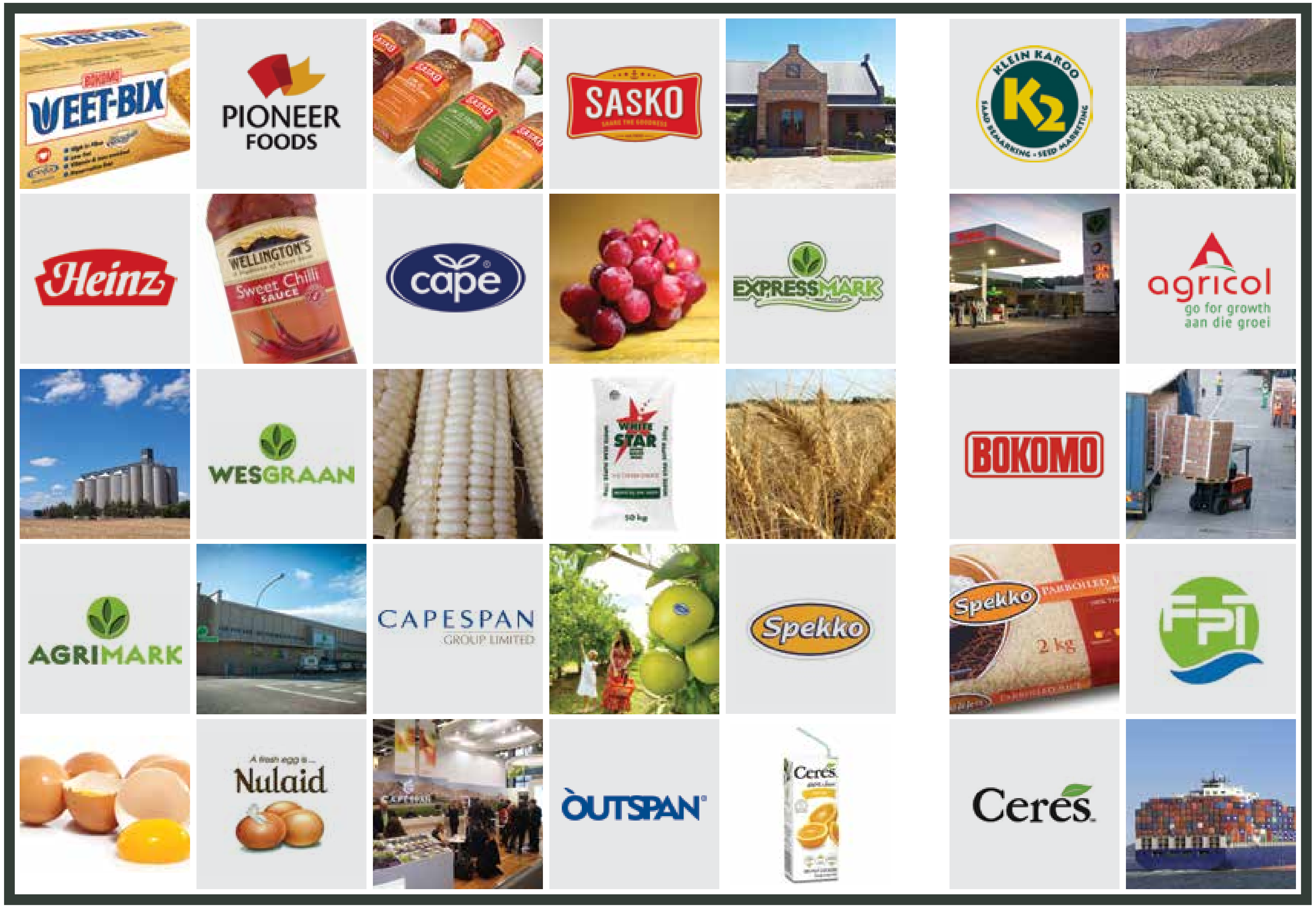
ZEDER

INVESTMENTS LIMITED

ANNUAL REPORT 2016



CONTENTS

2	Interest in investments
4	Board of directors
6	Chairman's letter
10	Review of operations
20	Corporate governance
24	Summarised consolidated financial statements
46	Notice of annual general meeting and proxy
IBC	Administration and shareholders' diary

Zeder is an active investor in the broad agribusiness industry, with a specific focus on the food and beverage sectors.

VIEW THIS REPORT ONLINE AT *WWW.ZEDER.CO.ZA*

INTEREST IN INVESTMENTS

Zeder has strong strategic influence over its investee companies in a portfolio valued at R12,4bn at year-end.

SUM-OF-THE-PARTS (TOTAL INVESTMENTS) VALUE
AS AT 29 FEBRUARY 2016

R12 431m

Pioneer Foods
R7 574m
60,9%

Agrivision
R614m
4,9%

Capespan
R2 027m
16,3%

Quantum Foods
R168m
1,4%

Zaad
R1 246m
10,0%

Other
R44m
0,4%

Kaap Agri
R758m
6,1%

BOARD OF DIRECTORS

Zeder leverages the wealth of knowledge, experience and expertise of its directors to optimally allocate capital and provide strategic assistance to portfolio companies.

EXECUTIVE

N (Norman) Celliers (42)
CHIEF EXECUTIVE OFFICER
BEng (Civil), MBA (Oxon), Dip Soc (Oxon)
Appointed 23 July 2012

WL (Wynand) Greeff (46)
FINANCIAL DIRECTOR
BCompt (Hons), CA(SA)
Appointed 21 May 2009

NON-EXECUTIVE

JF (Jannie) Mouton (69)
NON-EXECUTIVE CHAIRMAN
BCom (Hons), CA(SA), AEP
Appointed 21 August 2006

AE (Antonie) Jacobs (51)
CHIEF EXECUTIVE OFFICER – ZAAD
BCompt (Hons), CA(SA), MCom (Tax), LLB
Re-appointed 8 April 2013

PJ (Piet) Mouton (39)
CHIEF EXECUTIVE OFFICER – PSG GROUP
BCom (Mathematics)
Appointed 30 April 2012

INDEPENDENT NON-EXECUTIVE

GD (George) Eksteen (74)[1, 2]
FARMER AND DIRECTOR OF COMPANIES
Appointed 1 September 2009

WA (André) Hanekom (57)[1]
DIRECTOR OF COMPANIES
BAcc (Hons), CA(SA)
Appointed 7 October 2013

ASM (Mohammad) Karaan (48)
DIRECTOR OF COMPANIES
BSc Agric, BSc Agric (Hons), MSc Agric
Appointed 6 April 2016

CA (Chris) Otto (66)[1]
DIRECTOR OF COMPANIES
BComLLB
Appointed 21 August 2006

[1] *Member of audit and risk committee*
[2] *Lead independent director*

CHAIRMAN'S LETTER

We are pleased with the results achieved during the year and the successful implementation of our strategy.

OVERVIEW

Zeder Investments Ltd ("Zeder" or "the group") is an active investor in the broad agribusiness industry with a specific focus on the food and beverage sectors. Despite a period of challenging macro-economic conditions, the group delivered commendable results for the year ended 29 February 2016. We are particularly pleased with the manner in which the implementation of our strategy and portfolio diversification assisted in delivering a balanced performance.

On 29 February 2016, Zeder's *sum-of-the-parts ("SOTP") value* was R12,2bn. Pioneer Foods remains our largest investment and was valued at R7,6bn at year-end. After a marked increase during the previous reporting period, Pioneer Foods' share price declined by 21% during the year under review, resulting in Zeder reporting a decrease of 13% in its *SOTP value* per share. This downward adjustment reversed after year-end and Zeder's *SOTP value* per share was R9,20 on 4 May 2016 compared to R9,18 as at 28 February 2015.

Zeder's share of earnings derived from its portfolio investments totalled R805m for the year under review. The substantial increase of 49% was due to Zeder owning a larger share of Pioneer Foods following the successful Agri Voedsel transaction and improved performances from most of its underlying investee companies. On a per-share basis, Zeder's *recurring headline earnings* per share increased by 20%. This increase in earnings has also enabled Zeder to increase its dividend by 64% to 9 cents per share.

Our strategic drive of "Project Internal Focus" was maintained as we largely dedicated our resources to existing investee companies. Attention was given to internal strategies, longer-term growth plans and optimal capital allocation. We are pleased with the progress made in this regard.

INVESTMENTS

Over the past three years we have rebalanced our portfolio by disposing of non-core investments and increasing our interests in strategic companies. Today, our portfolio consists of leading companies that provide us with an attractive diversified exposure across the agribusiness spectrum, from strategic agri-inputs to fast-moving consumer goods.

Pioneer Foods (CEO – Phil Roux)

Our direct interest in Pioneer Foods is 27,2%. Pioneer Foods remains one of South Africa's leading food companies with revenues in excess of R18,7bn and a basket of products that include many leading and heritage brands. Its performance during the past financial year was resilient. Revenue and operating profits increased substantially and they reported an increase of 30% in adjusted headline earnings per share for the period ended 30 September 2015. The "One Pioneer" philosophy under the strong leadership of Phil Roux has been effective and the management team skilfully embraced the changes. The group continues to deliver operational and efficiency improvements while also reviewing strategic adjacent opportunities to complement future growth.

Capespan (CEO – Johan Dique)

During the year, we increased our interest to 96,6%. Capespan remains South Africa's largest fruit exporter, with revenue of R7,7bn. It continues to expand its international operations, with both volumes and profits from non-South African operations growing and already representing more than 40% of the total. The Capespan group is structured along three main divisions, namely Fruit, Farming and Logistics, with operations in 12 countries serving clients in more than 60 countries. The past three years has seen the systematic realignment of a structurally inappropriate group into a customer-centric and market-driven entity. The disposal of non-core activities has been prioritised, while more than R800m was invested since 2014 to improve and expand the core business while adding associate interest in strategic markets and functions.

Kaap Agri (CEO – Sean Walsh)

Our investment in Kaap Agri is our only remaining interest in any of the traditional South African agricultural co-operatives. This business is well established and offers growth and diversification opportunities. It has expanded its model in recent years and is today increasingly a retail services group that supplies a variety of products and services to both the agricultural sector and the general public. It reported revenue of R5,3bn across 177 operating points in South Africa and Namibia and managed to deliver encouraging profits despite the severe drought in Southern Africa. Kaap Agri's strategy of strategic diversification has delivered credible results over the past few years and should bode well going forward.

Zaad (CEO – Antonie Jacobs)

The Zaad investment gives Zeder exposure to strategic agri-inputs, predominantly built upon a core portfolio of agricultural seeds and related intellectual property. Through its wholly-owned subsidiaries (Agricol, Klein Karoo Seed Marketing and Gebroeders Bakker) it has a history spanning more than 50 years of developing and owning leading seed genetics in South Africa and the Netherlands. During the year Zaad increased its revenues to R1,2bn while maintaining healthy margins. This was generated to customers spanning more than 90 countries. As agriculture develops around the world and increasingly requires a more scientific and sustainable approach, having access to the right seed genetics will become more important. Zaad is ideally placed to benefit from this global trend.

Agrivision (Group managed by Zeder; Zambia CEO – Stuart Kearns)

Agrivision continues on its journey to become a regionally dominant grain-related staple food producer in select African markets. The business is currently focused on the Copperbelt province of Zambia and the Katanga province of DRC, and intends to expand into other Africa consumer centres in the future. Limited new development took place during the past year as we focused on ensuring that existing operations and recent acquisitions operated efficiently. During the year the IFC also became an equity partner and joined Zeder and Norfund as a strategic shareholder in Agrivision. Zambia has certainly faced many challenges as a country this past year and the company remains loss-making, in particular due to foreign currency exchange losses. However, the operational performance was encouraging as, excluding foreign currency exchange losses and once-off items recognised in the income statement, Agrivision made a headline profit of US$1,9m for its financial year ended 31 December 2015 as opposed to a US$0,7m loss in the previous year. We remain confident that a solid foundation for future growth has been established and we look forward to stabilise and grow this investment in order to benefit from the growth in consumer demand in Africa.

Quantum Foods (CEO – Hennie Lourens)

During the year under review, Quantum Foods settled as a fully-fledged separate listed company on the JSE. In its maiden full year results, Quantum Foods reported strong profits and clearly displayed that it had successfully reduced its exposure to previously loss-making divisions, particularly the broiler industry. Its remaining three divisions of animal feeds, live birds and eggs are viewed as its core business and attention was given to ensure that these are fixed and positioned for growth, both inside South Africa but also in select African markets. Capital was allocated for expansion in Zambia and Uganda while small acquisitions were announced in Mozambique. It is widely recognised that Quantum Foods will not be immune to the negative effects of the drought and correspondingly high raw material costs, but we remain confident that the restructuring of the company will ensure that it is better positioned than before to manage these cycles.

