



INTERIM RESULTS

31 AUGUST 2024

PRESENTED BY: JOHANN LE ROUX

DATE: 11 OCTOBER 2024

AGENDA

- Noteworthy events
- Interim financial results
- Portfolio review
- Strategy
- Questions – email to cosec@zeder.co.za

NOTEWORTHY EVENTS

- Pome Investments – disposal of individual pome assets

Disposal of TWK farm	Disposal of Applethwaite farm	Disposal of Misty Cliffs farm	Disposal of Novo packhouse
<ul style="list-style-type: none"> Sales agreement signed Main CP relating to SA Competition Commission approval has been met Transfer in process Zeder will consider further special dividends Zeder interest 87.1% 	<ul style="list-style-type: none"> Sales agreement signed Main CP relating to SA Competition Commission approval has been met Transfer in process Zeder will consider further special dividends Zeder interest 87.1% 	<ul style="list-style-type: none"> Sales agreement signed No SA Competition Commission approval required Transfer in process Zeder will consider further special dividends Zeder interest 87.1% 	<ul style="list-style-type: none"> Sales agreement signed Main CP relating to SA Competition Commission approval has been met Transfer in process Zeder will consider further special dividends Zeder interest 87.1%
R283m consideration	R190m consideration	R45m consideration	R195m consideration



CASHFLOW MOVEMENTS

- Special dividends, pome loan repayment and further loans to Zaad

Special dividends	Special dividends	Pome loan repaid	Bridge loans
<ul style="list-style-type: none"> • Disposal of Capespan during January 2024 • 20c per share special dividend declared during February 2024 and paid after year end in March 2024 	<ul style="list-style-type: none"> • No further TLG restricted funds as from 31 March 2024 • Further 10c per share special dividend declared as part of the year end results during April 2024 and paid in May 2024 	<ul style="list-style-type: none"> • Pome Investments working capital loan from Zeder refinanced with 3rd party commercial bank • Loan granted prior to year-end repaid during March 2024 	<ul style="list-style-type: none"> • Bridge loans advanced to Zaad during May/June 2024 • Mainly to increase May Seed interest from 42%-49% • Option to acquire further 2% (control) • Repayment expected from internal disposal transactions
R308m dividend	R154m dividend	R133m received	R205m bridge loans

