading the GCOS.



KEY RISKS AND MITIGATING ACTIVITIES

The following were identified as the top five risks during the year under review, along with appropriate mitigating plans:

Top risks	Mitigating activities
1 Loss of terminal operating licenses leading to reduced terminal footprint and financial losses	<ul style="list-style-type: none"> Establish a strategy and operational plan to improve compliance; Define a combined assurance programme to monitor compliance with regulatory requirements and associated conditions; Implement and monitor turnaround plans to improve operational efficiencies and implement processes that ensure the speedy remediation of deviations; Map all critical authorities and establish structured bilateral engagement platforms to rebuild relationships and ensure alignment on key matters; Reassess and quantify the risk and impact of the Section 56 process, PSPs and the NMET projects on TPT's sustainability; and Develop a three to five-year resourcing schedule aligned with capital investment to capacitate the project management portfolio with critical project execution resources (project risk managers, business case writers) to improve capital project performance.
2 Major breach of regulatory requirements leading to material irregularities and reputational damage	<ul style="list-style-type: none"> Implement a compliance risk management plan for all critical legislation as guided by TPT's regulatory universe, and implement an approach to keep abreast of changes and their potential impacts; Implement critical control frameworks and ensure continuous monitoring through the governance structure for applicable legislation; Embed a PFMA compliance culture through a structured employee engagement and awareness; and Undertake extensive SCM testing of PTP's transactions and implement an assurance programme for strategic projects to monitor compliance with governance requirements.
3 Delays in the delivery of capital projects leading to capacity constraints, missed business opportunities and cost overruns.	<ul style="list-style-type: none"> Procure professional services for engineering design, project and construction management to address technical resources shortages and improve capital project performance; Capacitate the project management portfolio with critical project execution resources; Confirm capital project support resource requirements with Supply Chain Management (SCM) and affirm the SCM Recruitment Strategy to plan and execute projects effectively; Review capital project governance structures, develop plans to improve their effectiveness and define assurance programmes required to facilitate improved performance from key assets (infrastructure and equipment) acquisition; Upskill project execution resources to drive performance; and Document and review lessons from previous projects and apply them in current and upcoming projects to mitigate risks and improve performance.
4 Increase in safety occurrences leading to injuries, fatalities, financial losses and reputational damage	<ul style="list-style-type: none"> Implement and monitor a visible leadership programme to support embedding passionate safety leadership at all levels; Capacitate and improve the occurrence management process within TPT to improve investigation, identification of preventative recommendations, and efficient and timely closure of occurrences; Recruit a fire and hazardous material specialist to drive robust and proactive fire, safety and risk management approaches; and Identify five high-consequence activities/processes and proactive safety risk management approaches to reduce safety incidents and raise safety awareness.

Top risks	Mitigating activities
5 Failure of ageing critical equipment leading to business disruptions, loss of revenue and reputational damage	<ul style="list-style-type: none"> Align with the Capital Project and SCM functions to understand bottlenecks impeding equipment maintenance and procurement plans; Implement stringent lifecycle plans and condition monitoring to extend the life of the equipment; Evaluate internal capabilities and readiness to implement, control and manage equipment risks including maintenance programmes, technical assessments, incident investigation, hazard and risk assessments; Execute phase 3 and 4 refurbishments of the Port Elizabeth Bulk Operating Terminal based on high-risk areas identified from the condition assessment; Review and affirm the strategy to sustain Saldanha Iron Ore Terminal's aging Tippler 1 and Tippler 2 operations; Review equipment (straddle carriers, STS and RTG cranes) specifications to address safety requirements, respond to risks posed by extreme weather patterns, and update fleet plans and business cases; Revisit condition assessments conducted on all critical equipment to ascertain which equipment is still usable through refurbishment. Update maintenance and reliability programmes in line with each equipment's risk status; and Review the critical spares list and revisit the OEM procurement strategy to prioritise actions that will unblock bottlenecks and ensure availability.

CLIMATE CHANGE RISK

Failure to adapt and mitigate climate change impact leading to operational disruptions, destruction of infrastructure and equipment, and loss of life.

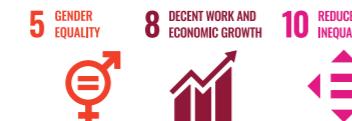
Most material climate change risks	Impact on operations	Mitigating actions
<ul style="list-style-type: none"> Changing weather patterns, wind directions and global temperatures; Increased impact of weather events due to facilities not designed for severe flooding and wind; Non-compliance with standard operating procedures for anchoring equipment during storms; Storms not identified by weather services; Power surges and or loss of power; and Lack of maintenance of stormwater infrastructure. 	<ul style="list-style-type: none"> Lost revenue; Operations not equipped for changing coastal conditions, including disruptive flooding and increased wind events; Equipment not designed for high wind events; Damage to support operations (rail, road); and Maintenance delays. 	<ul style="list-style-type: none"> Compliance with weather operating procedures; Weather stations installed at all ports and live weather information and weather warning system provided by the South African Weather Service; and Maintenance of stormwater systems and storm pins on STS cranes.