THE YEAR AHEAD

In the year that lies ahead, we will continue to focus on our existing portfolio as we believe these companies have significant opportunities to grow. We will continue to actively support our investee companies in defining and executing appropriate strategic plans. These plans contain initiatives that include investing and building upon existing core operations, while also developing and growing exposure to international markets. Additionally, we continuously and actively seek and evaluate new and exciting investment opportunities. We remain optimistic about Zeder's future prospects.

APPRECIATION

Being an investment holding company, Zeder's performance ultimately depends on that of its underlying investments. We are fortunate to have ambitious and talented management teams in place who continue to deliver on strategy. I would therefore like to express my sincere appreciation to the leaders and employees of all our portfolio companies for their hard work and dedication.

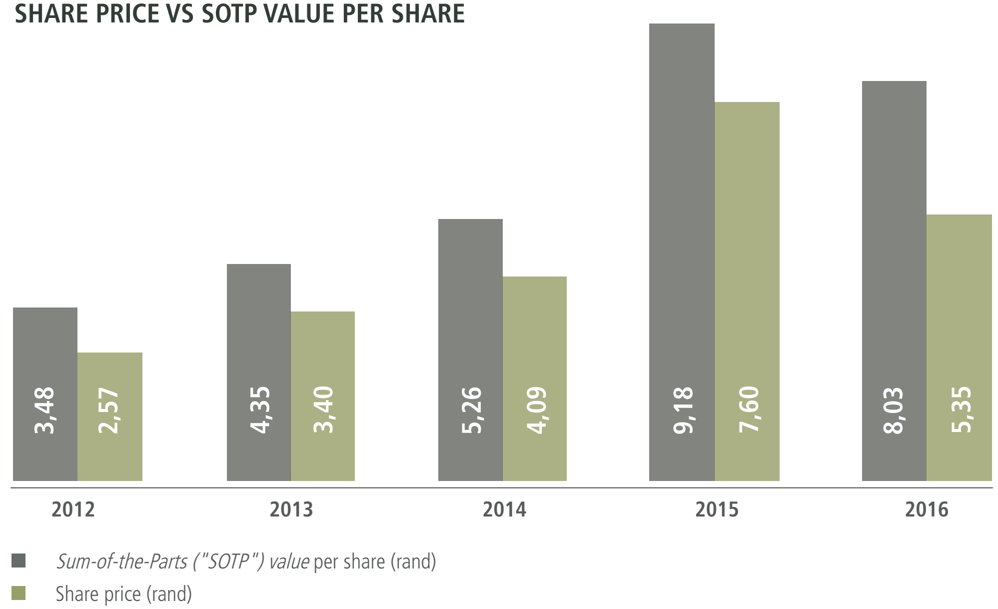
I would like to extend a special word of thanks to our shareholders, the Zeder team, my fellow directors and the PSG Exco for their loyal support and valuable contributions during the past year and for everyone's efforts to establish a stronger foundation for growth in the years to come.

Jannie Mouton
Chairman

REVIEW OF OPERATIONS

We are proud of our investments and remain confident that they will continue to perform well.

SHARE PRICE VS SOTP VALUE PER SHARE



Year ended February	2012	2013	2014	2015	2016
Recurring headline earnings from investments (Rm)	323	333	366	541	**805**
Recurring headline earnings (Rm)	273	251	300	414	**632**
Headline earnings (Rm)	300	196	260	257	**545**
Recurring headline earnings from investments per share (cents)	33,1	34,0	37,4	46,1	**54,0**
Recurring headline earnings per share (cents)	27,9	25,7	30,6	35,3	**42,4**
Headline earnings per share (cents)	30,7	20,1	26,6	22,0	**36,5**
Dividend per share (cents)	4,0	4,0	4,5	5,5	**9,0**

OVERVIEW

Zeder is an investor in the broad agribusiness industry, with a specific focus on the food and beverage sectors. Its underlying investment portfolio was valued at R12,4bn on 29 February 2016. Zeder's 27,2% interest in Pioneer Foods remains its largest investment, representing 60,9% (2015: 71,4%) of the portfolio.

STRATEGY

Zeder is a long-term investor that owns large, strategic stakes in companies. This allows management to play an active role in the underlying portfolio companies and assist with the determination of appropriate strategies. During the year under review, Zeder maintained its strategy of "Project Internal Focus" and dedicated most of its efforts to existing investments. This strategic focus has delivered satisfactory results over the past three years and will largely be maintained as Zeder seeks to drive for growth from its existing investment platform. New investments will be made when opportune.

NOTEWORTHY TRANSACTIONS

Capespan scheme of arrangement

During the year under review, Zeder concluded the Capespan scheme of arrangement in terms of which it acquired the remaining 25% interest held by minority shareholders other than management through the issue of Zeder shares in a transaction valued in excess of R500m.

FINANCIAL RESULTS

The two key benchmarks which Zeder believes to measure performance by are *SOTP value* per share and *recurring headline earnings* per share.

SOTP

Zeder's *SOTP value* per share, calculated using the quoted market prices for all JSE-listed investments, and market-related valuations for unlisted investments, decreased by 13% during the reporting period to R8,03 as at 29 February 2016 following predominantly a 21% decline in Pioneer Foods' share price. At the close of business on Wednesday, 4 May 2016, Zeder's *SOTP value* per share was R9,20.

	28 Feb 2015		29 Feb 2016		4 May 2016	
Company	Interest %	Rm	Interest %	Rm	Interest %	Rm
Pioneer Foods	27,3	9 533	27,2	7 574	27,2	9 320
Capespan	71,1	1 463	96,6	2 027	95,7	2 027
Zaad	92,0	885	92,3	1 246	92,3	1 246
Kaap Agri	37,9	629	39,4	758	39,4	758
Agrivision	76,5	563	55,9	614	55,9	614
Quantum Foods	26,4	231	26,4	168	26,4	175
Other		52		44		41
Total investments		13 356		12 431		14 181
Cash		338		118		97
Other net liabilities		(439)		(324)		(272)
SOTP value		13 255		12 225		14 006
Number of shares in issue (m)		1 444		1 523		1 523
SOTP value per share (rand)		9,18		8,03		9,20

Recurring headline earnings

Zeder's consolidated *recurring headline earnings* is the sum of its effective interest in that of each of its underlying investments. The result is that investments in which Zeder holds less than 20% and are generally not equity accountable in terms of accounting standards, are included in the calculation of consolidated *recurring headline earnings*, while once-off (i.e. *non-recurring*) income and expenses are excluded. This provides management and investors with a more realistic and transparent way of evaluating Zeder's earnings performance.

	Audited		
	28 Feb 2015 Rm	Change %	29 Feb 2016 Rm
Recurring headline earnings from investments	541	*49*	805
Management (base) fee	(118)		(155)
Net interest, taxation and other income and expenses	(9)		(18)
Recurring headline earnings	414	*53*	632
Non-recurring headline earnings			
Management (performance) fee	(118)		
Other	(39)		(87)
Headline earnings	257	*112*	545
Non-headline items	(15)		237
Attributable earnings	242	*223*	782
Weighted average number of shares in issue (m)	1 172		1 490
Recurring headline earnings from investments per share (cents)	46,1	*17*	54,0
Recurring headline earnings per share (cents)	35,3	*20*	42,4
Headline earnings per share (cents)	22,0	*66*	36,5
Attributable earnings per share (cents)	20,6	*155*	52,5

Following improved earnings contributions from the majority of Zeder's underlying investments, *recurring headline earnings* from investments per share and *recurring headline earnings* per share increased by 17% to 54 cents and by 20% to 42,4 cents, respectively.

Headline earnings per share increased by 66% to 36,5 cents as a result of the aforesaid and no performance fee being payable in respect of the year under review.

Attributable earnings per share increased by a higher percentage than *headline earnings* per share mainly due to a dilution gain made by Capespan following the merger of its associate, Golden Wing Mau, with Joyvio. Both Golden Wing Mau and Joyvio are leading players in China's fresh fruit business.

Management fees

Management fees are payable to a wholly-owned subsidiary of PSG Group Ltd ("PSG Group") in terms of a management agreement, whereby the PSG Group subsidiary provides all investment, administrative, advisory, financial and corporate services to Zeder Investments Corporate Services (Pty) Ltd, a wholly-owned subsidiary of Zeder. The management fees payable in respect of services rendered consist of a base fee and a performance fee element in terms of the relevant contractual rights. The base fee is calculated at the end of every half-year as 1,5% p.a. of Zeder's volume weighted average market capitalisation for that half-year. The performance fee is calculated at the end of the financial year as 20% p.a. of Zeder's share price outperformance of the GOVI-index yield plus 4%, adjusted for dividends, and is limited to the amount of the base fee in any specific financial year.

Following the aforementioned increase in Zeder's market capitalisation resulting from the increased number of Zeder shares in issue as a result of the Agri Voedsel scheme of arrangement in October 2014 and the Capespan scheme of arrangement in July 2015, the *recurring* base fee payable in respect of the year ended 29 February 2016 amounted to R155m (2015: R118m). However, given the decline in Zeder's share price, there was no *non-recurring* performance fee payable in respect of the year under review (2015: R118m). The starting hurdle Zeder share price for performance fee determination purposes for the ensuing financial year is R5,65 (2015: R4,95).

PSG Group has informed Zeder that it is investigating various alternatives to the current management fee agreement, which will be formally proposed once feedback has been obtained from a regulatory perspective. Once a formal proposal has been received from PSG Group, Zeder will communicate it to the market.

Pioneer Foods

Pioneer Foods delivered commendable results for the year ended 30 September 2015, with *adjusted headline earnings* per share from continuing operations increasing by 30%. The core divisions have been strengthened and continue to perform well. Improvements were reported in volumes, revenue, market share and operating margin. Pioneer Foods remains one of the leading food producers in South Africa and is well positioned to benefit from the growing demand for food and beverages, both in South Africa and select international markets.

Pioneer Foods is listed on the JSE and further information is available at ***www.pioneerfoods.co.za***.

Capespan

Capespan is an unlisted fruit and logistics group with a history spanning more than 70 years. Its core business activities are focused on the production, procurement, distribution and marketing of fruit worldwide, while it also owns and operates a number of strategic logistical and terminal assets in Southern Africa. The overall industry remains in a challenging cycle, but Capespan's strategy of product, market and sector diversification has served the group well. Despite delivering strong operating results, Capespan reported a modest 8% increase in *recurring headline earnings* for the year ended 31 December 2015 as the rand weakness was not fully capitalised on. During the year under review, Capespan invested R53m in Van Wylicks, an associate in Germany, while also expanding its farming and packing operations in South Africa. The aforementioned Golden Wing Mau merger resulted in Capespan's interest diluting from 25% to 11,3%. Capespan's summarised financial information is set out below:

Summarised income statement **Rm**	**31 Dec 2013**	**31 Dec 2014**	**31 Dec 2015**
Revenue	7 149	7 392	**7 688**
Growth	*27%*	*3%*	***4%***
EBITDA	228	227	**299**
Growth	*37%*	*–*	***32%***
EBIT	191	169	**220**
Growth	*50%*	*(12%)*	***30%***
Recurring headline earnings	139	159	**171**
Growth	*56%*	*14%*	***8%***
Headline earnings	127	97	**136**
Growth	*46%*	*(24%)*	***40%***
Weighted average number of shares in issue (m)	318,8	321,1	**323,5**
Recurring headline earnings per share (rand)	0,44	0,49	**0,53**
Growth	*55%*	*11%*	***8%***

Summarised statement of financial position **Rm**	**31 Dec 2013**	**31 Dec 2014**	**31 Dec 2015**
Total assets	2 705	3 018	**4 189**
Non-current assets	1 124	1 486	**2 372**
Current assets	1 581	1 532	**1 817**
Total liabilities	1 290	1 461	**2 107**
Non-current liabilities	307	324	**727**
Current liabilities	983	1 137	**1 380**
Total equity	1 415	1 557	**2 082**
Net asset value per share (rand)	4,34	4,62	**6,26**

Summarised cash flow information **Rm**	**31 Dec 2013**	**31 Dec 2014**	**31 Dec 2015**
Cash flow from operating activities	188	71	**249**
Cash flow from investing activities	(42)	(443)	**(592)**
Cash flow from financing activities	(67)	90	**253**
Net increase/(decrease) in cash and cash equivalents	79	(282)	**(90)**

