



ANNUAL REPORT 2021

ZEDER IS AN ACTIVE INVESTOR

in the broad agribusiness and related industries, with a historical focus on the food and beverage sectors.

View this report online at www.zeder.co.za.

CONTENTS

Investment portfolio	2
Board of directors	4
CEO report	6
Our track record	10
Review of operations	12
Corporate governance	26
Remuneration report	36
Social and ethics report	58
Summary consolidated financial statements	64
Notice of annual general meeting and proxy	102
Administration and shareholders' diary	IBC

INVESTMENT PORTFOLIO

Our portfolio consists of strategic interests in leading companies that provide us with a diversified exposure across the agribusiness spectrum, ranging from strategic agri-inputs to agri-retail, while incorporating related logistical and enabling services.

INVESTMENT PORTFOLIO

TOTAL VALUE OF INVESTMENTS
AS AT 28 FEBRUARY 2021

R5 724m



R2 010m
35.1%



R1 325m
23.1%



R1 117m
19.5%



R1 102m
19.3%



Agrivision Africa

R146m
2.6%

Other

R24m
0.4%

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.

BOARD OF DIRECTORS

EXECUTIVE

JH (Johann) le Roux (46)

CHIEF EXECUTIVE OFFICER AND FINANCIAL DIRECTOR

BAcc (CTA), CA(SA), HDip (Tax)

Appointed 8 September 2016

Johann is a member of the executive committee and the social and ethics committee.

NON-EXECUTIVE

WL (Wynand) Greeff (51)

FINANCIAL DIRECTOR – PSG GROUP

BCompt (Hons), CA(SA)

Appointed 21 May 2009

Wynand is a member of the executive committee and the social and ethics committee.

PJ (Piet) Mouton (44)

CHIEF EXECUTIVE OFFICER – PSG GROUP

BCom (Mathematics)

Appointed 30 April 2012

Piet is a member of the remuneration committee, the nomination committee, the executive committee and the social and ethics committee.

INDEPENDENT NON-EXECUTIVE CHAIRMAN

CA (Chris) Otto (71)

DIRECTOR OF COMPANIES

BCom, LLB

Appointed 21 August 2006

Chris is a member of the audit and risk committee, the remuneration committee, the nomination committee and the social and ethics committee.

INDEPENDENT NON-EXECUTIVE

S (Shameema) Cassiem (50)

DIRECTOR OF COMPANIES

BCom (Hons), CA(SA)

Appointed 12 February 2021

Shameema is a member of the audit and risk committee.

RM (Rudi) Jansen (52)

DIRECTOR OF COMPANIES

BCompt (Hons), CA(SA)

Appointed 29 January 2019

Rudi is a member of the audit and risk committee, the remuneration committee and the nomination committee.

NS (Nonhlanhla) Mjoli-Mncube (62)

DIRECTOR OF COMPANIES

MA (City and Regional Planning)

Appointed 1 June 2016

Nonhlanhla is the lead independent director and a member of the audit and risk committee.



CEO REPORT

We remain committed to delivering sustainable returns to our shareholders.

CEO REPORT

INTRODUCTION

Zeder is an investor in the broad agribusiness and related industries, with a historical focus on the food and beverage sectors. The company listed on the Johannesburg Stock Exchange on 6 December 2006, with an intrinsic value of R1.29bn and, as at 28 February 2021, our investment portfolio was valued at approximately R5.72bn.

STRATEGIC POSITIONING AND INVESTMENT PHILOSOPHY

Over the years our strategy has evolved from originally acquiring undervalued minority interests in South African agricultural co-operatives to today owning large strategic and controlling interests in leading companies and organisations where we assist with portfolio and investee strategies, while monitoring and overseeing optimal capital allocations to ensure sustainable investment returns, including capital appreciation. We are long-term investors with a focus on the following key investment considerations:

- Sustainable growth sectors or sub-sectors
- Management with proven track record and sound corporate governance
- High barriers to entry with unique and defensible products (brands)
- Simple (easy to understand) and scalable business models
- Co-investing with management and focused execution

Our portfolio spans the agribusiness value chain providing us with a broad invested exposure ranging from strategic agri-inputs to agri-retail while incorporating related logistical and enabling services. In recent years measured diversification has been achieved by expanding platform investment companies into adjacent industries, sectors and markets, thereby incorporating attractive non-agri exposure.

SIGNIFICANT TRANSACTIONS

Zeder disposed of its entire shareholding in Pioneer Foods and Quantum Foods during the year. As a result, Zeder has settled all its debt and related obligations and declared substantial special dividends totaling R4.23bn to shareholders. The successful disposal of our largest investment and the declaration of substantial special dividends is considered in a positive light from a Zeder shareholder's perspective.

REVIEW OF REMAINING PORTFOLIO AND COVID-19

Our strategic focus during the coronavirus pandemic was deliberately cautious and conservative. Accordingly, we dedicated most of our efforts to existing investments, strengthening their operating models and balance sheets where possible. Our investment portfolio as a whole has proven more resilient than expected during this period, with the majority having reported acceptable *recurring* earnings growth. The improved agricultural conditions and resultant portfolio company performance has resulted in enhanced valuations across a large part of the remaining portfolio and, as a result, Zeder's own share price.

The disposal of our investment in Pioneer Foods and Quantum Foods combined with the significant distribution of cash reserves to shareholders have resulted in a corresponding material reduction in Zeder's underlying *Sum-of-the-Parts* ("**SOTP**") valuation and remaining portfolio construction, but had a positive impact on Zeder's *SOTP value* per share.

STRATEGIC FOCUS

The aforementioned material change to the size and composition of the Zeder group has necessitated the Zeder board to reconsider Zeder's future strategy. During this evaluation process, Zeder also recently received third party approaches on various portfolio investments. The Zeder board is currently evaluating these approaches. The potential strategy shift to value unlock options will be executed in an appropriate and responsible manner in an attempt to maximise shareholder value. Notwithstanding the above, Zeder remains focused on growing its investee companies and will evaluate opportunities as and when deemed appropriate.

CEO REPORT

continued

PROSPECTS

The positive climatic changes should contribute to improved conditions in the medium-term and Zeder's portfolio companies are well positioned to benefit from same. It is however very difficult to predict the business environment that will unfold in the medium to long term as a result of the global Covid-19 crisis. Our immediate focus will therefore remain on ensuring that our existing companies position themselves competitively, maintain market shares, while driving additional and diversified growth from within the existing investment platforms and seeking to improve cash generation.

Albeit from a lower base, we remain optimistic about Zeder's prospects going forward as the remainder of our portfolio represents strong strategic equity interests in well-run organisations that offer value. Having invested heavily into our underlying companies over the past few years, it is anticipated that cash generation could improve. This, combined with the healthy cash reserves on hand at Zeder, should allow us to support portfolio companies, where required, and to deliver attractive returns during the next phase.

PASSING OF INDEPENDENT NON-EXECUTIVE DIRECTORS OF THE COMPANY

During the year Professor Mohammad Karaan ("Prof. Karaan") and Mr George Eksteen ("Mr Eksteen"), who both served as non-executive directors, sadly passed away. They played an important role at Zeder over many years and we were privileged to work with them.

The Board and management extend our deepest sympathies to Prof. Karaan and Mr Eksteen's family, friends and colleagues.

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 are committed to their organisations. This was once again evident during the year with pro-active measures implemented by the various management teams during the Covid-19 pandemic. 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 the Zeder Board, Executive Committee and management team for their valuable contributions during the past year.



JH le Roux

Chief Executive Officer and Financial director

28 May 2021

Stellenbosch



OUR TRACK RECORD

Year ended February	2007	2008	2009	2010	2011	2012		2013	2014	2015	2016	2017	2018	2019	2020	2021
<i>SOTP</i> – pre mgmt liability (Rbn)	1.29	1.31	1.17	2.07	2.68	3.09		4.26	5.16	13.26	12.23	14.71	13.43	9.65	10.20	6.66
<i>SOTP</i> – post mgmt liability (Rbn)	1.11	1.13	1.01	1.79	2.31	2.67		3.68	4.46	11.45	10.56	14.71	13.43	9.65	10.20	6.66
Mgmt fee liability (Rm) ¹	175	178	160	281	365	420		580	703	1 808	1 667					
Mgmt fees paid – base (Rm)	(8)	(26)	(36)	(45)	(53)	(48)		(59)	(59)	(118)	(155)	(75)				
Mgmt fees paid – performance (Rm)									(59)	(118)						
Market capitalisation (Rbn)	1.63	1.57	0.89	1.83	2.56	2.51		3.33	4.01	10.97	8.15	12.88	11.03	7.24	7.25	4.09
<i>Recurring</i> headline earnings (Rm) ³	137	119	196	208	265	273		251	300	414	632	691	474	471	559	
Headline earnings/(loss) (Rm)	137	207	153	152	185	300		196	260	257	545	(770)	425	767	404	643
Dividend (Rm)	11	30	43	39	39	39		39	44	79	137	190	189	188		
Special dividend (Rm) ²															3 925	307
Number of shares:																
Issued shares (<i>net of treasury</i>) (m)	571	605	611	978	978	978		978	980	1 444	1 523	1 725	1 702	1 702	1 702	1 538
Weighted shares (m)	490	583	609	881	978	978		978	980	1 172	1 490	1 622	1 717	1 702	1 702	1 619
Per share:																
<i>SOTP</i> – pre mgmt fee liability (R)	2.25	2.16	1.92	2.11	2.74	3.15		4.35	5.26	9.18	8.03	8.53	7.85	5.64	5.97	4.33
<i>SOTP</i> – post mgmt fee liability (R)	1.95	1.87	1.65	1.83	2.37	2.73		3.76	4.54	7.93	6.93	8.53	7.85	5.64	5.97	4.33
Share price (R)	2.85	2.60	1.46	1.87	2.62	2.57		3.40	4.09	7.60	5.35	7.44	6.45	4.23	4.24	2.65
<i>Recurring</i> headline earnings (cents) ³	27.8	21.0	32.2	23.6	27.1	27.9		25.7	30.6	35.3	42.4	42.6	27.6	27.7	32.8	
Headline earnings/(loss) (cents)	27.8	35.4	25.2	17.3	18.9	30.7		20.1	26.6	22.0	36.5	(47.5)	24.8	45.1	23.7	39.7
Dividend (cents)	2.0	5.0	7.0	4.0	4.0	4.0		4.0	4.5	5.5	9.0	11.0	11.0	11.0		
Special dividend (cents) ²															230.0	20.0

¹ Calculated as 12% newly issued Zeder shares multiplied by Zeder *SOTP* value per share

² Special dividend declaration due to the disposal of interest in Pioneer Foods and change in ordinary dividend policy

³ Subsequent to the change in investment entity status, recurring headline earnings is no longer a performance measurement benchmark