ESG PERFORMANCE

TPT applies a focused Environmental, Social and Governance (ESG) strategy that supports sustainability, social progress and ethical business practices. This strategy is aligned with the United Nations Sustainable Development Goals and South Africa's National Development Plan.

TPT's main contributions support SDGs 3 and 8 (Decent Work and Economic Growth) through job creation and skills development, and SDG 13 (Climate Action) through water efficiency, waste reduction and air quality management. These efforts reflect TPT's commitment to building long-term value while contributing to national and global development goals.

HUMAN CAPITAL MANAGEMENT



- Headcount:** TPT had a permanent employee headcount of 9 206 (10 106 including contractors) compared to 8 991 (9 731 including contractors) in March 2024.

- Transformation:** Black employees represented 95% of total employees (target 92%), female employees represented 32% (target 33%), and permanent employees with disabilities represented 2% (target 3%).

- B-BBEE rating:** TPT achieved a B-BBEE scorecard rating of level 4.

Equity, diversity and inclusion

TPT is committed to transformation and inclusivity. Women represent 25% of top management, 45% of senior management, 45,9% of middle management, and 39,93% of junior management. Black women hold 17% of top management roles and nearly 45% in senior and middle management. Of the 476 new hires, 73,58% were internal candidates, reflecting a strong internal talent pipeline and commitment to career progression.

Turnover

The overall employee turnover rate stood at 2,71%, but when retirements are excluded, the rate is reduced to 0,89%. While voluntary turnover data is unavailable, the relatively low turnover suggests a stable workforce. TPT plans to track its voluntary exits to understand employee retention dynamics better.

Skills development



TPT prioritises workforce development as a strategic imperative. In 2024/25FY, the business invested R154 million in skills development initiatives for 6 064, focusing on functional, technical, bursary and youth programmes. This exceeds the training target of 4 960.

Notably, 2 130 employees received training in emerging technologies aligned with the Fourth Industrial Revolution (4IR), including artificial intelligence. This proactive approach ensures that TPT's workforce remains future-ready and adaptable to technological advancements. 990 employees underwent sector-specific training, surpassing the target of 550.

Health and safety



Employee safety

Safety remains a top priority. Unfortunately, two fatalities occurred; one involving a TPT employee and another a stevedore. The Lost Time Injury Frequency Rate (LTIFR) was 0,58, with 74 Loss Time Injuries recorded.

Health and wellness

Occupational health performance was strong, with a 99,5% completion rate for medical assessments. This high compliance rate reflects TPT's commitment to employee wellness and early detection of health risks.



ENVIRONMENTAL STEWARDSHIP



Water governance

TPT has implemented innovative water efficiency measures, including rainwater harvesting in Cape Town and East London and a reverse osmosis plant in Saldanha Bay. Total water withdrawal amounted to over 2,3 million kilolitres and nearly 29 million kilolitres were recycled through desalination. These efforts reflect a commitment to sustainable water use, particularly in water-stressed regions.

Pollution and waste management

Terminal-specific programs and a national reverse logistics initiative drive waste management. This year, 33 070,1 tons of waste were generated and disposed of through landfill or incineration. Recovered materials included 33 825,3 tons of scrap metal and 4 417,4 tons of conveyor belting. These figures demonstrate a robust recycling effort, though opportunities remain to reduce landfill dependency.

Biodiversity and contaminated land

Contaminated land assessments have commenced as part of a decommissioning programme, with disclosures to be prepared for future reporting cycles.

Air quality

Air quality management is comprehensive, encompassing emission licensing, meteorological monitoring and dust control procedures. Ten dust fallout complaints were received and resolved. While dust exceedances were recorded in Saldanha and Richards Bay, they remained within regulatory limits. TPT's proactive monitoring and stakeholder engagement reflect a mature air quality governance framework.

Physical security

Security incidents, including 37 theft cases resulting in losses of R4 438 800, highlight ongoing risks. TPT has initiated a CCTV upgrade project across all terminals to enhance surveillance and deter criminal activity.

STAKEHOLDER ENGAGEMENT

TPT has strengthened its stakeholder engagement framework through a revised policy identifying 17 key stakeholder categories. Engagements were conducted across all regions, with EXCO members appointed as category owners. Of the issues raised, 50% were resolved, with the remainder in progress. Key concerns included allegations of corruption, service delivery issues, and community unrest. Community and supplier development programmes were initiated, though some activities were deferred to the next financial year. These efforts reflect TPT's commitment to transparency, stakeholder responsiveness and inclusive growth.



