

UNAUDITED RESULTS

FOR THE SIX MONTHS ENDED 31 AUGUST 2022



Since February 2019 Zeder returned value of R4.56 per share to Zeder shareholders

SOTP value per share R2.69 as at 3 October 2022

Special dividend of 10 cents per share declared

OVERVIEW

Zeder is an investor in the broad agribusiness and related industries, with a historical focus on the food and beverage sectors. Its underlying investment portfolio was valued at R3.61bn on 31 August 2022.

CORPORATE POSITIONING

Zeder assists with portfolio and investee strategies, while monitoring and overseeing optimal capital allocations to ensure sustainable investment returns, including capital appreciation. Its portfolio consists of strategic interests in leading companies that provide it with a diversified exposure across the agribusiness spectrum.

NOTEWORTHY TRANSACTIONS

Zeder announced that the Group entered into an agreement to dispose of its investment in Agrivision Africa for a disposal consideration of R160m ("Disposal"), subject to certain conditions precedent. The effective date of the Disposal is anticipated as being on or about 15 December 2022.

Effective 4 April 2022, Zeder unbundled its 42.2% shareholding in Kaap Agri to Zeder shareholders by way of a *pro rata* distribution *in specie*, in the ratio of 1 Kaap Agri share for every 49.22692 Zeder shares held.

Effective 31 March 2022, the Group disposed of its investment in The Logistics Group for a disposal consideration of up to R1.57bn. The initial disposal consideration of R1.35bn was received on 31 March 2022 and during September 2022 an amount of R178m was received in respect of one of the two earn-out payments.

Zeder paid a gross special dividend of 92.5 cents per share (R1.42bn) to Zeder shareholders on 9 May 2022. In addition, a further gross special dividend of 10.0 cents per share (R154m) was declared as part of the interim results.

STRATEGIC FOCUS

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

The Zeder board remains engaged with third parties, in terms of approaches received, on the remaining portfolio investments and is currently evaluating further wealth maximising options in a responsible way. Zeder remains focused on growing its remaining investee companies and will evaluate opportunities as and when deemed appropriate in the interest of all stakeholders.

The Kaap Agri unbundling, TLG disposal and other corporate transactions had a positive impact on Zeder's wealth creation for shareholders. Zeder's share price was trading at R4.23 per share as at 28 February 2019. Since then Zeder returned value of R4.56 per share to Zeder shareholders, by way of special dividends of R3.53 per share and an additional R1.03 per share in terms of the recent Kaap Agri unbundling, whilst still retaining a Zeder share at the current market price of R1.89 per share and with a *SOTP value* per share of R2.69, as at 3 October 2022.

PERFORMANCE OF PORTFOLIO COMPANIES

The interim reporting period traditionally represents the lesser half of the portfolio's annual earnings as this period reflects the annual input-cost cycle associated with many of our agriculture investments, as well as the softer half of the annual consumer sales and spending cycles associated with our other investments. This is especially relevant at Capespan, where year-on-year comparisons at a portfolio company level at the interim stage of reporting may, therefore, reflect seasonal variances.

Our remaining portfolio companies as a whole has proven resilient during the Covid recovery period. The lagging effect of Covid and the Ukraine/Russia conflict has led to a higher inflationary environment, putting margins under pressure. The mostly favourable agricultural conditions have however resulted in a better performance across a large part of the portfolio, with the majority having reported acceptable earnings under difficult trading conditions.

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

Zeder's *SOTP value* per share, calculated using the quoted market prices for all JSE-listed investments and internal valuations for unlisted investments, decreased during the period to R2.69 as at 31 August 2022. The decrease was mainly as a result of the unbundling of the Kaap Agri investment and the payment of the 92.5 cents per share special dividend (R1.42bn) on 9 May 2022 out of cash reserves.

Company	28 Feb 2022		31 Aug 2022		3 Oct 2022	
	Interest (%)	Rm	Interest (%)	Rm	Interest (%)	Rm
Zaad	96.9	2 037	97.4	2 384	97.4	2 384
The Logistics Group	98.2	1 571				
Capespan	94.6	1 053	93.0	1 046	93.0	1 046
Kaap Agri	42.3	1 603				
Agrivision Africa	56.0	146	56.0	160	56.0	160
Other		21		15		15
Total investments		6 431		3 605		3 605
Cash and cash equivalents		508		442		617
Other net assets and liabilities		229		95		(79)
SOTP value		7 168		4 142		4 143
Number of shares in issue (<i>net of treasury shares</i>) (million)		1 538		1 540		1 540
SOTP value per share (rand)		4.66		2.69		2.69

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. The wide-spread lagging impact of Covid and the Russia-Ukraine conflict on the global economy and financial markets remains evident.

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 been communicated to the market), 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.

SALIENT FEATURES

As at 31 August 2022, the net asset value per share ("NAVPS") was 269.0 cents, representing a decrease of 39.6% and 42.3% when compared to the NAVPS of 445.0 cents and 466.1 cents at 31 August 2021 and 28 February 2022, respectively. This is mainly as a result of the unbundling of the Kaap Agri investment and the payment of a special dividend of 92.5 cents per share.

- Headline earnings per share decreased from a gain of 31.4 cents to a loss of 13.5 cents, mainly as a result of the decrease in the listed Kaap Agri share price at the date of unbundling.
- Attributable earnings per share decreased from a gain of 31.4 cents to a loss of 13.5 cents, mainly as a result of the above.
- Profit before finance costs and taxation from continued operations per Zeder's consolidated income statement decreased by 74.5% from R51m in the previous corresponding period to R13m.

PROSPECTS AND OUTLOOK

Zeder remains focused on growing its remaining investee companies. Our immediate focus will therefore remain on ensuring that our existing companies position themselves competitively, maintain market shares and conserve balance sheets while continuously driving for operational and cash generation improvements.

This, combined with the healthy cash reserves on hand and focus on additional value unlock strategies, should allow us to deliver attractive returns.

SPECIAL DIVIDEND

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

Accordingly, shareholders are advised that the Zeder board has approved and declared a non-recurring 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 1 543 260 354 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 25 October 2022:

Declaration date	Wednesday, 12 October 2022
Finalisation date anticipated to be on	Tuesday, 25 October 2022
Last day to trade <i>cum</i> dividend	Tuesday, 1 November 2022
Trading <i>ex-dividend</i> commences	Wednesday, 2 November 2022
Record date	Friday, 4 November 2022
Date of payment	Monday, 7 November 2022

To the extent that the Condition is not fulfilled by 25 October 2022, 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, 2 November 2022 and Friday, 4 November 2022, 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.

SHORT-FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the directors of the Company. It contains only a summary of the information in the full announcement ("Full Announcement") and does not contain full or complete details. A copy of the Full Announcement is available through the link in the short-form announcement released on SENS and on the Company's website at www.zeder.co.za or may be requested in person, at the Company's registered office or the office of the sponsor, at no charge, during office hours. Any investment decisions by investors and/or shareholders should be based on consideration of the Full Announcement.

Signed on behalf of the board

Chris Otto

Chairman

Stellenbosch

13 October 2022

Johann le Roux

Chief executive officer and financial director

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 and FD), S Cassiem*, WL Greeff, NS Mjoli-Mncube*, PJ Mouton (* executive / independent non-executive)

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Sponsor: PSG Capital Proprietary Limited

Independent Joint Sponsor: Tamela Holdings Proprietary Limited

Auditor: Deloitte & Touche