



Annual General Meeting

Presented by:

Norman Celliers

Chief executive officer

23 June 2017

An investment holding company

Company overview

We play an active role in investee companies through strategic interests with a controlling influence.

Business definition

- An actively managed investment holding company listed on the Johannesburg Securities Exchange
- Long-term value investor with a primary focus on Agribusiness, food and related industries
- Key characteristics of investment considerations:
 - Sustainable growth sectors or sub-sectors
 - Management with proven track record
 - High barriers to entry
 - Unique and defensible products (brands)
 - Simple (easy to understand) and scalable business models
 - Focused execution

Strategic Focus

- Industry:**
 - Agribusiness
- Sub-sector:**
 - Food and Beverages
 - *Adjacent and related*
- Geography:**
 - South Africa (direct)
 - Sub-Saharan Africa (direct)
 - Rest of World (via portfolio)
- Criteria:**
 - Arbitrage
 - Undervalued
 - Growth sectors
 - Consolidation
- Influence:**
 - Active
 - Boards
 - Management
 - Strategy
 - Transactions

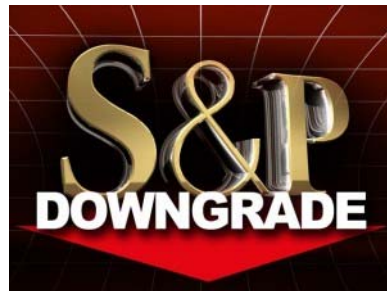
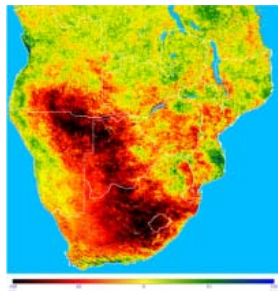
Invest in **and build** businesses

Challenging conditions prevailed

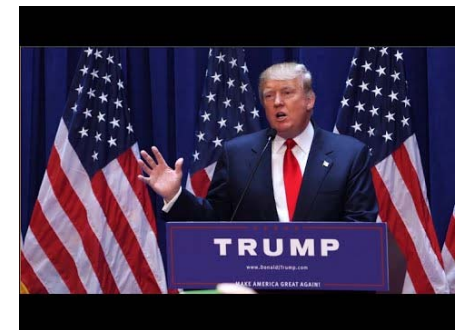
Performance review

The year in review was characterised by extremely challenging environmental conditions exacerbated by high levels of political and economical volatility.

Macro environment



African
Economic
Outlook



Sum-of-the-Parts

Performance review

From an intrinsic value point of view, Zeder reported strong growth for the year ended 28 February 2017, but has since experienced a pull-back largely due to the subsequent release of Pioneer's interim results.

FY2017

Company	29 Feb 2016 Rm	28 Feb 2017 Rm	19 Jun 2017 Rm	% of total investment value	Zeder's % interest
Pioneer Foods	7,574	9,538	7,883	57.5	27.1
Capespan	2,027	1,975	1,975	14.4	98.1
Zaad	1,246	1,531	1,676	12.2	92.0
Kaap Agri	758	1,321	1,321	9.6	39.8
Agrivision	614	614	614	4.5	55.6
Quantum Foods	168	193	200	1.5	27.0
Other	44	39	40	0.3	n.a.
Total investments	12,431	15,211	13,709	100.0	
Cash	118	173	9		
Other net liabilities	(324)	(678)	(834)		
SOTP value – pre mgmt fee liability	12,225	14,706	12,884		
Mgmt fee liability*	(1,667)	-	-		
SOTP value – post mgmt fee liability	10,558	14,706	12,884		
Number of shares in issue (net of treasury shares) (million)	1,523	1,725	1,725		
SOTP value per share (rand) – post mgmt fee liability	6.93	8.53	7.47		

Noteworthy observations:

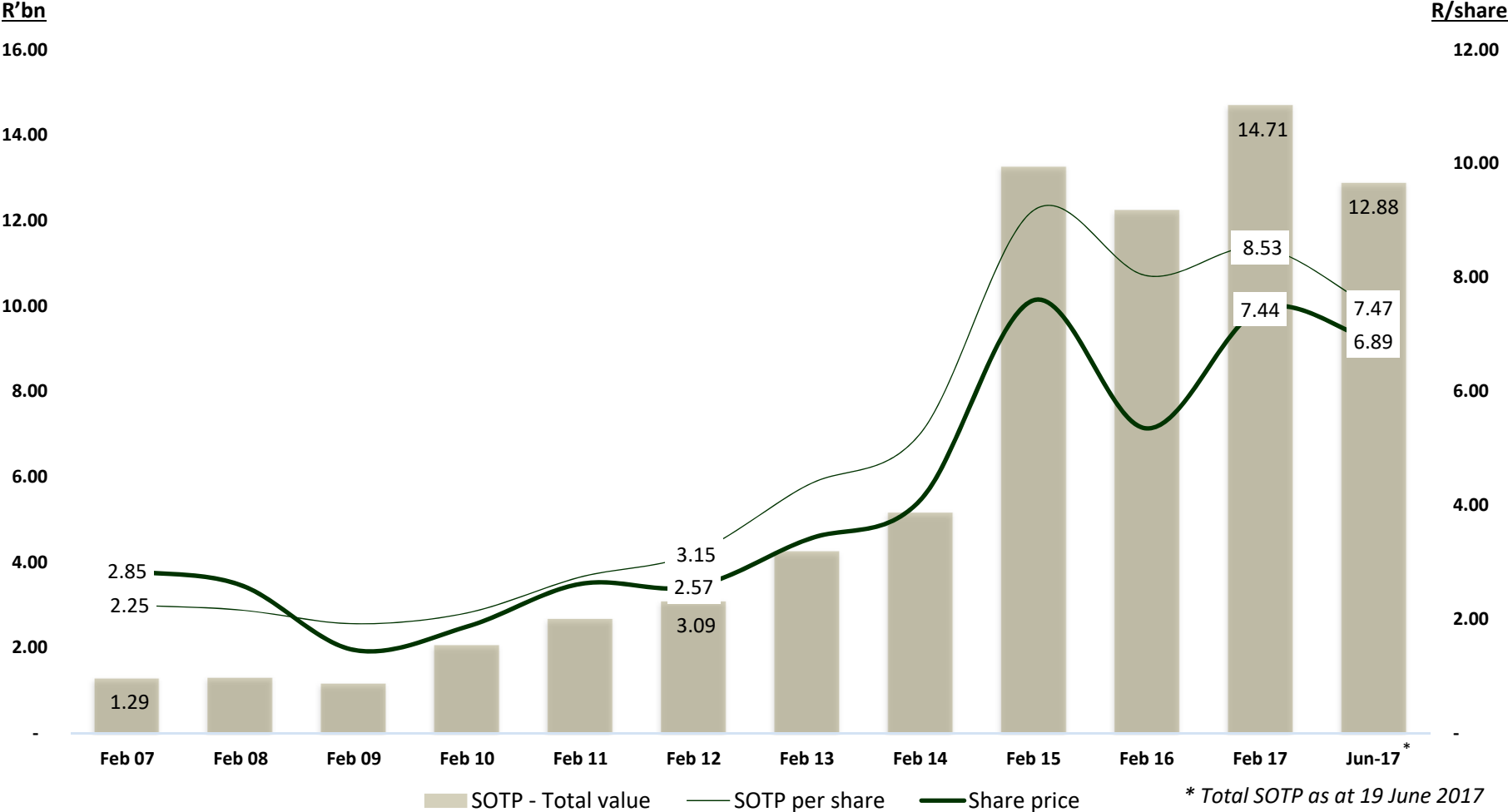
- Gearing increased from R324m in 2016 to R834m as of today
- Removal of the management fee liability through internalisation transaction
- Issued shares increased from 1,523m in 2016 to 1,725m today

Intrinsic value growth

Performance review

Despite this recent pull-back, the overall growth in value has been encouraging over the past 5 years following the implementation of our amended strategy.

Historical overview



Recurring headline earnings

Performance review

Recurring headline earnings from investments increased by 2% to R821m but translated into only a marginal improvement of 0.5% per share for the year ended 28 February 2017.

FY2017

Audited	28 Feb 2015 Rm	29 Feb 2016 Rm	Change %	28 Feb 2017 Rm
Recurring headline earnings from investments	541	805	2	821
Management (base) fee	(118)	(155)		(75)
Net interest, taxation and other income and expenses	(9)	(18)		(55)
Recurring headline earnings	414	632	9	691
Non-recurring headline earnings				
Management fee internalisation charge				(1 449)
Management (performance) fee	(118)			
Other	(39)	(87)		(12)
Headline earnings/(loss)	257	545	n/a	(770)
Non-headline items	(15)	237		(26)
Attributable earnings/(loss)	242	782	n/a	(796)
Weighted average number of shares in issue (net of treasury shares) (million)	1 172	1 490		1 622
Recurring headline earnings per share (cents)	35,3	42,4	0,5	42,6
Headline earnings/(loss) per share (cents)	22,0	36,5	n/a	(47,5)
Attributable earnings/(loss) per share (cents)	20,6	52,5	n/a	(49,1)

Noteworthy observations:

