ZEDER
INVESTMENTS LIMITED

REVIEWED CONDENSED FINANCIAL RESULTS FEBRUARY 2024

OVERVIEW

Zeder is an investor in the broad agribusiness and related industries. Its underlying investment portfolio was valued at R3.82bn as at 29 February 2024.

CORPORATE POSITIONING

Zeder assists with portfolio and investee strategies, while monitoring and overseeing optimal capital allocations to ensure sustainable investment returns.

NOTEWORTHY TRANSACTIONS

Category 2 disposal of investment in Capespan (excluding Pome Investments)

Effective 8 January 2024, the company, through its wholly-owned subsidiary, Zeder Financial Services ("ZFS"), together with the minority shareholders of Capespan, disposed of all of its shares held in the issued share capital of Capespan (excluding Pome Investments), to 3 Sisters for a disposal consideration of R550m ("Disposal"). ZFS held 92.98% of the issued shares in Capespan and received a disposal consideration of R511m in cash on 5 February 2024.

Following the implementation of the Disposal, the company, through ZFS, together with minority shareholders, continue to own Pome Investments, comprising of the pome fruit primary production operations and the Novo fruit packhouse.

Zeder special dividends

To enable Zeder shareholders to participate in the windfall proceeds of the aforementioned Disposal, Zeder paid a gross special dividend of 20.0 cents per share subsequent to year end on 18 March 2024.

In addition, Zeder declared and paid gross special dividends of 15.0 cents per share (R231m) in total during the financial year under review. A further gross special dividend of 10.0 cents per share (R154m) has been declared as part of these year-end results.

STRATEGIC FOCUS

Zeder's objective remains to maximise long-term wealth for its shareholders.

Following the aforementioned Disposal, Zeder has received several approaches from third parties regarding its remaining portfolio investments, namely Pome Investments and Zaad. Zeder wishes to consider these approaches in a manner which is fair to such third parties and the respective management teams of the portfolio investments. It is for this reason that Zeder has appointed PSG Capital and Rabobank as co-advisors to consider any Zaad-specific approaches and potentially embark on formal processes where appropriate.

Zeder anticipates that the evaluation of these approaches may take several months to finalise.

BUSINESS ENVIRONMENT AND OUTLOOK

The macro environment in which Zeder and its portfolio companies operate, remained relatively constrained during the year under review.

South African agribusinesses in general remain downbeat about the business environment and this is reflected in the Agribusiness Confidence Index where the Q1 2024 reading is at 40 points, well below the neutral 50-point mark. New challenges on the weather front include the ongoing El Niño weather pattern that has led to drought conditions which are devastating to the summer grains and oilseed regions. In addition, persistent inefficiencies at the ports, poor rail and road infrastructure, worsening municipal service delivery and risks to energy availability are factors driving the sentiment.

We anticipate a continuation of the uncertainty and volatility in the markets that we operate in, in the short- to medium-term, especially ahead of the upcoming elections. Despite these challenges, Zeder remains well positioned with a stable balance sheet and cash resources.

SUM-OF-THE-PARTS ("SOTP")

Zeder's *SOTP value* per share, calculated using the internal valuations for unlisted investments, decreased by 12.0 cents per share during the year to R2.48 per share as at 29 February 2024. The decrease was mainly as a result of the special dividends paid during the year, countered by the net adjustments in the valuation of our unlisted investments. At the close of business on Wednesday, 10 April 2024, Zeder's *SOTP value* per share amounted to R2.29, mainly as a result of the special dividend of 20.0 cents per share paid subsequent to year end.

	28 Feb 2023		29 Feb 2024		10 Apr 2024	
Company	**Interest (%)**	**Rm**	**Interest (%)**	**Rm**	**Interest (%)**	**Rm**
Zaad	97.2	2 384	**97.2**	**2 342**	**97.2**	**2 342**
Capespan (excluding Pome Investments)	93.0	511				
Pome Investments	93.0	535	**87.1**	**585**	**87.1**	**585**
Other		15		**4**		**4**
Total investments		3 445		**2 931**		**2 931**
Cash and cash equivalents		598		**694**		**496**
Other net assets and liabilities		(34)		**199**		**96**
SOTP value		4 009		**3 824**		**3 523**
Number of shares *(net of treasury shares)* (million)		1 540		**1 540**		**1 540**
***SOTP value* per share (rand)**		2.60		**2.48**		**2.29**

Note: Zeder's live SOTP is available at www.zeder.co.za.

The SOTP valuations of Zeder's unlisted investments have been based on the respective investee companies' latest financial results.

While the SOTP calculation is indicative of the value of Zeder's underlying portfolio of net assets, it does not take into account factors such as tax on potential disposal of underlying assets (apart from where specific corporate actions have already been communicated to the market and to the extent applicable), head office costs and other factors. It should be noted that these valuations are not necessarily an indication of the values at which Zeder would consider selling any of its investments.

PERFORMANCE OF PORTFOLIO COMPANIES

Zaad (97.2%)

Zaad is a strategic holding company that invests and operates in the specialised agri-inputs industry with a focus on emerging markets, especially Africa, the Middle East and Eastern Europe. Through acquisitions and organic growth, it has aggregated and developed attractive businesses and currently owns, develops, imports and distributes a broad range of agricultural seeds and chemicals.

