

ZEDER INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

Registration number: 2006/019240/06

Share code: ZED

ISIN: ZAE000088431

LEI code: 37890022AF5FD117D649

("Zeder" or "the Company" or "the Group")



UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 31 AUGUST 2021

SALIENT FEATURES

The net asset value per share increased by 19.3%, from 373 cents per share at 31 August 2020 to 445 cents per share at 31 August 2021, mainly as a result of the increased valuations of TLG, Capespan and Kaap Agri, countered by the special dividend paid to shareholders during the reporting period.

- Headline earnings per share increased from a loss of 14.3 cents per share to a gain of 31.4 cents per share mainly as a result of the increased valuations of TLG, Capespan and Kaap Agri since the prior comparative reporting period.
- Attributable earnings per share decreased by 67.1% from 95.3 cents per share to 31.4 cents per share, mainly as a result of the significant non-headline gain on deemed disposal and reacquisition of investments, as a result of the change in investment entity status from 1 March 2020 and the non-headline gain on disposals of Pioneer and Quantum, both included in the prior comparative reporting period.
- Profit before finance costs and taxation from continued operations per Zeder's consolidated income statement increased by 66.2% from R296m in the prior comparative period to R492m.

STRATEGIC FOCUS

Our focus during the coronavirus pandemic was, and remains, deliberately cautious and conservative. Accordingly, we are dedicating most of our efforts to existing investments, strengthening their operating models and balance sheets where possible, while driving growth from within existing investment platforms.

The disposal of our investments in Pioneer Foods and Quantum Foods and the declaration of the substantial special dividends during the past 18 months, resulted in a material change to the size and composition of the Zeder group. This has necessitated the Zeder board to reconsider Zeder's future strategy.

During this evaluation process, Zeder also received third party approaches on various portfolio investments. The Zeder board is currently evaluating these approaches and a strategy shift towards value unlock options. Good progress has been made in this regard, but unfortunately Covid-19 has led to delays in certain instances. Any potential value unlock will be executed in an appropriate and responsible manner in an attempt to maximise shareholder value.

Zeder will communicate in more detail to the market on the value enhancing progress, as may be required from time to time. Notwithstanding the above, Zeder remains focused on growing its investee companies and will evaluate opportunities as and when deemed appropriate.

Zeder shareholders are further advised to take note of a further cautionary announcement released on SENS on Thursday, 30 September 2021.

PROSPECTS AND OUTLOOK

Our portfolio represents strategic equity interests in well-run organisations that offer value.

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.

The positive climatic environment and demand for commodities should contribute to improved trading conditions in the medium term and Zeder's portfolio companies are well positioned to benefit from same. This, combined with the healthy cash reserves on hand and focus on additional value unlock strategies, should allow us to deliver attractive returns.

DIVIDEND

Zeder's dividend policy remains to pay dividends conditional on the Group having sufficient reserves to fund its operations, investments, and growth plans. The board has taken the decision not to declare an interim dividend for the six-month period ended 31 August 2021 (31 August 2020: Rnil), also in view of the recent special dividends paid.

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. The Full Announcement can be found at:

<https://senspdf.jse.co.za/documents/2021/JSE/ISSE/ZED/ZEDHY22.pdf>

A copy of the Full Announcement is also available for viewing on the Company's website at <http://www.zeder.co.za/ZEDHY22.pdf> 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.

RESULTS PRESENTATION

Shareholders are invited to the results presentation, to be broadcast on YouTube at 10:00 a.m. on Wednesday, 6 October 2021.

Presentation details:

- View and listen mode
- Link: youtu.be/4YuJI6EmZil;
- Presentation slides will be made available on Zeder's website after the live broadcast of the presentation;
- Questions may be e-mailed prior to and during the presentation to: cosec@zeder.co.za.

Stellenbosch
6 October 2021

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