	28 Feb 2014	**28 Feb 2015**	**29 Feb 2016**
Zeder shareholding	72,1%	71,1%	**96,6%**

Kaap Agri

Kaap Agri is an unlisted retail, trade and services group that supplies a variety of products and services to the agri sector and the general public. It has been in existence for more than 100 years with 177 operating points throughout South Africa and Namibia. Despite a challenging macro environment for agriculture, Kaap Agri delivered encouraging results and reported a 16% increase in *headline earnings* per share for the year ended 30 September 2015. Its strategy of product and geographic diversification should assist it in managing cyclicality in this sector. The recent focus on introducing non-agri income streams to complement its core agribusiness is gaining traction. Kaap Agri's summarised financial information is set out below:

Summarised income statement **Rm**	**30 Sept 2013**	**30 Sept 2014**	**30 Sept 2015**
Revenue	4 008	4 875	**5 341**
Growth	*25%*	*22%*	***10%***
EBITDA	219	263	**311**
Growth	*20%*	*20%*	***18%***
EBIT	202	243	**291**
Growth	*20%*	*20%*	***20%***
Headline earnings	129	158	**183**
Growth	*25%*	*22%*	***16%***
Weighted average number of shares in issue (m)	70,5	70,5	**70,5**
Headline earnings per share (rand)	1,83	2,24	**2,59**
Growth	*23%*	*22%*	***16%***

Summarised statement of financial position **Rm**	**30 Sept 2013**	**30 Sept 2014**	**30 Sept 2015**
Total assets	2 119	2 370	**2 686**
Non-current assets	455	530	**654**
Current assets	1 664	1 840	**2 032**
Total liabilities	1 123	1 255	**1 430**
Non-current liabilities	25	31	**31**
Current liabilities	1 098	1 224	**1 399**
Total equity	996	1 115	**1 256**
Net asset value per share (rand)	14,13	15,83	**17,81**

Summarised cash flow information **Rm**	**30 Sept 2013**	**30 Sept 2014**	**30 Sept 2015**
Cash flow from operating activities	69	139	**107**
Cash flow from investing activities	(90)	(103)	**(158)**
Cash flow from financing activities	25	(33)	**53**
Net increase in cash and cash equivalents	4	3	**2**

	28 Feb 2014	**28 Feb 2015**	**29 Feb 2016**
Zeder shareholding	37,9%	37,9%	**39,4%**

Zaad

Zaad operates in the specialised agri-inputs industry and currently owns, develops, imports and distributes a broad range of agri seeds in Africa, Europe and other international markets. Through Agricol, Klein Karoo Seed Marketing and Gebroeders Bakker, it has a proud history spanning more than 50 years exporting to more than 90 countries. Its portfolio, product and geographic mix have been structured to mitigate agri cyclicality. Zaad invested in numerous growth initiatives during the year, which should yield positive results in the medium to long term. The specialised agri-inputs market, and in particular the seed segment, remains attractive and Zaad is well positioned to benefit from it. Zaad reported a 20% increase in *recurring headline earnings* per share for the year ended 29 February 2016. Its summarised financial information is set out below:

Summarised income statement **Rm**	**28 Feb 2014**	**28 Feb 2015**	**29 Feb 2016**
Revenue	465	947	***1 226***
Growth	*76%*	*104%*	***30%***
EBITDA	96	147	***237***
Growth	*110%*	*53%*	***61%***
EBIT	84	125	***282***
Growth	*96%*	*49%*	***126%***
Recurring headline earnings	54	77	***105***
Growth	*64%*	*43%*	***36%***
Headline earnings	51	74	***105***
Growth	*59%*	*45%*	***42%***
Weighted average number of shares in issue (m)	13,4	17,4	***19,6***
Recurring headline earnings per share (rand)	4,06	4,44	***5,33***
Growth	*27%*	*9%*	***20%***

Summarised statement of financial position Rm	28 Feb 2014	28 Feb 2015	29 Feb 2016
Total assets	1 081	1 277	**1 793**
Non-current assets	337	412	**548**
Current assets	744	865	**1 245**
Total liabilities	637	716	**976**
Non-current liabilities	138	185	**180**
Current liabilities	499	531	**796**
Total equity	444	561	**817**
Net asset value per share (rand)	25,16	29,00	**37,73**

Summarised cash flow information Rm	28 Feb 2014	28 Feb 2015	29 Feb 2016
Cash flow from operating activities	(8)	(6)	**33**
Cash flow from investing activities	(330)	(115)	**(114)**
Cash flow from financing activities	148	135	**(30)**
Net (decrease)/increase in cash and cash equivalents	(190)	14	**(111)**

	28 Feb 2014	28 Feb 2015	29 Feb 2016
Zeder shareholding	92,0%	92,0%	**92,3%**

Agrivision

Agrivision currently owns and operates two large-scale commercial farming operations and a milling business in Zambia. It has developed 4 635 ha irrigated productive farmland since starting in 2011, and is continuously evaluating expansion opportunities. Agrivision's financial position was strengthened during the year under review through a US$30m equity investment, the majority of which was contributed by a new strategic shareholder, the International Finance Corporation (IFC), and the balance by Zeder and Norfund.

Agrivision's operating divisions performed to expectation; however, it reported a US$7m *headline loss* for its financial year ended 31 December 2015. Although anticipated, it was exacerbated by a third consecutive year of drought, electricity shortages and a weakening local currency. Excluding foreign currency exchange losses and once-off items recognised in the income statement, Agrivision made a *headline profit* of US$1,9m for its financial year ended 31 December 2015, as opposed to a US$0,7m loss in the previous year.

Summarised income statement US$'000	31 Dec 2013	31 Dec 2014	31 Dec 2015
Revenue	14 304	32 532	**31 677**
Growth	*85%*	*127%*	***(3%)***
EBITDA	3 713	3 869	**2 039**
Growth	*n/a*	*5%*	***(48%)***
EBIT	138	588	**(996)**
Headline (losses)/earnings before foreign currency exchange losses and once-off items	(1 060)	(654)	**1 923**
Foreign currency exchange losses and once-off items	(511)	(1 688)	**(8 956)**
Headline losses	(1 571)	(2 342)	**(7 033)**

Summarised statement of financial position US$'000	31 Dec 2013	31 Dec 2014	31 Dec 2015
Total assets	69 065	99 233	**78 934**
Non-current assets	45 065	69 606	**44 671**
Current assets	24 000	29 627	**34 263**
Total liabilities	31 499	60 685	**43 458**
Non-current liabilities	18 397	27 437	**15 238**
Current liabilities	13 102	33 248	**28 220**
Total equity	37 566	38 548	**35 476**

Summarised cash flow information US$'000	31 Dec 2013	31 Dec 2014	31 Dec 2015
Cash flow from operating activities	(7 381)	(12)	**(9 033)**
Cash flow from investing activities	(6 444)	(36 510)	**(7 752)**
Cash flow from financing activities	9 569	26 601	**25 994**
Net (decrease)/increase in cash and cash equivalents	(4 256)	(9 921)	**9 209**

	28 Feb 2014	28 Feb 2015	29 Feb 2016
Zeder shareholding	76,7%	76,5%	**55,9%**

Quantum Foods

Quantum Foods is a diversified feeds and poultry business providing quality animal protein to select South African and African markets. Having weathered adverse market conditions the past couple of years, Quantum Foods released strong results for the financial year ended 30 September 2015, reporting a 390% increase in *headline earnings* per share. Although it remains exposed to a highly cyclical industry, it has restructured its business and embarked on a clearly defined growth strategy that should see it generate sustainable profits and cash flows from its established South African operations, while growing its footprint in the rest of Africa.

Quantum Foods is listed on the JSE and its results can be viewed at ***www.quantumfoods.co.za***.

CORPORATE GOVERNANCE

Zeder Investments Ltd ("Zeder") is managed by PSG Group Ltd ("PSG Group") in terms of a formal management agreement and adheres to PSG Group's corporate governance policies. For more detail regarding these policies, refer to PSG Group's annual report, which is available at *www.psggroup.co.za*.

Zeder is committed to the principles of transparency, integrity, fairness and accountability as also advocated in the King Code of Governance Principles (King III). Accordingly, Zeder's corporate governance policies have in all material respects been appropriately applied during the year under review.

The board does not consider application of all the principles contained within King III appropriate for Zeder. Where specific principles of King III have not been applied, explanations for these are contained within this section of the annual report. A detailed analysis of the group's compliance with King III is available at *www.zeder.co.za*.

BOARD OF DIRECTORS

There is a clear division of responsibilities at board level to ensure a balance of power and authority, such that no one individual director has unfettered powers of decision-making. The Zeder board of directors remains autonomous, albeit that there is a formal management agreement in place between Zeder and PSG Corporate Services (Pty) Ltd ("PSG Corporate Services"). Details of Zeder's directors are provided on page 5 of this annual report. The independence of the non-executive directors is considered on an ongoing basis by the board as a whole.

Although certain of the non-executive directors are not classified as independent in terms of King III, all of the non-executive directors are independent of thought and action. The board believes that directors should own shares in the company. A director, as a shareholder, will thus share proportionally in the consequences of any good or bad decision.

The board met four times during the past financial year as set out in the table below. Prof ASM Karaan was appointed to the board on 6 April 2016. Mr JF Mouton fulfils the role of non-executive chairman, Mr N Celliers that of chief executive officer, Mr WL Greeff that of financial director, and Mr GD Eksteen that of lead independent director.

Due to the experience of the directors and the knowledge that directors have regarding the particular business of the company, induction, as well as ongoing training and development of directors, are not driven through formal processes.

Zeder does not have a nomination committee, and director appointments are considered to be a matter for the board as a whole, with all appointments being made in a formal and transparent manner.

Zeder's memorandum of incorporation requires a minimum of one third of the non-executive directors of the company, as well as non-executive directors having served three consecutive years without rotating, to retire by rotation and to offer themselves for re-election by shareholders at the annual general meeting. In addition thereto, the appointment of new directors should be confirmed by shareholders at the first annual general meeting following their appointment. In accordance with the company's memorandum of incorporation, Messrs WA Hanekom, AE Jacobs and CA Otto will retire and offer themselves for re-election by shareholders. In accordance with the company's memorandum of incorporation, the appointment of Prof ASM Karaan will be presented to shareholders for confirmation. Summarised curricula vitae for these directors are included from page 47 of this annual report.

BOARD ATTENDANCE	7 Apr 2015	20 Jul 2015	5 Oct 2015	1 Feb 2016
JF Mouton (chairman)	√	√	√	√
N Celliers	√	√	√	√
GD Eksteen	√	√	√	√
WL Greeff	√	√	√	√
WA Hanekom	√	√	√	√
AE Jacobs	√	√	√	√
PJ Mouton	√	√	√	√
CA Otto	√	√	√	√

√ – Present

The board's key roles and responsibilities are:

- promoting the interests of stakeholders;
- formulation and approval of strategy;
- retaining effective control; and
- ultimate accountability and responsibility for the performance and affairs of the company.

The board does not conduct regular appraisals of its members and committees. However, the efficiency of the board and its committees is continuously assessed.

The audit and risk committee consists of three independent non-executive directors, namely Messrs CA Otto (chairman), GD Eksteen and WA Hanekom. Mr GD Eksteen has been a member for the past six and a half years, Mr CA Otto for the past two years and Mr WA Hanekom for the past year and a half.

AUDIT AND RISK COMMITTEE ATTENDANCE	7 Apr 2015	5 Oct 2015
CA Otto (chairman)	√	√
GD Eksteen	√	√
WA Hanekom	√	√

√ – Present

The audit and risk committee has formal terms of reference, being available for inspection from the company secretary, and their report is set out on page 26 of this annual report.

The board has not appointed a remuneration committee as PSG Corporate Services fulfils this role in terms of the formal management agreement. The remuneration paid to Messrs N Celliers, GD Eksteen, WA Hanekom and AE Jacobs is disclosed in the directors' report on page 29 of this annual report. Messrs WL Greeff, JF Mouton, PJ Mouton and CA Otto received remuneration from PSG Corporate Services for services rendered to PSG Group and its subsidiaries in general.

The executive committee has been tasked with the responsibility of monitoring the company's activities having regard to any relevant legislation, legal requirements and prevailing codes of best practice with matters relating to, inter alia:

- Social and economic development;
- Good corporate citizenship;
- The environment, health and public safety;
- Consumer relationships; and
- Labour and employment.

The committee is satisfied with the social and ethical matters relating to Zeder and its subsidiaries.