Zaad for its six-months period ended 31 December 2023, reported *recurring* headline earnings of R65m, a decrease of 38% from the corresponding period in the prior year. The decrease was largely as a result of FarmAg, whilst the remaining portfolio performed mostly in line with expectations.

FarmAg is down on the prior year, largely due to the sharp decrease in chemical raw material prices over a short period. Chemical companies that are dependent on imported raw materials from China/India had to order stock earlier in order to mitigate the risks of not having inventory as a result of the ongoing supply chain and South African port issues. As a result of the decline in raw material prices, the group had to sell their higher cost inventory at much lower margins to remain competitive, which had a "once-off" negative impact on their results. In addition, the focus has been on growth and clients in the South African rather than the African markets, mainly due to increased forex risks (access to forex and currency depreciation) in many of the countries. This resulted in the decision to not trade in certain African markets.

Agricol prepared itself for a bumper sunflower season mainly as a result of the prediction of an El Niño weather pattern in the summer rainfall areas (during dryer conditions farmers plant sunflower rather than maize, as sunflower is more drought tolerant). Agricol showed promising early sunflower sales in November 2023, but rain during December 2023 in the summer rainfall areas of South Africa resulted in farmers planting maize rather than sunflower which resulted in the key sunflower sales months of end December 2023/January 2024 not delivering the expected results. The planting of maize during January 2024 has subsequently proven to be a disaster for farmers as no further rains led to maize crop failures across large parts of the country.

Agricol, however, delivered results exceeding expectations for the 6-month reporting period. It is a key player in the soya and canola markets and we remain cautiously optimistic that lost revenue from sunflower sales could be countered by canola sales in the winter rainfall areas in the second half of their financial year.

The Turkish economy has experienced high inflation and political uncertainty. May Seed continues to perform well under difficult trading conditions, with a large part of sales taking place in hard currency to mitigate against the depreciating local currency.

Bakker Brothers, based in the Netherlands, remains in a transitional phase towards a fully-fledged IP research and development company. This transition is taking longer than expected as a result of establishing new hybrid seed sales channels in various markets, leading to long-term capital commitments to reach its full potential.

The African subsidiaries' results were in line with expectations, but challenges remain in terms of high interest rates, depreciating local currencies and access to forex. Zaad has been approached by third parties and is considering proposals in terms of operations in certain African jurisdictions.

EA Seeds is recovering from the negative impact of adverse weather patterns in the prior period; we are, however, excited about the opportunities this investment holds for the Zaad group. Zaad management has identified Eastern and Central Africa as important growth areas for seeds and agrochemicals and this investment will provide it with access to these markets.

The specialised agri-inputs market, and particularly the proprietary hybrid seed segment, remains attractive and Zaad is cautiously optimistic about its prospects for the remainder of the year.

During the year under review, Zeder accounted for a fair value loss of R42m in respect of its investment in Zaad.

Further information can be viewed at *www.zaad.co.za*

Pome Investments (87.1%)

Following the disposal of Capespan, Zeder together with minority shareholders, continue to own the pome fruit primary production operations and the Novo fruit packhouse, through Zeder Pome Investments.

Pome Investments had an excellent financial year and reported *recurring* headline earnings of R52m for its financial year ended 31 December 2023, an increase of 23% from the prior year. The positive results were driven by mostly favourable agricultural conditions for its own farming operations that contributed to increased yields and volumes harvested, as well as improved price realisations in the market.

Although the Western Cape experienced volatile summer weather patterns, the farms and packhouse fortunately sustained no infrastructure damage with minimal impact on the quality and yields of the 2024 harvest. Unseasonal sporadic summer rains did, however, result in additional costs associated with chemicals applied to manage diseases. Early indications are that the 2024 season will again deliver improved pome yields.

Pome Investments remains well positioned with a strong balance sheet, world-class farming and packhouse assets and an experienced management team.

During the year under review, Zeder accounted for a fair value gain of R48m in respect of its investment in Pome Investments.

SPECIAL DIVIDEND

Zeder's dividend policy remains to pay dividends conditional on the group having sufficient funds to fund its operations and growth plans (if required).

Accordingly, shareholders are advised that the Zeder board has approved and declared a gross special dividend of 10.0 cents per share from income reserves ("Special Dividend"), subject to the required South African Reserve Bank approval being obtained for the declaration of the Special Dividend ("Condition").

The Special Dividend amount, net of South African dividend tax of 20%, is 8.0 cents per share for those shareholders who are not exempt from dividend tax or who are not subject to a reduced rate in terms of any applicable agreement for the avoidance of double taxation between South Africa and such shareholders' country of residence.

There are 1 540 160 354 no par value Zeder ordinary shares in issue on this declaration date. The company's income tax number is 9406891151.

The salient dates of this Special Dividend distribution are as set out below, on the basis that the Condition has been fulfilled by Tuesday, 14 May 2024:

Declaration date	Wednesday, 24 April 2024
Finalisation date anticipated to be on	Tuesday, 14 May 2024
Last day to trade cum dividend	Tuesday, 21 May 2024
Trading ex-dividend commences	Wednesday, 22 May 2024
Record date	Friday, 24 May 2024
Date of payment	Monday, 27 May 2024

To the extent that the Condition is not fulfilled by Tuesday, 14 May 2024, a further announcement will be released by the company to inform shareholders thereof and to provide an updated timetable in respect of the Special Dividend.

Share certificates may not be dematerialised or rematerialised between Wednesday, 22 May 2024 and Friday, 24 May 2024, both days inclusive.