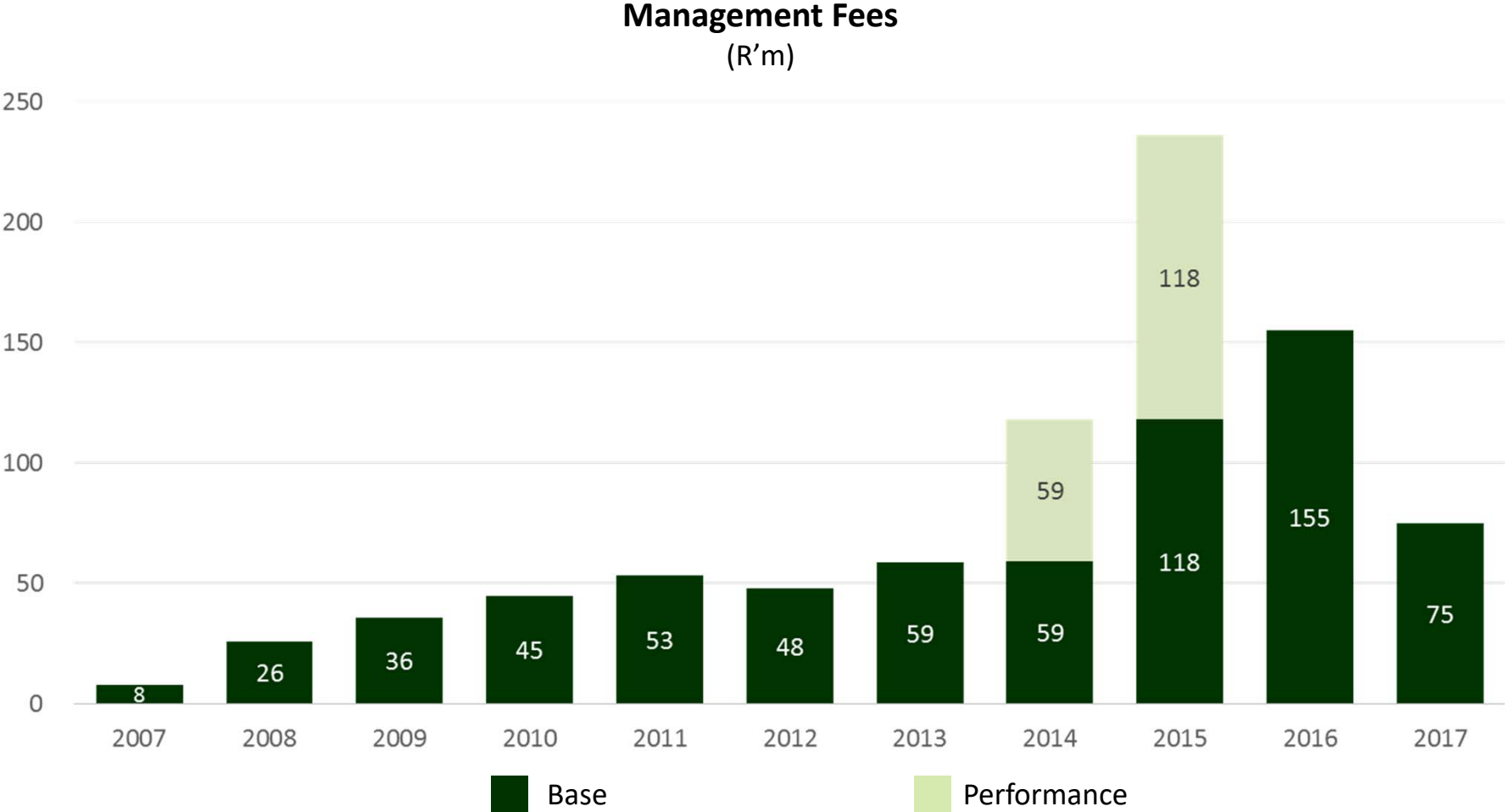
- R1.45bn charge correlates to the issuing of 208m shares to PSG for internalisation of the management agreement – IFRS treatment of transaction

Management fees internalised

The pressing issue of the management agreement was successfully addressed with the final R75m paid during the year - no further fees due to PSG in terms hereof.

Performance review

Management agreement

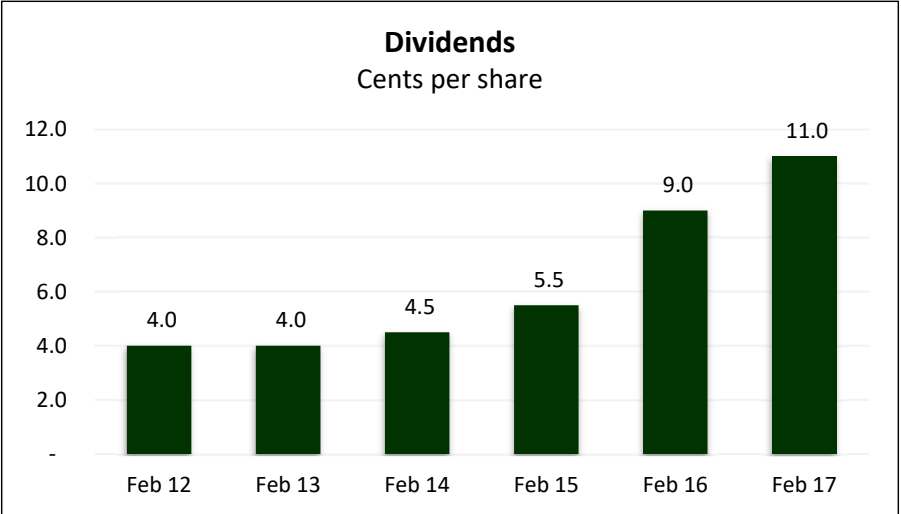
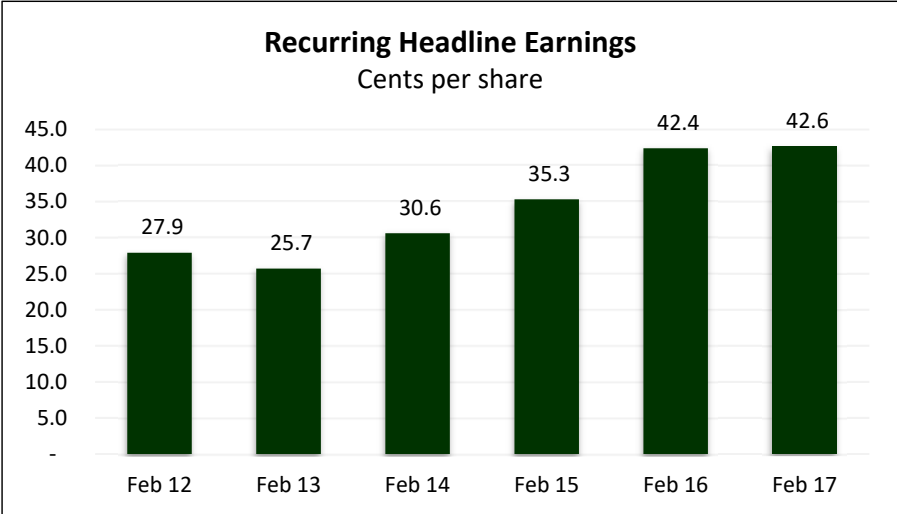
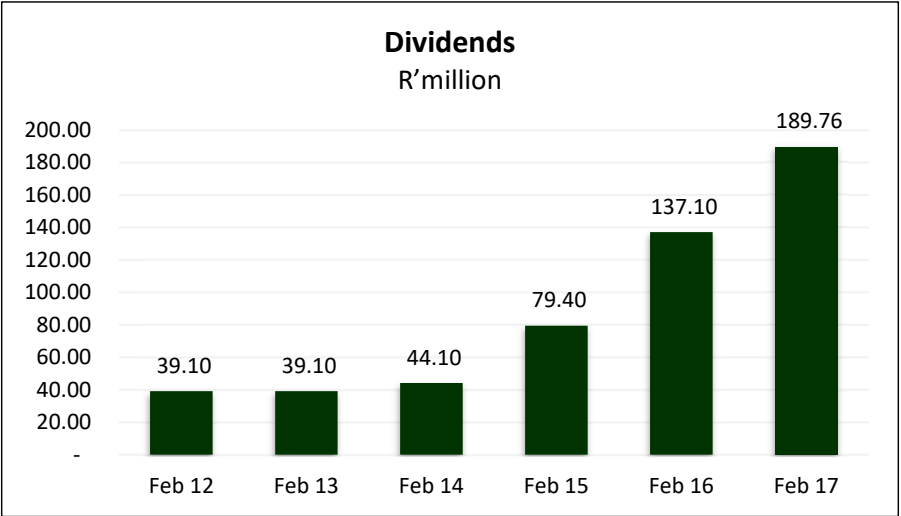
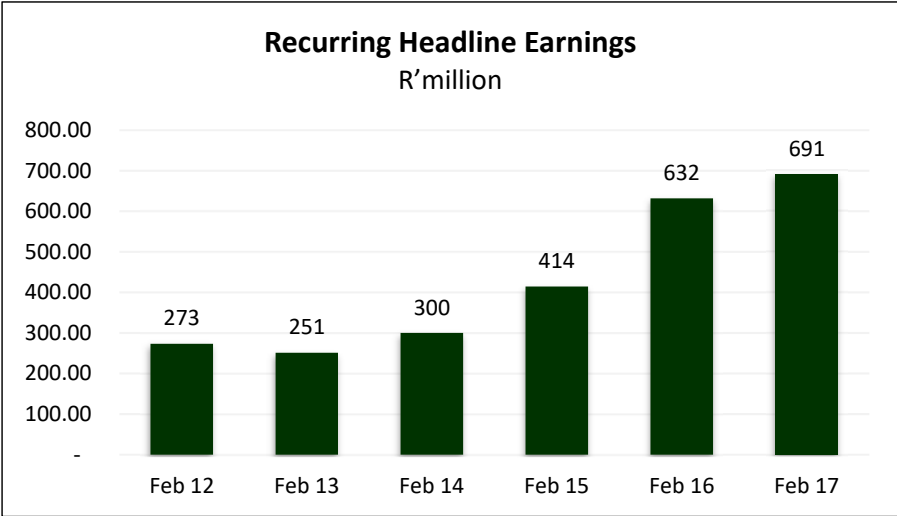


Earnings and dividend growth

Performance review

Over the past 5 years we achieved our objectives with positive trends – we aim to regain this momentum following current challenging cycle.

