

**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")



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## CONDENSED UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 AUGUST 2024

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### 1. CONDENSED UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 AUGUST 2024

#### SALIENT FEATURES

- As at 31 August 2024, Zeder's net asset value per share ("**NAVPS**") was R2.15, representing a decrease of 17.9% (or R0.47 per share) compared to the NAVPS of R2.62 as at 31 August 2023. The decrease was mainly due to the payment of ad-hoc special dividends of R0.40 per share since the comparative reporting date last year and adjustments to the valuation of the unlisted investments.
- Other:
  - Both headline and attributable earnings per share decreased from a gain of 3.6 cents to a loss of 4.1 cents, mainly as a result of the adjustments to the valuation of the unlisted investments.
  - Profit before taxation from continued operations per Zeder's consolidated income statement decreased from a profit of R51m in the previous corresponding period to a loss of R77m.
- No ordinary dividends were declared during the six months ended 31 August 2024 (31 August 2023: nil).

#### NOTEWORTHY TRANSACTIONS

##### Category 2 disposals of individual Pome assets

The Company, through its wholly-owned subsidiary, Zeder Financial Services, holds 87.1% of the issued shares in Pome Investments, which in turn holds 100% of the issued shares in Capespan Agri. Capespan Agri comprises three primary farming production units as well as the Novo fruit packhouse operation situated in Paarl.

Zeder announced on the Stock Exchange News Service of the JSE ("**SENS**") on 19 June 2024, 9 July 2024 and 30 July 2024 that the Company, through its indirect subsidiaries Pome Investments and Capespan Agri, had entered into agreements with various third parties to dispose of the two primary farming production units, namely TWK (R283m) and Applethwaite (R190m), as well as the Novo fruit packhouse operation (R195m), subject to certain conditions precedent, with the main conditions precedent being the approval by the relevant competition commission authorities. At the date of this announcement, the relevant competition commission approvals for all the aforementioned disposals were obtained, but there are still other conditions precedent outstanding.

In addition, Capespan Agri entered into an agreement to dispose of the smaller primary farming production unit, Misty Cliffs, for R45m.

The total disposal consideration for the aforementioned transactions amounts to R713m (R621m for Zeder's 87.1% interest) with no downward or upward adjustment mechanism to the disposal considerations, as the agreements do not include any profit-linked warranties. As a result, Zeder's Sum-of-the-Parts valuation of Pome Investments has been adjusted to reflect its interest in the total disposal consideration, after considering the relevant transaction costs and other obligations in terms of the various transactions.

The aforementioned disposals are consistent with Zeder's strategic review and pursuant to the evaluation of approaches received by Zeder on various portfolio assets.

#### **Zeder special dividends**

Zeder declared and paid gross special dividends of 30.0 cents per share (R462m) in total during the period under review.

### **STRATEGIC FOCUS**

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

The Zeder board believes that the aforementioned disposals reflect a respectable value realisation for the individual pome assets.

To the extent that the aforementioned disposal proceeds are received by Capespan Agri and special dividends declared and paid by the respective boards of Capespan Agri and Pome Investments (after payment of transaction costs and all related obligations), Zeder intends to distribute the majority of such special dividends received to Zeder shareholders.

The Zeder board remains engaged with third parties on Zaad and continues to assess further wealth maximising strategies in a responsible way, which may also include the disposal of individual assets comprising the Zaad portfolio.

### **BUSINESS ENVIRONMENT AND OUTLOOK**

The macro environment in which Zeder and its portfolio companies operate, remained relatively constrained during the period under review, mainly due to volatile weather patterns and lower soft commodity prices.

After a sharp decline in the Agbiz Agribusinesses Confidence Index during Q2 2024, the index has subsequently recovered by 10 points to 48 points. The improvement can be attributed to the renewed optimism around the formation of the Government of National Unity, but remains below the neutral point mark.

South African Agribusiness in general remains downbeat about the business environment. The recent El Niño weather pattern led to drought conditions which were devastating to the summer grains and oilseed regions. In addition, geopolitical tensions and the persistent inefficiencies at the ports, poor rail and road infrastructure, worsening municipal service delivery and uncertainty as to sustained energy availability are factors driving the sentiment.

Zeder anticipates a continuation of the uncertainty and volatility in the markets that it operates in, in the short- and medium-term. Despite these challenges, Zeder remains well positioned with a stable balance sheet and cash resources.

## **2. DIVIDEND**

Zeder's dividend policy remains to pay dividends conditional on the Group having sufficient cash reserves to fund its operations and investees' growth plans (if required). The board has taken the decision not to declare a dividend at this time, but will consider declaring special dividends as proceeds from disposals are received.

### 3. SHORT-FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the directors of the Company. The financial results for the six months ended 31 August 2024 ("**Results**") have been released on SENS and are available through the following link:

<https://senspdf.jse.co.za/documents/2024/JSE/ISSE/ZED/ZEDHY25.pdf>

A copy of the Results is also available for viewing on the Company's website at <http://www.zeder.co.za/ZEDHY25.pdf>

Any investment decisions by investors and/or shareholders should be based on consideration of the Results as this short-form announcement does not provide all the details.

The Company has based this short-form announcement on the Results, which have not been reviewed or audited by the Company's external auditor, Deloitte & Touche.

Stellenbosch  
11 October 2024

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