Any shareholder who is in doubt as to its tax status or position or any other matter, including, *inter alia*, any applicable exchange control requirement or the rate of dividend tax that may be applicable, should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

Signed on behalf of the board

Chris Otto
Chairman

Johann le Roux
CEO and Financial director

Stellenbosch
23 April 2024

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 29 February 2024

	Reviewed Feb 24 Rm	Audited Feb 23 Rm
Assets		
Investments (note 2)	**2 931**	3 445
Current income tax assets	**4**	1
Loans and advances (note 8)	**217**	2
Proceeds from disposal of investment subject to earn-out payments (note 2)	**30**	30
Trade and other receivables	**1**	25
Cash and other cash equivalents (note 3)	**694**	598
Total assets	**3 877**	4 101
Equity		
Total equity	**3 824**	4 009
Liabilities		
Employee benefits	**3**	3
Trade and other payables	**50**	89
Total liabilities	**53**	92
Total equity and liabilities	**3 877**	4 101
Net asset value per share (cents)	**248.3**	260.3
Net tangible assets value per share (cents)	**248.3**	260.3

CONDENSED CONSOLIDATED INCOME STATEMENT

for the year ended 29 February 2024

	Reviewed Feb 24 Rm	Audited Feb 23 Rm
Net fair value gain on investments (note 2)	**6**	11
Investment income (note 2)	**54**	40
Income		
Other operating income	**1**	25
Expenses		
Marketing, administration and other expenses	**(34)**	(38)
Profit before taxation	**27**	38
Taxation	**(15)**	(15)
Profit for the year from continued operations	**12**	23
Loss for the year from discontinued operations		(210)
Profit/(loss) for the year[1]	**12**	(187)
Attributable to:		
Continued operations	**12**	23
Discontinued operations		(210)
	12	(187)
Earnings/(loss) per share (refer note 4)		
Attributable – basic (cents)	**0.8**	(12.1)
Attributable – diluted (cents)	**0.3**	(13.4)

[1]*The group had no other comprehensive income during the years under review.*

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 29 February 2024

	Reviewed Feb 24 Rm	Audited Feb 23 Rm
Equity at beginning of the year	**4 009**	7 168
Profit/(loss) for the year	**12**	(187)
Share buy-back from dissenting shareholders		(1)
Net movement in treasury shares	**(1)**	36
Loss on treasury shares issued to SIT participants	**(13)**	(46)
Forfeited unclaimed dividends	**42**	7
Share-based payment cost – employees	**6**	10
Dividends paid	**(231)**	(1 575)
Unbundling of KAL Group		(1 403)
Equity at end of the year	**3 824**	4 009

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 29 February 2024

	Reviewed Feb 24 Rm	Audited Feb 23 Rm
Cash utilised by operations (note 5)	**(11)**	(31)
Investment income		
Continued operations	**45**	36
Taxation paid	**(17)**	(30)
Cash flow from operating activities	**17**	(25)
Additions to investments (note 2)	**(2)**	
Proceeds from disposal of investments (note 2)	**522**	7
Proceeds from disposal of assets held for sale (note 2)		1 520
Proceeds from disposal of investment subject to earn-out payments received		178
Loans and advances granted (note 8)	**(208)**	
Repayment of loans and advances	**2**	1
Cash flow from investing activities	**314**	1 706
Share buy-back from dissenting shareholders		(15)
Treasury shares purchased	**(4)**	(1)
Dividends paid to shareholders	**(231)**	(1 575)
Cash flow from financing activities	**(235)**	(1 591)
Net increase in cash and cash equivalents	**96**	90
Cash and cash equivalents at beginning of the year	**598**	508
Cash and cash equivalents at end of the year (note 3)	**694**	598

1. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

These condensed consolidated financial statements are prepared in accordance with the requirements of the JSE Listings Requirements for condensed reports, and the requirements of the Companies Act of South Africa, applicable to condensed financial statements. The JSE Listings Requirements require condensed reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also contain the information required by IAS 34 *Interim Financial Reporting*.

The accounting policies applied in the preparation of these condensed consolidated financial statements are in terms of IFRS and consistent with those previously applied in the prior year's consolidated annual financial statements for the year ended 28 February 2023. The group adopted various revisions to IFRS which were effective for its financial year ended 29 February 2024, however, these revisions have not resulted in material changes to the group's reviewed financial results or disclosures.

In preparing these condensed consolidated financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty, related to the fair value of unlisted investments as detailed in Annexure A, are similar to those detailed in the consolidated annual financial statements for the year ended 28 February 2023.

The condensed consolidated financial statements do not include all of the information required for full consolidated annual financial statements.

Preparation

The condensed consolidated financial statements were compiled under the supervision of the group chief executive officer and financial director, Mr JH le Roux, CA (SA), and have been reviewed by Zeder's external auditor, Deloitte & Touche, with a copy of their unmodified review conclusion attached hereto.

The condensed consolidated financial statements have been prepared on the going-concern basis and under the historical cost convention, as modified for the effects of the revaluation of financial assets and liabilities. The condensed consolidated financial statements are presented in South African Rand (R), rounded to the nearest million.

Any reference to future financial performance included in this announcement, has not been reviewed or reported on by Zeder's external auditor.

2. INVESTMENTS, ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Zeder concluded that it continues to meet the definition of an Investment Entity, as its focus on wealth creation for its shareholders has not changed, and the performance of its investments is measured with reference to the fair value of each investment in Zeder's drive to meet its objective of maximising wealth through capital appreciation, investment income or both.