Historical overview

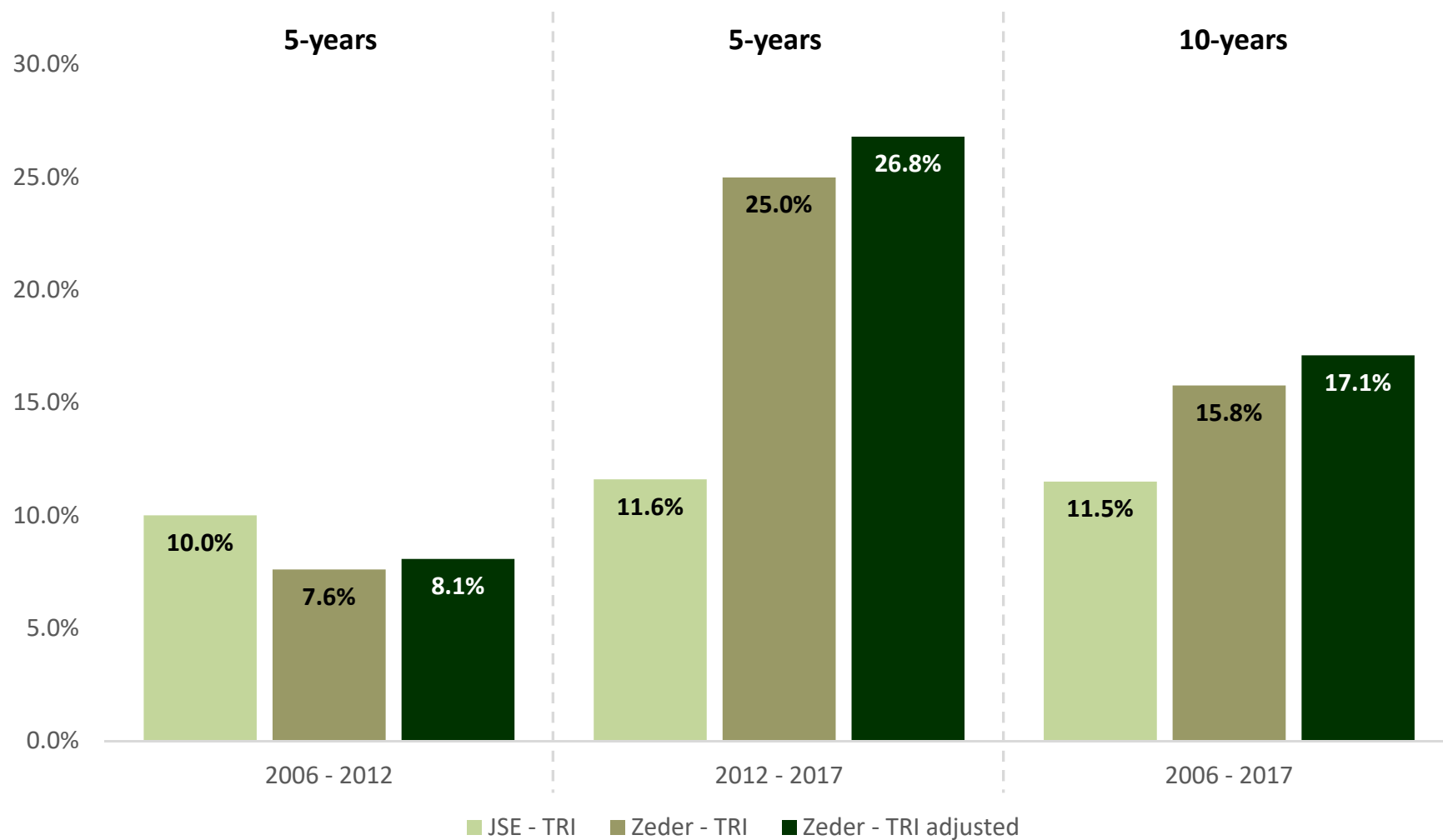


Total shareholder return

Performance review

An improved performance has ensured that Zeder's overall shareholder value creation since inception has been attractive.

Shareholder value

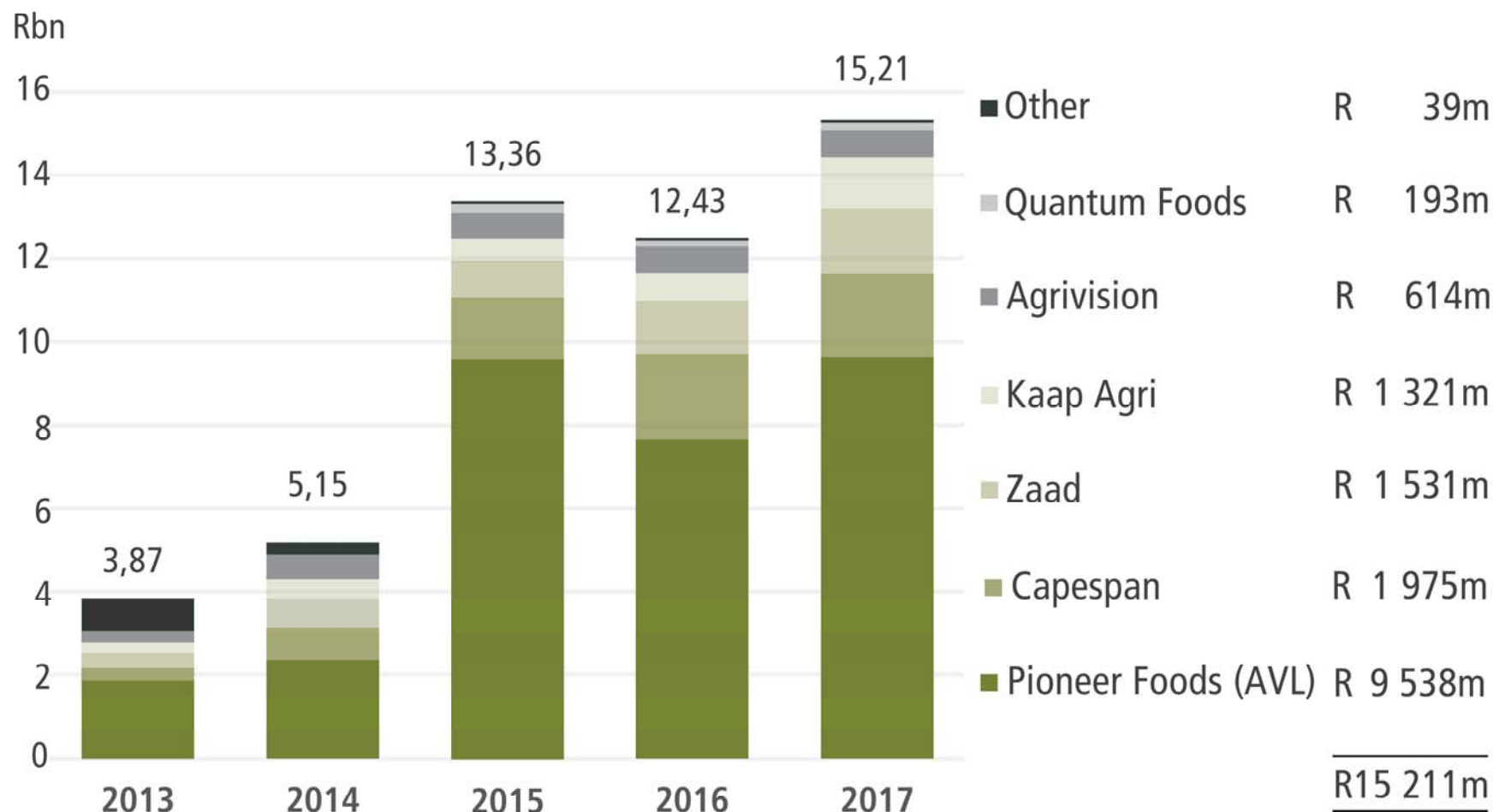


Robust portfolio with upside

We have a stable and resilient portfolio with growth plans in place that should deliver against targets over medium term.

Portfolio evaluation

Portfolio construction



Noteworthy observations:

- Values as per reported results for year ended 28 February 2017
- Unlisted companies valued conservatively according to low-road scenario's

Business overview

Pioneer is South Africa's 2nd largest food producer with leading market share positions across a number of core categories and extensive geographical footprint and penetration.

