

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")



REVIEWED RESULTS FOR THE YEAR ENDED 28 FEBRUARY 2023

1. REVIEWED RESULTS FOR THE YEAR ENDED 28 FEBRUARY 2023

SALIENT FEATURES

- As at 28 February 2023, the net asset value per share ("**NAVPS**") was R2.60, representing a decrease of 44.2% (or R2.06 per share) when compared to the R4.66 per share as at 28 February 2022. The reduction in NAVPS is as a direct result of Zeder's unbundling of its entire shareholding in KAL Group Limited (previously known as Kaap Agri Limited) ("**KAL Group**") amounting to R1.03 per Zeder share and the payment of special dividends of R1.03 per share in aggregate to Zeder shareholders during the financial year ended 28 February 2023. These corporate actions resulted in an amount of R2.06 per share returned to Zeder shareholders and therefore directly result in a smaller Zeder business.
- Other:
 - Attributable earnings per share of 52.1 cents in the prior year decreased to a loss of 12.1 cents in the current year mainly as a result of the prior year fair value movements on the discontinued operations, The Logistics Group and KAL Group, which were sold and unbundled, respectively, during the current year;
 - Headline earnings per share of 52.1 cents in the prior year decreased to a loss of 12.1 cents in the current year mainly as a result of the aforementioned; and
 - Profit before taxation from continued operations per Zeder's full announcement, increased by 375% from R8m to R38m mainly as a result of a non-recurring reversal of impairment on loans that was previously impaired in full.
 - A special dividend of 92.5 cents per share was declared in April 2022, at the time of release of the 2022 financial results, with a further special dividend of 10 cents per share thereafter also being declared, resulting in an aggregate of 102.5 cents per share being paid during the 2023 financial year, compared to the special dividend of 20 cents per share paid during the 2022 financial year. No ordinary dividends were declared during financial year ended 28 February 2023 (2022: nil).

NOTEWORTHY TRANSACTIONS

Effective 31 January 2023, the Group disposed of all of its shares in the issued share capital of Zeder Africa to ForAfric for a disposal consideration of R160m. Zeder Africa holds 56.0% of the issued shares (net of treasury shares) in Agrivision Africa.

Effective 4 April 2022, the Company unbundled all of its shares in the issued share capital of KAL Group to Zeder shareholders by way of a pro rata distribution in specie, in the ratio of 1 KAL Group share for every 49.22692 Zeder shares held.

Effective 31 March 2022, the Group disposed of all of its shares in the issued share capital of The Logistics Group to inter alia, TLG Midco and TLG Acquisition Holdings, for a disposal consideration of up to R1.57bn. The initial disposal consideration of R1.35bn was received on 31 March 2022 and a further provision was made for two additional earn-out payments.

Subsequently, an amount of R178m was received in respect of one of the earn-out payments. The remaining earn-out payment of c. R30m is generally linked to an extension and or renewal of an agreement and not associated to any profit guarantee. While the timing of the remaining extension is uncertain, it is estimated to be concluded in the financial year ending 28 February 2024, but there is no certainty regarding same.

STRATEGIC FOCUS

Zeder's objective remains to maximise long-term wealth for its shareholders.

The Zeder board remains engaged with third parties on the remaining portfolio investments and continues to assess further wealth maximising strategies in a responsible way. Notwithstanding the aforementioned engagements, we will remain focused on growing our remaining investee companies and will evaluate opportunities as and when deemed appropriate in the interest of all stakeholders. This should allow us to deliver attractive returns.

BUSINESS ENVIRONMENT AND OUTLOOK

The macro environment in which Zeder and its portfolio companies operate, remained relatively constrained during the year, even with an improved climatic cycle. This was largely due to continued supply chain constraints resulting in increased costs and margin pressure as a result of the lagging impact of Covid-19. In addition, the impact of load-shedding and political instability was felt by most portfolio companies with operational disruptions and financial implications, leading to a further deterioration in the Agribusiness Confidence Index.

We anticipate a continuation of the uncertainty and volatility in world markets in the short to medium term, driven by concerns about inflation, higher interest rates, risks to energy availability and supply chain constraints. Despite these challenges, Zeder remains well positioned with a stable balance sheet and cash resources.

2. DIVIDEND DECLARATION

Zeder's dividend policy remains to pay dividends conditional on the Group having sufficient funds to fund its operations and growth plans. The board has taken the decision not to declare a dividend at this time given the amount of unrestricted cash currently available.

3. RESULTS PRESENTATION

Shareholders are invited to the results presentation, to be broadcast on YouTube at 10:00 a.m. on Wednesday, 19 April 2023.

Presentation details:

- view and listen mode;
- link: <https://youtube.com/live/k0hG-KYAfik?feature=share>;
- 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

4. 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/2023/JSE/ISSE/ZED/ZEDFY23.pdf>

A copy of the Full Announcement is also available for viewing on the Company's website at <http://www.zeder.co.za/ReviewedResultsFeb2023.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.

The content of this short-form announcement is derived from reviewed information, but is not itself reviewed. The Company has based this short-form announcement on the financial results for the year ended 28 February 2023, which have been reviewed by the Company's auditor, Deloitte & Touche, who expressed an unmodified review conclusion thereon.

Stellenbosch
19 April 2023

Sponsor
PSG Capital



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