As required by IFRS 9, in accordance with IFRS 10, Zeder measures and classifies the majority of its financial assets as at fair value through profit or loss, with any resultant gain or loss recognised in investment valuation gains/losses. Fair value is determined in accordance with IFRS 13.

Statement of financial position items carried at fair value include investments in equity instruments. The group applies a number of methodologies to determine and assess the reasonableness of the investments fair value, which may include the following:

- Earnings multiple, including EV/EBITDA and price/earnings (P/E) multiples.
- Market-related net asset value supported by third party valuations.
- Recent transaction prices, including closing quoted listed share prices.

The primary valuation models utilised for valuing unlisted portfolio investments are the EV/EBITDA multiple model and the market-related net asset value of investments, or a combination of both. The applicable EV/EBITDA multiple used is determined by considering the multiples of comparable listed companies and adjusting the multiple for company specific factors. The market-related net asset value used is dependent on independent third party valuations, using comparable sales within the area, less a cost to sell.

Refer to Annexure A for additional details on valuation inputs, per IFRS 13.

Investments and assets held for sale

	Reviewed Feb 24 Rm	Audited Feb 23 Rm
Continued operations		
Zaad	**2 342**	2 384
Capespan (including Pome Investments)		1 046
Pome Investments	**585**	
Other	**4**	15
Total investments	**2 931**	3 445

2. INVESTMENTS, ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS CONTINUED

	Reviewed Feb 24					Audited Feb 23	
	Fair value 28 Feb 23 Rm	Additions/ (disposals)/ reclassified Rm	Fair value gain/(loss) Rm	Fair value 29 Feb 24 Rm	Investment (dividend) income Rm	Fair value gain/(loss) Rm	Investment (dividend) income Rm
Continued operations							
Zaad	**2 384**		**(42)**	**2 342**		17	
Capespan (including Pome Investments)[1]	**1 046**	**(1 046)**		**–**		(7)	
Pome Investments[1]		**537**	**48**	**585**			
Other	**15**	**(11)**		**4**	**1**	1	2
Total investments	**3 445**	**(520)**	**6**	**2 931**	**1**	11	2
Continued operations							
Capespan (excluding Pome Investments)[1]				**–**			
Discontinued operations							
The Logistics Group[2]				**–**			
KAL Group[2]				**–**		(193)	
Agrivision Africa[2]				**–**		14	
Total assets held for sale[3]	**–**	**–**	**–**	**–**	**–**	(179)	–
	3 445	**(520)**	**6**	**2 931**	**1**	(168)	2
Interest income on cash and cash equivalents and loans and advances					**53**		38
Total investment income					**54**		40

[1] *During the year, Capespan (excluding Pome Investments) of R511m was reclassified as an asset held for sale and subsequently sold for R511m. As a result of the implementation of the aforementioned disposal, the group continued to own a direct interest in Pome Investments.*

[2] *Fair value gain/(loss) represents fair value gain/(loss) on disposal of asset held for sale and discontinued operations.*

[3] *There are no investments that meet the asset held for sale criteria as at 29 February 2024 (2023: Rnil).*

Assets held for sale and Discontinued operations

Continued operation – Disposal of investment in Capespan (excluding Pome Investments)
Effective 8 January 2024, the company, through its wholly-owned subsidiary, Zeder Financial Services ("ZFS"), together with the minority shareholders of Capespan, disposed of all of its shares held in the issued share capital of Capespan (excluding Pome Investments), to 3 Sisters for a disposal consideration of R550m ("Disposal"). ZFS held 92.98% of the issued shares in Capespan and received a disposal consideration of R511m in cash on 5 February 2024. Following the implementation of the Disposal, the company, through ZFS, together with minority shareholders, continue to own Pome Investments, comprising of the pome fruit primary production operations and the Novo fruit packhouse. As a result, Capespan (excluding Pome Investments) was reclassified as an asset held for sale during the year.

Discontinued operation – Disposal of investment in The Logistics Group (previous year)
Effective 31 March 2022, the company, through its wholly-owned subsidiary, ZFS, disposed of all of its shares in the issued share capital of The Logistics Group to *inter alia*, TLG Midco and TLG Acquisition Holdings, comprising 98.22% of The Logistics Group's shares in issue for a disposal consideration of up to R1.57bn. The initial disposal consideration of R1.35bn was received on 31 March 2022, and a further provision was made for two additional earn-out payments totalling R218m, payable in cash. Subsequently, an amount of R178m was received in respect of one of the earn-out payments. The remaining earn-out payment of ~R30m is generally linked to an extension and or renewal of an agreement and not associated to any profit guarantee. While the timing of the remaining extension is uncertain, it is estimated to be concluded in the financial year ending 28 February 2025, but there is no certainty regarding same.

Discontinued operation – Unbundling of Kaap Agri shareholding (previous year)
Effective 4 April 2022, the company unbundled all of its shares in the issued share capital of KAL Group, comprising approximately 42.2% of the total issued share capital of KAL Group, to Zeder shareholders by way of a *pro rata* distribution *in specie*, in the ratio of 1 KAL Group share for every 49.22692 Zeder shares held.