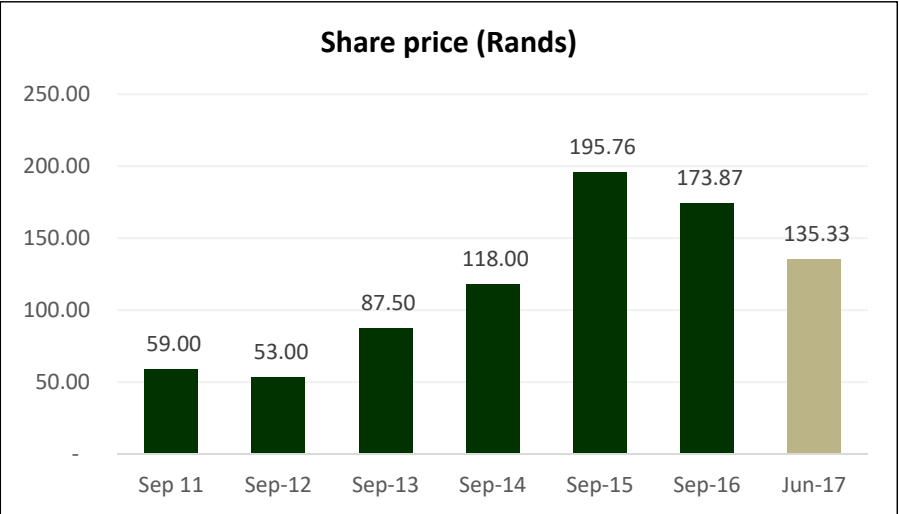
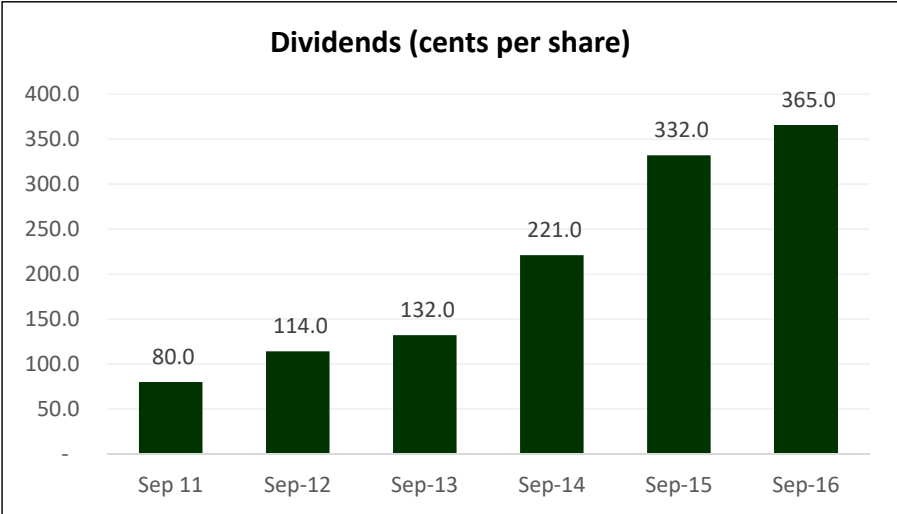
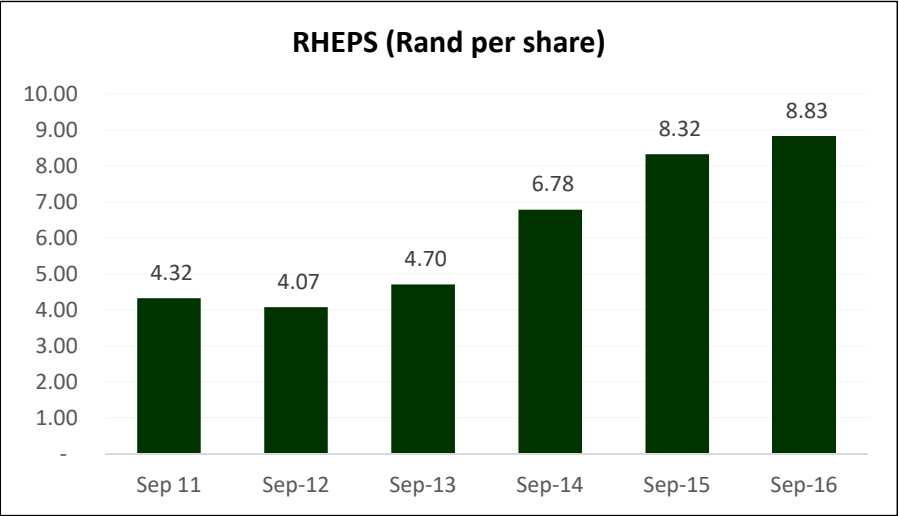
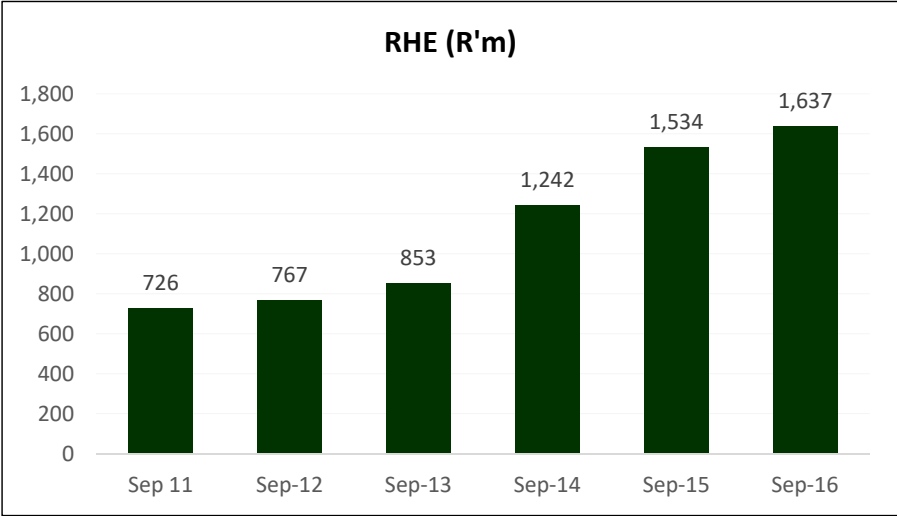
Portfolio evaluation



Historical performance

Portfolio evaluation

Pioneer has performed exceptionally well over the past 5 years but has experienced a pull-back from its highs of 2015...



Interim results and outlook

Portfolio evaluation

... largely due to the anticipated impact of the drought as reflected in its recent interim results. However, the medium to long term outlook remains positive.



Six months to	Major cate	<p>“Time is the friend of a wonderful company, and the enemy of the mediocre ”</p> <p><i>(Apologies to W Buffett)</i></p>
Revenue	Maize	
Operating pr	Internation	
Operating m	Beverages	
HEPS *		
Cash generat		
Interim divid	Other cate	

* Adjusted for Phase

TOWARDS 2020 | **CREATE THE FUTURE**

PIONEER FOODS
REALISING POTENTIAL

Business overview

Capespan is an internationally diversified group with a primary exposure to fruit farming, marketing, distribution, port logistics and related services.

Portfolio evaluation

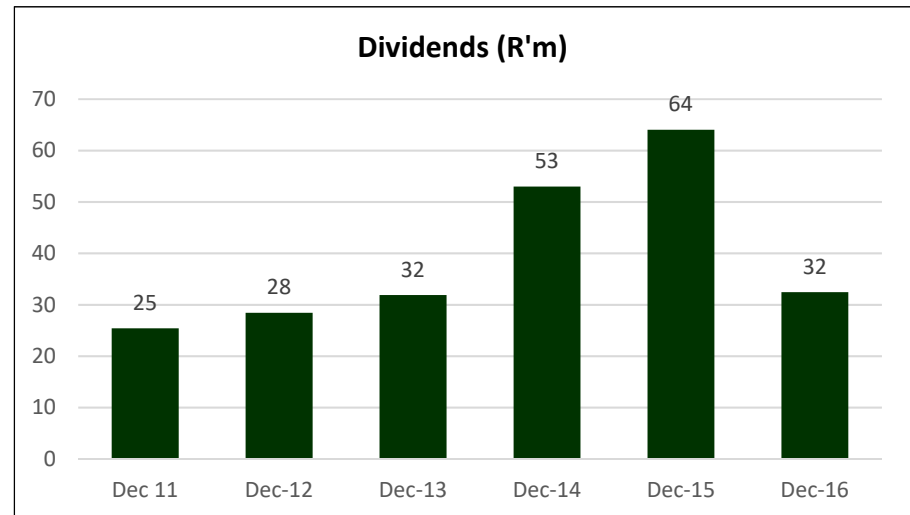
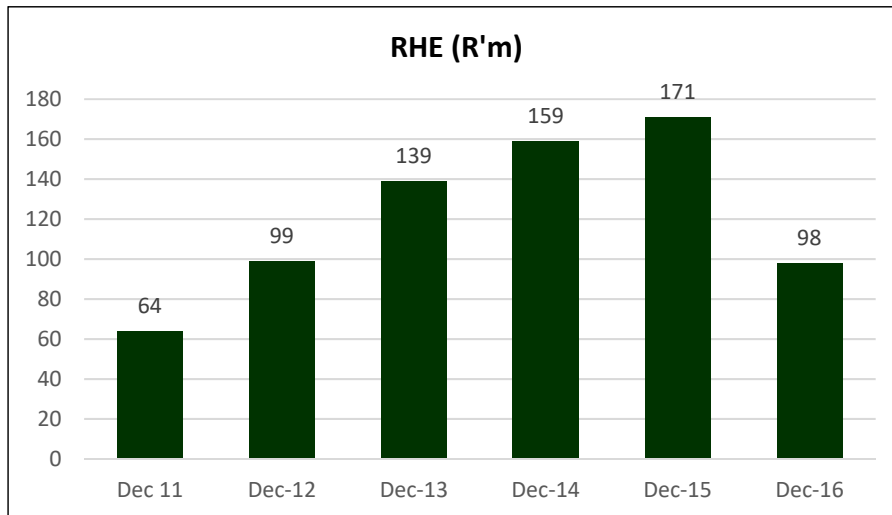
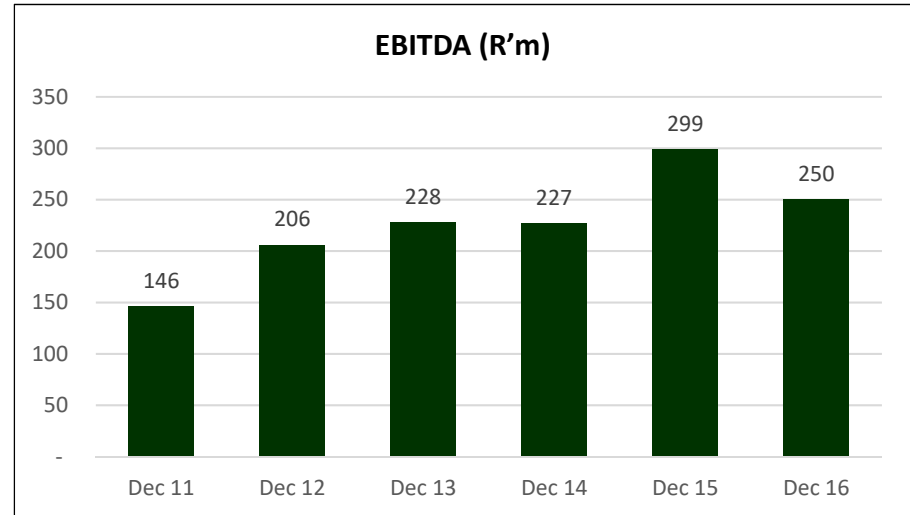
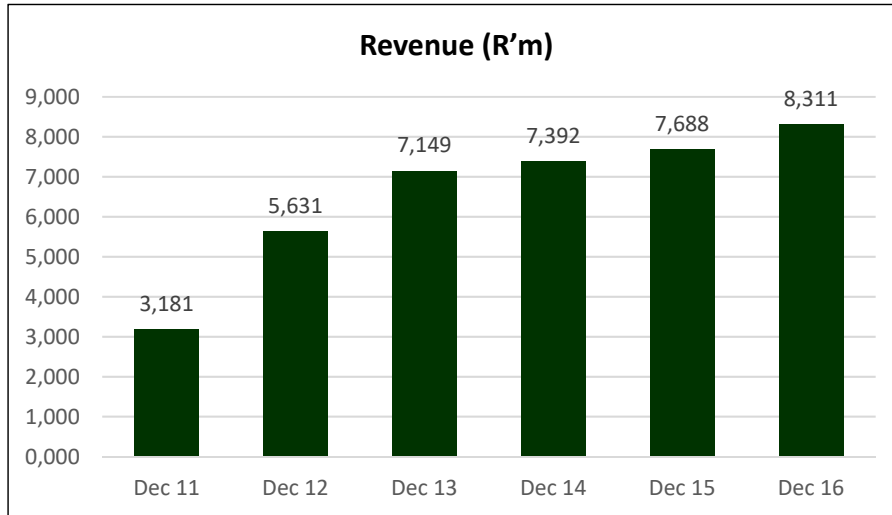