EXECUTIVE COMMITTEE

The executive committee responsible for the management of Zeder comprises four Zeder directors, namely Messrs JF Mouton (chairman), N Celliers, WL Greeff and PJ Mouton, as well as Mr JA Holtzhausen (PSG Group executive). This committee meets regularly, at least twice a month, and is primarily responsible for the allocation and investing of the company's resources, including capital.

INTERNAL CONTROL AND RISK MANAGEMENT

Internal control and risk management is overseen by the audit and risk committee. Based on the functions performed by the audit and risk committee and PSG Corporate Services, in terms of the formal management agreement, the board is confident that the system of internal control and risk management is effective and aligned to the business needs and that it is not necessary to establish an internal audit function.

Based on the size and nature of the business, the audit and risk committee believes that certain governance mechanisms are not warranted. These include implementation of a combined assurance model and implementation of an information technology ("IT") governance framework.

As IT does not play a significant role in the sustainability of Zeder's business at a group level due to its nature and size, the investment in IT at group level is immaterial. The board is accordingly satisfied that the current system of IT governance at group level is appropriate.

COMPANY SECRETARY

PSG Corporate Services is the company secretary of Zeder. The company secretary acts as conduit between the board and the group. The company secretary is responsible for board administration, liaison with the Companies and Intellectual Property Commission and the JSE. Board members also have access to legal and other expertise, when required, through the company secretary.

The company secretary has to date maintained a professional relationship with board members, giving direction on good governance and independent advice, as and when required. The audit and risk committee has reviewed, through discussion and assessment, the qualifications, experience and competence of the individuals employed by the company secretary and has noted that the company secretary performed all formalities and substantive duties timeously and in an appropriate manner. The board is satisfied that an arm's length relationship exists between the company secretary and the group.

The certificate that the company secretary, being represented by Mr A Rossouw, is required to issue in terms of section 88(2)(e) of the Companies Act is on page 27 of this annual report.

INTEGRATED REPORTING AND DISCLOSURE

Part of the philosophy of Zeder is to invest in companies with strong management. Zeder therefore relies on them to apply the principles of King III in regards to integrated reporting and disclosure, to the extent appropriate to their business.

Zeder applies the principles of integrated reporting at group level to the extent that such are considered appropriate.

SUSTAINABILITY

Social responsibility

Zeder also subscribes to the philosophy of black economic empowerment ("BEE") and encourages its investments to undertake BEE initiatives. Zeder has participated in and facilitated various BEE transactions and has a strategic and trusted BEE partner, which it introduces to its investments.

Financial reporting and stakeholder communication

Zeder has identified its two major stakeholders as its shareholders and investment companies. Ongoing communication and engagement are therefore focused on these groups, as detailed below. Financial reports are provided to shareholders twice a year. Details regarding significant transactions undertaken are reported as required by the JSE Listings Requirements.

Communication with investment companies is done on an ongoing basis. The annual general meeting serves as platform for interactive communication with stakeholders. The company's communication officer's contact details are available on Zeder's website should stakeholders wish to direct queries to the company.

SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

CONTENTS

26	Report of the audit and risk committee
27	Approval of the summarised consolidated financial statements
27	Declaration by the company secretary
28	Directors' report
31	Independent auditor's report
32	Summarised consolidated statement of financial position
33	Summarised consolidated income statement
34	Summarised consolidated statement of comprehensive income
35	Summarised consolidated statement of changes in equity
36	Summarised consolidated statement of cash flows
37	Notes to the summarised consolidated financial statements

These summarised consolidated financial statements comprise a summary of the audited consolidated annual financial statements of Zeder Investments Ltd ("Zeder") for the year ended 29 February 2016.

The consolidated annual financial statements, including these summarised consolidated financial statements, were compiled under the supervision of the group financial director, Mr WL Greeff, CA(SA), and were audited by Zeder's external auditor, PricewaterhouseCoopers Inc.

The annual financial statements, including the unmodified audit opinion, are available on Zeder's website *www.zeder.co.za* or may be requested and obtained in person, at no charge, at the registered office of Zeder during office hours.

The audit and risk committee ("the committee") reports that it has considered the matters set out in the Companies Act, and is satisfied with the independence and objectivity of the external auditor, PricewaterhouseCoopers Inc. The committee has considered and approved the fees payable to the external auditor and is satisfied with the extent of non-audit-related services performed.

This committee also acted as the statutory audit committee of those public company subsidiaries that are legally required to have such a committee.

The committee has satisfied itself that the financial function, including the financial director, has the appropriate expertise, experience and resources, and is satisfied that the internal financial controls of the company are working effectively.

A board-approved audit and risk committee charter stipulating, inter alia, the committee's composition, duties and responsibilities, has been adopted. The committee is satisfied that it complied with the responsibilities as set out in the audit and risk committee charter as well as relevant legal and regulatory responsibilities.

Based on the information and explanations given by management and discussions with the independent external auditor regarding the results of their audit, the committee is satisfied that there was no material breakdown in the internal financial controls during the financial year under review.

The committee has evaluated the annual financial statements of the company and group for the year ended 29 February 2016, as well as these summarised consolidated financial statements and, based on the information provided to the committee, considers that the company and group complies, in all material respects, with the requirements of the Companies Act and International Financial Reporting Standards.

CA Otto
Chairman

11 April 2016
Stellenbosch

The directors are responsible for the maintenance of adequate accounting records and to prepare annual financial statements that fairly represent the state of affairs and the results of the company and group. The external auditor is responsible for independently auditing and reporting on the fair presentation of the annual financial statements. Management fulfils this responsibility primarily by establishing and maintaining accounting systems and practices adequately supported by internal accounting controls. Such controls provide assurance that the group's assets are safeguarded, that transactions are executed in accordance with management's authorisations and that the financial records are reliable. The annual financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"); the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee; the Financial Reporting Pronouncements, as issued by the Financial Reporting Standards Council; the manner required by the Companies Act; and the JSE Listings Requirements, and incorporate full and reasonable disclosure. Appropriate and recognised accounting policies are applied consistently.

These summarised consolidated financial statements were derived from the consolidated annual financial statements and do not contain all the disclosures required by IFRS and the requirements of the Companies Act. Reading these summarised consolidated financial statements, therefore, is not a substitute for reading the consolidated annual financial statements of Zeder Investments Ltd.

The audit and risk committee meets regularly with the external auditor, as well as senior management, to evaluate matters concerning accounting policies, internal control, auditing and financial reporting. The external auditor has unrestricted access to all records, assets and personnel, as well as to the audit and risk committee.

The annual financial statements are prepared on the going concern basis, since the directors have every reason to believe that the group has adequate resources to continue for the foreseeable future.

The annual financial statements, including these summarised consolidated financial statements set out on pages 28 to 45 were approved by the board of directors of Zeder Investments Ltd and are signed on its behalf by:

JF Mouton
Chairman

N Celliers
Chief executive officer

WL Greeff
Financial director

11 April 2016
Stellenbosch

DECLARATION BY THE COMPANY SECRETARY

We declare that, to the best of our knowledge, the company has lodged with the Registrar all such returns and notices as are required of a public company in terms of the Companies Act, and that all such returns and notices are true, correct and up to date.

PSG Corporate Services (Pty) Ltd
Per A Rossouw
Company secretary

11 April 2016
Stellenbosch

OVERVIEW

Zeder is an investor in the broad agribusiness industry with a specific focus on the food and beverage sectors.

OPERATING RESULTS

The operating results and state of affairs of the group is set out in the attached summarised consolidated income statement and summarised consolidated statements of financial position, comprehensive income, changes in equity and cash flows, and the notes thereto.

Earnings performance

- Recurring headline earnings per share increased by 20% to 42,4 cents due to improved earnings contributions from the majority of Zeder's underlying investments.
- Headline earnings per share increased by 66% to 36,5 cents as a result of the aforesaid and no performance fee being payable in respect of the year under review.
- Profit for the year amounted to R788m (2015: R284m), while earnings attributable to equity holders of the group amounted to R782m (2015: R242m).

Sum-of-the-Parts ("SOTP")

- Zeder's SOTP value per share, calculated using the quoted market prices for all JSE-listed investments, and market-related valuations for unlisted investments, decreased by 13% during the reporting period to R8,03 as at 29 February 2016, following predominantly a 21% decline in Pioneer Foods Group Ltd's share price.
- At the close of business on Wednesday, 4 May 2016, Zeder's SOTP value per share was R9,20.

Corporate actions

- During the year under review, Zeder made an offer to acquire all the shares in Capespan Group Ltd ("Capespan") not already held by Zeder or Capespan management, whereby Capespan shareholders were offered 85 Zeder shares for every 100 Capespan shares held. This transaction was approved by Capespan shareholders on 24 June 2015 and implemented on 27 July 2015. Following completion of same, Zeder now owns an interest of 96,6% in Capespan. As purchase consideration, 69 557 939 Zeder shares were issued to Capespan shareholders.
- Furthermore, the group invested R143m in cash in Zaad Holdings Ltd and Agrivision Africa, both companies forming part of Zeder's existing core investments.
- In addition, Zeder issued 4 433 103 ordinary shares to acquire an additional 1,5% interest in Kaap Agri Ltd and 5 017 863 ordinary shares to acquire a 19,4% interest in Gebroeders Bakker Zaadteelt en Zaadhandel B.V. ("Bakker"). Subsequently, the company swapped the Bakker shares for a 0,3% additional interest in Zaad Holdings Ltd.

STATED CAPITAL

During the year under review, the company issued 79 008 905 (2015: 463 655 674) ordinary shares as part of asset-for-share transactions (most notably the aforementioned Capespan transaction) and thereby increased its total number of ordinary shares in issue to 1 522 852 890 (2015: 1 443 843 985).

DIVIDENDS

On 11 April 2016, the company declared a final dividend of 9 cents (2015: 5,5 cents) per share in respect of the year ended 29 February 2016, which is payable on 9 May 2016.

EVENTS SUBSEQUENT TO THE REPORTING DATE

The directors are unaware of any matter or event which is material to the financial affairs of the group that has occurred between the reporting date and the date of approval of the annual financial statements.

DIRECTORS

The directors of the company at the date of this report are set out on page 5.

DIRECTORS' EMOLUMENTS

Directors' emoluments (excluding Mr AE Jacobs' emoluments) are paid by PSG Corporate Services (Pty) Ltd ("PSGCS") (a wholly-owned subsidiary of PSG Group Ltd) in terms of the management agreement (refer to note 2). Directors' emoluments include the following cash-based remuneration:

Audited	Basic salary R'000	Company contributions and allowances R'000	Performance-related R'000	Fees R'000	Total 2016 R'000	Total 2015 R'000
Executive						
N Celliers[1]	2 569	31	3 300		5 900	5 500
WL Greeff[3]					–	
Non-executive						
GD Eksteen				123	123	115
WA Hanekom				123	123	100
AE Jacobs[2]	1 549	297			1 846	1 733
JF Mouton[3]					–	
PJ Mouton[3]					–	
CA Otto[3]					–	
ASM Karaan[4]					–	
MS du Pré le Roux[5]					–	55
LP Retief[5]					–	80
	4 118	328	3 300	246	7 992	7 583

1 *Performance-related emoluments were paid in respect of the 2016 financial year.*
2 *The basic salary and company contributions received by AE Jacobs relates to his employment as chief executive officer of Zaad Holdings Ltd, a subsidiary.*
3 *These directors do not receive any emoluments for services rendered to Zeder Investments Ltd, as the Zeder Investments Ltd group is managed by PSGCS in terms of a management agreement. These directors only receive emoluments from PSGCS for services rendered to PSG Group Ltd and its investee companies (including the Zeder Investments Ltd group).*
4 *Appointed 6 April 2016.*
5 *Resigned during the previous year.*

The company's prescribed officers include members of the PSG Group Ltd Executive Committee, which manages the group (as further discussed in the corporate governance section), and whose remuneration is disclosed in PSG Group Ltd's annual report.

In addition to the cash-based remuneration above, share options have been awarded to Mr N Celliers, the cost of which is borne by PSGCS in terms of the aforementioned management agreement. The cost (determined using an option pricing model) of the share options awarded amounted to R2,9m (2015: R2,7m) for the year.

DIRECTORS' EMOLUMENTS continued

During the year, Mr N Celliers exercised 2 024 057 (2015: 775 581) Zeder Investments Ltd and 16 039 (2015: 21 924) PSG Group Ltd share options at weighted average strike prices of R3,64 (2015: R2,90) and R57,29 (2015: R51,31), respectively. The weighted average market price across the respective vesting dates during the year was R6,14 (2015: R5,73) for the Zeder Investments Ltd share options and R174,97 (2015: R126,40) for the PSG Group Ltd share options.

