

ZEDER INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2006/019240/06)

Share code: ZED

ISIN: ZAE000088431

("Zeder" or "the Company")



TRADING STATEMENT, 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 transparent way of evaluating Zeder's performance.

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

Zeder's consolidated *recurring* headline earnings is the sum of its effective interest in the *recurring* headline earnings 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, while once-off (i.e. *non-recurring*) income and expenses are excluded.

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 30 September 2019 was R6.22 per share.
2. For the six-month period ended 31 August 2019:
 - *Recurring* headline earnings per share will be between 3.3 cents and 3.9 cents, or between 60.2% and 66.3% lower than the 9.8 cents reported for the six-month period ended 31 August 2018;
 - Headline earnings per share will be between 2.0 cents and 2.8 cents, or between 90.8% and 93.4% lower than the 30.3 cents reported for the six-month period ended 31 August 2018; and
 - Attributable earnings per share will be between 25.3 cents and 26.3 cents, or between 3.7% and 7.3% lower than the 27.3 cents reported for the six-month period ended 31 August 2018.

Zeder's *recurring* headline earnings per share decreased mainly due to the weaker performance of most investees following continued challenging trading conditions experienced by the food and related business sector.

Headline earnings per share decreased mainly as a result of the above and due to the upward fair value adjustment of the investment in Joy Wing Mau (previously known as Golden Wing Mau) in the prior corresponding period prior to its disposal.

Attributable earnings per share decreased by a lower percentage than *recurring* headline and headline earnings per share, mainly due to the reversal of the *non-headline* impairment charge on Zeder's associate investment in Pioneer Foods which was recognised at the prior year-end.

The interim reporting period traditionally represents the lesser half of Zeder and its portfolio's annual earnings as this period reflects the annual input-cost cycle associated with many of its agriculture investments, as well as the softer half of the annual consumer sales and spending cycles associated with its other investments. Year-on-year comparisons at the interim stage of reporting may therefore reflect seasonal variances.

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 2019 will be published on or about 8 October 2019.

Stellenbosch
3 October 2019

Sponsor

PSG Capital



PSG CAPITAL