Historical performance

Portfolio evaluation

Capespan reported a decline in profits due to challenges in UK and a reduction in available fruit volumes due to El Nino – but underlying growth encouraging.

CAPESPAN
GROUP LIMITED



Divisions and outlook

Portfolio evaluation

Despite the largely once-off decline in RHEPS, the underlying divisions remain on track to deliver target profits in the medium term.

CAPESPAN
GROUP LIMITED

Farming	Dec 2014	Dec 2015	Dec 2016	<ul style="list-style-type: none"> • > R1.3bn in assets • ~ 1,000 ha grapes • ~ Citrus and Pome • Maturing bio assets
<i>Key metrics</i>	Rm	Rm	Rm	
Revenue	456	524	642	
EBITDA	67	96	86	
EBIT	46	66	50	
Assets	689	1,119	1,364	
Fruit and Associates	Dec 2014	Dec 2015	Dec 2016	<ul style="list-style-type: none"> • Steady improvement • Global earnings • ~R800m invested in <ul style="list-style-type: none"> – China – Germany – Hong Kong – India • Margin/efficiency
<i>Key metrics</i>	Rm	Rm	Rm	
Revenue	6,681	6,909	7,455	
EBITDA	46	69	87	
EBIT	40	56	65	
Assets (excluding investment in associates)	1,429	1,737	1,285	
# of associate investments	2	5	8	
Value of associate's recurring headline earnings	61	54	45	
Total investment in associates	325	767	745	
Logistics	Dec 2014	Dec 2015	Dec 2016	<ul style="list-style-type: none"> • License expansion • New cargo capability • New investments • Asset utilisation
<i>Key metrics</i>	Rm	Rm	Rm	
Revenue	508	523	511	
EBITDA	152	172	122	
EBIT	122	136	84	
Assets	492	488	476	

Business overview

Portfolio evaluation

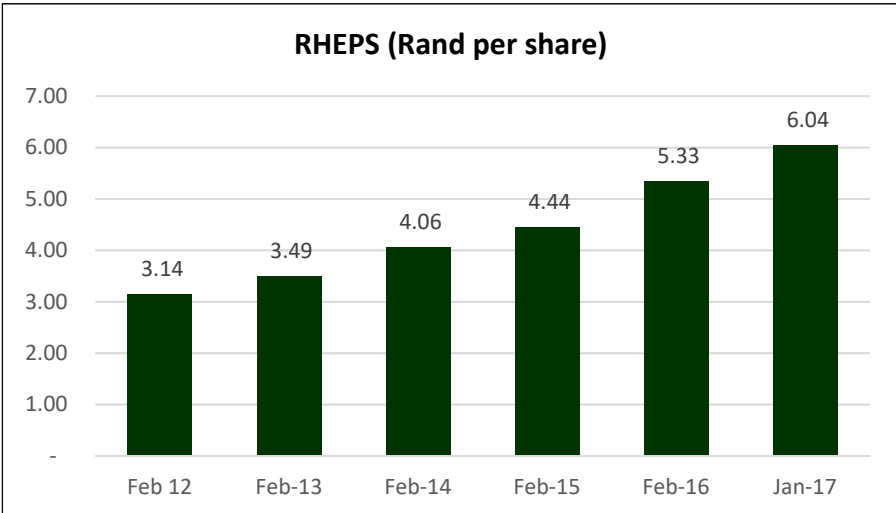
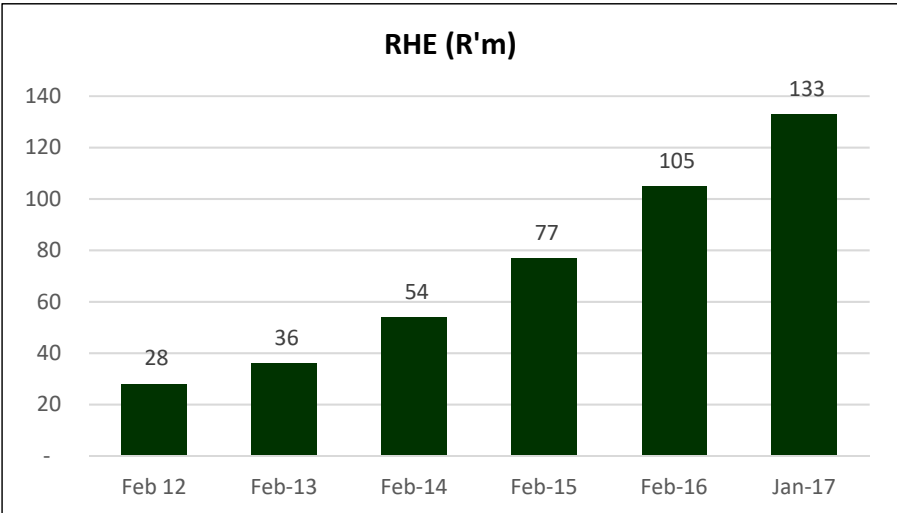
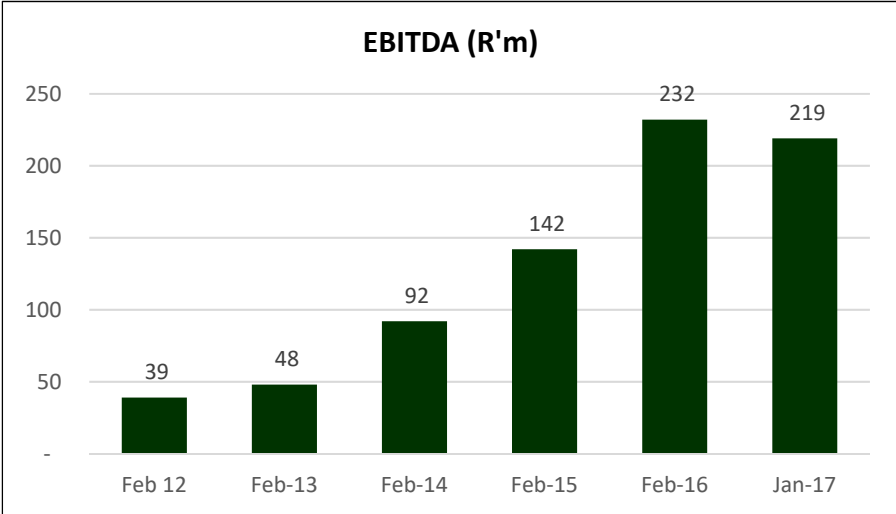
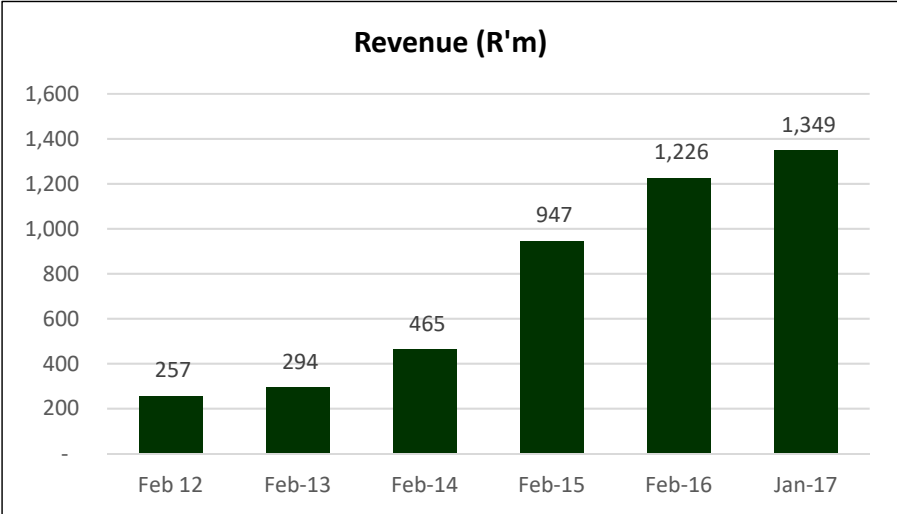
Zaad is a specialist agricultural seed company that develops and supplies a broad basket of proprietary seeds to more than 96 international markets.