COMMUNITY DEVELOPMENT

TPT Head Office Enterprise and Supplier Development (ESD) initiatives:

- Partnered with the National Empowerment Fund to provide small businesses with lending opportunities; and
- Implemented a strategic approach to enhance local and regional supplier participation, fostering inclusive economic growth.

In the Western Cape:

- For Mandela Month, TPT, in partnership with Kumba and Clicks Helping Hand Trust, donated 400 care packs and a greenhouse tunnel with seedlings to Louwville High School in Vredenburg;
- TPT, in partnership with the Departments of Employment and Labour, Higher Education and Training, and Small Business Development, hosted a two-day jobs fair at the Vredenburg Sports Grounds, attracting over 300 youth participants;
- Shoes handover with TNPA and Kumba at Diazville Primary School. Two schools this year were assisted with more than 200 pairs; and
- Mentored 20 girls from a Cape Town School through the Transnet Foundation's Adolescent Health Programme. The girls were mentored by TPT CSI ambassadors, who were trained by life coaches from Transnet Foundation.

In Durban:

- TPT participated alongside other Operating Divisions and the Department of Transport in the Umsinga Career Expo, with over 400 learners in attendance;
- Donated 623 pairs of shoes to primary schools in Inanda and Mbumbulu, in partnership with Transnet Foundation;
- Participated in a career Expo at Umgababa Sports Ground, held as part of the Presidential Imbizo, with over 300 learners in attendance;
- World Maritime Heritage Day, co-hosted with TNPA, featuring a career expo attended by over 500 learners from eight schools;
- Participated in Durban University of Technology's World of Work Career Exhibition, engaging with over 3 000 students;
- For Mandela Day, Durban Terminals and TPT Head Office handed over school uniforms to Webbstown Primary School in Xopo. Employees also dedicated their 67 minutes to performing maintenance on the school's classrooms. Silimela Primary School in KwaMashu also received school uniforms; and
- Hosted local primary schools for a career day at Pier 1, providing learners with insights into the various career paths within TPT.

In Richards Bay:

- CEO's Forum – Engagement with the Zululand Chamber of Commerce, Local Businesses, and Industry Leaders.
- Emalehleni Local Municipality Councillors – engagement on the matters affecting TPT operations within the community.
- School Uniform Handover at Ezigqezweni High School, KwaMthethwa – Benefiting 60 Pupils.
- North Coast Workers Forum – TPT Highlights Youth Programmes and Economic Opportunities.
- Hosted Durban University of Technology and Mangosuthu University of Technology Students from the Environmental Health & Engineering Departments.
- Engagement with Inkosi Mthiyane, local chief and leader of the area where the terminal is located, and the Nazareth Baptist Church.
- Inland Terminal community support Initiative:
- Provided free, clean water from TPT's borehole to the local community;
- Donated food parcels and school uniforms to support vulnerable families;
- Implemented a multimillion Rand fencing project, employing 100% local community members;
- In partnership with Transnet Foundation, donated 500 school desks to a local school;
- TPT engaged five local chiefs from its operational areas on economic opportunities, committing to providing locally owned businesses with accessible contract opportunities as part of its ESD efforts; and
- Hosted various high schools in partnership with other Operating Divisions.

In the Eastern Cape region:

- TPT, in partnership with the Transnet Foundation, provided relief to flood victims in the Nelson Mandela Bay Municipality by donating non-perishable food items and 600 blankets;
- TPT participated in the two-day SA Agulhas II Open Day, hosted by the Department of Forestry, Fisheries, and the Environment at the Port of Port Elizabeth; and
- TPT, in collaboration with Transnet Foundation, hosted a Freedom Day event in Gqeberha, New Brighton, and Swartkops. As part of the initiative, TPT and TF handed over 300 food parcels to senior citizens and child-headed households.

ACRONYMS

Definitions of acronyms used in the report

CSA	Control self-assessment	OEM	Original equipment manufacturer
CTCT	Cape Town Container Terminal	PECT	Port Elizabeth Container Terminal
B-BBEE	Broad-Based Black Economic Empowerment	PSP	Private sector participation
DCT	Durban Container Terminal	RB DBT	Richards Bay Dry Bulk Terminal
DIFR	Disabling Injury Frequency Rate	RMG	Rail Mounted Gantry (Crane)
GCH	Moves per gross crane hour	RTG	Rubber-tyre gantry (Crane)
GCOS	General cargo operating system	SHEQ	Safety, health, environment and quality
MPT	Multi-purpose terminal	STS	Ship-to-shore (Crane)
mtpa	Million tons per annum	SWH	Moves per ship working hour
NCT	Ngqura Container Terminal	TPT	Transnet Port Terminals
NMET	Ngqura Manganese Export Terminal	TEU	Twenty-foot equivalent (Container)
OEE	Overall equipment efficiency	TNPA	Transnet National Ports Authority





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