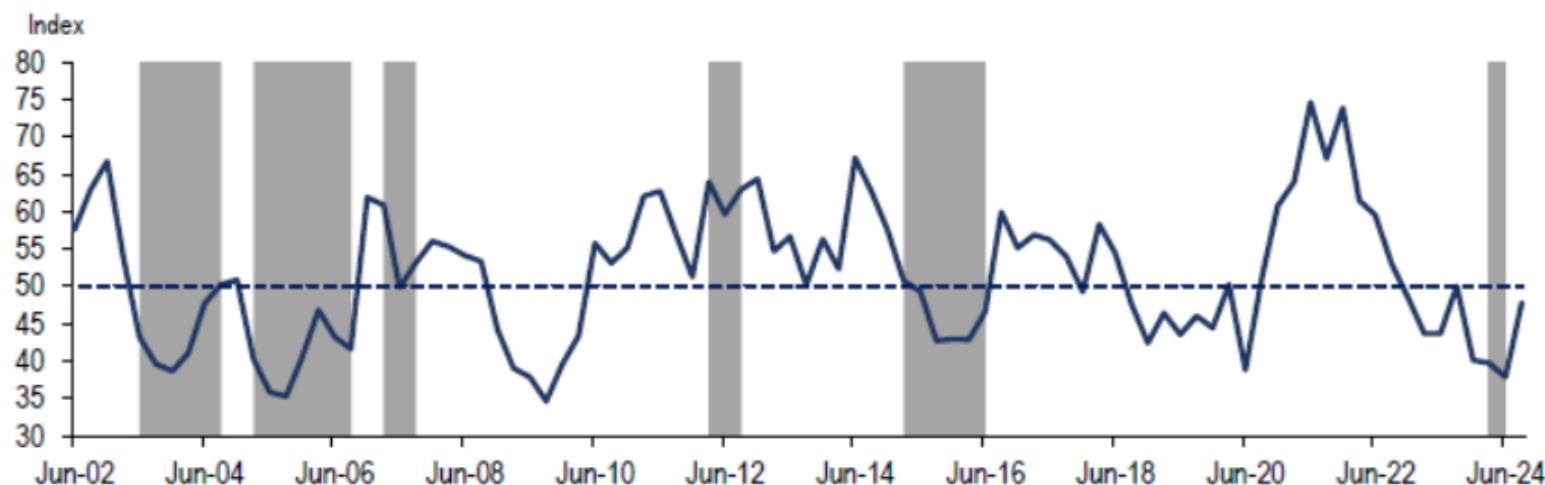
INTERIM FINANCIAL RESULTS

- Business and operating environment
- Sum-of-the-parts

INTERIM FINANCIAL RESULTS

BUSINESS AND OPERATING ENVIRONMENT

Figure 1: Agbiz/IDC Agribusiness Confidence Index¹



Source: Agbiz Research, South African Weather Service
(Shaded areas indicate periods of drought in South Africa.)

¹ The Agbiz/IDC Agribusiness Confidence Index reflects the perceptions of at least 25 agribusiness decision-makers on the 10 most important aspects influencing a business in the agricultural sector (i.e. turnover, net operating income, market share, employment, capital investment, export volumes, economic growth, general agricultural conditions, debtor provision for bad debt and financing cost). It is used by agribusiness executives, policymakers and economists to understand the perceptions of the agribusiness sector, and also serves as a leading indicator of the value of the agricultural output while providing a basis for agribusinesses to support their business decisions.

- ❑ Index recovered by 10 points during Q3 2024 to 48 points
- ❑ Improvement attributed to renewed optimism around the Government of National Unity
- ❑ Reading however remains below the neutral 50-point mark
- ❑ This year has been very difficult for agribusinesses and affected certain sectors more than others
- ❑ Sentiment emanates from mostly the same factors which are yet to be addressed and challenges on the weather front
- ❑ Port inefficiencies, poor rail and road infrastructure, worsening municipal service delivery and persistent loadshedding is driving negative sentiment
- ❑ El-Niño induced drought has devastated the summer grains regions
- ❑ We expect continuation of uncertainty and volatility to continue, Zeder remains well positioned

INTERIM FINANCIAL RESULTS

SUM-OF-THE-PARTS

H1FY25

The SOTP value per share has decreased by 33c from 29 February 2024, driven by the 30c per share special dividends paid and the adjustments to the valuations of our unlisted investments. Zeder has no debt and a cash balance which will be bolstered by the anticipated pome asset disposals. The discount to the SOTP has narrowed.

Company	28 Feb 2023		29 Feb 2024		31-Aug-24	
	Interest (%)	Rm	Interest (%)	Rm	Interest (%)	Rm
Zaad	97.2	2 428	97.2	2 342	97.2	2 259
Capespan (excluding Pome Investments)	93.0	511				
Pome Investments	93.0	540	87.1	585	87.1	599
Other net assets/(liabilities)		116		203		313
Cash and cash equivalents		438		694		135
SOTP VALUE		4 033		3 824		3 306
Number of shares in issue (net of treasury shares) (million)		1 540		1 540		1 540
SOTP value per share (rand)		2.62		2.48		2.15
Zeder share price (rand)		1.72		1.78		1.93

Note: It should be noted that these valuations are not an indication of the values at which Zeder would consider selling any of its investments

PORTFOLIO REVIEW



Zaad is a specialist agricultural seed and agrochemicals company that develops and supplies a broad basket of proprietary seeds and chemicals to emerging markets.