Historical performance

Portfolio evaluation

Zaad reported an encouraging increase in RHEPS despite tough trading conditions benefitting from new investments, including Farm AG.



Post balance sheet investment

Portfolio evaluation

An investment has been made in Turkey where we acquired a 35% interest in May Seeds.

Company overview

- Biggest independent seed company in Turkey
- Family owned business
- Strong management team
- Locally bred and adapted products - strong local brand
- Expert individual head of breeding programme
- Seed products (sunflower, cotton, soybeans, sweet corn)
- KKS and Bakker have long standing business relationship



Tohumda Kalite

Country overview

- Turkey is the 7th largest agricultural producer in the world
- Turkey is the largest agricultural producer in European region
- Turkey is on similar latitude than South Africa – product fit
- Political links to Europe, Middle East and Russia
- Strategic location to serve some of worlds largest markets

Zaad



Zeder thoughts

- Key enabler for the launch of Agricol sunflower seeds into Russia/Ukraine markets (largest in the world)
- Access to Turkish markets for ZAAD products
- Fits with goal of becoming a leading global player in sunflower seeds
- Valuable stepping stone to positioning Zaad as an international seed group outside of only RSA
- **This investment, as any, carries risks but in the context of Zaad and Zeder, it is considered appropriate.**



Business overview

Kaap Agri is South Africa's leading Agri-related retail, trade, supply and services company.

KAAP AGRI

is a retail services group that supplies a variety of products and services mainly to the agricultural sector, but also to the general public.

Kaap Agri has 183 operating points that stretch over 97 cities, towns and places, and include areas such as the Swartland, Boland, Winelands, Overberg, Langkloof, Namaqualand, Orange River, Sundays River Valley, Namibia and adjacent areas, as well as Limpopo, Mpumalanga and Gauteng.

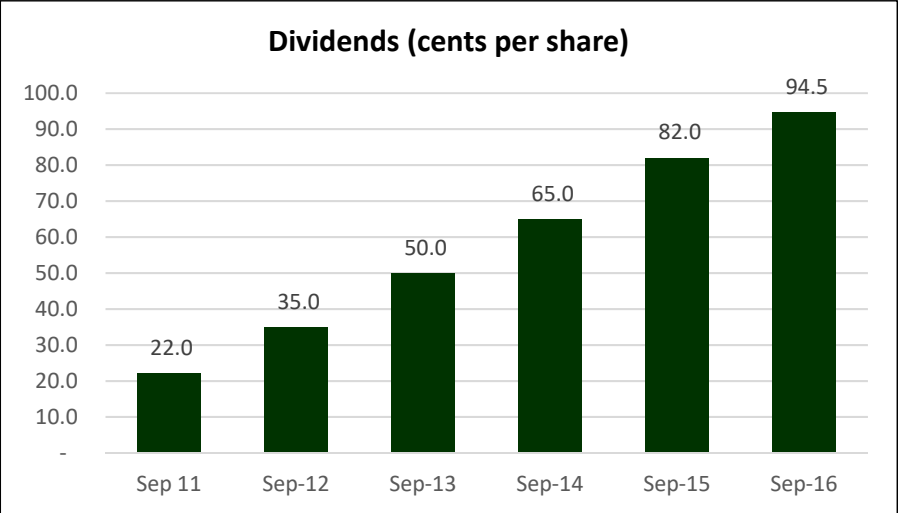
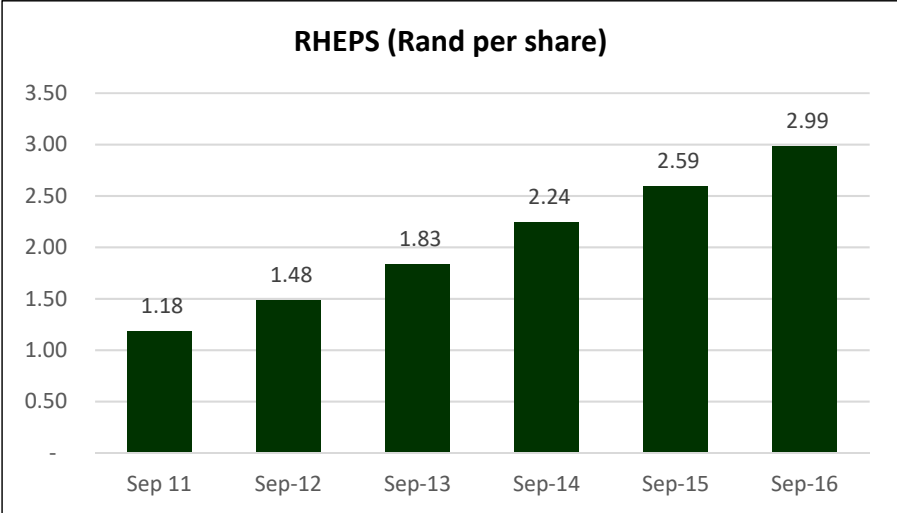
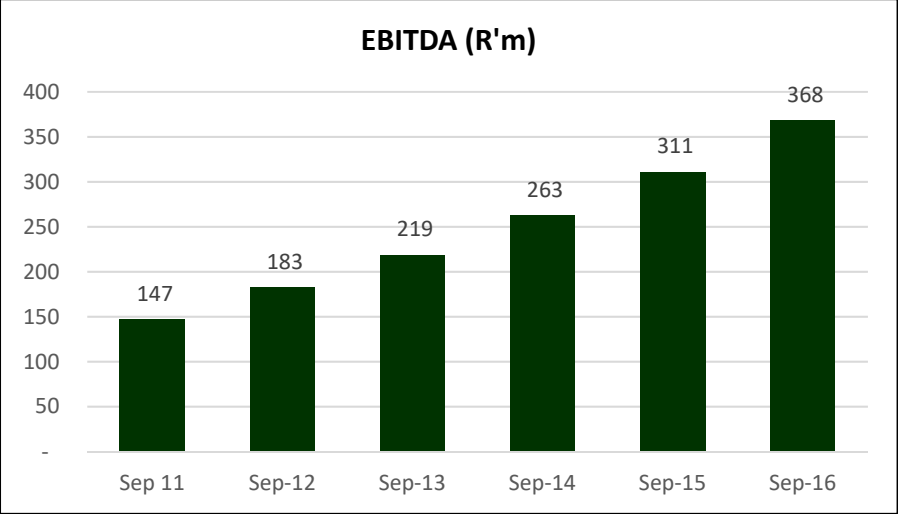
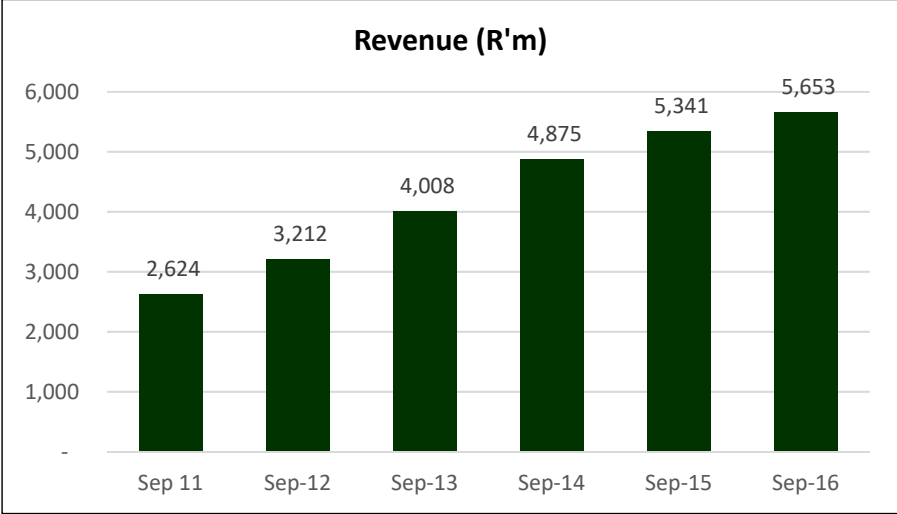
Portfolio evaluation



Historical performance

Portfolio evaluation

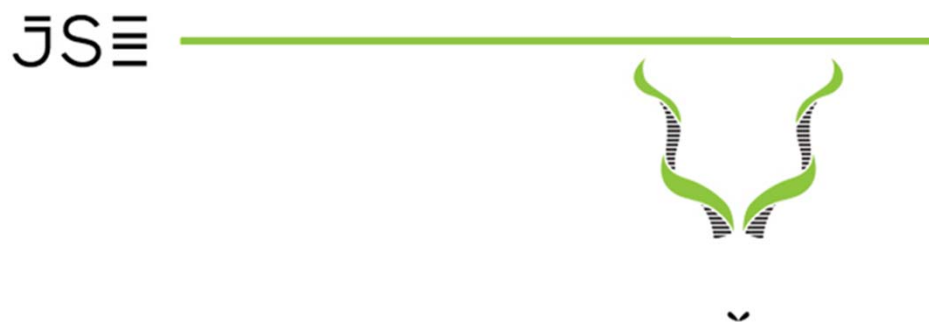
Kaap Agri reported a steady increase in RHEPS and longer term outlook remains positive.



JSE listing and outlook

Portfolio evaluation

The group has announced that its current business plans should generate annual profits in excess of R500m in the medium to long term.



THE JSE WELCOMES KAAP AGRI LIMITED TO THE MAIN BOARD

The sound of the African kudu horn will echo as we celebrate the listing of Kaap Agri Limited on the JSE Main Board.

The Kaap Agri group specialises in retail and trade in agricultural, fuel and related retail markets in Southern Africa. With its strategic footprint, infrastructure, facilities and client network, it follows a differentiated market approach. In support of the core retail business, Kaap Agri also offers financial, grain handling and agency services.

