

ZEDER INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

Registration number: 2006/019240/06

Share code: ZED

ISIN code: ZAE000088431

("Zeder" or "the Company")



IMPACT OF CATEGORY 1 DISPOSAL ANNOUNCEMENT AND VOLUNTARY UPDATE OF SUM-OF-THE-PARTS VALUE PER SHARE

IMPACT OF CATEGORY 1 DISPOSAL ANNOUNCEMENT

Shareholders of Zeder ("**Shareholders**") are referred to the Category 1 Disposal announcement released on SENS by Zeder on 19 July 2019 ("**Zeder Announcement**").

Zeder, through its wholly owned subsidiary, Zeder Financial Services Limited, holds 58 250 788 Pioneer Food Group Limited ("**Pioneer Foods**") ordinary shares. To the extent that the Transaction (as defined in the Zeder Announcement), is implemented at the base cash consideration of R110 per Pioneer Foods ordinary share, it is anticipated that Zeder will receive approximately R6.41 billion through the disposal of its Pioneer Foods ordinary shares. Shareholders should note that the Transaction is subject to various conditions.

APPLICATION OF THE PROCEEDS

Subject to the implementation of the Transaction, the intended application of the proceeds, in amplification of what was included in the Zeder Announcement, is as follows:

- the estimated quantum for reduction or settlement of debt, transaction costs and all directly related obligations, will amount to approximately R1.59 billion ("**Obligations**"), depending on the implementation date of the Transaction;
- the estimated net cash available following the settlement of the Obligations, will amount to approximately R4.82 billion. Accordingly, it is anticipated that, based on the above, Zeder will be able to distribute an indicative special dividend to Shareholders ranging between R4.25 billion and R4.75 billion, which equates to between 249 cents and 278 cents per Zeder share, respectively. The special dividend is being considered by the Zeder board of directors and subject to the timing of the implementation of the Transaction, further details with regards to the special dividend will be announced; and
- the remaining portion consideration will be used to invest in new opportunities or to re-invest in Zeder's existing underlying portfolio.

VOLUNTARY UPDATE OF SUM-OF-THE-PARTS VALUE PER SHARE

Zeder, an investment holding company, continues to use the sum-of-the-parts ("**SOTP**") value to provide management and investors with a realistic and transparent way of valuing Zeder. Zeder's SOTP value per share is calculated using the quoted market prices for all JSE-listed investments and market-related valuations for unlisted investments.

As previously communicated, in order to provide investors with an up to date indicative SOTP value, Zeder's website (www.zeder.co.za) contains an online tool whereby Zeder's SOTP value is calculated based on approximately 15-minute delayed JSE-listed share prices for its listed investments, while all other information is updated when Zeder reports additional information to the market.

Shareholders are advised that certain information pertaining to unlisted assets and liabilities contained in Zeder's online SOTP value calculation, has been updated so as to reflect the SOTP value as at the close of business on 19 July 2019, being R6.36 per share, calculated at the last traded JSE-listed closing share prices.

If, in the above SOTP value calculation, the base cash consideration of R110 per Pioneer Foods ordinary share is applied as a result of the above Transaction, and not the Pioneer Foods last traded JSE-listed closing share price of R102.50, the SOTP value per share increases to R6.62 as at close of business on 19 July 2019. As stated above, Shareholders should note that the Transaction is subject to various conditions.

The information provided above is for general information purposes only and does not constitute investment advice relating to securities or a representation that the security is a suitable or appropriate investment for any person or warrants any share price value in any form. Investors are advised to give independent consideration to and conduct independent investigation with regards to this information and the value of Zeder shares, and to obtain investment advice from their independent financial advisors.

The information contained in this announcement has not been reviewed or reported on by the auditor of Zeder.

Stellenbosch
25 July 2019

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