PORTFOLIO REVIEW

FINANCIAL RESULTS



Zaad reported a decrease of 26.9% in recurring earnings to R160m, mainly as a result of the performance of Farm-AG, May Seed and various associate investments. The decrease in EBITDA not aligned to earnings as a result of increased interest rates and therefore higher finance charges.

Summarised Income Statement	Jun 22	Jun 23	LTM 31 Dec 23	Jun 24
Historical	12 months	12 months	12 months	12 months
	R'm	R'm	R'm	R'm
Revenue	2 455	2 557	2 390	2 841
EBITDA *	510	559	568	541
EBITDA (subsidiaries)	385	332	325	342
EBITDA (proportionate from associates)	125	227	243	199
Associate earnings	52	86	75	33
Recurring headline earnings	240	219	180	160
WANOS (m)	35	41	41	41
Recurring HEPS (R)	6.83	5.40	4.44	3.95
Zeder loans		102	108	319
External net debt/(cash)	890	895	929	969

Notes: * includes EBITDA from associates

These figures are unaudited proforma financials derived from divisional accounts



PORTFOLIO REVIEW

FINANCIAL RESULTS



On a continued business operations basis, the recurring earnings decreased by 18.1% to R186m from the comparative prior period of R227m, largely due to the non-performance from smaller associate investments.

GENERAL COMMENTS

- These smaller associate investments are not core to the Zaad Group. Focus on the exit of these non-performing associate investments.
- Discussions with various interested parties. Proceeds will be used to settle Zaad debt and reduce finance charges.
- The valuation of Zeder's interest in Zaad has decreased by 3.5% to R2.259bn from the prior period.
- The decrease in the valuation was driven by the impairment of our African, mainly Zimbabwean operations and to a lesser extent considering the challenges in the chemicals industry.
- Valuation based on comparable EV/EBITDA multiples, adjusted for company specific factors.
- Market related multiples split between seed and chemicals and multiples applied to each operating business unit, where not cash generating, discounted NAV approach followed.
- EBITDA normalised and adjusted to exclude the IAS29 accounting effect of hyperinflation where relevant.
- Net debt deducted from the valuation.



PORTFOLIO REVIEW

BUSINESS AND OPERATING ENVIRONMENT



GENERAL COMMENTS

- Despite a below average sunflower year as a result of the El Niño weather pattern, **Agricol** had a promising winter crop season and as a result delivered solid results for the year. Agricol has diversified in recent years to not only be an important sunflower player, but also a key focus on soya, wheat and canola.
- **Farm-Ag** is down on the prior year, largely due to the significant decrease in the price of chemical raw materials. In addition, the El Niño weather pattern across Southern Africa caused a dramatic drop in late applications of herbicides and fungicides due to the dry conditions.
- These challenges are not unique to **Farm-Ag** and a similar impact can be seen across the industry.
- Early indications are that a La Niña weather pattern is expected for the upcoming summer crop season.
- The focus for **Farm-Ag** has been on growth and clients in the South African rather than the African markets, mainly due to increased risks in many of the African countries. This resulted in the decision to not trade in certain African markets that were trading partners in prior periods. The company however has good growth prospects.
- **Farm-Ag** has good growth prospects, especially in South Africa. The Crop Protection market in South Africa is estimated at R12bn (expected to grow by 6.1% per annum) of which the Farm-Ag share of the market is only 6.25%.