DATE: Monday, 26 June 2017

TIME: 08:30 - 09:15

VENUE: The JSE, One Exchange Square, Gwen Lane, Sandown

- Listing on the JSE main board
 - Monday, 26 June 2017
 - Good luck to team
- Restructuring over past 5 years
 - Clear divisional approach
 - Business growth plans in place
 - Organic growth prospects
- New chapter for organisation
 - Unique positioning
 - Agri foundation with retail and fuel
 - M&A not a requirement but now better positioned to drive if/when appropriate

Business overview

Agrivision Africa is a vertically integrated, grain-related food supplier that farms, mills and distributes products in the northern region of Zambia and southern parts of the DRC.

Farming & Development



- 4,200 ha (irrigated)
- 2,500 ha (dry-land)

Milling & Processing



- 50,000 tons (Maize)
- 24,000 tons (Wheat)

Portfolio evaluation



Agrivision Africa

Brands & Distribution



- Formal retail
- Distribution depots

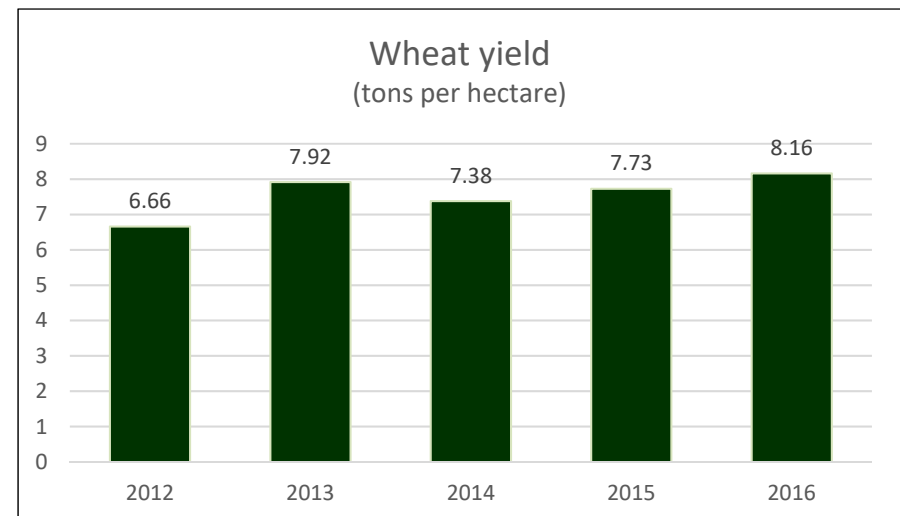
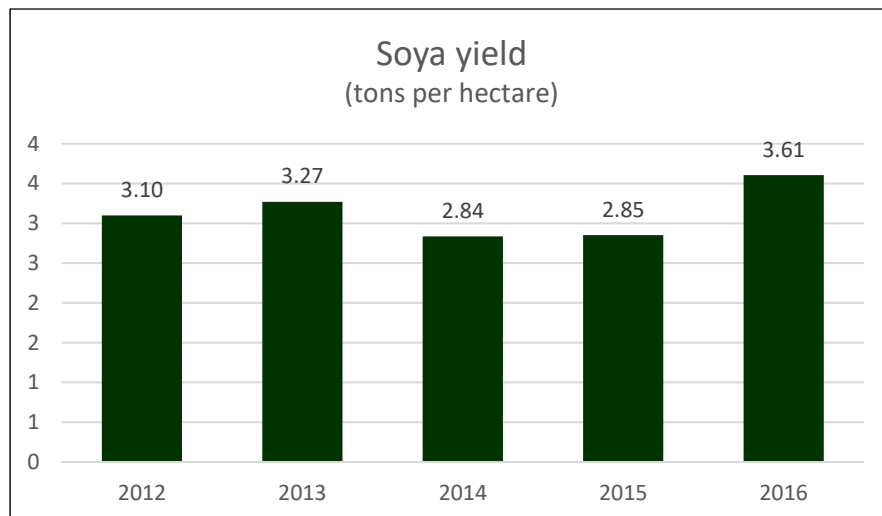
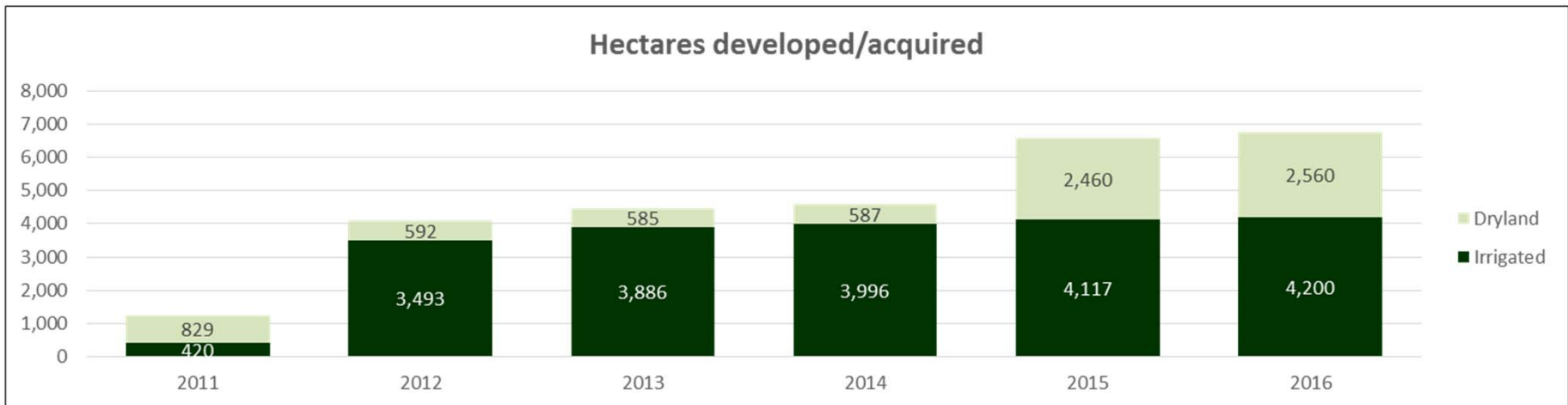
Agricultural development

Portfolio evaluation

We have a total of 6,700 ha (4,200 ha irrigated) and have managed to deliver acceptable average yields.



Agrivision Africa



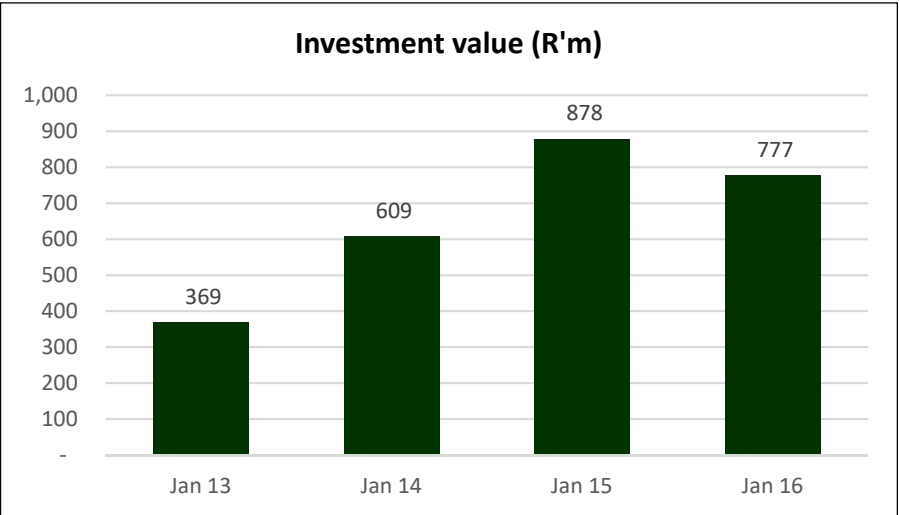
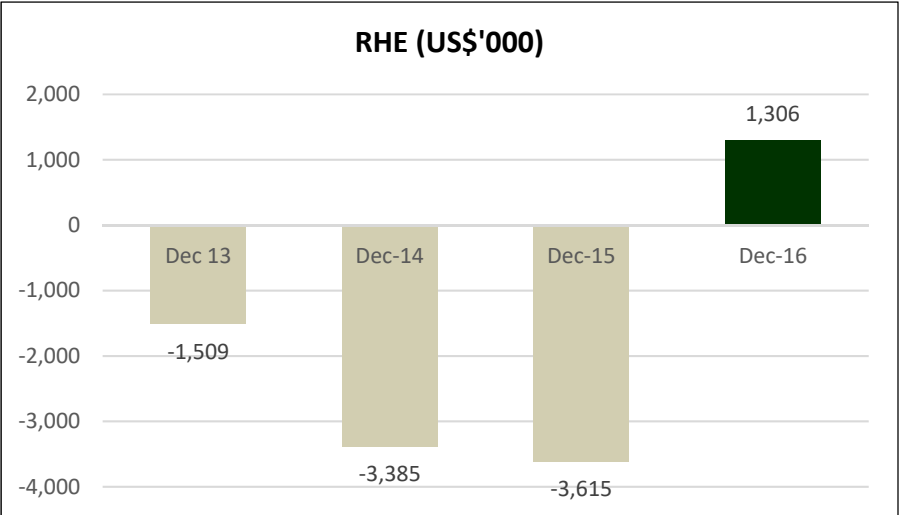
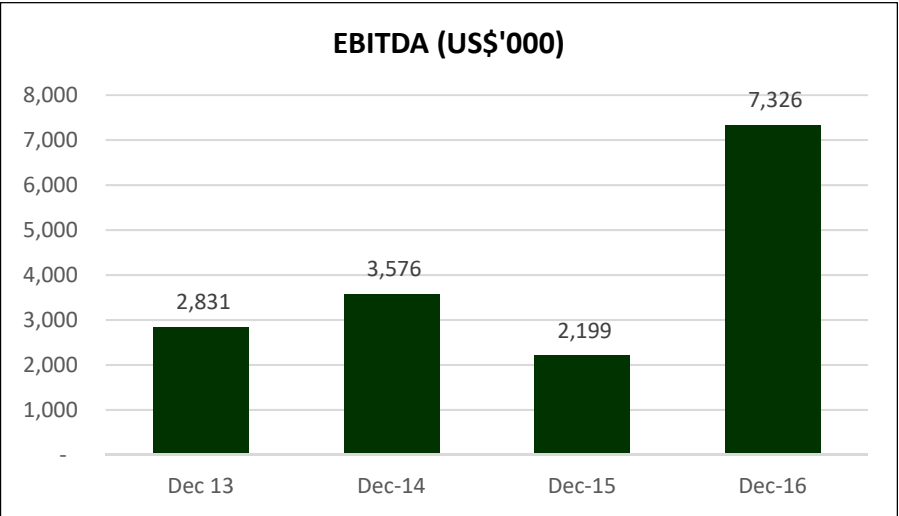
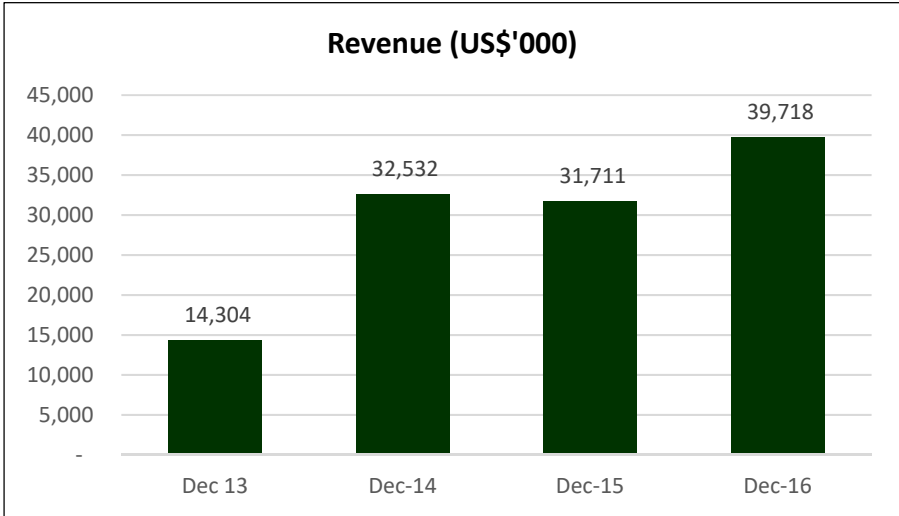
Financial performance