Share options awarded to Mr N Celliers will vest as follows:

	Number of shares	
Audited	**Zeder**	**PSG Group**
FY17	**2 155 380**	**18 506**
FY18	**2 352 878**	**12 426**
FY19	**1 577 295**	**6 328**
FY20	**328 821**	**4 300**
FY21	**197 496**	**1 836**
Total	**6 611 870**	**43 396**

The weighted average strike price per share for the aforementioned Zeder Investments Ltd and PSG Group Ltd share options is R4,21 and R98,86, respectively.

DIRECTORS' SHAREHOLDING

	Beneficial		Non-beneficial	Total shareholding 2016		Total shareholding 2015	
Audited	**Direct**	**Indirect**	**Indirect**	**Number**	**%**	**Number**	**%**
N Celliers		**4 659 990**		**4 659 990**	**0,306**	3 411 514	0,236
GD Eksteen		**6 683 585**	**250 000**	**6 933 585**	**0,455**	6 933 585	0,480
WL Greeff	**80 000**			**80 000**	**0,005**	80 000	0,006
AE Jacobs		**70 000**		**70 000**	**0,005**	70 000	0,005
JF Mouton			**80 000**	**80 000**	**0,005**	80 000	0,006
CA Otto			**80 000**	**80 000**	**0,005**	80 000	0,006
	80 000	**11 413 575**	**410 000**	**11 903 575**	**0,781**	10 655 099	0,739

There have been no changes in beneficial interests that occurred between the end of the reporting period and the date of this report.

Also refer to the shareholder analysis in note 9 to the summarised consolidated financial statements.

SECRETARY

The secretary of the company is PSG Corporate Services (Pty) Ltd. Please refer to the administration section of this annual report for its business and postal addresses.

AUDITOR

At the date of this report, PricewaterhouseCoopers Inc. held office in accordance with the Companies Act.

These summarised consolidated financial statements, which comprise the summarised consolidated statement of financial position as at 29 February 2016, the summarised consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and related notes, as set out on pages 32 to 45, are derived from the audited consolidated annual financial statements of Zeder Investments Ltd for the year ended 29 February 2016. We expressed an unmodified audit opinion on those consolidated annual financial statements in our report dated 11 April 2016.

These summarised consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act, as applicable to annual financial statements. Reading the summarised consolidated financial statements, therefore, is not a substitute for reading the audited consolidated annual financial statements of Zeder Investments Ltd.

DIRECTORS' RESPONSIBILITY FOR THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of a summarised version of the audited consolidated annual financial statements in accordance with the requirements of section 8.57 of the JSE Listings Requirements, and the requirements of the Companies Act, as applicable to summarised financial statements, and for such internal controls as the directors determine is necessary to enable the preparation of summarised consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the summarised consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements".

OPINION

In our opinion, these summarised consolidated financial statements derived from the audited consolidated annual financial statements of Zeder Investments Ltd for the year ended 29 February 2016 are consistent, in all material respects, with those consolidated annual financial statements, in accordance with the requirements of section 8.57 of the JSE Listings Requirements, and the requirements of the Companies Act, as applicable to summarised financial statements.

OTHER REPORTS REQUIRED BY THE COMPANIES ACT

The "Other reports required by the Companies Act" paragraph in our audit report dated 11 April 2016 states that as part of our audit of the consolidated annual financial statements for the year ended 29 February 2016, we have read the directors' report, the audit and risk committee's report and the company secretary's certificate for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated annual financial statements. These reports are the responsibility of the respective preparers. The paragraph also states that, based on reading these reports, we have not identified material inconsistencies between these reports and the consolidated annual financial statements. The paragraph furthermore states that we have not audited these reports and accordingly do not express an opinion on these reports. The paragraph does not have an effect on the summarised consolidated financial statements or our opinion thereon.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: D de Jager
Registered Auditor

11 April 2016
Stellenbosch

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 29 FEBRUARY 2016

	2016 Rm	2015 Rm
Assets		
Non-current assets	9 182	7 952
Property, plant and equipment	1 562	1 223
Intangible assets	657	601
Biological assets (bearer plants)	279	182
Investment in ordinary shares of associates and joint ventures	6 456	5 704
Loans granted to associates and joint ventures		30
Equity securities	50	51
Loans and advances	65	62
Deferred income tax assets	70	64
Employee benefits	43	35
Current assets	3 722	3 184
Biological assets (agricultural produce)	127	93
Inventories	1 291	988
Debt securities	23	
Trade and other receivables	1 575	1 260
Loans and advances	2	52
Current income tax assets	20	21
Cash, money market investments and other cash equivalents	684	770
Non-current assets held for sale (note 5)		30
Total assets	12 904	11 166
Equity and liabilities		
Ordinary shareholders' equity	8 251	7 133
Non-controlling interests	442	608
Total equity	8 693	7 741
Non-current liabilities	1 474	1 275
Deferred income tax liabilities	102	106
Borrowings	1 166	970
Derivative financial liabilities	65	64
Employee benefits	141	135
Current liabilities	2 737	2 150
Borrowings	1 276	902
Trade and other payables	1 328	1 153
Current income tax liabilities	62	31
Employee benefits	71	64
Total liabilities	4 211	3 425
Total equity and liabilities	12 904	11 166
Net asset value per share (cents)	541,8	494,0
Tangible net asset value per share (cents)	498,6	452,4
Number of shares in issue (m)	1 523	1 444

SUMMARISED CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 29 FEBRUARY 2016

	2016 Rm	2015 Rm
Revenue	9 318	8 692
Cost of sales	(7 759)	(7 424)
Gross profit	1 559	1 268
Income		
Change in fair value of biological assets	244	144
Investment income	47	75
Net fair value (losses)/gains	(53)	38
Other operating income	51	45
Total income	289	302
Expenses		
Management fees (note 2)	(155)	(236)
Marketing, administration and other expenses	(1 430)	(1 130)
Total expenses	(1 585)	(1 366)
Net income from associates and joint ventures		
Share of profits of associates and joint ventures	569	300
Net profit on dilution of interest in associates (note 3)	258	
Net income from associates and joint ventures	827	300
Profit before finance costs and taxation	1 090	504
Finance costs	(180)	(143)
Profit before taxation	910	361
Taxation	(122)	(77)
Profit for the year	788	284
Attributable to:		
Owners of the parent	782	242
Non-controlling interests	6	42
	788	284
Earnings per share (cents)		
Recurring headline from investments	54,0	46,1
Recurring headline	42,4	35,3
Headline (basic) (note 3)	36,5	22,0
Headline (diluted)	33,8	22,0
Attributable (basic)	52,5	20,6
Attributable (diluted)	49,4	20,6
Weighted average number of shares in issue during the year (basic and diluted) (m)	1 490	1 172

	2016 Rm	2015 Rm
Profit for the year	788	284
Other comprehensive loss for the year, net of taxation	(132)	(31)
Items that may be reclassified to profit or loss		
Currency translation adjustments	(131)	(19)
Share of other comprehensive losses of associates	(8)	(13)
Cash flow hedges	(2)	(6)
Reclassification of cash flow hedges		25
Items that may not be reclassified to profit or loss		
Gains/(losses) from changes in financial and demographic assumptions of post-employment benefit obligations	9	(18)
Total comprehensive income for the year	656	253
Attributable to:		
Owners of the parent	765	218
Non-controlling interests	(109)	35
	656	253

	2016 Rm	2015 Rm
Ordinary shareholders' equity at end of the year	8 251	7 133
Ordinary shareholders' equity at beginning of the year	7 133	3 620
Shares issued	610	3 347
Total comprehensive income for the year	765	218
Transactions with non-controlling interests	(181)	(19)
Other movements	3	11
Dividends paid	(79)	(44)
Non-controlling interests at end of the year	442	608
Non-controlling interests at beginning of the year	608	545
Shares issued	365	
Total comprehensive (loss)/income for the year	(109)	35
Transactions with non-controlling interests	(413)	32
Other movements	11	11
Dividends paid	(20)	(15)
Total equity	8 693	7 741
Dividend per share (cents)	9,0	5,5

	2016 Rm	2015 Rm
Cash generated from/(utilised by) operations (note 6)	107	(77)
Investment income	267	202
Finance costs and taxation paid	(254)	(234)
Cash flow from operating activities	120	(109)
Acquisition of subsidiaries (note 4)	(275)	(300)
Acquisition of associates and joint ventures	(58)	(265)
Acquisition of equity securities	(7)	
Additions to property, plant and equipment	(359)	(257)
Additions to intangible assets	(95)	(76)
Proceeds from disposal of non-current assets held for sale	13	194
Proceeds from disposal of property, plant and equipment	48	9
Other	(9)	(46)
Cash flow from investing activities	(742)	(741)
Capital contributions by non-controlling interests	365	7
Dividends paid to group shareholders	(79)	(44)
Dividends paid to non-controlling interests	(20)	(15)
Borrowings repaid	(396)	(79)
Borrowings drawn	694	721
Other	(6)	(10)
Cash flow from financing activities	558	580
Net decrease in cash and cash equivalents	(64)	(270)
Exchange differences on cash and cash equivalents	(22)	25
Cash and cash equivalents at beginning of the year	770	1 015
Cash and cash equivalents at end of the year	684	770

1. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

These summarised consolidated financial statements have been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, including IAS 34 *Interim Financial Reporting*; the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee; the Financial Reporting Pronouncements, as issued by the Financial Reporting Standards Council; the requirements of the Companies Act; and the JSE Listings Requirements.

The accounting policies applied in the preparation of these summarised consolidated financial statements are consistent in all material respects with those used in the prior year's consolidated annual financial statements. The group also adopted the various revisions to IFRS which were effective for its financial year ended 29 February 2016. These revisions have not resulted in material changes to the group's results or disclosures in these summarised consolidated financial statements.

In preparing these summarised consolidated financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were consistent to those disclosed in the consolidated annual financial statements for the year ended 28 February 2015.

2. MANAGEMENT FEES

The base and performance fees are payable to PSG Corporate Services (Pty) Ltd ("PSGCS"), a wholly-owned subsidiary of the PSG Group Ltd, Zeder's ultimate holding company, in terms of a management agreement. In accordance with the management agreement, PSGCS provides management services, including corporate, secretarial, advisory, investment and financial services and all related aspects thereto to the Zeder group of companies.

The base management fee is calculated at the end of every half-year as 1,5% p.a. (exclusive of VAT) of the company's volume weighted average market capitalisation for that half-year. The performance management fee is calculated at the end of the financial year as 20% p.a. of the company's share price outperformance of the GOVI-index (comprising the most liquid government bonds, being the government bonds within the top 10 of the All Bond Index) yield plus 4%, adjusted for dividends ("hurdle share price"). The performance management fee pertaining to a financial year may not exceed that year's base management fee. If the performance management fee exceeds the base management fee, the excess performance management fee is carried forward to the following financial year, by adjusting the starting hurdle share price of the following year accordingly. The excess performance management fee at year-end amounted to Rnil (2015: R634m). Consequently, the starting hurdle share price for performance fee determination purposes at 1 March 2016 is R5,65 (2015: R4,95).

3. HEADLINE EARNINGS

	2016 Rm	2015 Rm
Profit for the year attributable to owners of the parent	**782**	242
Non-headline items	**(237)**	15
Gross amounts		
Non-headline items of associates and joint ventures	**20**	20
Net profit on dilution of interest in associates	**(258)**	
Fair value gains on step-up from associates and joint ventures to subsidiaries	**(4)**	(3)
Reversal of impairment on property, plant and equipment		(12)
Net profit on sale of property, plant and equipment	**(30)**	(4)
Impairment of property, plant and equipment	**14**	
Impairment of intangible assets (incl. goodwill)	**8**	19
Other	**2**	(10)
Non-controlling interests	**11**	3
Taxation		2
Headline earnings	**545**	257

During the year, Golden Wing Mau, an associate of Capespan Group Ltd ("Capespan"), merged as equals with Joyvio. Both companies are leading players in China's fresh fruit business and the merger resulted in the group's interest in Golden Wing Mau diluting from 25% to 11,3%. The group continues to exercise significant influence through, inter alia, board representation. The dilution gain of R277m consequently recognised by the group was determined with reference to the fair value at which the merger was concluded being above the carrying value of the investment. The fair value was determined by the appointed appraiser using the discounted cash flow method and price-to-sales ratios.