Discontinued operation – Disposal of investment in Agrivision Africa (previous year)
Effective 31 January 2023, the company, through its wholly-owned subsidiary, ZFS, disposed of all of its shares in the issued share capital of Zeder Africa, comprising 100% of Zeder Africa's shares in issue, to ForAfric for a disposal consideration of R160m. Zeder Africa holds 56.0% of the issued shares *(net of treasury shares)* in Agrivision Africa, an investment holding company incorporated in Mauritius with agricultural investments in Zambia.

2. INVESTMENTS, ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS CONTINUED

Discontinued operations – Income statement

	Reviewed Feb 24 Rm	Audited Feb 23 Rm
Net fair value loss on investments		(179)
Other operating income		2
Impairment loss from proceeds from disposal of investment subject to earn-out payments[4]		(10)
Transaction cost		(5)
Taxation[5]		(18)
Loss for the year from discontinued operations	–	(210)

[4] *During the previous year, Zeder impaired the earn-out payment resulting from the disposal of The Logistics Group with R10m.*

[5] *As a result of the unbundling of the KAL Group shares during the previous year, Zeder had an obligation to pay capital gains tax on the distribution of the KAL Group shares to a disqualified shareholder in terms of section 46 of the Income Tax Act.*

Financial risk factors

The group's activities as an Investment Entity expose it mainly to market risk (including price risk, cash flow and fair value interest rate risk), credit risk and liquidity risk applicable, to trade receivables and trade payables.

The condensed consolidated financial statements do not include all financial risk management information and disclosures set out in the consolidated annual financial statements, and therefore they should be read in conjunction with the consolidated annual financial statements for the year ended 28 February 2023. Risk management continues to be carried out throughout the group under policies approved by the respective boards of directors.

Price risk

The information below analyses financial assets and financial liabilities, which are carried at fair value, by level of hierarchy as required by IFRS 13.

The different levels in the hierarchy are defined below:

Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1 and comprise mainly JSE-listed investments classified as fair value through profit or loss.

Level 2

Financial instruments that trade in markets that are not considered to be active but are valued (using valuation techniques) based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include over-the-counter traded financial instruments. Since level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. If all significant inputs in determining an instrument's fair value are observable, the instrument is included in level 2.

Level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Investments classified within level 3 have significant unobservable inputs, as they trade infrequently.

For unlisted investments, refer to note 2 for valuation techniques used in determining the fair value of said financial assets.

There have been no significant transfers between level 1, 2 or 3 during the years under review and the valuation techniques and inputs used to determine fair values of other financial assets and liabilities are similar to those disclosed in the consolidated annual financial statements for the year ended 28 February 2023.

For additional information in terms of IFRS 13, refer to Annexure A.

2. INVESTMENTS, ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS CONTINUED

The fair value of financial assets and liabilities carried at amortised cost approximates their fair value, while those measured at fair value in the statement of financial position can be summarised as follows:

	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
29 Feb 2024 (reviewed)				
Assets				
Investments			**2 931**	**2 931**
Opening balance			**3 445**	
Additions to investments			**2**	
Disposals to investments			**(522)**	
Fair value gain			**6**	

	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
28 Feb 2023 (audited)				
Assets				
Investments			3 445	3 445
Opening balance			4 828	
Additions to investments			330	
Disposals to investments and assets held for sale			(1 738)	
Fair value gain			25	

There are no financial liabilities carried at fair value for the year under review (2023: Rnil).

3. CASH AND OTHER CASH EQUIVALENTS

On closing of the disposal of the investment in the The Logistics Group on 31 March 2022, the parties agreed to a restricted cash reserves mechanism, for the settlement of any potential warranty claims which may arise subsequent to the sale of said investment for a period of 24 months from closing. At 29 February 2024, a remaining amount of R153m, or 10% of the proceeds and earn-out received, is included in the Cash and other cash equivalents balance for this purpose. The restricted cash is held with other cash balances and is under the control of Zeder.

This remaining balance of R153m was released from the restrictive cash reserves on 31 March 2024 after the 24 month period. Zeder declared a further gross special dividend of 10.0 cents per share (R154m) as part of these year-end results (refer note 9).

4. EARNINGS AND DIVIDEND PER SHARE

	Reviewed Feb 24 Rm	Audited Feb 23 Rm
Attributable earnings/(loss)	**12**	(187)
Non-headline items		
Headline earnings/(loss)	**12**	(187)
Continued operations	**12**	23
Discontinued operations		(210)
There are no non-headline items for the year under review (2023: Rnil).		
Dilutive earnings/(loss) (Rm)		
Headline	**5**	(209)
Attributable	**5**	(209)
Earnings/(loss) per share (cents)		
Headline (basic)	**0.8**	(12.1)
Continued operations	**0.8**	1.5
Discontinued operations		(13.6)
Headline (diluted)	**0.3**	(13.4)
Continued operations	**0.3**	0.1
Discontinued operations		(13.5)
Attributable (basic)	**0.8**	(12.1)
Continued operations	**0.8**	1.5
Discontinued operations		(13.6)
Attributable (diluted)	**0.3**	(13.4)
Continued operations	**0.3**	0.1
Discontinued operations		(13.5)
Dividends per share (cents)		
Special dividend per share – declared 25 July 2023, paid 28 August 2023	**5.0**	
Special dividend per share – declared 17 October 2023, paid 13 November 2023	**10.0**	
Special dividend per share – declared 12 October 2022, paid 14 November 2022		10.0
Special dividend per share – declared 12 April 2022, paid 9 May 2022		92.5
Number of shares (million)		
In issue	**1 540**	**1 540**
In issue *(net of treasury shares)*	**1 540**	**1 540**
Weighted average	**1 540**	**1 539**
Diluted weighted average	**1 552**	**1 556**