PORTFOLIO REVIEW

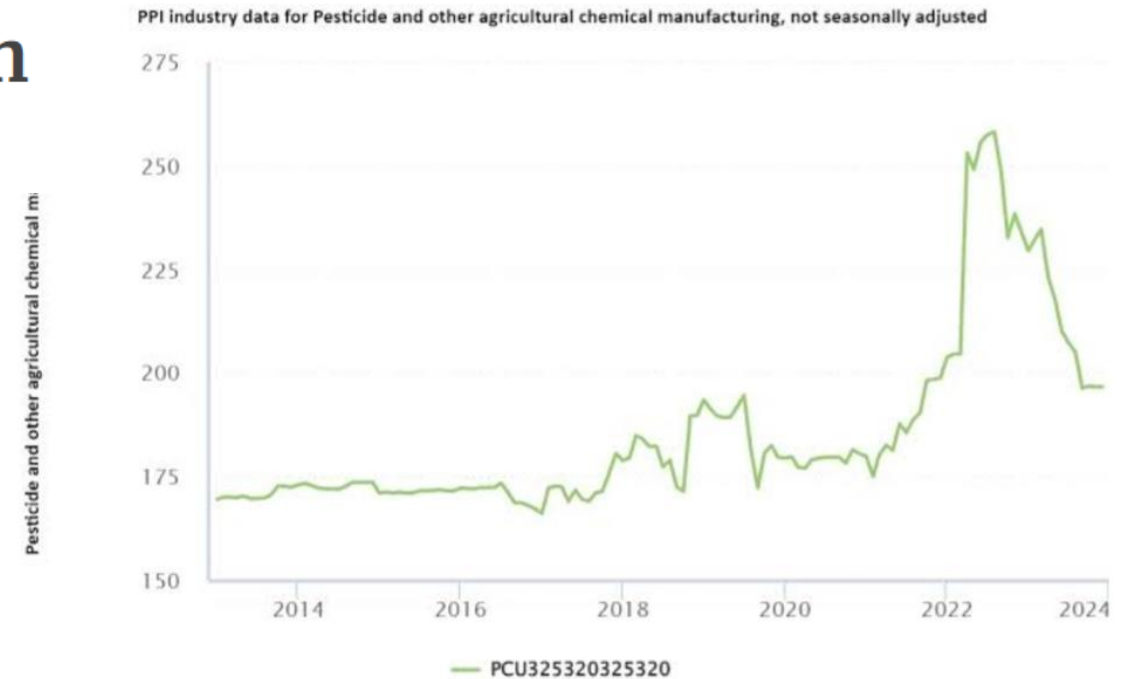
BUSINESS AND OPERATING ENVIRONMENT

Unexpected sharp decrease in chemical raw materials over short period of time. Significant decline in raw material prices resulted in higher cost inventory being sold at lower margins in order to remain competitive and retain market share. Chemical industry dependent on imported raw materials from China/India and has to mitigate the risks of not having inventory against supply chain risk considerations.

What in the World is Going On With Glyphosate Prices?

"I think that the global pricing, at the moment, is sub \$4 a gallon in China. So, you've had that drop from about \$16 to \$17 a gallon in 2022. It's now about 25% of what it was," says Taylor. "That's the main catalyst of it, and that's why we've seen the kind of the cost curve and shift down as Chinese production is back online. They account for about two-thirds of global production."

Retailers and suppliers continue to cut the price of glyphosate to help offload expensive inventory in preparation for the fall months. While the prices of both generic and PowerMAX glyphosate products continue to vary widely, it's a sizable decline from even the beginning of the year.



PORTFOLIO REVIEW

BUSINESS AND OPERATING ENVIRONMENT

These challenges are not unique to Farm-Ag and a similar impact can be seen across the industry. Improvements can however be seen in the market with gross margins returning to more normalised levels. Chinese supply prices are expected to increase over the next 12 month by roughly 10% – 12%.