Portfolio evaluation

Operational and financial trends are encouraging and Agrivision reported a profit of \$1,3m for 2016.



Agrivision Africa



Business overview

Portfolio evaluation

Quantum is South Africa's #1 commercial egg supplier and operates a regionally dominant and nationally recognised premium animal feeds business.

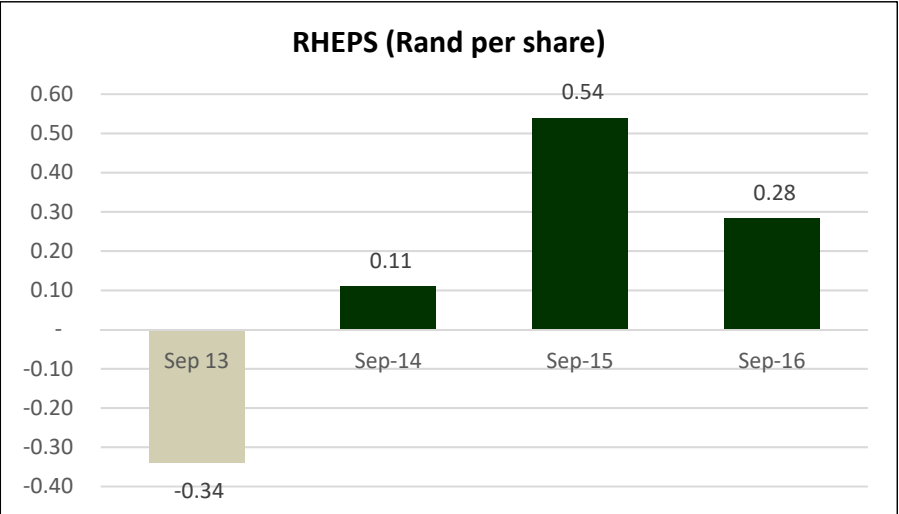
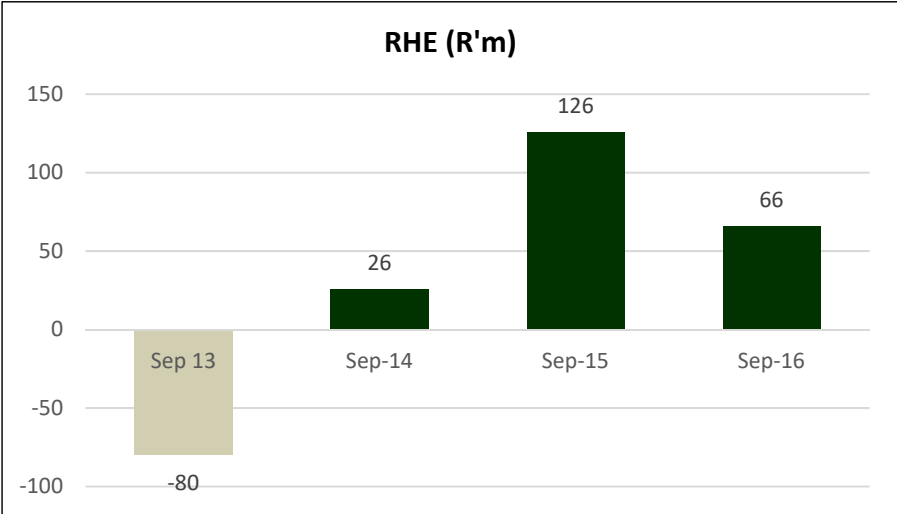
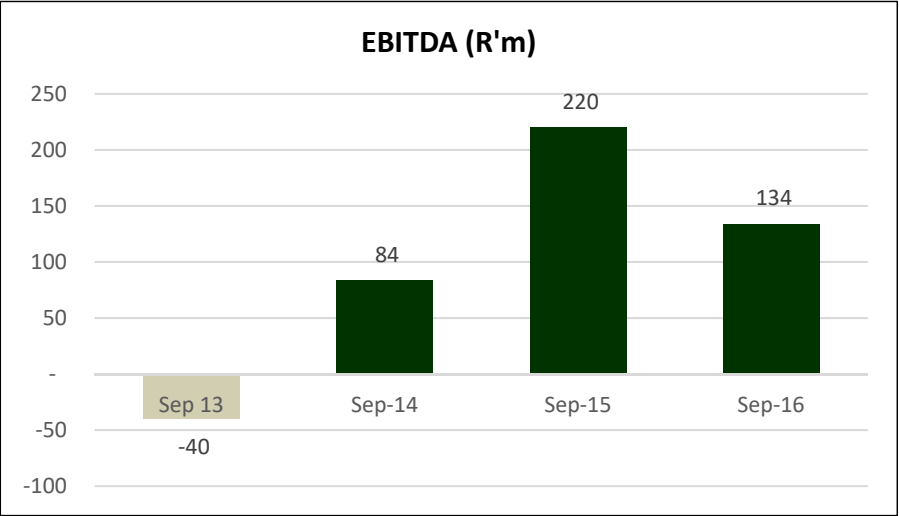
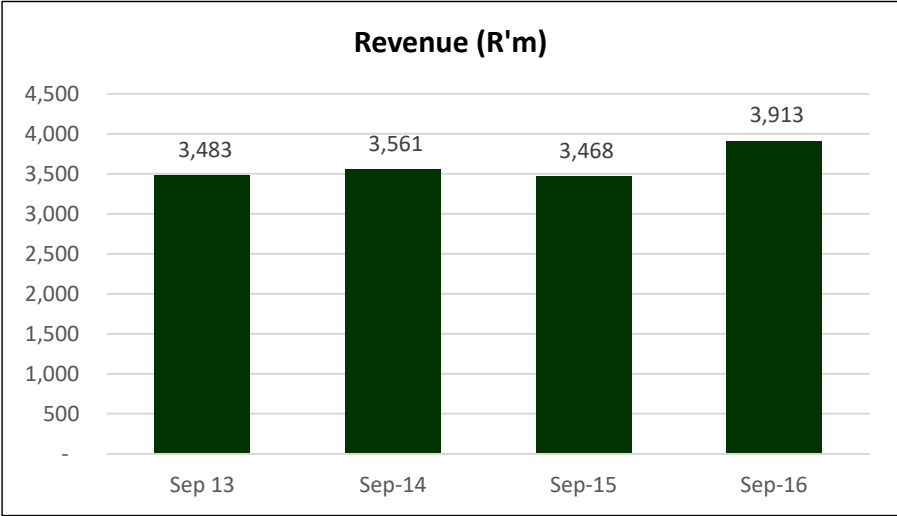


Farming

Financial performance

Portfolio evaluation

Quantum's repositioning focus has ensured the delivery of profits instead of losses during this tough cycle – should benefit from current favourable pricing.



The next chapter

Conclusion

With a strong existing platform and focused addition of new opportunities, the prospects are positive going forward.

General commentary

- We have a strong and well diversified portfolio that provides us with broad exposure to the industry
- We have worked hard internally on and within the underlying companies to ensure that they are aligned and prepared to deliver sustainable growth
- Significant progress continues to be made internally within companies, but full results may only be visible in medium term
- Recent Internal Focus remains very relevant and applicable – but has been expanded to drive Platform Growth
- New and adjacent opportunities are reviewed on an ongoing basis
- Despite the short-term challenges, opportunities abound and we remain committed to deliver attractive shareholder returns over the next 5 years.



Thank you