

ZEDER INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2006/019240/06)

Share code: ZED

ISIN: ZAE000088431

("Zeder" or "the Company")



VOLUNTARY ANNOUNCEMENT – ZAAD CONCLUDES AGREEMENT TO FORM JOINT VENTURE DEDICATED TO FIELD SEEDS IN SOUTH AFRICA WITH VILMORIN & CIE AND SEED CO

Zeder is an investor in the broad agribusiness and related industries. Its portfolio consists of strategic interests in leading companies that provide it with a diversified exposure across the agribusiness spectrum.

Shareholders of Zeder are advised that Zeder's subsidiary, Zaad Holdings Proprietary Limited ("**Zaad**"), through its subsidiary Klein Karoo Seed Marketing Proprietary Limited ("**Klein Karoo Seed**"), has concluded an agreement to establish a joint venture in South Africa dedicated to field seeds, particularly corn ("**Joint Venture**"). This Joint Venture groups together all the South African field seed activities of Klein Karoo Seed, Vilmorin & Cie (which is the holding company of Limagrain Europe and incorporated in France) ("**Vilmorin & Cie**") and Seed Co SA Proprietary Limited ("**Seed Co**"). The Joint Venture is called Limagrain Zaad South Africa Proprietary Limited and is controlled by Vilmorin & Cie.

Over the past number of years, Zeder has established and positioned Zaad as a strategic holding company that invests and operates in the specialised agri-inputs industry with a focus on emerging markets, especially Africa. 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 in Africa, Europe and other international emerging markets. In recent years, Zaad has added strategic plant nutrition and agrochemicals to its portfolio to complement its product offering, particularly in emerging markets with the Farm-Ag and Hygrotech acquisitions.

Klein Karoo Seed is a South African seed company which has been firmly established in the country since its establishment in 2002 and Seed Co is a leading African seed company, of which Vilmorin & Cie is the reference shareholder.

The Joint Venture will be one of the leading players in South Africa, proposing a specific multi-crop approach and benefiting from critical mass in an already highly consolidated field seed market. It has a combined headcount of around 300 employees. It covers South Africa, as well as Lesotho, Eswatini and Namibia, which also require temperate genetics for corn.

The Joint Venture combines the strengths of the three companies and will be able to capitalise on high level of synergies, in terms of research, production, product portfolio, sales organisation and marketing, within the three well-known brands.

The Joint Venture is primarily dedicated to corn seeds (white and yellow), an essential crop in South Africa (with nearly 3 million hectares cultivated, it is the largest African market in terms of value). Moreover, the Joint Venture stands out in the market by offering a wide product range, including soybean, sunflower, wheat, sorghum and forage, as a complement to corn.

Fully integrated into Vilmorin & Cie's worldwide field seeds research organisation, it will also be able to benefit from genetic resources from the Americas and Europe to increase the efficiency of its research work.

The establishment of the Joint Venture is perfectly in line with Zaad and Zeder's field seeds strategy and is a concrete demonstration of its capacity to develop solid partnerships internationally, as well as its desire to pursue its development in Africa, which has considerable growth potential.

Stellenbosch
14 September 2020

Sponsor and Transaction Adviser to Zeder and Zaad
PSG Capital