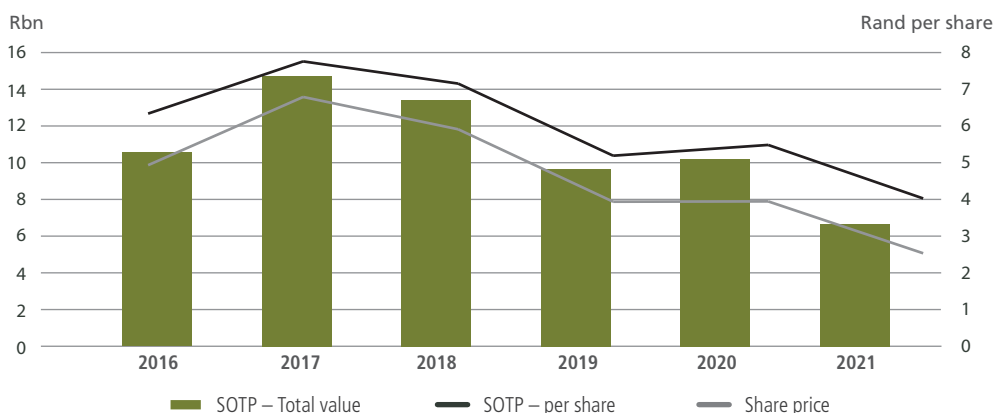


REVIEW OF OPERATIONS

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

REVIEW OF OPERATIONS

INTRINSIC VALUE



Year ended February	2017	2018	2019	2020	2021
SOTP (Rbn)	14.71	13.43	9.65	10.20	6.66
SOTP per share (R)	8.53	7.85	5.64	5.97	4.33
Market capitalisation (Rbn)	12.88	11.03	7.24	7.25	4.09
Share price (R)	7.44	6.45	4.23	4.24	2.65
Headline earnings/(loss) (Rm)	(770)	425	767	404	643
Headline earnings/(loss) per share (cents)	(47.5)	24.8	45.1	23.7	39.7
Dividend (Rm)	190	189	188		
Dividend per share (cents)	11.0	11.0	11.0		
Special dividend (Rm)				3 925	307
Special dividend per share (cents)				230.0	20.0

OVERVIEW

Zeder is an investor in the broad agribusiness and related industries, with a historical focus on the food and beverage sectors. Its underlying investment portfolio was valued at R5.72bn on 28 February 2021, a decrease from the prior year, mainly due to the substantial special dividend paid, following the Pioneer Foods disposal.

CORPORATE POSITIONING

Zeder assists with portfolio and investee strategies, while monitoring and overseeing optimal capital allocations to ensure sustainable investment returns, including capital appreciation. Its portfolio consists of strategic interests in leading companies that provide it with a diversified exposure across the agribusiness spectrum, ranging from strategic agri-inputs to agri-retail while incorporating related logistical and enabling services.

REVIEW OF OPERATIONS

continued

STRATEGIC FOCUS

Despite an improvement in the climatic cycle during the year under review, the macro environment in which Zeder and its portfolio companies operate remained constrained. Our strategic focus during the coronavirus pandemic was deliberately cautious and conservative. Accordingly, we dedicated most of our efforts to existing investments, strengthening their operating models and balance sheets where possible, while driving additional and diversified growth from within existing investment platforms. Our investment portfolio as a whole has proven more resilient than expected during this period, with the majority having reported acceptable earnings growth.

The disposal of our investments in Pioneer Foods and Quantum Foods and the declaration of the substantial special dividend during the year, resulted in a material change to the size and composition of the Zeder group.

This has necessitated the Zeder board to reconsider Zeder's future strategy. During this evaluation process, Zeder also recently received third party approaches on various portfolio investments. The Zeder board is currently evaluating these approaches and will communicate in more detail to the market on the value enhancing progress, as may be required from time to time. The strategy does not have a specific timeline and will be executed in an appropriate and responsible manner in an attempt to maximise shareholder value.

Zeder shareholders are further advised to take note of the cautionary announcement released on SENS on Wednesday, 14 April 2021.

NOTEWORTHY TRANSACTIONS

Category 1 disposal of investment in Pioneer Foods and application of proceeds

Zeder disposed of its entire shareholding in Pioneer Foods on 23 March 2020 for a total consideration of R6.41bn. As a result, Zeder has settled all its debt and related obligations and declared a special gross dividend of 230 cents per share (R3.9bn) to shareholders, which was paid on 28 April 2020.

Category 2 disposal of investment in Quantum Foods

Zeder disposed of its entire shareholding in Quantum Foods on 12 June 2020 for a total consideration of R308m.

Zeder share repurchases

Zeder invested R426m in the repurchase of shares during the year at an average price of R2.48 per share. The share repurchases were in terms of the general authority granted by shareholders at the relevant AGMs and were funded out of available cash resources. The 172m ordinary shares repurchased have been delisted and cancelled.

COVID-19

The financial results reported and business environment reviewed, reflect the year ended 28 February 2021, as well as subsequent events that transpired prior to the publication of these results. It is, however, important to note that, at the time of producing this report, some uncertainty around the global coronavirus pandemic remains. Many of Zeder's portfolio companies fell within the "essential services" classification under the Covid-19 regulations and were accordingly permitted to continue certain operations during the government-imposed lock-downs. The main effects of Covid-19 are currently being experienced on the supply chain side of operations, with disruptions and delays in international trade.

Zeder is well positioned, with a stable balance sheet and cash resources.

CHANGE IN INVESTMENT ENTITY STATUS

International Financial Reporting Standards ("IFRS") require that an entity reassess whether it is an Investment Entity if facts and circumstances indicate changes to one or more of the elements making up the definition of an Investment Entity or the typical characteristics of an Investment Entity.

Zeder has reassessed whether, as a result of the Pioneer Foods disposal, it meets the definition of an Investment Entity and the typical characteristics of an Investment Entity and has concluded that it, in fact, did so with effect from 1 March 2020. This date takes into consideration that the terms and conditions attached to the Pioneer Foods disposal were met during March 2020.

Where an entity's status change to that of an Investment Entity, it does not consolidate its subsidiaries ("investments"), but rather measures its investments at fair value through profit or loss in terms of IFRS 9. Such change in accounting is applied prospectively, with no adjustment to prior year comparatives. However, an Investment Entity continues to consolidate subsidiaries that provide services related to the Investment Entity's investment activities (i.e. those wholly-owned subsidiaries comprising Zeder's head office operations).

Pursuant to the aforementioned change in Investment Entity status, Zeder's reported results for the year ended 28 February 2021 will not be comparable to the results for the year ended 29 February 2020. The performance of its remaining investments is accordingly measured with reference to the fair value of each investment (i.e. *SOTP value*) rather than the consolidated profitability of Zeder (i.e. *recurring* headline earnings) in Zeder's strive to meet its objective of value creation through capital appreciation, investment income or both. The change in Investment Entity status is expected to provide users of Zeder's financial statements with more relevant financial information to analyse the financial performance of Zeder.

BUSINESS ENVIRONMENT

The aforementioned Pioneer Foods and Quantum Foods transactions had a positive impact on Zeder's *Sum-of-the-Parts* ("*SOTP*") *value* per share. The improved agricultural conditions have resulted in enhanced valuations across a large part of the remaining portfolio and, as a result, Zeder's own share price.

PROSPECTS AND OUTLOOK

It is very difficult to predict the business environment that will unfold in the short- to medium-term as a result of the global COVID-19 crisis.

Our immediate focus will therefore remain on ensuring that our existing companies position themselves competitively, maintain market shares and conserve balance sheets while continuously driving for operational improvements and seeking to improve cash generation.

The remainder of our portfolio represents strong strategic equity interests in well-run organisations that offer value. The positive climatic changes should contribute to improved conditions in the medium-term and Zeder's portfolio companies are well positioned to benefit from same. This, combined with the healthy cash reserves on hand, should allow us to deliver attractive returns during the next phase.

Zeder remains focused on growing its investee companies and will evaluate opportunities as and when deemed appropriate.

FINANCIAL RESULTS

The benchmark which Zeder believes its performance should be measured by is its *SOTP value* per share.

REVIEW OF OPERATIONS

continued

SUM-OF-THE-PARTS ("SOTP")

Zeder's *SOTP value* per share, calculated using the quoted market prices for all JSE-listed investments and valuations performed for unlisted investments, decreased during the year to R4.33 as at 28 February 2021. The decrease is mainly due to the payment of the R2.30 per share special dividend on 28 April 2020 out of cash reserves.

Company	28 Feb 2019		29 Feb 2020		28 Feb 2021	
	Interest (%)	Rm	Interest (%)	Rm	Interest (%)	Rm
Pioneer Foods	27.1	4 689	28.6	6 348		
Zaad	95.3	2 235	95.7	2 034	97.0	2 010
The Logistics Group	97.4	978	98.6	1 028	98.5	1 325
Capespan	97.4	1 193	96.7	999	96.0	1 117
Kaap Agri	41.1	959	41.0	723	42.3	1 102
Agrivision Africa	56.0	493	56.0	242	56.0	146
Quantum Foods	29.3	216	32.1	188		
Other		19		19		24
Total investments		10 782		11 581		5 724
Cash and cash equivalents		254		83		876
Other net assets		109		40		62
Debt funding		(1 500)		(1 500)		
SOTP value		9 645		10 204		6 662
Number of shares in issue (net of treasury shares) (m)		1 710		1 710		1 538
SOTP value per share (R)		5.64		5.97		4.33

Note: Zeder's live SOTP is available at www.zeder.co.za

The SOTP valuations of Zeder's unlisted investments have been based on the respective investee companies' latest financial results. The wide-spread impact of Covid-19 on the global economy and financial markets remains evident. The medium-term severity thereof and consequent impact on the profitability and valuation of our investments, however, remain uncertain, although they have been considered.

While the SOTP calculation is indicative of the value of Zeder's underlying portfolio of net assets, it does not take into account factors such as tax on potential disposal of underlying assets, head office operating costs and other factors. It should be noted that these valuations are not necessarily an indication of the values at which Zeder would consider selling any of its investments.

PERFORMANCE OF PORTFOLIO COMPANIES

Zaad (97.0%)

Zaad is a strategic holding company that invests and operates in the specialised agri-inputs industry with a focus on emerging markets, especially Africa. Through acquisitions and organic growth, it has aggregated and developed attractive businesses and currently owns, develops, imports and distributes a broad range of agricultural seeds in Africa, Europe and other international emerging markets.

For its financial year ended 31 January 2021, Zaad reported *recurring* headline earnings of R181m, an increase of 2% per share from the prior year. During the year under review, Zeder accounted for a fair value loss of R24m in respect of its investment in Zaad. The Covid-19 environment negatively affected the Netherlands-based business, Bakker Brothers, with cross border trade into North Africa and the Middle East found to be challenging. The specialised agri-inputs market, and particularly the proprietary hybrid seed segment, remains attractive and Zaad is well positioned to benefit from it.

Zaad concluded transaction agreements whereby it will acquire a 40% stake in the EAS group of companies ("EAS") in Kenya, with an option to acquire an additional stake in the future. EAS was established in 1972 and has steadily grown to become the leading independent seed company within the Eastern and Central African regions. It has business operations in Kenya, Uganda, Rwanda, Tanzania and Zambia and its products are distributed through a wide distribution network of appointed dealers and stockists in major cities and towns throughout Eastern and Central Africa.

Zaad has identified Eastern and Central Africa as important growth areas for seed and agrochemicals, and upon completion, this investment will provide Zaad with access to these markets. Furthermore, Zaad's seed products and genetics will enhance the profile of EAS.

Zaad's summarised financial information is set out below:

Summary income statement Key metrics	Jan 2019 Rm	Jan 2020* Rm	Jan 2021 Rm
Revenue	1 635	2 113	2 914
EBITDA [^]	253	346	379
EBIT	199	281	306
<i>Recurring</i> headline earnings	131	169	181
Headline earnings	124	192	327
WANOS (m)	27	33	35
<i>Recurring</i> HEPS (R)	4.76	5.13	5.24
Net asset value per share (R)	43.70	49.30	45.96

* Jan 2020 figures restated.