Q2

Half-Year Financial Report 2024

Modest performance in challenging agricultural market environment

- // Group sales at €11.1 billion (Fx & p adj. + 3.1%)
- // EBITDA before special items declines to €2.1 billion (~16.5%), impacted by currency headwinds
- // Crop Science posts slight increase in sales and sharp fall in earnings
- // Pharmaceuticals and Consumer Health report higher sales (Fx & p adj.) and lower earnings
- // Core earnings per share at €0.94 (~23.0%)
- // Net income at minus €34.0 million
- // Free cash flow at €1.3 billion
- // Group outlook confirmed



News Release 2Q/1H 2024

Corteva Reports Second Quarter and First Half 2024 Results, Updates Full-Year Guidance

- Solid first half results led by the strength of the Seed business and operational execution
- Crop Protection industry impacted by residual destocking and competitive pressures
- Updated 2024 revenue and operating EBITDA¹ guidance lowered to reflect market dynamics
- Share buyback program and dividend increase demonstrate strong balance sheet and cash flow

INDIANAPOLIS, Ind., July 31, 2024 – Corteva, Inc. (NYSE: CTV) ("Corteva" or the "Company") today reported financial results for the second quarter and six months ended June 30, 2024.

2Q 2024 Results Overview


	Net Sales	Income from Cont. Ops (After Tax)	EPS
GAAP	\$6.11B	\$1.06B	\$1.51
vs. 2Q 2023	+1%	+20%	+23%
NON-GAAP	\$6.17B	\$1.92B	\$1.83
vs. 2Q 2023	+2%	+10%	+14%

1H 2024 Results Overview

	Net Sales	Income from Cont. Ops (After Tax)	EPS
GAAP	\$10.60B	\$1.43B	\$2.03
vs. 1H 2023	(3)%	(4)%	(2)%
NON-GAAP	\$10.75B	\$2.95B	\$2.72
vs. 1H 2023	(2)%	(1)%	(1)%

First Half 2024 Highlights

- First half 2024 net sales declined 3% versus prior year as Crop Protection declines more than offset Seed gains. Organic¹ sales decreased 2% in the same period.
- Seed net sales grew 2% and organic¹ sales increased 4%. Price was up 5% globally, led by North America² with the continued execution of the "Seed for the Future" strategy for value creation. Volume declines were driven primarily by unfavorable weather and reduced planted area in EMEA.
- Crop Protection net sales and organic¹ sales both decreased 11%. Volume declines were driven by weather and destocking impacts in EMEA², as well as just-in-time purchasing behavior in North America². Price declined 4% reflecting a broad-based competitive price environment.
- GAAP income and earnings per share (EPS) from continuing operations were \$1.43 billion and \$2.03 per share for the first half of 2024, respectively.
- Operating EBITDA¹ and Operating EPS¹ were \$2.95 billion, and \$2.72 per share for the first half of 2024, respectively.
- The Company updated full-year 2024 guidance³ and expects net sales in the range of \$17.2 billion to \$17.5 billion. Operating EBITDA¹ is expected to be in the range of \$3.4 billion to \$3.6 billion. Operating EPS¹ is expected to be in the range of \$2.60 to \$2.80 per share. Cash provided by operating activities – continuing operations is expected to be in the range of \$2.1 billion to \$2.6 billion. Free Cash Flow⁴ is expected to be in the range of \$1.5 billion to \$2.0 billion. The Company plans to repurchase approximately \$1.0 billion shares in 2024.



UPL LTD – Q4 & FULL YEAR FY24 RESULTS UPDATE

MUMBAI, INDIA, May 13, 2024 – UPL Ltd. (NSE: UPL & BSE: 512070, LSE: UPLL), today reported financial results for the fourth quarter that ended March 31, 2024.

Financial Performance Update

In ₹ crore (Unless otherwise stated)	Q4 FY24	Q4 FY23	YoY	FY24	FY23	YoY
Revenue	14,078	16,569	-15%	43,098	53,576	-20%
Contribution Profit	4,142	5,703	-27%	14,989	21,593	-31%
Contribution Margin (%)	29.4%	34.4%	-500 bps	34.8%	40.3%	-552 bps
EBITDA	1,933	3,033	-36%	5,516	11,176	-51%
EBITDA Margin (%)	13.7%	18.3%	-458 bps	12.8%	20.9%	-805 bps
Net Profit*	40	792	-95%	-1,200	3,569	

Note: *Net Profit attributable to equity shareholders of the company

- Reported margin recovery in Q4FY24 compared to Q3FY24.
- Q4FY24 Revenue declined by 15% primarily due to lower prices in the post-patent market (prices came off against last year's [LY] higher base). Volumes were largely in line with LY.
- Contribution margins are primarily impacted by the liquidation of high-cost inventory and higher rebates to support the channel.

