

MEDIA STATEMENT

TNPA APPOINTS GRINDROD SA AS THE PREFERRED BIDDER FOR PORT OF RICHARDS BAY CONTAINER HANDLING FACILITY

[Richards Bay, 20 June 2024] Transnet National Ports Authority (TNPA) has appointed Grindrod South Africa (Pty) Ltd (Grindrod SA) as the Preferred Bidder to develop and operate a container handling facility at the Port of Richards Bay, as part of plans to drive improved port efficiency and service levels. This development will enable an increase in the port's container handling capacity from 50 000 twenty-foot equivalent units (TEUs) to 200 000 TEUs per annum, in alignment with the TNPA KZN ports master plan.

This successful award responds to historical calls from industry for a container terminal in Richards Bay and follows the successful conclusion of a Section 56 concession process in terms of the National Ports Act, Act no. 12 of 2005, which began with the issuing of a Request for Information (RFI) and subsequently the Request for Proposals (RFP) to market.

With over 20 years of expertise in the container sector, Grindrod SA is ideally positioned to spearhead the development and operation of this facility, which is scheduled to become operational in 2027. The project entails an estimated capital investment of approximately R285 million, offering a substantial boost to the region's container industry.

The project is also poised to stimulate economic growth, create jobs, and foster skills development in Richards Bay. The partnership with Grindrod SA, a Level 1 B-BBEE South African registered company, underscores TNPA's commitment to transformation. To advance the transformation agenda, Grindrod SA intends to partner with Eyamakhosi Resources (Pty) Ltd, a local entity within the Umhlathuze municipality, to ensure that the benefits of this project extend to the local community.

"This is a significant step forward in our efforts to enhance the Port of Richards Bay's infrastructure and capacity. We are confident that Grindrod South Africa's experience and commitment to local partnership will drive the success of the facility, bringing considerable economic and logistical benefits to the region," said Advocate Phyllis Difeto, TNPA Acting Chief Executive.

The strategic location of the proposed container handling facility will serve the northern parts of KwaZulu-Natal province effectively, providing vital proximity to the hinterland market. This positioning is anticipated to lower logistics costs and reduce transportation lead times, benefiting both local and regional economies.

Xolani Mbambo, Chief Executive Officer of Grindrod Limited, commented: "We are honoured to have been awarded the preferred bidder status to develop and operate the container handling facility in the Richards Bay port. We believe that it will significantly impact global trade and the region's economic growth, contributing to employment and uplifting local communities."

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About Transnet National Ports Authority

Transnet National Ports Authority is responsible for the safe, effective, and efficient economic functioning of the national port system, which it manages in a landlord capacity. It provides port infrastructure and marine services at the eight commercial seaports in South Africa – Richards Bay, Durban, Saldanha, Cape Town, Port Elizabeth, East London, Mossel Bay and Ngqura. It operates within a legislative and regulatory environment and is governed by the National Ports Act (Act No. 12 of 2005).

For more information visit www.transnetnationalportsauthority.net

Issued on behalf of:

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