[^] Includes EBITDA from associates.

REVIEW OF OPERATIONS

continued

Zaad (97.0%) continued

Summary statement of financial position

Key metrics

	Jan 2019 Rm	Jan 2020 Rm	Jan 2021 Rm
Total assets	2 710	3 875	3 714
Non-current assets	1 196	1 438	1 473
Current assets	1 514	2 437	2 241
Total liabilities	1 326	2 238	2 106
Non-current liabilities	171	501	211
Current liabilities	1 155	1 737	1 895
Total equity	1 384	1 637	1 608
Net debt	819	993	1 076

Summary cash flow information

Key metrics

	Jan 2019 Rm	Jan 2020 Rm	Jan 2021 Rm
Cash flow from operating activities	(59)	21	(29)
Cash flow from investing activities	(223)	(238)	6
Cash flow from financing activities	262	110	160
Net (decrease)/increase in cash and cash equivalents	(20)	(107)	137

Zeder shareholding

	Feb 2019	Feb 2020	Feb 2021
Shareholding (%)	95.3	95.7	97.0

WANOS – Weighted average number of shares

Zaad's investment and operations are structured to participate in the strategic inputs industry. At present the focus is on agricultural seed and chemicals.

In terms of the seed strategy, the group imports, produces and distributes seeds for sale in more than 100 countries. A core focus is the further development of proprietary seed genetics and significant investment continues to be made in related research and development. Owning its own seed genetics provides a distinct competitive advantage and a high barrier to entry with the ability to improve operating margins over time.

In terms of the chemicals strategy, apart from being a formulator and distributor of crop protection chemicals, the group owns and develops various chemical registrations that ensures high barrier to entry and enables the business to compete in local and international markets. The primary objective is to complement our seed division in emerging markets where regular access to chemicals is challenging for farmers.

Further information can be viewed at www.zaad.co.za

The Logistics Group (98.5%)

The Logistics Group ("TLG") has been successfully positioned to continue operating its existing strategic logistical and terminal assets in South Africa and expand its service offering and capabilities to a broader customer and market base in Southern Africa.

For its financial year ended 31 December 2020, TLG reported *recurring* headline earnings of R142m, an increase of 12% per share from the prior year and declared a R36m dividend to shareholders. During the year under review, Zeder accounted for a fair value gain of R297m, in respect of its investment in TLG.

The lower trade volumes and resultant negative effects of Covid-19 on TLG were of a short-term nature and a good recovery, with additional growth prospects on key African trade corridors, is underway.

TLG's summarised financial information is set out below:

Summary income statement Key metrics	Dec 2018* Rm	Dec 2019 Rm	Dec 2020 Rm
Revenue	794	949	1 108
EBITDA [^]	226	321	372
EBIT	165	204	240
Income from associates	35	51	48
<i>Recurring</i> headline earnings	125	128	142
Headline earnings	110	122	140
WANOS (m)	366	367	368
<i>Recurring</i> HEPS (R)	0.34	0.35	0.39
Net asset value per share (R) [#]	1.95	1.02	1.33

[^] Excludes EBITDA from associate.

[#] Decrease in net asset value per share during 2019, mainly due to the first time adoption of IFRS 16 Leases.

Summary statement of financial position Key metrics	Dec 2018* Rm	Dec 2019 Rm	Dec 2020 Rm
Total assets	715	1 207	1 409
Non-current assets	508	921	1 022
Current assets	207	285	387
Assets held-for-sale		1	
Total liabilities	153	833	920
Non-current liabilities	41	630	682
Current liabilities	112	203	238
Total equity	562	374	489
Net debt	301	198	93

REVIEW OF OPERATIONS

continued

The Logistics Group (98.5%) continued

Summary cash flow information	Dec 2018*	Dec 2019	Dec 2020
Key metrics	Rm	Rm	Rm
Cash flow from operating activities		187	238
Cash flow from investing activities		(120)	(45)
Cash flow from financing activities		(157)	(84)
Net (decrease)/increase in cash and cash equivalents	–	(90)	109

* Dec 2018 figures extracted from Capespan discontinued operations disclosure as presented in the prior year Capespan annual financial statements prior to the unbundling of the logistical division. No comparative cash flow information presented.

Zeder shareholding	Feb 2019	Feb 2020	Feb 2021
Shareholding (%)	97.4	98.6	98.5

WANOS – Weighted average number of shares.

Further information can be viewed at www.tlg.co.za

Capespan (96.0%)

Capespan is a vertically integrated fruit producer with global marketing, sales and distribution capabilities that can service and supply growers and customers in key international markets.

For its financial year ended 31 December 2020, Capespan reported *recurring* headline earnings of R75m, from a prior year loss of R35m and declared a R50m dividend to shareholders. During the year under review, Zeder accounted for a fair value gain of R118m in respect of its investment in Capespan.

The improved results were largely due to better performance within the South African and Namibian farming divisions. The better production volumes and improved market pricing impacted positively on the group results, as did the more stream-lined global marketing business, with resultant lower costs.

Capespan's summarised financial information is set out below:

Summary income statement	Dec 2018	Dec 2019*	Dec 2020
Key metrics	Rm	Rm	Rm
Revenue	4 763	3 951	3 506
EBITDA	(53)	72	148
EBIT	(125)	(10)	76
Income from associates	19	7	12
<i>Recurring</i> headline earnings – continued	(146)	(36)	76
<i>Recurring</i> headline earnings – discontinued	125		
Headline earnings – continued	207	(68)	74
Headline earnings – discontinued	110		
WANOS (m)	366	367	371
<i>Recurring</i> HEPS – continued (R)	(0.40)	(0.10)	0.21
<i>Recurring</i> HEPS – discontinued (R)	0.34		
Net asset value per share (R)^	4.90	3.80	3.98

* Dec 2019 figures restated.

^ Decrease in net asset value per share during 2019, mainly due to the sale of farms and impairments of intangible assets.

Summary statement of financial position	Dec 2018	Dec 2019	Dec 2020
Key metrics	Rm	Rm	Rm
Total assets	3 185	2 253	2 097
Non-current assets	1 454	1 267	1 280
Current assets	1 016	878	817
Assets held-for-sale	715	108	
Total liabilities	1 108	840	616
Non-current liabilities	307	215	233
Current liabilities	648	625	383
Liabilities held-for-sale	153		
Total equity	2 077	1 413	1 481
Net debt	277	191	52
Summary cash flow information	Dec 2018[#]	Dec 2019	Dec 2020
Key metrics	Rm	Rm	Rm
Cash flow from operating activities	(237)	52	36
Cash flow from investing activities	1 013	68	139
Cash flow from financing activities	(514)	(291)	(25)
Net increase/(decrease) in cash and cash equivalents	262	(171)	150

[#] Dec 2018 include unbundled Logistics division.

Zeder shareholding	Feb 2018	Feb 2020	Feb 2021
Shareholding (%)	97.4	96.7	96.0

WANOS – Weighted average number of shares.

Farming

The farming division has been established over the past nine years to complement the group's historical core fruit procurement and marketing activities. The objective of this division is to provide the group with primary production expertise and access to select fruit commodities during specific production periods as required to optimally service our customers around the world. The farming assets range from greenfield projects to large established commercial farming and packing enterprises and the group has positioned itself as a leading commercial grower in a relatively short period. Our controlled farming investments and operations are located primarily in South Africa and Namibia and comprise 802 hectares of grapes, 296 hectares of citrus and 570 hectares, including hectares farmed for associates, of pome fruit respectively. Numerous investments have been made in expanding production that will contribute to results over the medium- to longer-term as the biological assets mature.

REVIEW OF OPERATIONS

continued

Capespan (96.0%) continued

Farming	Dec 2018	Dec 2019	Dec 2020
Key metrics	Rm	Rm	Rm
Revenue	593	509	633
EBITDA	1	103	134
EBIT	(59)	39	75
Assets	1 267	1 213	1 304

Fruit and associate investments

The fruit division consists of fruit procurement and marketing teams across Europe, Asia, Africa and North America that procure fresh fruit from predominantly southern hemisphere producers to market and sell to predominantly formal retail customers in northern hemisphere markets. During the past year, significant and costly restructuring was completed in the fruit marketing division to ensure a lower-cost structure. The fruit marketing division is now better positioned to scale and provides the group with optionality on third party fruit marketing profits in addition to the proprietary group production.

Fruit	Dec 2018	Dec 2019	Dec 2020
Key metrics	Rm	Rm	Rm
Revenue	4 667	3 856	3 384
EBITDA	(32)	(5)	38
EBIT	(42)	22	26
Assets (excluding investments in associates)	853	816	709
Number of associate investments	6	5	3
Share of associate's <i>recurring</i> headline earnings	22	(1)	12
Total investment in associates	248	204	66

Further information can be viewed at www.capespan.com

Kaap Agri (42.3%)

With an agricultural foundation, Kaap Agri has mainly retail characteristics, augmented by a dedicated retail fuel strategy. It supplies a variety of products and services to the agri sector and the general public. With its strategic footprint, infrastructure, facilities and client network, the group follows a differentiated market approach, bolstering the core retail business with financial, grain handling and agency services.

Kaap Agri delivered satisfactory results with *recurring* headline earnings per share increasing by 4.6% for its financial year ended 30 September 2020. Its voluntary trading update released on 11 February 2021, indicates a solid trading performance during Q1 and resultant *recurring* headline earnings growth of 35.4% with strong operational performance across all divisions.

During the year under review, Zeder accounted for a fair value gain of R355m following the increase in Kaap Agri's listed share price and earned dividend income of R16m in respect of its investment in Kaap Agri. As a result of Covid-19 and a cautious approach followed, Kaap Agri did not declare an interim dividend for the financial year ended 30 September 2020.

Kaap Agri is listed on the JSE and its results can be viewed at www.kaapagri.co.za

Agrivision Africa (56.0%)

Agrivision Africa currently owns and operates two large-scale commercial farming operations and a milling business in Zambia. It has developed extensive irrigated productive farmland since 2011. After rapid expansion, the focus during the past years has been on achieving acceptable operational efficiencies, while navigating an extremely volatile and challenging phase in the macro and business cycle of Zambia. Initiatives are underway to address underperforming assets and divisions, however Agrivision Africa has a small bearing on Zeder's business, contributing less than 2.5% of Zeder's *SOTP value*. A discount was applied to the valuation to take into account the distressed asset nature, rather than going concern.

During the year under review, Zeder accounted for a fair value loss of R96m in respect of its investment in Agrivision Africa.

Agrivision Africa's summarised financial information is set out below:

Summary income statement Key metrics	Dec 2018 US\$'000	Dec 2019* US\$'000	Dec 2020 US\$'000
Revenue	30 571	33 932	27 004
EBITDA	3 373	4 754	5 893
EBIT	(209)	1 601	3 171
Recurring headline earnings/(loss)	(983)	866	2 210
Headline earnings/(loss)	(983)	866	2 210

* Dec 2019 figures restated to adjust for a once off non-recurring item.