5. CASH UTILISED BY OPERATIONS

	Reviewed Feb 24 Rm	Audited Feb 23 Rm
Profit before taxation		
Continued operations	**27**	38
Discontinued operations		(192)
Investment income (note 2)		
Continued operations	**(54)**	(40)
Net fair value (gain)/loss on investments		
Continued operations	**(6)**	(11)
Discontinued operations		179
Impairment loss from proceeds from disposal of investment subject to earn-out payments (note 2)		
Discontinued operations		10
Reversal of impairment on loans and advances		(19)
Equity-settled share-based payment cost	**6**	10
	(27)	(25)
Changes in working capital	**16**	(6)
Cash utilised by operations	**(11)**	(31)

6. SEGMENTAL REPORTING

The group is organised into two reportable segments, representing the major investments of the group, mainly Zaad and Pome Investments (2023: two reportable segments, representing Zaad and Capespan (including Pome Investments)).

All segments operate predominantly in South Africa, although, the group has exposure to operations outside of South Africa through, *inter alia*, Zaad (2023: Zaad and Capespan).

SOTP value remains a key tool used to measure Zeder's performance pursuant to its objective of shareholder wealth creation through, *inter alia*, capital appreciation. In determining the *SOTP value*, unlisted assets are valued internally using appropriate valuation methods.

The segments' performance can be analysed as set out below and also in Annexure A:

	Fair value gains/(losses) on investments Rm	Investment (dividend) income Rm	Other income and expenses Rm	Headline earnings Rm	*SOTP value* Rm
29 Feb 2024 (reviewed)					
Continued operations					
Zaad	**(42)**		**8**	**(34)**	**2 342**
Capespan (excluding Pome Investments)			**6**	**6**	
Pome Investments	**48**		**1**	**49**	**585**
Other		**1**		**1**	**4**
Unallocated (mainly head office)			**5**	**5**	
Cash and cash equivalents					**694**
Other net assets and liabilities					**199**
Total				**27**	**3 824**
Non-headline items (note 4)					
Taxation				**(15)**	
Profit before tax				**12**	
Profit before tax from continued operations				**12**	
***SOTP value* per share (rand)**					**2.48**

6. SEGMENTAL REPORTING CONTINUED

	Fair value gains/(losses) on investments Rm	Investment (dividend) income Rm	Other income and expenses Rm	Headline earnings Rm	*SOTP value* Rm
28 Feb 2023 (audited)					
Continued operations					
Zaad	17		4	21	2 384
Capespan (including Pome Investments)	(7)			(7)	1 046
Other	1	2	19	22	15
Discontinued operations					
The Logistics Group			(12)	(12)	
KAL Group	(193)			(193)	
Agrivision Africa	14		(1)	13	
Unallocated (mainly head office)			2	2	
Cash and cash equivalents					598
Other net assets and liabilities					(34)
Total				(154)	4 009
Non-headline items (note 4)					
Taxation				(33)	
Loss before tax				(187)	
Profit before tax from continued operations				23	
Loss for the year from discontinued operations				(210)	
***SOTP value* per share (rand)**					2.60

7. CAPITAL COMMITMENTS, CONTINGENCIES AND SURETYSHIPS

Zeder, as an Investment Entity, and its wholly-owned subsidiaries that provide investment-related services to the Zeder group, have no material capital commitments or contingencies as at the reporting date.

8. RELATED-PARTY TRANSACTIONS

Related-party transactions, which are in the ordinary course of business, are similar to those disclosed in the consolidated annual financial statements for the year ended 28 February 2023 took place during the year under review, although they will not impact the fair value basis on which these financials were compiled. Included in the group's dividends paid is an amount of R112m paid to PSG Group (the largest shareholder in the company) (2023: R767m).

During the year under review, ZFS advanced R100m to Zaad to enable Zaad to increase its interest in May Seed and as at 29 February 2024 the amount of R108m was outstanding. The loan carried interest at prime less 1% until 31 August 2023 and carries interest at prime less 3.55% from 1 September 2023 and is repayable by 30 June 2024. During the previous year under review Zeder converted the outstanding loan of R330m, as at 30 April 2022 to Zaad into equity via a rights issue.

During the year under review, and subsequent to the implementation of the Disposal of Capespan (excluding Pome Investments), ZFS provided a working capital loan facility to Capespan Agri, a wholly-owned subsidiary of Pome Investments, for a maximum facility of R150m. During the year, draws of R108m were made and as at 29 February 2024 the amount of R109m was outstanding. The working capital facility carries interest at prime less 1% and is repayable by 31 December 2025.

Included in the group's investment income for the year under review, is an amount of R8m (2023: R4m) interest income from Zaad and R1m (2023: Rnil) interest income from Pome Investments, respectively.

9. EVENTS SUBSEQUENT TO THE REPORTING DATE

Subsequent to year end, Zeder paid a gross special dividend of 20.0 cents per share on 18 March 2024.

In addition, and subsequent to year end, Capespan Agri refinanced and therefore repaid the working capital loan facility in full on 10 April 2024.

Apart from the above, the directors are unaware of any matter or event which is material to the financial affairs of the group that has occurred between the end of the reporting year and the date of approval of the condensed consolidated financial statements.