4. SUBSIDIARIES ACQUIRED

Aspen Logistics (Pty) Ltd ("Aspen Logistics")

During March 2015, the group, through Capespan, acquired 75% of the issued share capital of Aspen Logistics for a cash consideration of R5m. Capespan South Africa's fruit logistical operations were integrated with Aspen Logistics and subsequently rebranded as Contour Logistics. Contour Logistics is a logistical solutions service provider supporting Capespan's operations. Goodwill arose in respect of, inter alia, synergies pertaining to the integration of the logistical activities. Accounting for Contour Logistics' business combination has been finalised.

Novo Packhouse business operations ("Novo Packhouse")

During March 2015, the group, through Capespan, acquired the business operations of Novo Packhouse, including its coldstores, equipment and inventory, for a cash consideration of R120m. Novo Packhouse complements the group's existing coldstore operations in South Africa. No goodwill arose in respect of this business combination. Accounting for Novo Packhouse's business combination has been finalised.

4. SUBSIDIARIES ACQUIRED continued

Theewaterskloof farming operations ("Theewaterskloof")

During March 2015, the group, through Capespan, acquired the farming operations of Theewaterskloof, a pome fruit farm, for a cash consideration of R120m. Theewaterskloof complements the group's existing farming operations in South Africa. No goodwill arose in respect of this business combination. Accounting for Theewaterskloof's business combination has been finalised.

Agriseeds Pvt Ltd ("Agriseeds")

During October 2015, the group, through Zaad Holdings Ltd ("Zaad"), acquired 80% of the issued share capital of Agriseeds for a cash consideration of R33m. Agriseeds operates in the seed marketing industry and goodwill arose in respect of, inter alia, expected synergies. Accounting for Agriseeds' business combination has been finalised.

Klein Karoo Seed Marketing Zimbabwe Pvt Ltd ("KKSM Zimbabwe")

During October 2015, the group, through Zaad, acquired an additional 25% of the issued share capital of KKSM Zimbabwe, previously an associate, for a cash consideration of less than R1m. KKSM Zimbabwe operates in the seed marketing industry and goodwill arose in respect of, inter alia, expected synergies. The goodwill was subsequently impaired in full following management's reassessment of same. Accounting for KKSM Zimbabwe's business combination has been finalised. The remeasurement of the previously held interest in the associate resulted in a non-headline gain of R4m. Accounting for KKSM Zimbabwe's business combination has been finalised.

The summarised assets and liabilities recognised at the respective acquisition dates were:

Audited	Aspen Logistics Rm	Novo Packhouse Rm	Theewaters-kloof Rm	Agriseeds Rm	KKSM Zimbabwe Rm	Total Rm
Property, plant and equipment	1	118	58	46	5	228
Intangible assets				2	2	4
Biological assets (bearer plants)			62			62
Loans and advances				20		20
Inventories		1		21	36	58
Trade and other receivables	43	5		34	35	117
Cash, money market investments and other cash equivalents	1			2		3
Borrowings				(69)	(46)	(115)
Deferred tax liabilities				(4)		(4)
Trade and other payables	(52)	(4)		(19)	(36)	(111)
Total identifiable net (liabilities)/assets	(7)	120	120	33	(4)	262
Non-controlling interests	2			(6)		(4)
Goodwill recognised	10			6	4	20
Total consideration	5	120	120	33	–	278
Cash consideration paid	(5)	(120)	(120)	(33)		(278)
Cash and cash equivalents acquired	1			2		3
Net cash outflow from subsidiaries acquired	(4)	(120)	(120)	(31)	–	(275)

4. SUBSIDIARIES ACQUIRED continued

The aforementioned business combinations do not contain any contingent consideration or indemnification asset arrangements, and the acquisition related costs expensed were insignificant.

Had Agriseeds and KKSM Zimbabwe been consolidated with effect from 1 March 2015, instead of their respective acquisition dates, the group income statement would have reflected additional revenue of R134m and profit after tax of R15m.

5. NON-CURRENT ASSETS HELD FOR SALE

At 28 February 2015, non-current assets held for sale comprised the assets of Addo Cold Storage (Pty) Ltd (a subsidiary). The disposal was concluded during the year under review for cash proceeds of R13m, and non-controlling interests of R17m was derecognised.

6. CASH GENERATED FROM/(UTILISED BY) OPERATIONS

	2016 Rm	2015 Rm
Profit before taxation	**910**	361
Share of profits of associates and joint ventures	**(569)**	(300)
Depreciation and amortisation	**167**	132
Changes in fair value of biological assets	**(244)**	(144)
Net profit on dilution of interest in associates	**(258)**	
Investment income	**(47)**	(75)
Finance costs	**180**	143
Net harvest short-term biological assets	**44**	44
Other non-cash items	**74**	(38)
	257	123
Change in working capital and other financial instruments	**26**	(126)
Additions to biological assets	**(176)**	(74)
Cash generated from/(utilised by) operations	**107**	(77)

7. FINANCIAL INSTRUMENTS

7.1 Financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow and fair value interest rate risk, and price risk), credit risk and liquidity risk.

The summarised consolidated financial statements do not include all financial risk management information and disclosures as set out in the consolidated annual financial statements, and therefore they should be read in conjunction with the consolidated annual financial statements for the year ended 29 February 2016. Risk management continues to be carried out throughout the group under policies approved by the respective boards of directors.

7.2 Fair value estimation

The information below analyses financial assets and financial liabilities, which are carried at fair value, by level of hierarchy as required by IFRS 13. The different levels in the hierarchy are defined below:

Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price.

Level 2

Financial instruments that trade in markets that are not considered to be active but are valued (using valuation techniques) based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include over-the-counter traded financial instruments. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. If all significant inputs in determining an instrument's fair value are observable, the instrument is included in level 2.

Level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Investments classified within level 3 have significant unobservable inputs, as they trade infrequently.

Equity securities included in level 3 of the fair value hierarchy as at the most recent reporting date consisted of the unquoted equity securities. The unquoted equity securities include advances which are linked to equity securities traded in over-the-counter markets. In terms of these agreements, the group is entitled to the majority of the increase in the market value of the underlying over-the-counter traded equity securities and the dividends received on these securities. The advances are carried at the fair value of the underlying over-the-counter traded equity securities.

The debt securities included in level 3 of the fair value hierarchy comprise unquoted debt securities. It includes the Zimbabwean government treasury bills maturing between 2017 and 2019 that were acquired during the year and disposed of subsequent to year-end at an amount higher than the carrying value.

Other derivative liabilities included in level 3 relate to put options held by non-controlling interests against the group. These fair values are calculated by applying the contractually agreed price/earnings multiple to the relevant subsidiary's board-approved budgeted profits and discounting it at a market-related interest rate.

7. FINANCIAL INSTRUMENTS continued

7.2 Fair value estimation continued

The fair value of financial assets and liabilities carried at amortised cost approximates their fair value, while those measured at fair value in the statement of financial position can be summarised as follows:

Audited	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
29 February 2016				
Assets				
Equity securities		**1**	**49**	**50**
Debt securities			**23**	**23**
Closing balance	**–**	**1**	**72**	**73**
Opening balance			**80**	
Additions			**30**	
Disposal			**(29)**	
Fair value losses			**(9)**	
Liabilities				
Derivative financial liabilities			**65**	**65**
Opening balance			**64**	
Fair value gains			**(4)**	
Finance costs			**5**	
28 February 2015				
Assets				
Equity securities		1	50	51
Non-current assets held for sale (note 5)			30	30
Closing balance	–	1	80	81
Opening balance			42	
Transfer to non-current assets held for sale			30	
Fair value gains			8	
Liabilities				
Derivative financial liabilities			64	64
Opening balance			46	
Additions			20	
Fair value gains			(5)	
Finance costs			3	

8. SEGMENTAL REPORTING

The group is organised into four reportable segments, namely i) food, beverages and related services, ii) agri-related retail, trade and services, iii) agri-inputs and iv) agri-production. The segments represent different sectors in the broad agribusiness industry.

Headline earnings comprise recurring and non-recurring headline earnings. Recurring headline earnings (being a measure of segment profit) is calculated on a see-through basis. Zeder's recurring headline earnings is the sum of its effective interest in that of each of its underlying investments. The result is that investments which Zeder do not equity account or consolidate in terms of accounting standards, are included in the calculation of recurring headline earnings.

Non-recurring headline earnings include the elimination of equity securities' see-through recurring headline earnings not equity accounted, the related net fair value gains/losses and investment income (as recognised in the income statement). Associates' and subsidiaries' once-off gains/losses are excluded from recurring headline earnings and included in non-recurring headline earnings.

Segmental income comprises revenue and investment income, as per the income statement.

Sum-of-the-parts ("SOTP") is a key valuation tool used to measure Zeder's performance. The SOTP value is calculated using the quoted market prices for all JSE-listed investments, and market-related valuations for unlisted investments. These values will not necessarily correspond with the values per the statement of financial position since the latter are measured predominantly using the relevant accounting standards which include historical cost and the equity accounting method.

8. SEGMENTAL REPORTING continued

The chief operating decision-maker (the executive committee) evaluates the following information to assess the segments' performance:

	2016 Rm	2015 Rm
Recurring headline earnings segmental analysis:		
Segments		
Food, beverages and related services	662	417
Agri-related retail, trade and services	79	64
Agri-inputs	101	74
Agri-production	(37)	(14)
Recurring headline earnings from investments	805	541
Management (base) fee	(155)	(118)
Net interest, taxation and other income and expenses	(18)	(9)
Recurring headline earnings	632	414
Non-recurring headline earnings		
Management (performance) fee		(118)
Other	(87)	(38)
Headline earnings	545	258
Non-headline items (note 3)	237	(16)
Attributable earnings	782	242
SOTP segmental analysis:		
Segments		
Food, beverages and related services	9 768	11 227
Agri-related retail, trade and services	802	681
Agri-inputs	1 246	885
Agri-production	614	563
Cash and cash equivalents	118	338
Other net liabilities	(323)	(439)
SOTP value	12 225	13 255
SOTP value per share (rand)	8,03	9,18
Profit before tax segmental analysis:		
Segments		
Food, beverages and related services	913	359
Agri-related retail, trade and services	76	58
Agri-inputs	134	71
Agri-production	(46)	(30)
Management fees and other income and expenses	(167)	(97)
	910	361

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016 / CONTINUED

8. SEGMENTAL REPORTING continued

	2016 Rm	2015 Rm
IFRS revenue (revenue and investment income) segmental analysis:		
Segments		
Food, beverages and related services	7 720	7 438
Revenue	7 688	7 392
Investment income	32	46
Agri-inputs	1 231	952
Revenue	1 226	947
Investment income	5	5
Agri-production		
Revenue	404	353
Unallocated investment income (mainly head office interest income)	10	24
	9 365	8 767

9. SHAREHOLDER ANALYSIS

	Shareholders		Shares held	
	Number	%	Number	%
Range of shareholding				
1 – 20 000	10 137	73,8	55 623 849	3,7
20 001 – 50 000	1 578	11,5	51 744 960	3,4
50 001 – 100 000	837	6,1	60 916 864	4,0
100 001 – 500 000	922	6,7	197 240 295	13,0
500 001 – 1 000 000	129	1,0	89 490 652	5,9
Over 1 000 000	127	0,9	1 067 836 270	70,0
	13 730	100,0	1 522 852 890	100,0
Public and non-public shareholding				
Non-public				
Directors	6	0,1	11 903 575	0,8
PSG Financial Services Ltd	1	0,0	526 156 041	34,6
Public	13 723	99,9	984 793 274	64,6
	13 730	100,0	1 522 852 890	100,0
Major shareholders holding 5% or more at 29 February 2016				
PSG Financial Services Ltd (wholly-owned subsidiary of PSG Group Ltd)			526 156 041	34,6
Public Investment Corporation*			134 945 035	8,9
Allan Gray*			111 180 759	7,3
			772 281 835	50,8

* *The shareholding includes shares held directly or indirectly by the entity and/or its clients.*

NOTICE OF ANNUAL GENERAL MEETING AND PROXY

Notice is hereby given of the annual general meeting of shareholders of Zeder Investments Ltd ("Zeder" or "the company") to be held at Spier Wine Estate, Baden Powell Drive, Stellenbosch, on Friday, 24 June 2016, at 08:30 ("the AGM").

PURPOSE

The purpose of the AGM is to transact the business set out in the agenda below.

AGENDA

Presentation of the audited annual financial statements of the company, including the reports of the directors and the audit and risk committee for the year ended 29 February 2016. The annual report, of which this notice forms part, contains the summarised consolidated financial statements and the aforementioned reports. The annual financial statements, including the unmodified audit opinion, are available on Zeder's website at *www.zeder.co.za* or may be requested and obtained in person, at no charge, at the registered office of Zeder during office hours.