Summary statement of financial position Key metrics	Dec 2018 US\$'000	Dec 2019 US\$'000	Dec 2020 US\$'000
Total assets	88 533	88 776	88 505
Non-current assets	68 759	67 526	66 838
Current assets	19 774	21 250	21 667
Total liabilities	29 821	28 641	29 978
Non-current liabilities	12 218	19 957	17 759
Current liabilities	17 603	8 684	12 219
Total equity	58 712	60 135	58 527
Net debt	22 864	21 838	21 385

Summary cash flow information Key metrics	Dec 2018 US\$'000	Dec 2019 US\$'000	Dec 2020 US\$'000
Cash flow from operating activities	3 572	1 271	8 433
Cash flow from investing activities	(1 260)	(880)	(2 366)
Cash flow from financing activities	(6 857)	12 699	(3 012)
Net (decrease)/increase in cash and cash equivalents	(4 545)	13 090	3 055

REVIEW OF OPERATIONS

continued

Agrivision Africa (56.0%) continued

Zeder shareholding	Feb 2019	Feb 2020	Feb 2021
Shareholding (%)	56.0	56.0	56.0

WANOS – Weighted average number of shares

The group remains positioned to operate as a vertically integrated grain-related staple food supplier in the northern Zambian markets. At present, its operations are structured as a farming division consisting of two commercial business units and a milling division consisting of a maize and wheat milling operations. The divisions are summarised and explained below:

Farming Key metrics	Dec 2018 US\$'000	Dec 2019 US\$'000	Dec 2020 US\$'000
Total land owned (hectares)	19 219	19 219	19 078
Total hectares developed for commercial agriculture (hectares)	7 225	7 225	7 225
Of which is equipped for full irrigation by centre pivot (hectares)	4 721	4 721	4 721
EBITDA	4 496	4 311	5 847
EBIT	1 641	1 649	3 405
Assets	120 764	141 505	128 802

Milling Key metrics	Dec 2018 US\$'000	Dec 2019 US\$'000	Dec 2020 US\$'000
Maize milling – capacity (tons)	68 400	68 400	68 400
Maize milling – milled (tons)	29 552	29 066	29 620
Wheat milling – capacity (tons)	26 400	26 400	26 400
Wheat milling – milled (tons)	18 491	15 656	17 884
EBITDA	(1 812)	741	66
EBIT	(2 183)	451	(134)
Assets	6 905	8 520	3 783

While the financial results continue to disappoint at an aggregate level, it is worth noting that the farming division consistently deliver acceptable returns.



CORPORATE GOVERNANCE

Zeder is committed to the ethical values underpinning good corporate governance: Integrity, Accountability, Fairness and Transparency.

CORPORATE GOVERNANCE

Zeder Investments Limited ("**Zeder**", "**the company**", or "**the group**") is committed to the principles of transparency, integrity, fairness and accountability as also advocated in the King IV Report on Corporate Governance™ for South Africa, 2016 ("**King IV™**"). The Zeder Board of directors ("**board**") is satisfied with the manner in which Zeder has applied and implemented the King IV™ recommendations and practices to achieve good performance and effective control while promoting an ethical culture and maintaining its legitimacy. Accordingly, Zeder's corporate governance policies have in all material respects been appropriately applied during the year under review. A detailed analysis of the group's compliance with King IV™ (through apply and explain) is available at www.zeder.co.za.

BOARD OF DIRECTORS

Details of Zeder's directors are provided on page 5 of this annual report.

Mr CA Otto fulfils the role of independent non-executive chairman, Mr JH le Roux that of chief executive officer and financial director and Mrs NS Mjoli-Mncube that of lead independent director. The main function of the lead independent director is, *inter alia*, to provide leadership and advice to the board, without detracting from the authority of the chairman, where the chairman has a conflict of interest.

Mr N Celliers resigned as chief executive officer and executive director with effect from 1 October 2020. As a consequence, Mr JH le Roux, the financial director, was appointed as the acting chief executive officer for an interim period. Mr JH le Roux was appointed as permanent chief executive officer on 13 April 2021 and also continues, for the time being, to fulfil the role of financial director, in accordance with a dispensation granted by the JSE.

Prof ASM Karaan, who served as an independent non-executive director, sadly passed away on 13 January 2021. As a result, Mrs S Cassiem has been appointed as an independent non-executive director of the company, with effect from 12 February 2021. With effect from 8 April 2021, Mr GD Eksteen has retired as lead independent director due to ill health and Mrs NS Mjoli-Mncube has been appointed as the lead independent director of the company.

The board met four times during the past financial year as set out in the table below:

BOARD ATTENDANCE	14 Apr 2020	14 Jul 2020	6 Oct 2020	2 Feb 2021
CA Otto	✓	✓	✓	✓
N Celliers	✓	✓		
GD Eksteen	✓	✓	✓	✓
WL Greeff	✓	✓	✓	✓
RM Jansen	✓	✓	✓	✓
ASM Karaan	✓	✓	✓	
JH le Roux	✓	✓	✓	✓
NS Mjoli-Mncube	✓	✓	✓	✓
PJ Mouton	✓	✓	✓	✓

The Zeder Nomination Committee ("**nomination committee**") considers and recommends appropriate appointments of directors to the board. The appointment of new directors to the board is a matter for the board as a whole and is conducted in a formal and transparent manner. The induction of directors is not conducted through a formal process, but includes the reading of company-related material and one-on-one information sessions. Consideration will be given to a formal induction programme for future appointees to the board, should this become necessary.

Executive directors are appointed by the board, with the assistance of the nomination committee, for periods as the board deems fit, and on such further terms as are set out in their letters of appointment.

CORPORATE GOVERNANCE

continued

BOARD OF DIRECTORS continued

Zeder believes that diversity at board level help achieve its business goals through an improved understanding of the diverse environments in which the group operates. The nomination committee has adopted and approved a policy on the promotion of broader diversity at board level, specifically on the diversity attributes of skills, expertise, experience, industry knowledge, age, gender, race and culture. The board furthermore agreed voluntary targets for race and gender diversity. The gender diversity voluntary target was to ensure that at least one female director was appointed. The race diversity voluntary target was to ensure that at least two board members consist of directors who are "black people" as defined in the Broad-Based Black Economic Empowerment Act, as amended. The board, through the nomination committee, complied with the currently set voluntary targets. The nomination committee will however continue to discuss and annually agree all measurable targets for achieving diversity on the board.

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 non-executive 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 PJ Mouton and WL Greeff will retire and offer themselves for re-election by shareholders and the appointment of Mrs S Cassiem will be presented to shareholders for confirmation. The nomination committee recommended, based on the past performance and experience and their insight into the business, that the aforementioned non-executive directors are eligible for re-election and appointment as directors. Summarised *curricula vitae* for these directors are included from page 103 of this annual report.

Zeder is an investment holding company with most operations residing within investee companies. There is a clear division of responsibilities at board level to ensure a balance of power and authority, such that no one individual has unfettered powers of decision-making, with the majority of directors being non-executive.

The board does not conduct regular appraisals of its members and committees. However, the efficiency of the board and its committees are continuously assessed by the nomination committee.

The nomination committee has reviewed the composition of the board and has determined that the board represents an appropriate mix of age, gender, race, skill, industry experience and other distinctions. The nomination committee considered the past performance of and contributions made by the directors.

King IV™ recommends that the majority of non-executive directors be independent. Although the majority of the non-executive directors are independent as defined by King IV™, all of the non-executive directors are independent of thought and action. Having considered the matter, the board is accordingly satisfied, as stated previously, that its current composition ensures a balance of power and authority. In addition, the nomination committee considered holistically and on a substance above form basis the continued independence of all non-executive directors categorised as independent.

The board has a formal charter which:

- identifies, defines and records the responsibilities, functions and composition of the board; and
- serves as a reference for new directors.

The board's key roles and responsibilities include, *inter alia*, the following:

- promoting the interests of stakeholders;
- formulating and approving of strategy;
- retaining effective control; and
- being ultimately accountable and responsible for the performance and affairs of the company.

The board is satisfied that it has discharged its duties and obligations as described in the charter during the past financial year.

The board has appointed the following committees to assist it in the performance of its duties:

- Executive committee
- Nomination committee
- Remuneration committee
- Audit and risk committee
- Social and ethics committee

Notwithstanding the delegation of functions to board committees, the board remains ultimately responsible for the proper fulfilment of such functions, except for the functions of the audit and risk committee relating to the appointment, fees and terms of engagement of the external auditor.

EXECUTIVE COMMITTEE

The Zeder Executive Committee ("**Exco**") responsible for the management of Zeder comprises three Zeder directors, namely Messrs JH le Roux (executive chairman), WL Greeff (non-executive) and PJ Mouton (non-executive). Mr JA Holtzhausen (legal advisor and sponsor representative) attends the Exco meetings as a permanent invitee, while there is a standing invitation for non-executive directors to attend.

The Exco meets every month, apart from months when board meetings are held, or more frequently when required, and is primarily responsible for determining and implementing the board-approved strategy, the allocation and investing of the company's resources, including capital. The Exco is the overall custodian of good corporate governance, monitors the group's performance and provides strategic input to the underlying investee companies and assumes overall responsibility for the growth and performance of the group.

The major operating subsidiaries and associated companies all operate on similar principles.

NOMINATION COMMITTEE

The Zeder Nomination Committee ("**nomination committee**") comprises Messrs CA Otto, GD Eksteen (retired 8 April 2021), RM Jansen (appointed 13 April 2021), ASM Karaan (passed away 13 January 2021) and PJ Mouton (appointed 2 February 2021), all being independent non-executive directors with the exception of Mr PJ Mouton. The chief executive officer is a permanent invitee to the nomination committee, but he does not form part of the nomination committee's formal decision-making process.

The nomination committee meets when required and, as previously stated, is responsible for assisting the board with the appointment of directors by making appropriate recommendations in this regard. The nomination committee met once during the past year on 2 February 2021, and all members were present with the exception of Prof ASM Karaan who had passed away prior to the meeting and Mr RM Jansen who was appointed subsequent to the meeting.

REMUNERATION COMMITTEE

The Zeder Remuneration Committee ("**remuneration committee**") comprises Messrs CA Otto (chairman), GD Eksteen (retired 8 April 2021), RM Jansen (appointed 13 April 2021), ASM Karaan (passed away 13 January 2021) and PJ Mouton (appointed 2 February 2021). These members are all independent non-executive directors with the exception of Mr PJ Mouton. The chief executive officer and Mr WL Greeff are permanent invitees to the remuneration committee, but they do not form part of the remuneration committee's formal decision-making process.

The remuneration committee met once during the past year on 17 February 2021, and all members were present. Executive directors' remuneration is set out on page 45 of this annual report.

The board has considered Mr CA Otto's role as chairman of the remuneration committee, whilst being the chairman of the board, and is satisfied that the applicable principles of King IV™ are complied with. A majority of the remuneration committee's members are independent.

CORPORATE GOVERNANCE

continued

REMUNERATION COMMITTEE continued

Due to the limited number of individuals employed at group level, disclosure of the remuneration of the three highest paid employees who are not directors is not deemed to be relevant as it adds no value to stakeholders.

Remuneration Policy and Implementation Report

Zeder's Remuneration Policy and Implementation Report, as set out on pages 38 to 48 of this annual report, will be presented to shareholders for non-binding advisory votes.

In terms of the roles and responsibilities of the remuneration committee, the remuneration committee reviews and approves, on an annual basis, the Remuneration Policy which is designed to assist in the achievement of the group's strategy and objectives and to attract, motivate, reward and retain employees in an ethical and responsible manner.