	29 Feb 2024 (reviewed)												
							SOTP value						
Investment	**Voting rights[1] %**	**Number of shares held m**	**Country of incorporation[2]**	**Nature of business**	**Listed/unlisted**	**Classification**	**Feb 23 Rm**	**Movement Rm**	**Feb 24 Rm**	**Portion %**	**Valuation method**	**Fair value Categorisation**	**R/share**
Continued operations													
Zaad	**97.2**	**39.4**	South Africa[3]	Specialist agricultural seed and agrochemical company	Unlisted	Subsidiary	**2 384**	**(42)**	**2 342**	**80**	Mainly EV/EBITDA multiple, but also discounted NAV where applicable (note A)	Level 3	59.44
Capespan (including Pome Investments)			South Africa[4]	Fruit marketing and farming	Unlisted		**1 046**	**(1 046)**	**–**			Level 3	
Pome Investments	**87.1**	**359.0**	South Africa[5]	Farming	Unlisted	Previously held subsidiary		**585**	**585**	**20**	Market-related net asset value underpinned by farming operations (note A)	Level 3	1.63
Other				Various	Unlisted	Various	**15**	**(11)**	**4**		Refer note B	Level 3	
Total investments and assets held for sale							**3 445**		**2 931**	**100**			
Cash and cash equivalents							**598**		**694**				
Other net assets and liabilities							**(34)**		**199**				
Total *SOTP value*							**4 009**		**3 824**				
***SOTP value* per share (rand)**							**2.60**		**2.48**				
Sub-total								**(514)**					
Adjust for disposals/(additions) included in movement (note 2)								**520**					
Fair value gains/(loss) from investments and asset shares for sale (note 2)								**6**					

[1] *Voting rights equal economic interests.*
[2] *Principle place of business is the country of incorporation, unless otherwise stated.*
[3] *Operating via subsidiaries in Southern Africa, Europe and the Middle East.*
[4] *Operating via various subsidiaries throughout the world.*
[5] *Operating via subsidiaries in South Africa.*

Valuation inputs: additional details in respect of the investment portfolio entities, per IFRS 13 Fair Value disclosure:

Note A – unlisted investments – continued operations:

For an overall description with regards to the valuation methods and judgements applied refer to note 2.

Level 3 unobservable inputs and additional information	Recurring EBITDA[6] Rm	Average EV/EBITDA multiple[7] times	Net debt and cash[8] Rm	Recurring headline earnings[9] Rm	Comparable market prices[10] per hectare	Market-related net asset value[11] Rm	Net company specific discounts[12] %
29 Feb 2024 (reviewed)							
Zaad[13]	**568**		**1 037**	**180**			
Seed	**211**	**7–8**	**767**	**52**			**0–45**
Chemical	**113**	**8–9**	**270**	**53**			**5**
Associates							**0–38**
Seed	**243**	**5–8**		**73**			**55**
Chemical	**1**	**3–4**		**2**			
Pome Investments[14]					**R0.3m-**		
South African farming assets					**R0.7m**	**796**	**16**

[6] *For Zaad, the recurring EBITDA include the proportionate EBITDA of associates. The recurring EBITDA is as per IAS29 (Financial Reporting in Hyperinflationary Economies), after deducting non-recurring items from the reported EBITDA in order to eliminate the effect of hyperinflation on non-operational items in terms of the Zimbabwean operations. In terms of the valuation of the operations of the business, the recurring EBITDA was used as the base and then further appropriate discounts applied in order to consider the general effect and risks associated with hyperinflation. A 5% increase in said additional discount would result in a R14m decrease and a 5% decrease would result in a R14m increase in estimated value.*

[7] *EV/EBITDA and P/E ratio's comparable to other similar companies, adjusted for company specific factors that include a combination of liquidity, marketability, and minority/controlling discount/premiums, where applicable.*

[8] *For Zaad, the net debt and cash include the shareholder loan (refer note 8), as well as considering the changes in the working capital over the last twelve months.*

[9] *Recurring headline earnings is calculated on a see-through basis. The investments recurring headline earnings is the sum of its effective interest in the recurring headline earnings of each of its underlying operations and represent its sustainable earnings.*

[10] *Comparable market prices per hectare include pome and farm land valuations, obtained from an independent third-party valuator, measured against the comparable sales.*

[11] *Valuations based on market-related net asset values of underlying assets, determined by reference to the comparable market prices per hectare, adjusted for company specific factors, that include, inter alia, liquidity and marketability discounts as well as a net asset value discount, attributed to the appetite for primary farming assets and the ability of the company to realise these assets at market-related net asset values.*

[12] *For Zaad, specific discounts applied to the comparable group EV/EBITDA multiple for each operating business unit, based on company specific factors that include a combination of liquidity, marketability, country, and minority/controlling discount/premiums, where applicable.*

[13] *Represents the last twelve months ended 31 December 2023. The specific sector which Zaad operates in is generally characterised by valuations that translate into high earnings multiples, due to their unique product offerings developed through its own research and development divisions and their widespread presence in international markets. Zaad is earnings generative and thus mainly valued on an EV/EBITDA multiple, comparable to other similar companies, adjusted for company specific factors that include a combination of, inter alia, liquidity, marketability, and minority/controlling discount/premiums, where applicable. The Zaad group consists of two divisions, namely a Seed and Chemical business. For non-profitable subsidiaries, associates and divisions, where the earnings don't currently support a market-related EV/EBITDA multiple, a discounted net asset value approach is followed.*

