

ZEDER INVESTMENTS LIMITED
(Incorporated in the Republic of South Africa)
Registration number: 2006/019240/06
Share code: ZED
ISIN code: ZAE000088431
("Zeder")

SUM-OF-THE-PARTS ("SOTP") VALUE AND RECURRING HEADLINE EARNINGS

Zeder, an investment holding company, continues to use the SOTP value and recurring headline earnings per share benchmarks to provide management and investors with a realistic and transparent way of evaluating Zeder's performance.

Zeder's SOTP value is calculated using the quoted market prices for all JSE-listed investments and market-related valuations for unlisted investments.

Zeder's consolidated recurring headline earnings is the sum of its effective interest in that of each of its underlying investments. The result is that investments in which Zeder holds less than 20% and are generally not equity accountable in terms of accounting standards, are included in the calculation of consolidated recurring headline earnings. Once-off items are excluded from recurring headline earnings.

TRADING STATEMENT

In terms of the Listings Requirements of the JSE Limited, a listed company is required to publish a trading statement as soon as it becomes reasonably certain that the financial results for the next period to be reported on will show a 20% or more difference from those of the previous corresponding period.

Zeder hereby advises that a reasonable degree of certainty exists that:

1. Its SOTP value as at 26 September 2017 was R7,17 per share.
2. For the six-month period ended 31 August 2017:
 - Recurring headline earnings per share will be between 3,3 cents and 4,3 cents, or between 71,1% and 77,9% lower than the 14,9 cents reported for the six-month period ended 31 August 2016;
 - Headline earnings per share will be between 3,7 cents and 4,9 cents, or between 65,7% and 74,1% lower than the 14,3 cents reported for the six-month period ended 31 August 2016; and
 - Attributable earnings per share will be between 6,8 cents and 8,0 cents, or between 42,9% and 51,4% lower than the 14.0 cents reported for the six-month period ended 31 August 2016.

Zeder and its portfolio companies traded under challenging macro conditions during the period under review. Its largest investment, Pioneer Foods, reported weaker earnings for the six-month period ended 31 March 2017 due to the aforementioned and, in part, factors that are unlikely to reoccur.

Additionally, the first six months of Zeder's earnings reflect the annual input-cost cycle associated with many of its unlisted agriculture and food business investments. This period therefore represents the lesser half of earnings, while making year-on-year comparisons at the interim stage challenging due to seasonal variances.

The combination of these factors resulted in a significant decrease in recurring headline earnings per share for the period under review.

Zeder's headline earnings per share decreased mainly as a result of the above, offset by a lower BEE charge incurred by Pioneer Foods.

Attributable earnings per share decreased by a lower percentage than headline earnings per share mainly due to a non-headline profit on disposal of underlying business operations at a subsidiary level.

This financial information has not been reviewed or reported on by the auditor of Zeder. The unaudited results for the six-month period ended 31 August 2017 will be published on or about 4 October 2017.

Stellenbosch
29 September 2017

Sponsor
PSG Capital