

ZEDER INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2006/019240/06)

Share code: ZED

ISIN: ZAE000088431

LEI: 37890022AF5FD117D649

("Zeder" or "the Company")



CATEGORY 2 ANNOUNCEMENT: DISPOSAL OF NOVO FRUIT PACKERS

1. INTRODUCTION

The Company, through its wholly-owned subsidiary Zeder Financial Services Limited ("**ZFS**"), holds 87.1% of the issued shares of Zeder Pome Investments Proprietary Limited ("**Pome Investments**"), which in turn holds 100% of the issued shares of Capespan Agri Proprietary Limited ("**CS Agri**"). CS Agri comprises three primary farming production units as well as the Novo Fruit Packhouse operation situated in Paarl.

Shareholders are advised that ZFS, through its direct and indirect subsidiaries Pome Investments and CS Agri, entered into an agreement with Dutoit Agri Proprietary Limited, registration number 1984/003173/07 ("**Purchaser**"), to dispose of the packhouse and cooling facility business known as Novo Fruit Packers ("**Novo Fruit Packers**"), for a disposal consideration of R195 000 000 (one hundred and ninety five million Rand) inclusive of VAT at 0% (zero percent) plus the value of the stock-on-hand (which shall be limited to a maximum value of R5 000 000 (five million Rand)) ("**Purchase Consideration**") ("**Disposal**"). For the avoidance of doubt the Purchaser and CS Agri have agreed that the Purchase Consideration will not exceed the category 1 threshold in terms of the JSE Listings Requirements.

The beneficial owners of the Purchaser are the beneficiaries of the Fruitgrow Trust, GC du Toit IV Trust and PSF du Toit Trust, with the authorised persons being Frederick Hendrik du Toit, Gysbertus Christiaan du Toit and Petrus Stefanus Franscois du Toit.

2. RATIONALE FOR THE DISPOSAL

The Disposal is consistent with Zeder's strategic review and pursuant to the evaluation of approaches received by Zeder on various portfolio assets. The Disposal is part of an initiative to maximise wealth for Shareholders.

3. PURCHASE CONSIDERATION

The Purchaser will settle the Purchase Consideration on the date of registration of transfer of the immoveable property of the Novo Fruit Packers into the name of the Purchaser ("**Transfer Date**").

4. APPLICATION OF THE PURCHASE CONSIDERATION

In terms of the Agreement, the Purchase Consideration will be paid to CS Agri as set out in paragraph 3 above. To the extent the respective boards of directors of CS Agri and Pome Investments declare and make payment of dividends (after the payment of transaction costs and all related obligations) then Zeder intends to distribute the majority of such dividends received to Shareholders once received.

5. CONDITIONS PRECEDENT

The Disposal is subject to the fulfilment or waiver (to the extent legally permissible), of the following material outstanding conditions precedent ("**Conditions Precedent**"):

- the approval of the Disposal by the relevant competition authorities unconditionally, or conditionally on terms and conditions reasonably acceptable to CS Agri and the Purchaser; and
- the written consent to the Disposal of applicable counterparties to material agreements with CS Agri.

The last of the Conditions Precedent must be fulfilled or waived (to the extent legally permissible) by not later than 30 November 2024, which date may be extended by agreement between the parties in writing.

6. TRANSFER DATE OF THE DISPOSAL

The Novo Fruit Packers will be transferred by CS Agri to the Purchaser on the Transfer Date against payment of the Purchase Consideration.

7. FINANCIAL INFORMATION

The value of the net assets comprising the Novo Fruit Packers as at 31 December 2023, being the date of the last audited annual financial statements of CS Agri, was R214 500 000.

The audited profits after tax attributable to the Novo Fruit Packers for the period ended 31 December 2023, was R16 400 000, based on the audited annual financial statements of CS Agri for the year ending 31 December 2023, which were prepared in terms of IFRS.

8. WARRANTIES AND OTHER SIGNIFICANT TERMS OF THE AGREEMENT

The Agreement contains representations and warranties by CS Agri in favour of the Purchaser which are standard for a transaction of this nature, but does not include any profit linked warranties.

9. CLASSIFICATION OF THE DISPOSAL

The Disposal constitutes a category 2 transaction in terms of the JSE Listings Requirements.

Stellenbosch
30 July 2024

**Transaction Advisor and
Sponsor**

PSG Capital