PORTFOLIO REVIEW

BUSINESS AND OPERATING ENVIRONMENT



GENERAL COMMENTS

- The **African** subsidiaries' results were in line with expectations. The operating environment in Zimbabwe initially seems to have improved with the introduction of the new ZIG currency, which is supported by government gold reserves. Challenges however remain in terms of high inflation and interest rates, a depreciating local currency and access to hard currency. Zaad is as a result considering proposals in terms of potentially disposing their operations in certain African jurisdictions, especially Zimbabwe.
- **Bakker** delivered an improved performance, The transition from open pollinated to hybrid varieties is ongoing and in FY2024 the sales of own IP increased by 55% compared to FY2023. This transition is taking longer than expected as a result of establishing new hybrid seed sales channels in various markets (many of these markets in turmoil due to the Middle-East conflict), leading to long-term capital commitments to reach its full potential.
- The Turkish economy has experienced high inflation and political uncertainty. **May Seed** performed well under difficult trading conditions, with a large part of sales taking place in foreign currency, in order to mitigate against the depreciating local currency. Having said that unfavourable weather patterns and low soft commodity prices resulted in much lower hectares of sunflower, maize and cotton planted in Turkey and surrounding areas, which had a negative impact during the year on seed sales.
- **EA Seed** delivered a much-improved performance from the prior year, mainly as a result of improved weather patterns. The group has intensified sales efforts and continue negotiating for better procurement terms. We remain positive about EA Seed and its growth prospects in the East African markets, especially in the hybrid seed maize market.

PORTFOLIO REVIEW

BUSINESS AND OPERATING ENVIRONMENT

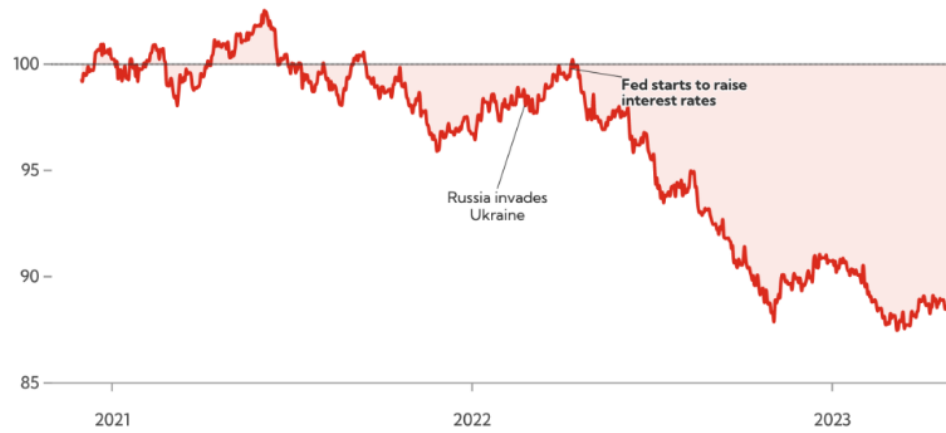
Developing (African) currencies are under pressure and makes the fight to curb inflation difficult and leads to higher interest rates over longer periods. Even though revenue mostly linked to foreign currencies, immediate access to forex remains a challenge. The Turkish economy has been under pressure, with high inflation also leading to sharp increases in interest rates. In addition, the Russia/Ukraine conflict and turmoil in the Middle-East have also contributed to uncertainty in the larger region.