The remuneration committee provides strategic guidance and input to other remuneration committees in the wider group and each investee has its own remuneration committee to evaluate the remuneration committee's strategic guidance and inputs, to ensure the execution of the specific company directives and to cater for industry-specific remuneration and incentive drivers, including specific company incentive-based remuneration applicable to other staff levels.

AUDIT AND RISK COMMITTEE

The Zeder Audit and Risk Committee ("**audit and risk committee**") consists of four independent non-executive directors, namely Messrs RM Jansen (chairman), GD Eksteen (retired 8 April 2021), CA Otto and Mmes NS Mjoli-Mncube and S Cassiem (appointed 13 April 2021). Mr GD Eksteen was a member for the past eleven and a half years, Mr CA Otto for the past seven years, Mrs NS Mjoli-Mncube for the past four and a half years, Mr RM Jansen for the past two years and Mrs. S Cassiem was appointed after the April 2021 meeting. Mr JH le Roux, a select group of Zeder finance employees, the external auditors and other directors are permanent invitees to the audit and risk committee, but they do not form part of the audit and risk committee's formal decision-making process.

The audit and risk committee met twice during the past financial year on 14 April 2020 and 6 October 2020, as well as after financial year-end on 13 April 2021, with all members being present.

The nomination committee has reviewed the composition of the audit and risk committee and is satisfied that the aforementioned proposed members are suitably skilled and experienced independent non-executive directors and that they collectively meet the criteria required to fulfil their duties, and accordingly have recommended that the current independent non-executive directors are eligible for re-election as members of the audit and risk committee.

The board has considered Mr CA Otto's role as a member of the audit and risk committee, whilst being the chairman of the board, and is satisfied that the applicable principles of King IV™ are complied with, bearing in mind, *inter alia*, that the committee is chaired by Mr RM Jansen and that all its members are independent.

Once a year, the members of the audit and risk committee are invited to attend a training course regarding any new legal, regulatory and/or financial developments which may affect their roles and responsibilities as members of the audit and risk committee. The course was not held during 2021 as a result of Covid-19.

The audit and risk committee operate in accordance with a board-approved charter. The audit and risk committee conducted its affairs in compliance with, and discharged its responsibilities in terms of, its charter for the year ended 28 February 2021. A report by the audit and risk committee containing details of how the committee had discharged its duties and responsibilities has been provided on page 66 of this annual report.

Apart from its normal duties and responsibilities, the audit and risk committee's areas of focus for the ensuing financial year will include engagement with the new external auditor, Deloitte & Touche, with the committee having considered and recommended their appointment, subject to approval by Zeder shareholders at the upcoming annual general meeting.

SOCIAL AND ETHICS COMMITTEE

The Zeder Social and Ethics Committee ("**social and ethics committee**"), which comprises members of the Exco and Mr CA Otto (chairman), is responsible for 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
- Labour and employment

Each investee company has its own social and ethics committee to monitor the investee's activities with regards to the aforementioned best practices.

The members of the Zeder Executive Committee and Mr CA Otto, are responsible for performing the duties of the Zeder Social and Ethics Committee ("**social and ethics committee**"). The social and ethics committee met once during the past year on 17 February 2021 with all members being present.

The main objectives of the social and ethics committee are to assist the board in monitoring the group's performance in respect of role of oversight and reporting on organisational ethics, responsible corporate citizenship, sustainable development and stakeholder relationships. This is done by monitoring the prevailing codes of best practice, thereby assisting the board in achieving its values of doing business ethically and sustainably.

The social and ethics committee is responsible for developing and reviewing the group's policies about the commitment, governance and reporting of the group's sustainable development performance and for making recommendations to management and/or the board in this regard.

The social and ethics committee is accountable to the board, including any recommendations it may wish to make, provided that the social and ethics committee is accountable to the shareholders about its statutory duties.

The effectiveness of the social and ethics committee is assessed as part of the annual board and committee self-evaluation process.

The social and ethics committee is satisfied that it has fulfilled all its duties during the year under review. Furthermore, the committee is satisfied with the social and ethics aspects pertaining to the Zeder group, with details of its corporate social investment initiatives set out on pages 60 to 62 of this annual report.

COMPANY SECRETARY

Zeder Corporate Services Proprietary Limited is the company secretary of Zeder. The company secretary acts as a conduit between the board and the group. The company secretary is responsible for board administration, liaising with the Companies and Intellectual Property Commission and the JSE. Board members also have unlimited access to legal and other expertise, when required, and at the cost of the company, 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.

The certificate that the company secretary, being represented by Mrs L van der Merwe, is required to issue in terms of section 88(2)(e) of the Companies Act is on page 68 this annual report.

CORPORATE GOVERNANCE

continued

GOVERNANCE MATTERS

Compliance with laws and regulations

The board have confirmed that, to the best of their knowledge, Zeder i) complied with the provisions of the Companies Act, and ii) operated in accordance with its memorandum of incorporation, during the year under review.

Risk management, internal control and material risks

The board acknowledges that it is accountable for the process of risk management and the systems of internal control of the group. Each group company has its own board of directors that is responsible for the risk management and internal controls of that company and its business.

Detailed risk assessments and management plans have been implemented throughout the group to ensure that risk is properly managed. The board, on recommendation by the audit and risk committee, concluded that the systems of internal control and the risk management process were effective for the financial year under review. The group operates in a highly regulated environment. Compliance officers have been appointed at each of the group's key operating subsidiary and associated company levels to ensure compliance with legislation and codes that govern the group's day-to-day operations.

A description of all immediately identifiable material risks which are specific to Zeder, its industry and/or its issued ordinary shares are available at www.zeder.co.za/investor-centre/.

Internal audit

On the recommendation of the audit and risk committee, the board has decided not to establish an internal audit function at group level given that the board has satisfied itself that, where appropriate, investee companies have their own or outsourced their internal audit departments and that the current systems of internal control and risk management for the group are effective.

Technology and information governance

Zeder has an outsourced information technology ("IT") manager who is responsible for IT governance at group level. All the major subsidiary companies are responsible for IT governance in their respective business environments.

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

Whistle-blowing procedures

Each investee company has its own tailored whistle-blower programme in place. The programmes range from formal tip-offs anonymous telephone lines and e-mail addresses, which are monitored by third parties and displayed on their websites or communicated to employees, to informal reward systems.

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 and implement the principles of King IV™ in regard to integrated reporting and disclosure, to the extent appropriate to their business.

Zeder applies and implements the principles of integrated reporting at group level to the extent that it is appropriate.

SUSTAINABILITY

Financial reporting and stakeholder communication

Zeder subscribes to the principles of objective, honest, timeous, balanced, relevant and understandable communication of financial and non-financial information to stakeholders. Zeder has a dedicated team addressing enquiries from stakeholders.

Zeder has identified its two major stakeholders as its shareholders and investee 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. The annual general meeting serves as a 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.

The group acknowledges the task and responsibility of regulators, and our relationships with them are maintained in a businesslike manner – frank, open and with mutual respect.

Dealing in securities

In accordance with the JSE Listings Requirements, the company has a code of conduct for insider trading. During price-sensitive or closed periods, directors and designated employees are prohibited from dealing in Zeder's securities. The standard closed periods last from the end of a financial reporting period until the publication of financial results for that period. A closed period is also applicable when the company has issued a cautionary announcement to its shareholders or the board of directors declares it to be closed.

Directors and designated employees may only deal in Zeder's securities outside the closed period, with the formal approval from any two of the chairman, chief executive officer and the financial director. In addition, directors and designated employees are prohibited from dealing in the securities of listed investee companies unless permission has been obtained from any two of the chairman, chief executive officer and the financial director.

Price sensitivity policy

The board has an approved internal Price Sensitive Information Policy, which deals with the determination of price sensitive information, the maintenance of confidentiality and the prompt dissemination of such information. The purpose of the policy is to ensure that price sensitive information is kept confidential up to the time of publication, through the Stock Exchange News Service established by the JSE ("SENS") and follows the general principle of the JSE Listings Requirements that shareholders should enjoy fair and equal treatment.

Conflicts of interests

Mechanisms are in place to recognise, respond to and manage any actual, potential or perceived conflicts of interest. Directors are required to disclose their personal financial interests, and those of persons related to them, in contracts or other matters in which Zeder has a material interest or which are to be considered at a board meeting. Where a potential conflict of interest exists, directors are expected to recuse themselves from relevant discussions and decisions.

Safety, health and environment

Zeder is committed to ensuring that employees work in a safe, healthy and clean environment. Our activities do not have an adverse effect on the environment.

We encourage all our people to live healthy lifestyles and act responsibly at all times.

CORPORATE GOVERNANCE

continued

SUSTAINABILITY continued

Social responsibility

Zeder also subscribes to the philosophy of black economic empowerment ("BEE") and encourages its investee companies to undertake BEE initiatives. Zeder has participated in and facilitated various BEE transactions.

The company's annual compliance report has been published and is available at www.zeder.co.za.

Human resources

Zeder regards its people as the most important element of its business. It is therefore important to make the best use of the human capital we have available.

All employees are encouraged and motivated to better themselves through training and studies. Training programmes initiated by companies in the group are regarded as an essential element of Zeder's investment in human capital.

Employee participation

In order to retain and attract entrepreneurs, the group has a philosophy of encouraging management and key employees in the group to acquire a meaningful interest in the group and/or its underlying businesses. A significant percentage of employees are either shareholders in Zeder or participants in the share incentive schemes. Employees are co-owners of the business and are treated as such, with transparent communication being a priority.

Employment equity

The group is representative of all the people in South Africa. Zeder subscribes to the principle of equal opportunity. Investee companies have set their own targets and specific action plans.

Board diversity

In identifying suitable candidates for appointment to the board, the nomination committee will consider candidates on merit against objective criteria and with due regard for the potential benefits of board diversity.

Ethics

Zeder's code of ethics commits the group to maintaining high ethical and moral codes of conduct in its professional and social dealings. This is ingrained in the culture of the group. Further detail on ethics management is included in the detailed analysis of the group's compliance with King IV™ that is available at www.zeder.co.za.

Products and product development

Zeder acts as investor for own account and can act, if required, as financier for the group. Subsidiary and associated companies develop their own specialist service and product ranges within the food and related business industry.





REMUNERATION REPORT

REMUNERATION REPORT

The company has adopted a three-part remuneration report comprising this background statement, the forward-looking 2022 Remuneration Policy, and the Implementation Report that illustrates the outcomes of the 2021 Remuneration Policy over the past financial year. In line with the JSE Limited Listings Requirements, the Remuneration Policy and the Implementation Report will be tabled at the annual general meeting for endorsement by the shareholders.

BACKGROUND STATEMENT

Zeder's remuneration philosophy is supported by its business strategy, namely long-term sustainable value creation through a combination of share price appreciation and the payment of dividends.

The remuneration framework provides for guaranteed remuneration (i.e. base salary) and a long-term share incentive scheme, which will only render value should the share price and total shareholder return increase.

As an investment holding company, the Zeder Remuneration Committee ("**remuneration committee**") views increased total shareholder return through a combination of sustainable growth in share price and dividends as a basis to deliver value to shareholders over time. In line with the aforementioned approach, Zeder does not pay short-term incentives (i.e. cash bonuses) to executives and believes that executive management's decision-making should be long-term focused. Aligned with this philosophy, the executives should be rewarded where value creation is demonstrated, without excessive risk-taking in the short term.