- To consider and, if deemed fit, approve, with or without modification, the following ordinary resolutions:

Note:
For any of the ordinary resolutions numbers 1 to 9 (inclusive) to be adopted, more than 50% of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof. For ordinary resolution number 10 to be adopted, at least 75% of the voting rights exercised on such ordinary resolution must be exercised in favour thereof.

1. Confirmation of appointment of director

1.1 Ordinary resolution number 1

"Resolved that Prof ASM Karaan's appointment as director, in terms of the memorandum of incorporation of the company, be and is hereby confirmed."

Summary curriculum vitae of Prof ASM (Mohammad) Karaan

Mohammad joined the Development Bank of Southern Africa as an economist and later returned to Stellenbosch to join the Rural Foundation as Head of Research. In 1997, he joined the University of Stellenbosch as a lecturer in Agricultural Economics. In October 2008, he became Dean of the Faculty of Agri Sciences at Stellenbosch University. He is a member of the National Planning Commission and holds various directorships in the agribusiness sector, including Pioneer Foods.

The reason for ordinary resolution number 1 is that the memorandum of incorporation of the company and the Listings Requirements of the JSE Ltd ("JSE") require that any director appointed by the board of the company be confirmed by the shareholders at the annual general meeting of the company.

2. Retirement and re-election of directors

2.1 Ordinary resolution number 2

"Resolved that Mr AE Jacobs, who retires by rotation in terms of the memorandum of incorporation of the company and, being eligible, offers himself for re-election, be and is hereby re-elected as director."

Summary curriculum vitae of Mr AE (Antonie) Jacobs

Antonie has many years' experience in an investment management capacity in the agricultural sector and was previously the chief executive officer of Zeder. Currently he is the chief executive officer of Zaad, a subsidiary of Zeder.

2.2 Ordinary resolution number 3

"Resolved that Mr WA Hanekom, who retires by rotation in terms of the memorandum of incorporation of the company and, being eligible, offers himself for re-election, be and is hereby re-elected as director."

Summary curriculum vitae of Mr WA (André) Hanekom

André is a Chartered Accountant (SA). He currently serves as the non-executive chairman of Quantum Foods and previously served as the chief executive officer of Pioneer Foods.

2.3 Ordinary resolution number 4

"Resolved that Mr CA Otto, who retires by rotation in terms of the memorandum of incorporation of the company and, being eligible, offers himself for re-election, be and is hereby re-elected as director."

Summary curriculum vitae of Mr CA (Chris) Otto

Chris graduated BComLLB from Stellenbosch University and is a founding director of PSG Group. He currently serves on the boards of various companies as a non-executive director, including Capitec, PSG Group and Kaap Agri.

The reason for ordinary resolutions numbers 2 to 4 (inclusive) is that the memorandum of incorporation of the company, the Listings Requirements of the JSE ("Listings Requirements") and, to the extent applicable, the South African Companies Act, 71 of 2008, as amended ("the Companies Act") require that a component of the non-executive directors rotate at every annual general meeting of the company and, being eligible, may offer themselves for re-election as directors.

3. Re-appointment of the members of the audit and risk committee of the company

Note:
For avoidance of doubt, all references to the audit and risk committee of the company is a reference to the audit committee as contemplated in the Companies Act.

3.1 Ordinary resolution number 5

"Resolved that Mr CA Otto, being eligible, be and is hereby re-appointed as a member of the audit and risk committee of the company, as recommended by the board of directors of the company, until the next annual general meeting of the company."

A summary of Chris' curriculum vitae has been included in paragraph 2.3 above.

3.2 Ordinary resolution number 6

"Resolved that Mr GD Eksteen, being eligible, be and is hereby re-appointed as a member of the audit and risk committee of the company, as recommended by the board of directors of the company, until the next annual general meeting of the company."

Summary curriculum vitae of Mr GD (George) Eksteen
George has extensive farming interests in the Swartland area and currently serves on the boards of various companies as a non-executive director.

NOTICE OF ANNUAL GENERAL MEETING
CONTINUED

3.3 Ordinary resolution number 7

"Resolved that Mr WA Hanekom, being eligible, be and is hereby re-appointed as a member of the audit and risk committee of the company, as recommended by the board of directors of the company, until the next annual general meeting of the company."

A summary of André's curriculum vitae has been included in paragraph 2.2 above.

3.4 Ordinary resolution number 8

"Resolved that Prof ASM Karaan, being eligible, be and is hereby appointed as a member of the audit and risk committee of the company, as recommended by the board of directors of the company, until the next annual general meeting of the company."

A summary of Mohammad's curriculum vitae has been included under paragraph 1.1 above.

The reason for ordinary resolutions numbers 5 to 8 (inclusive) is that the company, being a public listed company, must appoint an audit committee and the Companies Act requires that the members of such audit committee be appointed, or re-appointed, as the case may be, at each annual general meeting of a company.

4. Re-appointment of auditor

Ordinary resolution number 9

"Resolved that PricewaterhouseCoopers Inc. be and is hereby re-appointed as auditor of the company for the ensuing year on the recommendation of the audit and risk committee of the company."

The reason for ordinary resolution number 9 is that the company, being a public listed company, must have its financial results audited and such auditor must be appointed or re-appointed each year at the annual general meeting of the company as required by the Companies Act.

5. General authority to issue ordinary shares for cash

Ordinary resolution number 10

"Resolved that the directors of the company be and are hereby authorised, by way of a general authority, to allot and issue any of the company's unissued shares for cash as they in their discretion may deem fit, without restriction, subject to the provisions of the company's memorandum of incorporation, the Companies Act and the Listings Requirements, provided that:

- the approval shall be valid until the date of the next annual general meeting of the company, provided it shall not extend beyond fifteen months from the date of this resolution;
- the general issues of shares for cash under this authority may not exceed, in the aggregate, 5% of the company's issued share capital (number of securities) of that class as at the date of this notice of AGM, it being recorded that ordinary shares issued pursuant to a rights offer to shareholders shall not diminish the number of ordinary shares that comprise the 5% of the ordinary shares that can be issued in terms of this ordinary resolution. As at the date of this notice of AGM, 5% of the issued ordinary shares of the company amounts to 76 142 644 ordinary shares;
- in determining the price at which an issue of shares will be made in terms of this authority the maximum discount permitted will be 10% of the weighted average traded price of such shares, as determined over the 30 business days prior to the date that the price of the issue is agreed between the company and the party subscribing for the securities. The JSE will be consulted for a ruling if the securities have not traded in such 30 business day period;

- any such issue will only be made to public shareholders as defined in paragraphs 4.25 to 4.27 of the Listings Requirements and not to related parties;
- any such issue will only be comprised of securities of a class already in issue or, if this is not the case, will be limited to such securities or rights that are convertible into a class already in issue; and
- in the event that the securities issued represent, on a cumulative basis, 5% or more of the number of securities in issue prior to that issue, an announcement containing the full details of such issue shall be published on SENS."

For listed entities wishing to issue shares for cash (other than issues by way of rights offers, in consideration for acquisitions and/or to duly approved share incentive schemes, it is necessary for the board of the company to obtain the prior authority of the shareholders in accordance with the Listings Requirements and the memorandum of incorporation of the company. Accordingly, the reason for ordinary resolution number 10 is to obtain a general authority from shareholders to issue shares for cash in compliance with the Listings Requirements and the memorandum of incorporation of the company.

For this resolution to be adopted, at least 75% of the shareholders present in person or by proxy and entitled to vote on this resolution at the AGM must cast their vote in favour of this resolution.

- To consider and, if deemed fit, pass, with or without modification, the following special resolutions:

Note:
For any of the special resolutions numbers 1 to 6 (inclusive) to be adopted, at least 75% of the voting rights exercised on each special resolution must be exercised in favour thereof.

6. Inter-company financial assistance

6.1 Special resolution number 1: Inter-company financial assistance

"Resolved, in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval, that the board of the company be and is hereby authorised to approve that the company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in section 45(1) of the Companies Act) that the board of the company may deem fit to any company or corporation that is related or inter-related ("related" or "inter-related" will herein have the meaning attributed to it in section 2 of the Companies Act) to the company, on the terms and conditions and for amounts that the board of the company may determine, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the company."

The reason for and effect of special resolution number 1 is to grant the directors of the company the authority, until the next annual general meeting of the company, to provide direct or indirect financial assistance to any company or corporation which is related or inter-related to the company. This means that the company is, inter alia, authorised to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.

6.2 Special resolution number 2: Financial assistance for the subscription and/or purchase of shares in the company or a related or inter-related company

"Resolved, in terms of section 44(3)(a)(ii) of the Companies Act, as a general approval, that the board of the company be and is hereby authorised to approve that the company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in sections 44(1) and 44(2) of the Companies Act), that the board of the company may deem fit to any company or corporation that is related or inter-related to the company ("related" or "inter-related" will herein have the meaning attributed to it in section 2 of the Companies Act) and/or to any financier who provides funding by subscribing for preference shares or other securities in the company or any company or corporation that is related or inter-related to the company, on the terms and conditions and for amounts that the board of the company may determine for the purpose of, or in connection with the subscription of any option, or any shares or other securities, issued or to be issued by the company or a related or inter-related company or corporation, or for the purchase of any shares or securities of the company or a related or inter-related company or corporation, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the company."

The reason for and effect of special resolution number 2 is to grant the directors the authority, until the next annual general meeting of the company, to provide financial assistance to any company or corporation which is related or inter-related to the company and/or any financier for the purpose of or in connection with the subscription or purchase of options, shares or other securities in the company or any related or inter-related company or corporation. This means that the company is authorised, inter alia, to grant loans to its subsidiaries and to guarantee and furnish security for the debt of its subsidiaries where any such financial assistance is directly or indirectly related to a party subscribing for options, shares or securities in the company or its subsidiaries. A typical example of where the company may rely on this authority is where a subsidiary raised funds by way of issuing preference shares and the third-party funder requires the company to furnish security, by way of a guarantee or otherwise, for the obligations of its subsidiary to the third-party funder arising from the issue of the preference shares. The company has no immediate plans to use this authority and is simply obtaining same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority.

In terms of and pursuant to the provisions of sections 44 and 45 of the Companies Act, the directors of the company confirm that the board will satisfy itself, after considering all reasonably foreseeable financial circumstances of the company, that immediately after providing any financial assistance as contemplated in special resolution numbers 1 and 2 above:

- the assets of the company (fairly valued) will equal or exceed the liabilities of the company (fairly valued) (taking into consideration the reasonably foreseeable contingent assets and liabilities of the company);
- the company will be able to pay its debts as they become due in the ordinary course of business for a period of 12 months;
- the terms under which any financial assistance is proposed to be provided, will be fair and reasonable to the company; and
- all relevant conditions and restrictions (if any) relating to the granting of financial assistance by the company as contained in the company's memorandum of incorporation have been met.

7. Special resolution number 3: Share repurchases by the company and its subsidiaries

"Resolved, as a special resolution, that the company and the subsidiaries of the company be and are hereby authorised, as a general approval, to repurchase any of the shares issued by the company, upon such terms and conditions and in such amounts as the directors may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the memorandum of incorporation of the company and the Listings Requirements, including, inter alia, that:

- the general repurchase of the shares may only be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty;
- this general authority shall only be valid until the next annual general meeting of the company, provided that it shall not extend beyond fifteen months from the date of this resolution;

- an announcement must be published as soon as the company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue prior to the acquisition, pursuant to which the aforesaid 3% threshold is reached, containing full details thereof, as well as for each 3% in aggregate of the initial number of shares acquired thereafter;
- the general authority to repurchase is limited to a maximum of 20%, in the aggregate, in any one financial year of the company's issued share capital at the time the authority is granted;
- a resolution has been passed by the board of directors approving the repurchase, that the company has satisfied the solvency and liquidity test as defined in the Companies Act, and that since the solvency and liquidity test was applied, there have been no material changes to the financial position of the company and its subsidiaries ("the group");
- the general repurchase is authorised by the company's memorandum of incorporation;
- repurchases must not be made at a price more than 10% above the weighted average of the market value of the shares for the five business days immediately preceding the date that the transaction is effected. The JSE will be consulted for a ruling if the company's securities have not traded in such five business day period;
- the company may at any point in time only appoint one agent to effect any repurchase(s) on the company's behalf; and
- the company may not effect a repurchase during any prohibited period as defined in terms of the Listings Requirements unless there is a repurchase programme in place, which programme has been submitted to the JSE in writing prior to the commencement of the prohibited period and executed by an independent third party, as contemplated in terms of paragraph 5.72(g) of the Listings Requirements."