Currency pressures

African countries' currencies have weakened against the US dollar, driving up the price of imports.

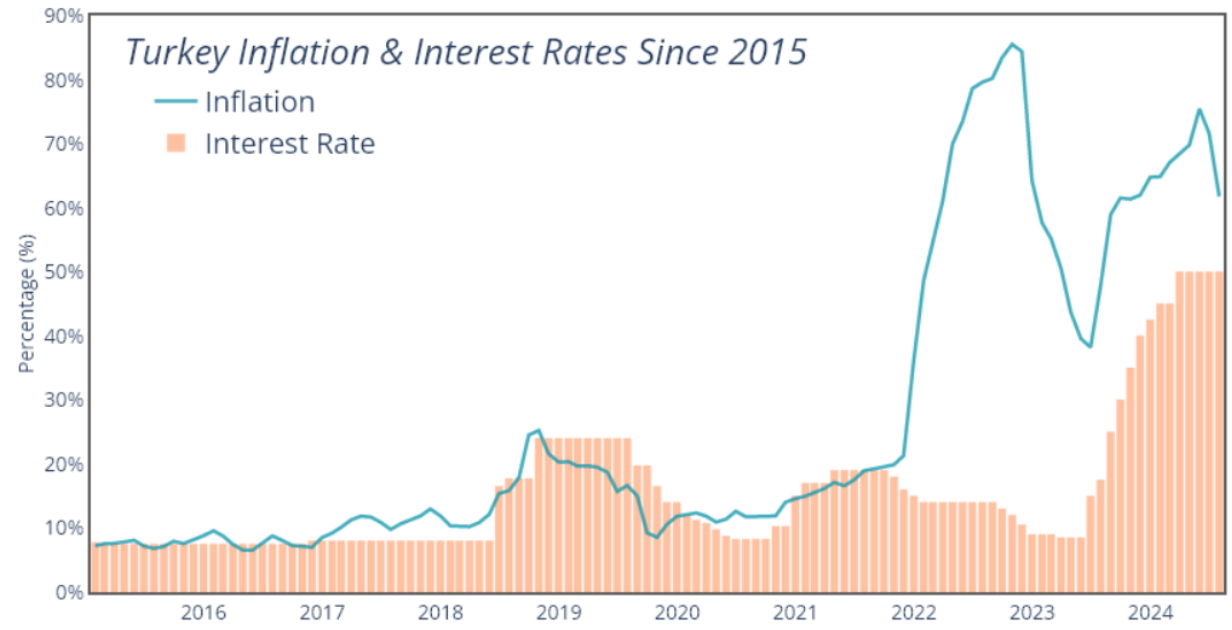
Exchange rates against US dollar

(index, Sep. 1, 2021 = 100, trade-weighted average across countries)



Source: Bloomberg. · Note: The average nominal exchange rate is weighted by the sum of exports and imports.