This approach creates a focused remuneration policy and avoids unnecessary layers of complexity. This long-term view aligns executives with shareholders and supports the retention of executives.

SHAREHOLDER ENGAGEMENT AND NON-BINDING VOTE

Remuneration governance is a priority for Zeder and thus we are submitting the Remuneration Policy and Implementation Report for non-binding advisory votes by shareholders at each annual general meeting (see ordinary resolutions numbers 9 to 10 in the Notice of Annual General Meeting on page 106).

Of the shareholders votes exercisable at the 2020 annual general meeting, 82.03% and 81.81% endorsed Zeder's Remuneration Policy and Implementation Report, respectively. The remuneration committee is of the view that Zeder's Remuneration Policy and Implementation Report continue to achieve their stated objectives and the remuneration committee looks forward to a positive outcome in this regard. As the non-binding advisory votes were passed by the requisite majorities, no further engagement with shareholders was required.

In the event of a 25% or more dissenting vote on the Remuneration Policy or Implementation Report, the remuneration committee will engage with shareholders.

In this regard the company intends to:

- invite the dissenting shareholders to provide the company with their written submissions as to why they voted against the Remuneration Policy and/or the Implementation Report;
- address the legitimate and reasonable objections of dissenting shareholders; and
- report back to the dissenting shareholders.

If appropriate and practical, the company may engage with dissenting shareholders or any one or more of them at meetings called for that purpose.

The remuneration committee believes it has achieved its objectives set out in the 2021 Remuneration Policy. There were no material deviations from this Remuneration Policy.



Chris Otto

Chairman

28 May 2021

Stellenbosch

REMUNERATION REPORT

continued

ZEDER'S REMUNERATION POLICY

The Remuneration Policy below provides an overview of Zeder's remuneration principles for the group.

1. ZEDER'S OPERATIONS AT HEAD OFFICE LEVEL

- 1.1** The functioning of Zeder group's head office operations and its corresponding headcount and employee components are structured as follows:

1.1.1 *Zeder Management*

As at 28 February 2021, the total employees at head office level comprised four individuals. These individuals are dedicated to the day-to-day management and administration of Zeder, active engagement with investee companies as well as the sourcing of new investment opportunities. These four individuals comprise the chief executive officer ("CEO") and financial director ("FD") (together "CEO and FD"), one financial manager, one financial accountant and one corporate assistant.

Services related to corporate finance, tax, advisory and IT are secured on an arm's-length and commercial basis with either the PSG Group, PSG Capital, Grayston Elliott or third party service providers as may be required and deemed appropriate by the managing executives and the board of directors.

1.1.2 *Zeder Executive Committee*

The Exco is fully functioning and operates on a regular basis to review the underlying performance and structure of the company and its portfolio investments while providing guidance on new investments contemplated and allocation of capital. The Exco comprises the senior members of the aforementioned Zeder Management team as well as members of the PSG Group seconded in terms of the five-year strategic advisory agreement entered into on 1 September 2016, as approved by Zeder shareholders in the Management Fee Internalisation transaction implemented during 2016. Subsequent to year-end the independent board members approved the extension of the strategic advisory services for another two year period.

- 1.2** Accordingly, Zeder's head office strategic, advisory and employment costs are limited to that of the four aforementioned employees and the aforementioned strategic advisory fee paid to the PSG Group. For the year ended 28 February 2021, Zeder's internal net operating and employment costs were R21m (2020: R33m) while the strategic advisory fees paid to the PSG Group totalled R6m (2020: R6m). The total head office operating costs therefore amounted to approximately 0.4% (2020: 0.3%) of Zeder's *Sum-of-the-Parts value* as at the reporting date, being significantly lower than the management fees generally charged in the alternative asset management industry.

2. THE ROLE OF THE REMUNERATION COMMITTEE

- 2.1** The remuneration committee is primarily responsible for overseeing the remuneration and incentives of Zeder's executive directors and key management, as well as providing strategic guidance and inputs to the other remuneration committees in the wider group.
- 2.2** To assist the achievement of Zeder's business goals, the remuneration committee has put a Remuneration Policy in place that is reviewed and adjusted annually as may be required. Each major underlying investee company has its own remuneration committee and policy specific to its business and the industry in which it operates.
- 2.3** The Remuneration Policy aims to align remuneration practices with Zeder's business strategies and objectives. The remuneration committee takes cognisance of both local and international best remuneration practices in order to ensure that remuneration is responsible, fair and reasonable to both the company (i.e. shareholders and other stakeholders) and the executive/employee.

3. REMUNERATION OF EXECUTIVES AND EMPLOYEES

- 3.1** The remuneration of Zeder's executive directors are reviewed annually by the remuneration committee, which seeks to ensure that balance is maintained between the fixed (base salary) and variable (share options) elements of remuneration, as well as between short-term (base salary) and long-term (share options) financial performance objectives.
- 3.2** The table below provides an overview of the responsibilities pertaining to the four Zeder group employees and their respective remuneration components:

Group	Focus	Strategic view	Remuneration	Longest period of remuneration deferral
CEO and FD	<ul style="list-style-type: none"> Formulate, drive and oversee implementation of strategy Active management of the company Active participation on investee boards and Exco's 	Longest term	Base salary and share options	Five years
Financial and investment support staff	Operational	Short to long term	Base salary, discretionary bonus and share options	Five years
Administrative support	Support (administration)	Short term	Base salary and discretionary bonus	One year

- 3.3** The total remuneration incorporates the following components:

3.3.1 *Base salary*

Base salary is guaranteed annual pay on a cost-to-company basis. It is subject to annual benchmarking and review and adjustments effective 1 March of each year, coinciding with the commencement of Zeder's financial year. Benchmarking is performed with reference to companies comparable in size, industry, business complexity and the level of responsibility that the individual assumes to ensure that remuneration is market-related.

The payment of 30% of the executive's annual base salary is deferred for a period of 12 months, with such payment subject to:

- the executive being in Zeder group's service 12 months later, thereby serving as a retention mechanism in addition to the share incentive scheme detailed below; and
- malus/clawback provisions in the event of deliberate material misstatement of financial results or directly causing a major reputational or economic disaster for a further 12 months after payment of the 30% deferred portion to the executive. If triggered, such malus/clawback provisions would require repayment by the executive to Zeder of the deferred component of the salary amount received by the executive during the preceding 12 months.

Included in the total cost-to-company, are deductions made to:

- group life cover (providing death, disability and dread disease benefits);
- membership to a retirement fund; and
- membership to a medical aid scheme.

REMUNERATION REPORT

REMUNERATION POLICY continued

3. REMUNERATION OF EXECUTIVES AND EMPLOYEES continued

3.3 The total remuneration incorporates the following components (continued):

3.3.2 *Bonuses*

To help drive a long-term focus and decision-making with the ultimate objective of shareholder wealth creation, thereby better aligning the interests of management with those of shareholders and other stakeholders, the executives do not qualify for short-term bonuses.

Zeder's financial and support staff remain eligible for short-term bonuses, subject to meeting company and personal performance objectives.

3.3.3 *Share options*

Zeder shareholders adopted a share incentive scheme on 29 August 2016, operated through the Zeder Group Share Incentive Trust ("**Zeder SIT**"). In terms of the scheme, Zeder share options are awarded to executives and other qualifying employees with the primary objectives of retaining their services and aligning their interests with those of shareholders, being long-term sustainable value creation through a combination of share price appreciation and the payment of dividends.

A key feature of Zeder's share incentive scheme is that participants will only benefit if there is a long-term share price appreciation greater than the strike price plus compounded and accrued interest charged in the loan funding historically provided at vesting, which should ultimately depend on, *inter alia*, sustained *recurring* earnings per share growth from Zeder's underlying investee companies, and management's ability to continuously invest in and build new businesses with attractive long-term growth prospects or unlock value through repositioning or repurposing investee companies. Participants in the share incentive scheme will consequently share in the results of any good or bad business decisions over the long term.

The share incentive scheme also ensures a rolling long-term focus for participants, considering the annual vesting of share options in 25%-tranches on each of the second, third, fourth and fifth anniversary of the award date (subject to meeting the required vesting conditions), and consequent award top-ups as detailed below.

3.4 Mechanics of the share incentive scheme

3.4.1 *Award*

Share options are awarded annually at the discretion of the remuneration committee, and subject to:

- the participant achieving personal key performance measures; and
- executive directors meeting the minimum shareholding requirement as set out under 3.4.3 *Minimum shareholding*, which requirement is only applicable to Zeder's executive directors.

The personal key performance measures differ for the various participants and depend on the role in which such participant is employed, and the level of responsibility assumed.

The personal key performance measures for the two executive directors include the following:

- determining strategy and providing strategic guidance and direction throughout the group, including problem solving when needed;
- active participation in investee companies through among others, board and Exco representation;
- identifying suitable investment opportunities with high growth prospects;
- implementation of investment/disinvestment decisions taken by the Zeder board and Exco;
- ensuring good corporate governance is entrenched throughout the group;
- acting as custodian of shareholders' assets and safeguarding thereof;
- financial reporting and shareholder communication in a transparent, accurate, concise and timely manner; and
- managing Zeder's capital structure and resources in a responsible and effective manner, while enhancing shareholder returns.

The number of share options to be awarded is calculated using a mathematical formula based on the respective participant's base salary and a multiple of between 1x and 10x applied thereto, depending on the participant's seniority and accordingly the level of responsibility assumed within the organisation, subject to his/her performance as assessed by the remuneration committee. In calculating the annual share option awards, the strike value of unvested share options and, where applicable funded investments are taken into account.

All share options are awarded at a strike price equal to Zeder's 30-day volume weighted average traded share price immediately preceding such award date (i.e. awarded at the ruling market value), thereby creating an embedded performance hurdle whereby participants will only benefit from the share incentive scheme if there is long-term share price appreciation greater than the strike price plus accrued interest on historical loan funding from vesting date and thus value creation for Zeder shareholders.

3.4.2 *Vesting*

The remuneration committee has introduced additional performance measures as vesting conditions for share options awarded on or after 28 February 2018. The result being that share options will continue to vest in 25%-tranches on each of the second, third, fourth and fifth anniversary of the award date, but subject to the following conditions:

3.4.2.1 *Share options awarded prior to 28 February 2018:*

- a) Share price growth:
- b) Continued employment:
- Share options from the share incentive scheme will generally vest on condition that the participant is in the service of the Zeder group on vesting date.

3.4.2.2 *Share options awarded on or after 28 February 2018:*

- a) Vesting of 50% of such share options will depend on:
 - the participant being in service of the Zeder group upon vesting;
 - the participant meeting personal key performance objectives; and
 - in the case of the executive directors, they also need to meet the minimum shareholding requirement as set out under 3.4.3 *Minimum shareholding*.
- b) Vesting of 50% of such share options will depend on:
 - the participant being in service of the Zeder group upon vesting;
 - the participant meeting personal key performance objectives;
 - Zeder's Total Shareholder Return, as measured over the period between the award date and such vesting date applicable to the particular tranche, exceeding GDP plus inflation plus 2%; and
 - in the case of the executive directors, they also need to meet the minimum shareholding requirement as set out under 3.4.3 *Minimum shareholding*.