[14] *Represents the year ended 31 December 2023. Pome Investments is an asset-heavy business with large Southern African fruit farming operations. Pome Investments has an asset value under-pin, given the number of farms that it owns. Given the asset intense investment, it remains appropriate to value Pome Investments on a market-related net asset value basis (fair value less cost to sell). These valuations are supported by third party valuations or comparable sales, adjusted for company specific factors, that include, inter alia, liquidity and marketability discounts as well as a net asset value discount. Included in the market-related net asset value in the above table, based on an independent third-party valuer, a valuation of a fruit packing facility with cold storage based on a discounted cash flow model, with the following inputs: Net profit of R17m, represented by affordable net annual rent; capitalisation rate of 11%; and with a property value of R153m. Sensitivity on the capitalisation rate: A 1% increase would result in a R13m decrease and a 1% decrease would result in a R15m increase in estimated value.*

Note B – other unlisted investments:

Certain equity securities included in other as at the most recent reporting date consisted of the unquoted equity securities. The unquoted equity securities include advances which are linked to equity securities that trade infrequently in over-the-counter markets. In terms of these agreements, the group is entitled to the majority of the increase in the market value of the underlying over-the-counter traded equity securities and the dividends received on these securities. The advances are carried at the fair value of the underlying over-the-counter traded equity securities. As at 29 February 2024, based on the assumption that the over-the-counter prices of the traded equity securities were 20% higher/lower for the full year, the fair value would have been R1m higher/lower than the current fair value.

Post-tax profit sensitivity analysis:

	Increase Rm	Decrease Rm
29 Feb 2024 (reviewed)		
EV/EBITDA (1x)	**348**	**(348)**
Multiple discounts (5%)	**(37)**	**37**
Comparable market prices per hectare (10%)	**39**	**(39)**
Net asset value discounts (5%)	**(25)**	**25**

The change in valuation disclosed in the above tables shows the relative increase or decrease in the input variables deemed to be subject to the most judgement and estimate, and respective impact on the fair value presented in the condensed consolidated financial statements. An increase in the EBITDA multiple and control premium inputs, would lead to an increase in the estimated value. However an increase in the discount due to the lack of liquidity and marketability and minority discount inputs, would lead to a decrease in the estimated value. An increase in the comparable market prices per hectare, would lead to an increase in the estimated value. However an increase in the net asset value discount, would lead to a decrease in the estimated value.

Deloitte.

PO Box 7416
Stellenbosch 7599
South Africa

Deloitte & Touche
Registered Auditors
Unit 11 Ground Floor
La Gratitude
97 Dorp Street
Stellenbosch 7600
Western Cape
Docex 5 Claremont

Tel: +27 (0)21 861 3960
Fax: +27 (0)21 413 2773
www.deloitte.com

INDEPENDENT AUDITOR'S REVIEW REPORT ON CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF ZEDER INVESTMENTS LIMITED

We have reviewed the condensed consolidated financial statements of Zeder Investments Limited, contained in the accompanying condensed financial report, which comprise the condensed consolidated statement of financial position as at 29 February 2024, the condensed consolidated income statement and the condensed statement of comprehensive income, changes in equity and cash flows for the year then ended, and selected explanatory notes.

Directors' Responsibility for the Condensed Consolidated Financial Statements

The directors are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for condensed financial statements, as set out in note 1 to the financial statements, and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Listings Requirements require condensed consolidated financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) Accounting Standards as issued by the International Accounting Standards Board, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee *and Financial Pronouncements as issued by Financial Reporting Standards Council* and to also contain the information required by International Accounting Standard (IAS) 34, *Interim Financial Reporting*.

Auditor's Responsibility

Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, which applies to a review of historical information performed by the independent auditor of the entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements of Zeder Investments Limited for the year ended 29 February 2024 are not prepared, in all material respects, in accordance with the requirements of the JSE Limited Listings Requirements for condensed financial statements, as set out in note 1 to the financial statements, and the requirements of the Companies Act of South Africa.

DocuSigned by:
Deloitte & Touche
6D473497B2544EA...

Deloitte & Touche
Registered Auditor
Per: JHW de Kock
Partner
23 April 2024

MAKING AN IMPACT THAT MATTERS since 1845

ZEDER INVESTMENTS LIMITED
Incorporated in the Republic of South Africa
(Registration number: 2006/019240/06)
JSE Ltd ("JSE") share code: ZED
ISIN number: ZAE000088431
LEI: 37890022AF5FD117D649
("Zeder", "company" or "the group")

DIRECTORS
CA Otto# (Chairman), JH le Roux* (CEO & FD), S Cassiem#, WL Greeff, NS Mjoli-Mncube#, PJ Mouton
* *executive*
# *independent non-executive*

COMPANY SECRETARY AND REGISTERED OFFICE
Zeder Corporate Services Proprietary Limited
1st Floor, Ou Kollege, 35 Kerk Street, Stellenbosch, 7600
PO Box 7403, Stellenbosch, 7599

TRANSFER SECRETARY
Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196
Private Bag X9000, Saxonwold, 2132

SPONSOR
PSG Capital Proprietary Limited

INDEPENDENT JOINT SPONSOR
Tamela Holdings Proprietary Limited

AUDITOR
Deloitte & Touche

DATE OF ANNOUNCEMENT
24 April 2024