IMF



Source: TridneEconomics; (c) Geopolitical Monitor

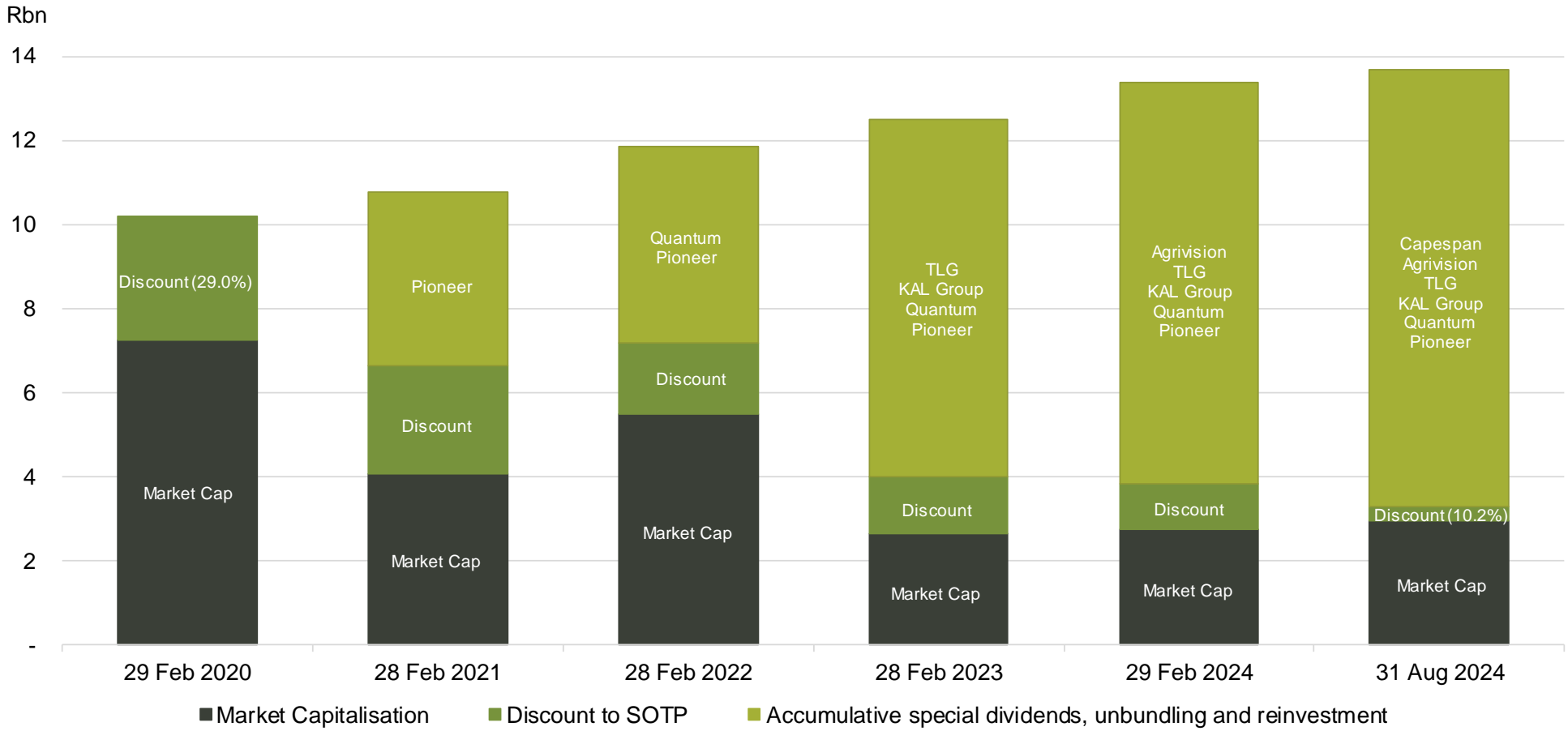
STRATEGY

STRATEGY

- Zeder's objective remains to maximise shareholder wealth
- How did we do so far during the 2025 financial year?
 - *Dividends to shareholders*
 - *Special dividends totalling 30c per share paid during the 2025 financial year (R462m)*
 - *Further special dividends anticipated during the year as a result of pome asset sales*
 - *Corporate actions*
 - *Disposal of Capespan concluded*
 - *Signed agreements on all individual pome assets*
 - *Combined with prior year corporate actions, value has been created for Zeder shareholders*
 - *We remain engaged with third parties on Zaad, also on assets within the group*
 - *Zeder to consider these in a manner that is reasonable to third parties and Zeder and fair to the respective management teams*
- Zeder remains well positioned and we remain confident of further progress

STRATEGY

Zeder’s strategy has enabled a return of over R8bn to shareholders in terms of special dividends and the KAL Group unbundling. The discount has narrowed from R2.96bn to the current ~R300m. We will continue with this strategy and the disposal of individual pome assets will enable further special dividends in the short term.



Thank you

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