3.4.2.3 *Basis for using Total Shareholder Return*

Zeder is an investment holding company with a range of investments that span the agribusiness and food industries with varying degrees of maturity. In order to deliver sustainable shareholder returns over the medium to long term, Zeder will need to follow various strategies depending on the underlying nature of the investee companies, their respective positioning and growth stages. Therefore, shareholder returns will be driven by a combination of factors including growth in *recurring* headline earnings of investee companies, unlocking value when appropriate, optimal disposal of non-core assets, obtaining appropriate valuations for early-stage investee companies and returning capital to shareholders through dividends or other mechanisms. The Total Shareholder Return metric is currently considered as the most appropriate measure across these components.

REMUNERATION REPORT

REMUNERATION POLICY continued

3. REMUNERATION OF EXECUTIVES AND EMPLOYEES continued

3.4 Mechanics of the share incentive scheme continued

3.4.3 Minimum shareholding

The remuneration committee encourages management to hold shares in Zeder to better align their interests with those of shareholders and as a tangible demonstration of their commitment to the Zeder group.

Accordingly, it was previously determined that both the award and future vesting of share options awarded to executive directors on or after 28 February 2018, will be subject to a minimum shareholding requirement. Accordingly, it was previously determined that the CEO and FD must, immediately after a vesting tranche and taking into consideration any new awards on the same date, hold Zeder shares to the value of 300% and 150%, respectively, of the value of his/her base salary.

Any new executive director will have five years from being awarded share options for the first time to meet such minimum shareholding requirement, unless otherwise determined by the remuneration committee considering market conditions, etc.

In light of material changes that had taken place, the remuneration committee has resolved that these previously determined levels would be impractical and impossible to achieve by the executive directors. These material changes include the following:

- The changing of the settlement mechanism from "funded" to "net-equity" for share options that are exercised;
- The ability of the remuneration committee to freely instruct the disposal of shares held by participants for purposes of settling old loan obligations towards the company in terms of the scheme; and
- The distribution of a substantial portion of the capital of the company by way of large special dividends thereby reducing the market capitalisation going forward.

As a direct result of factors such as these, the committee has resolved that the minimum shareholding requirement levels will be reduced to zero for the time being and will be reconsidered when appropriate.

3.4.4 Summary of share option award/vesting conditions for executive directors

	Options awarded prior to 28 Feb 2018	Options awarded on/after 28 Feb 2019
Award:		
• Director to meet personal key performance measures		✓
• Director to comply with minimum shareholding requirement		✓
Vesting of 50% of share options:		
• Director must be in the service of the Zeder group on vesting date	✓	✓
• Director to meet personal key performance measures		✓
• Director to comply with minimum shareholding requirement		✓
Vesting of 50% of share options:		
• Director must be in the service of the Zeder group on vesting date	✓	✓
• Director to meet personal key performance measures		✓
• Zeder's Total Shareholder Return hurdle is met		✓
• Director to comply with minimum shareholding requirement		✓

3.4.5 *Termination of service*

In the case of resignation, dismissal or early retirement (before attaining the age of 60 years) of a participant (i.e. bad leaver), unvested share options are generally forfeited.

In the case of the death, permanent disability, compulsory retirement (attaining the age of 60 years) or retrenchment of a participant (i.e. good leaver), any share options capable of being exercised within a period of 12 months thereafter, will generally continue to be exercisable provided it is exercised during such 12 months. However, in the case of the termination of employment for any reason other than dismissal, the remuneration committee may, in its absolute discretion, permit the exercise of any unvested share options upon such additional terms and conditions as it may determine (e.g. as part of non-compete provisions in the case of early retirement of an executive). For the avoidance of doubt, the 30% accrued salary withholding component will be paid out immediately to the participant if the services are terminated by Zeder.

3.4.6 *Settlement of options and loan funding*

Historically, the Zeder SIT made loan funding available to participants to assist them to exercise their share options from a cash flow perspective and to accumulate shares in Zeder and remain invested alongside fellow shareholders. This funding was available to cover 90% of the strike value plus the associated section 8C tax obligation. This assistance was deemed to be in the interest of the company and the shareholders. However, to provide for evolving circumstances over time and to ensure appropriate risk and reward, the remuneration committee has decided that, from 1 March 2018, the Zeder SIT will no longer provide such loan funding to participants for exercising their share options.

Instead, should the participant not be able to exercise his/her share options on a cash basis (i.e. full settlement of the strike value plus any section 8C tax payable), the share options will be settled on a "net equity basis" (i.e. the participant's after-tax financial benefits or gains will be settled through the issue of fully paid up Zeder shares to the participant, and Zeder will pay over the related section 8C tax payable in cash on the participant's behalf). Zeder will in future, in its sole discretion, have the option to settle its net equity obligation to participants either in fully paid up Zeder shares, as described above, or in cash.

With regards to existing loans, extended prior to 1 March 2018, and in accordance with the Zeder Share Incentive Scheme previously approved by shareholders as described in 3.3.3 above, the following will apply:

- 3.4.6.1 Existing loans will continue to be repayable within three years (or seven for Zeder Executive Directors) from the date of its original advance;
- 3.4.6.2 Existing loans did become full recourse on 28 February 2021. It will be each participant's own responsibility to ensure that the minimum-security cover ratio is in place for his/her outstanding loan(s).

Participants must improve their security cover for existing loans through a combination of the following options:

- an increase in the Zeder share price; and/or
- partial or full repayment of loans from cash resources or third party funding obtained; and/or
- partial or full repayment of loans from the proceeds of pledged shares being disposed of;
- pledging additional listed shares, acceptable to the remuneration committee, as security for the loans payable.

In the event that the minimum-security cover ratios are not achieved, the remuneration committee (through the Zeder SIT Trustees) can, at its sole discretion, pursue the following options:

- Perfect all or part of the pledged shares as to reduce any outstanding balance in respect of the loan;
- Conditionally waive the minimum-security cover ratios on reasonable grounds.

3.4.7 *Exercise period*

Given the suspension of any further loan funding to participants, the Exercise Period remains 180 days from the vesting date.

REMUNERATION REPORT

REMUNERATION POLICY continued

3. REMUNERATION OF EXECUTIVES AND EMPLOYEES continued

3.4 Mechanics of the share incentive scheme continued

3.4.8 Termination of employment and benefits

Zeder staff employees (including the executives) are not entitled to any payments upon termination of their service, except for those provided for in law (e.g. accrued annual leave and retrenchment payments).

3.4.9 Gender pay parity

Zeder fully subscribes to the equal pay for work of equal value philosophy, and consequently there is no pay differentiation on the basis of gender.

4. NON-EXECUTIVE DIRECTORS

4.1 The remuneration of non-executive directors is reviewed annually by the Exco and thereafter referred to the remuneration committee, which seeks to ensure that fees are market-related considering the nature of the Zeder group's operations. Changes to the fee structure are generally effective 1 March, subject to approval by shareholders at Zeder's AGM held in June of each year. The annual fees payable to non-executive directors are, as in the past, fixed and not subject to the attendance of meetings. In the event of non-attendance on a regular basis, this may be reviewed.

4.2 A thorough review of and comparison between Zeder's non-executive director fees and those of comparable listed companies are performed on an annual basis. The proposed fee structure for Zeder's financial year ending 28 February 2022, is set out in the table below:

	Proposed annual remuneration ^{1,2,3} Feb 2022 R'000	Actual annual fee ⁴ Feb 2021 R'000
Board		
Chairman fee	525	500
Member	289	275
Audit and Risk		
Chairman fee	202	193
Member	173	165
Remuneration		
Chairman fee	87	83
Member	58	55

¹ With effect from 1 March 2022.

² No fees are payable in respect of the Zeder Social and Ethics Committee and the Zeder Nominations Committee.

³ Proposed annual remuneration exclude VAT.

⁴ For the year ending 28 February 2021, the non-executive directors have agreed not to increase their proposed annual remuneration due to COVID-19.

Zeder also pays all reasonable travelling and accommodation expenses incurred by non-executive directors to attend board and committee meetings.

IMPLEMENTATION REPORT

The remuneration committee is satisfied that Zeder complied with the remuneration policy and has implemented a remuneration policy, which has been approved by the board and shareholders.

1. EXECUTIVE DIRECTORS' BASE SALARY

1.1 Base salary

The base salaries of executive management were benchmarked to both local and international best remuneration practices. Benchmarking is performed with reference to companies comparable in size, industry, business complexity and the level of responsibility that the individual assumes to ensure that remuneration is market-related. Base salary increases were awarded based on inflation, except where there were changes in responsibilities and roles or aforementioned benchmarking warranted higher increases.

To help drive a long-term focus and decision-making with the ultimate objective of shareholder wealth creation, thereby better aligning the interests of management with those of shareholders and other stakeholders, the executives do not qualify for short-term bonuses. Therefore, their short-term remuneration comprises only a fixed base salary, payable in cash, which is comparable to the remuneration practices of certain other JSE-listed investment holding companies in the financial services sector.

The table below provides information on the total remuneration of Zeder's executive directors:

Audited	Short-term remuneration				Long-term remuneration	Total remuneration R'000
	Base salary				Non-cash gains from exercise of share options ⁴ R'000	
	Approved base salary R'000	Deferred for 12 months ² R'000	Prior year deferred paid R'000	Paid during the year ³ R'000		
28 February 2021						
N Celliers ¹	8 289	(2 487)	2 642	8 444	89	8 533
JH le Roux	5 175	(1 553)	1 649	5 271		5 271
	13 464	(4 040)	4 291	13 715	89	13 804
29 February 2020						
N Celliers	8 289	(2 487)	2 323	8 125	1 368	9 493
JH le Roux	5 175	(1 553)	1 450	5 072	204	5 276
	13 464	(4 040)	3 773	13 197	1 572	14 769

¹ Mr N Celliers resigned as Chief Executive Officer with effect from 1 October 2020. The Zeder remuneration committee at the time resolved that Mr N Celliers as a good leaver would remain entitled to his full basic salary for being available to assist Zeder during the handover process. Subsequent to year-end, Zeder paid Mr N Celliers a lump sum of R7.5m in finalization of his employment, which included the cancellation of all his unvested share options.

² 30% of the executive director's annual base salary was deferred for a period of 12 months, and is payable in monthly contributions in the ensuing year. The deferred payments carries interest at the SARS official rate to compensate for loss in time value of money and is subject to malus/clawback provisions which could lead to the repayment by the executive director of the deferred component of the salary amount received during the preceding 12 months. Included in the total cost-to-company, are minor deductions made to group life cover, membership to a retirement fund and membership to a medical aid scheme (where applicable).

³ To help drive a long-term focus and decision-making with the ultimate objective of sustainable shareholder wealth creation, thereby better aligning the interests of management with those of shareholders and other stakeholders, the executives do not qualify for short-term discretionary bonuses.

⁴ Share options exercised during the year represented the share options that became exercisable on 29 February 2020 and that were exercised within the approved exercise window.

REMUNERATION REPORT

IMPLEMENTATION REPORT continued

1. EXECUTIVE DIRECTORS' BASE SALARY continued

1.1 Base salary continued

The base salary is guaranteed annual pay on a cost-to-company basis and subject to annual review and adjustments are effective 1 March of each year, coinciding with the commencement of Zeder's financial year.

The payment of 30% of the executive's annual base salary is deferred for a period of 12 months, with such payment subject to:

- Malus/clawback provisions (both financial and non-financial indicators) in the event of material misstatement of financial results or fraudulent activity for a further 12 months after payment of the 30% deferred portion of the executive. If triggered, such malus/clawback provisions would require repayment by the executive to Zeder of the total deferred salary amount received by the executive during the preceding 12 months.