The reason for and effect of special resolution number 3 is to grant the directors a general authority in terms of its memorandum of incorporation and the Listings Requirements for the acquisition by the company or by a subsidiary of the company of shares issued by the company on the basis reflected in special resolution number 3. The company has no immediate plans to use this authority and is simply obtaining same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority.

In terms of section 48(2)(b)(i) of the Companies Act, subsidiaries may not hold more than 10%, in aggregate, of the number of the issued shares of a company. For the avoidance of doubt, a pro rata repurchase by the company from all its shareholders will not require shareholder approval, save to the extent as may be required by the Companies Act.

8. Special resolution number 4: Amendment to the memorandum of incorporation of the company in relation to fractions

"Resolved, as a special resolution, that the memorandum of incorporation of the company be and is hereby amended by the deletion of existing heading of clause 7 in its entirety and the substitution thereof with the following heading "CONSOLIDATION, SUBDIVISION, REDUCTION OF CAPITAL AND FRACTIONAL ENTITLEMENT" and by the deletion of existing clause 7.3 in its entirety, and the substitution thereof with the following new clause 7.3:

"If a fraction of a Share comes into being as a result of any action contemplated in clause 7.1 or any other corporate action, the board may, subject to compliance with the JSE Listings Requirements, to the extent applicable, round all allocations of Shares down to the nearest whole number and make a cash payment for any fractional entitlement. Notwithstanding the aforementioned to the extent that the JSE advises of another principle to apply to fractional entitlements, the board may apply such principle."

The reason for special resolution number 4 is to obtain the required approval from shareholders to amend the memorandum of incorporation of the company in the manner that aligns the memorandum of incorporation with the recent amendments to the Listings Requirements.

The effect of special resolution number 4 is that the company will have the necessary authority to amend the memorandum of incorporation in the manner set out in special resolution number 4, which amendments have also been approved by the JSE.

9. Special resolution number 5: Increase in authorised share capital

"Resolved, as a special resolution, that in accordance with the provisions of section 36 of the Companies Act, the company's authorised ordinary share capital be increased by the creation of a further 1 000 000 000 ordinary no par value shares in the authorised ordinary share capital of the company, so as to result in a total of 3 000 000 000 ordinary no par value shares in the authorised ordinary share capital of the company."

The reason for and effect of special resolution number 5 is to increase the authorised ordinary share capital of the company. The effect of special resolution number 5, if passed, is that the authorised ordinary share capital of the company will be increased from 2 000 000 000 to 3 000 000 000.

10. Special Resolution number 6: Consequential amendment to the memorandum of incorporation of the company as a result of the increase in authorised share capital

"Resolved, as a special resolution, subject to the passing of special resolution number 5, that the memorandum of incorporation of the company be and is hereby amended by the deletion of paragraph 1 of Schedule 1 in its entirety and the substitution thereof with the following new paragraph 1 of Schedule 1:

"3 000 000 000 ordinary no par value Shares, of the same class, each of which ranks *pari passu* in respect of all rights and entitles the holder to –

- vote on any matter to be decided by the Shareholders and to 1 (one) vote per ordinary Share held in the case of a vote by means of a poll;
- participate proportionally in any distribution made by the company; and
- receive proportionally the net assets of the company upon its liquidation."

The reason for special resolution number 6 is to amend the memorandum of incorporation of the company. The effect of special resolution number 6 is that the memorandum of incorporation of the company will be amended to bring it in line with the increase of the authorised ordinary share capital of the company referred to in special resolution number 5.

11. Other business

To transact such other business as may be transacted at an annual general meeting or raised by shareholders with or without advance notice to the company.

Information relating to the special resolutions

1. The directors of the company or its subsidiaries will only utilise the general authority to repurchase shares of the company as set out in special resolution number 3 to the extent that the directors, after considering the maximum number of shares to be repurchased, are of the opinion that the position of the group would not be compromised as to the following:
    - the group's ability in the ordinary course of business to pay its debts for a period of 12 months after the date of this AGM and for a period of 12 months after the repurchase;

- the consolidated assets of the group will, at the time of the AGM and at the time of making such determination, be in excess of the consolidated liabilities of the group. The assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited annual financial statements of the Group;
- the ordinary capital and reserves of the group after the repurchase will remain adequate for the purpose of the business of the Group for a period of 12 months after the AGM and after the date of the share repurchase; and
- the working capital available to the group after the repurchase will be sufficient for the group's requirements for a period of 12 months after the date of the notice of the AGM.

General information in respect of major shareholders, material changes and the share capital of the company is contained in the annual report of which this notice forms part, as well as the full set of annual financial statements, being available on Zeder's website at *www.zeder.co.za* or which may be requested and obtained in person, at no charge, at the registered office of Zeder during office hours.

2. Remuneration of directors

   In terms of the formal management agreement between Zeder (through a wholly-owned subsidiary) and PSG Corporate Services (Pty) Ltd ("PSG"), all Zeder's directors' fees are paid by PSG. In the interests of transparency, shareholders are advised that fees payable to non-executive directors in the financial year ahead will be as set out below:

   Per annum for serving as a director: R99 938

   Per annum for serving on the audit and risk committee: R35 738

   Note:
   Executive directors of the company, other than Mr N Celliers, are not personally remunerated for their services as directors of the company and/or its subsidiaries.

3. The directors, whose names appear on page 5 of the annual report of which this notice forms part, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this notice of AGM contains all information required by the Listings Requirements.

4. Special resolutions numbers 1 to 3 (inclusive) are renewals of resolutions taken at the previous AGM held on 19 June 2015.

NOTICE OF ANNUAL GENERAL MEETING
CONTINUED

VOTING

1. The date on which shareholders must be recorded as such in the share register maintained by the transfer secretaries of the company ("the share register") for purposes of being entitled to receive this notice is Friday, 13 May 2016.
2. The date on which shareholders must be recorded in the share register for purposes of being entitled to attend and vote at the AGM is Friday, 17 June 2016, with the last day to trade being Thursday, 9 June 2016.
3. Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the chairman of the AGM and must accordingly bring a copy of their identity document, passport or driver's licence to the AGM. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the transfer secretaries for guidance.
4. Shareholders entitled to attend and vote at the AGM may appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a shareholder of the company. A form of proxy, which sets out the relevant instructions for its completion, is enclosed for use by a certificated shareholder or own-name registered dematerialised shareholder who wishes to be represented at the AGM. Completion of a form of proxy will not preclude such shareholder from attending and voting (in preference to that shareholder's proxy) at the AGM.
5. The instrument appointing a proxy and the authority (if any) under which it is signed must reach the transfer secretaries of the company at the address given below by not later than 08:30 on Wednesday, 22 June 2016.
6. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who wish to attend the AGM in person, will need to request their Central Securities Depository Participant ("CSDP") or broker to provide them with the necessary authority in terms of the custody agreement entered into between such shareholders and the CSDP or broker.
7. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who are unable to attend the AGM and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between themselves and the CSDP or broker in the manner and time stipulated therein.
8. Shareholders present in person, by proxy or by authorised representative shall, on a show of hands, have one vote each and, on a poll, will have one vote in respect of each share held.

By order of the board

PSG Corporate Services (Pty) Ltd
Per A Rossouw
Company secretary

16 May 2016
Stellenbosch

ZEDER
INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 2006/019240/06)
JSE share code: ZED
ISIN code: ZAE000088431
("Zeder" or "the company")

FORM OF PROXY – FOR USE BY CERTIFICATED AND OWN-NAME DEMATERIALISED SHAREHOLDERS ONLY

For use at the annual general meeting of ordinary shareholders of the company to be held at 08:30 at Spier Wine Estate, on Friday, 24 June 2016 ("the AGM").

I/We (Full name in print) ______________________________

of (address) ______________________________

being the registered holder of ______________________ ordinary shares hereby appoint:

1. ______________________________ or failing him/her,

2. ______________________________ or failing him/her,

3. the chairman of the AGM,

as my proxy to vote for me/us at the AGM for purposes of considering and, if deemed fit, passing, with or without modification, the ordinary resolutions and special resolutions to be proposed thereat and at each adjournment thereof and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares registered in my/our name(s) in accordance with the following instructions (see Notes):

	Number of shares		
	In favour of	Against	Abstain
1.1 Ordinary resolution number 1: To confirm Prof ASM Karaan's appointment as director			
2.1 Ordinary resolution number 2: To re-elect Mr AE Jacobs as director			
2.2 Ordinary resolution number 3: To re-elect Mr WA Hanekom as director			
2.3 Ordinary resolution number 4: To re-elect Mr CA Otto as director			
3.1 Ordinary resolution number 5: To re-appoint Mr CA Otto as a member of the audit and risk committee			
3.2 Ordinary resolution number 6: To re-appoint Mr GD Eksteen as a member of the audit and risk committee			
3.3 Ordinary resolution number 7: To re-appoint Mr WA Hanekom as a member of the audit and risk committee			
3.4 Ordinary resolution number 8: To appoint Prof ASM Karaan as a member of the audit and risk committee			
4. Ordinary resolution number 9: To re-appoint PricewaterhouseCoopers Inc. as the auditor			
5. Ordinary resolution number 10: General authority to issue ordinary shares for cash			
6.1 Special resolution number 1: Inter-company financial assistance			
6.2 Special resolution number 2: Financial assistance for acquisition of shares in a related or inter-related company			
7. Special resolution number 3: Share buy-back by Zeder and its subsidiaries			
8. Special resolution number 4: Amendment to the memorandum of incorporation of Zeder in relation to fractions			
9. Special resolution number 5: Increase in authorised share capital			
10. Special resolution number 6: Consequential amendment to the memorandum of incorporation of Zeder as a result of the increase in authorised share capital			

Please indicate your voting instruction by way of inserting the number of shares or by a cross in the space provided should you wish to vote all of your shares.

Signed at ______________________ on this ____________day of ________________ 2016.

Signature(s) ______________________________

Assisted by *(where applicable) (state capacity and full name)* ______________________________

Each Zeder shareholder is entitled to appoint one or more proxy(ies) (who need not be a shareholder(s) of the company) to attend, speak and vote in his/her stead at the AGM.

NOTES

1. A Zeder shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space(s) provided, with or without deleting "the chairman of the AGM". The person whose name appears first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
2. A Zeder shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate box provided or by insertion of a cross if all shares should be voted on behalf of that shareholder. Failure to comply with the above will be deemed to authorise the chairman of the AGM, if he/she is the authorised proxy, to vote in favour of the resolutions at the AGM, or any other proxy to vote or to abstain from voting at the AGM as he/she deems fit, in respect of all the shares concerned. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or his/her proxy, but the total of the votes cast and in respect whereof abstentions are recorded may not exceed the total of the votes exercisable by the shareholder or his/her proxy.
3. When there are joint registered holders of any shares, any one of such persons may vote at the AGM in respect of such shares as if he/she was solely entitled thereto, but, if more than one of such joint holders be present or represented at any AGM, that one of the said persons whose name stands first in the register in respect of such shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased shareholder, in whose name any shares stand, shall be deemed joint holders thereof.
4. Forms of proxy must be completed and returned to be received by the transfer secretaries of the company, Computershare Investor Services (Pty) Ltd (PO Box 61051, Marshalltown, 2107), by not later than 08:30 on Wednesday, 22 June 2016.
5. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).
6. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company's transfer secretaries or waived by the chairman of the AGM.
7. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.

DETAILS OF ZEDER INVESTMENTS LTD
Registration number: 2006/019240/06
Share code: ZED
ISIN code: ZAE000088431

SECRETARY AND REGISTERED OFFICE
PSG Corporate Services (Pty) Ltd
Registration number: 1996/004840/07
First floor
Ou Kollege building
35 Kerk Street
Stellenbosch, 7600
PO Box 7403
Stellenbosch, 7599
Telephone +27 21 887 9602
Telefax +27 21 887 9619

TRANSFER SECRETARY
Computershare Investor Services (Pty) Ltd
Ground floor
70 Marshall Street
Johannesburg, 2001
PO Box 61051
Marshalltown, 2107

CORPORATE ADVISOR AND SPONSOR
PSG Capital

AUDITOR
PricewaterhouseCoopers Inc.

PRINCIPAL BANKER
FirstRand Bank Ltd

WEBSITE ADDRESS
www.zeder.co.za

SHAREHOLDERS' DIARY

	2016
Financial year-end	29 February
Profit announcement	11 April
Annual general meeting	24 June
Interim profit announcement	5 October

GREYMATTER & FINCH # 9957

www.zeder.co.za