The average base salary increases (as approved by the remuneration committee) for Zeder employees for the Zeder financial years ending 28 February 2021 and 28 February 2022, are set out in the table below:

	2022 Increase %	2021 Increase %
CEO	5	0
FD	n/a	0

For the year ending 28 February 2021, the executive directors were granted an increase to their base salary by the Remuneration Committee, but they subsequently voluntarily declined this approved increase in light of Covid-19.

For the year ending 28 February 2022, the increase in the CEO base salary reflect the increase from the FD base salary, after Mr JH le Roux's acceptance of the CEO position, while still fulfilling the FD duties.

1.2 Benchmarking

Benchmarking is performed with reference to companies comparable in size, industry, business complexity and the level of responsibility that the individual assumes to ensure that remuneration is market-related.

1.3 Performance bonus

Although the executives no longer qualify for short-term bonuses, all other support staff remain eligible for performance bonuses, subject to meeting company (financial indicator) and personal key performance objectives (non-financial indicator). Such performance bonuses amounted to approximately R0.5m (2020: R0.4m) in total for the year ended 28 February 2021.

2. EXECUTIVE DIRECTORS' SHARE OPTIONS

In terms of the share incentive scheme, Zeder share options are awarded to executives with the primary objectives of retaining their services and aligning their interests with those of shareholders, being long-term sustainable value creation through a combination of share price appreciation and the payment of dividends.

Share options were awarded in line with the remuneration policy. The remuneration committee reviewed the performance of individuals against the target criteria and approved the vesting thereof where target criteria were met.

2.1 Awarding and vesting of share options

The share options awarded during the year were subject to the following conditions:

- the participant achieving personal key performance measures (for all executives and financial and investment support staff); and
- executive directors meeting the minimum shareholding requirement.

The personal key performance measures for the executive directors include the following:

- Determining strategy and providing strategic guidance and direction throughout the group, including problem solving when needed:

The Remcom is satisfied that Zeder is suitably guided by the CEO and FD. Zeder's objective remains to create long-term shareholder wealth. The disposals of Pioneer Foods and Quantum Foods at premiums to their listed share prices at the time created significant shareholder value.

- Active participation in investee companies through among others, board and Exco representation:

The Remcom is satisfied that the CEO and FD continue to play a key role at investee company level. The CEO and FD continuously provide strategic guidance to portfolio companies where needed and assist with problem solving when necessitated.

- Identifying suitable investment opportunities:

The Remcom is satisfied that the CEO and FD suitably assessed investment opportunities (whether accepted or rejected) for Zeder and its investee companies. Furthermore the CEO and FD continue to formulate and drive certain potential value-unlocking strategies in this regard.

- Implementation of investment/disinvestment decisions taken by the Zeder board and Exco:

The Remcom is satisfied with the implementation of investment and disinvestment decisions taken by Zeder Exco/Board, and such transactions were implemented appropriately (disposals of Pioneer Foods and Quantum Foods during the financial year).

- Ensuring good corporate governance is entrenched throughout the group and acting as custodian of shareholders' assets and safeguarding thereof:

The Remcom is satisfied that the CEO and FD continue to play an integral part in the ongoing entrenchment of good corporate governance throughout the group. Zeder remains committed to exercising ethical and effective leadership to achieve the four governance outcomes: ethical culture, good performance, effective control and legitimacy.

- Financial reporting and shareholder communication in a transparent, accurate, concise and timely manner:

The Remcom is satisfied that Zeder's ongoing financial reporting and communication are of a high standard. This is evident from the annual report and announcements made by way of SENS and newspaper publications, also being available on the Zeder website.

- Managing Zeder's capital structure and resources in a responsible and effective manner, while enhancing shareholder returns:

The Remcom is satisfied that Zeder's capital structure and resources continue to be managed in a responsible and effective manner. Capital is always allocated with due regard to enhancing shareholder returns while managing the associated risks appropriately. There is a further focus on cash flow management and planning on both a current and forward-looking basis to ensure a healthy liquidity position. Zeder has a strong balance sheet with no debt.

It is also important to note that effective 1 October 2020, Mr JH le Roux has taken on the responsibility of CEO, whilst still performing his FD duties. The relevant JSE dispensation has been obtained in this regard.

REMUNERATION REPORT

IMPLEMENTATION REPORT continued

2. EXECUTIVE DIRECTORS' SHARE OPTIONS continued

2.1 Awarding and vesting of share options continued

The executive directors meeting the minimum shareholding requirement:

The remuneration committee encourages management to hold shares in Zeder to better align their interests with those of shareholders and as a tangible demonstration of their commitment to the Zeder group.

In light of material changes that had taken place, the remuneration committee has resolved that these previously determined levels would be impractical and impossible to achieve by the executive directors. These material changes include the following:

- The changing of the settlement mechanism from "funded" to "net-equity" for share options that are exercised;
- The ability of the remuneration committee to freely instruct the disposal of shares held by participants for purposes of settling old loan obligations towards the company in terms of the scheme; and
- The distribution of a substantial portion of the capital of the company by way of large special dividends thereby reducing the market capitalisation going forward.

As a direct result of factors such as these, the committee has resolved that the minimum shareholding requirement levels will be reduced to zero for the time being and will be reconsidered when appropriate.

Mr JH le Roux has since being an executive director, not sold any Zeder shares.

The table below set out the share option award conditions as at 28 February 2021:

	Personal key performance measures	Minimum shareholding requirement
CEO and FD	✓	✓

As a result of the fact that Mr JH le Roux recently accepted the role of CEO, whilst still performing the duties as FD, he was awarded an ad-hoc allocation of 15m share options on 18 January 2021 to appropriately incentivise him. No further share options were awarded to him as part of the normal annual award mechanism (refer to 3.4.1).

The share options exercised during the year represented the share options that became exercisable on 29 February 2020 (awarded prior to 28 February 2018), thus the following two vesting conditions were applicable:

- share price growth; and
- continued employment.

Share options forfeited during the year were with regards to share options that became exercisable on 29 February 2020, but due to the fact that these share options were out-of-the-money during the exercisable window, the participants did not exercise the share options in line with the aforementioned vesting conditions.



REMUNERATION REPORT

IMPLEMENTATION REPORT continued

2. EXECUTIVE DIRECTORS' SHARE OPTIONS continued

2.2 Unvested existing share options

The table below provides information on Zeder's executive directors' unvested share options:

Audited	Number of share options as at 29 Feb 2020	Number of share options during the year			Market price per share on vesting date R	Original strike price per share R		Adjusted strike price per share ³ R	Date granted	Number of share options as at 28 Feb 2021	Cost to participant at vesting price R	Market value to participant as at 28 Feb 2021 R	Unrealised gains to participant as at 28 Feb 2021 R	
		Granted	Forfeited-leave ¹	Forfeited-lapsed ²										
Zeder Investments Limited share options granted by the Zeder Group Share Incentive Trust														
N Celliers	131 323		(131 323)		7.71		7.71	28/02/2015	–					
	394 996		(197 499)	(197 497)	4.97		2.26	29/02/2016	–					
	1 344 301		(896 200)	(448 101)	7.29		4.07 – 4.29	28/02/2017	–					
	4 016 442		(3 012 331)	(1 004 111)	6.41		2.90 – 3.38	28/02/2018	–					
	6 468 828		(6 468 828)		4.36		1.05 – 1.68	28/02/2019	–					
	3 402 459		(3 402 459)		4.52		0.90 – 1.61	29/02/2020	–					
	15 758 349	–	(13 977 317)	(1 781 032)					–	–	–	–		
JH le Roux	32 424		(32 424)		7.71		7.71	28/02/2015	–					
	186 557		(93 278)		4.97		2.26	29/02/2016	93 279	210 811	247 189	36 378		
	1 340 278		(446 759)		7.29		4.07 – 4.29	28/02/2017	893 519					
	2 319 528		(579 882)		6.41		2.90 – 3.38	28/02/2018	1 739 646					
	3 503 451				4.36		1.05 – 1.68	28/02/2019	3 503 451	4 817 188	9 284 145	4 466 957		
	2 192 937				4.52		0.90 – 1.61	29/02/2020	2 192 937	2 782 933	5 811 283	3 028 350		
	15 000 000				2.66			18/01/2021	15 000 000					
	9 575 175	15 000 000	–	(1 152 343)					23 422 832	7 810 932	15 342 617	7 531 685		
Total	25 333 524	15 000 000	(13 977 317)	(2 933 375)						23 422 832	7 810 932	15 342 617	7 531 685	

REMUNERATION REPORT

IMPLEMENTATION REPORT continued

2. EXECUTIVE DIRECTORS' SHARE OPTIONS continued

2.2 Unvested existing share options continued

Audited	Number of share options as at 29 Feb 2020	Number of share options during the year			Market price per share on vesting date R	Original strike price per share R		Adjusted strike price per share ⁵ R	Date granted	Number of share options as at 28 Feb 2021	Cost to participant at vesting price R	Market value to participant as at 28 Feb 2021 R	Unrealised gains to participant as at 28 Feb 2021 R	
		Granted	Vested/ Exercised ⁴	Forfeited-leave ¹										
PSG Group Limited share options granted by the PSG Group Limited Supplementary Share Incentive Trust ⁶														
N Celliers	2 465	(2 465)			172.91	136.84		136.84	28/02/2015	–				
	3 671		(1 836)	(1 835)										178.29
	6 136	(2 465)	(1 836)	(1 835)										
JH le Roux	1 733			(867)	178.29			21.39	29/02/2016	866	18 524	57 598	39 074	
	7 869	(2 465)	(1 836)	(2 702)										
Total														

¹ Share options forfeited during the year were with regards to Mr N Celliers' resignation from the company (as executive director and employee). Being a good leaver, the Zeder remuneration committee exercised its discretion in accordance with the Zeder Group Share Incentive Trust deed whereby Mr N Celliers could retain his unvested share options following his resignation as Zeder Chief Executive Officer. However, subsequent to year-end the Zeder remuneration committee resolved to pay Mr N Celliers a lump sum of R7.5m in lieu of, inter alia, the cancellation of all such share options.

² Share options forfeited during the year were with regards to share options that became exercisable on 29 February 2020, but due to the fact that it was out-of-the-money share options during the exercisable window, the participants opted not to exercise the share options.

³ The approved Zeder Group Share Incentive Trust ("SIT") deed ("Trust Deed"), entitles Zeder board (acting through its remuneration committee) ("Remcom") to instruct the SIT's trustees to effect such adjustments to the Strike Prices (as defined in the Trust Deed) of awarded but unexercised share options as the Remcom "shall consider fair and reasonable in the circumstances ..." and to take account of special dividends and various other corporate actions listed in that clause. On 28 April 2020 Zeder distributed a gross dividend of R2.30 per share to Zeder ordinary shareholders as a special dividend from income reserves and in accordance with the JSE Listings Requirements and the Trust Deed, the SIT's trustees adjusted the Strike Prices of the awarded but unexercised share options. The external auditors, PwC, reviewed, and the JSE approved, the adjusted strike prices, accordingly.

⁴ The participants have not yet elected to exercise their right in terms of the provisions of the share incentive schemes to exercise their share options that became exercisable on 29 February 2020. Such right will be exercised within the 180-day exercise window. Share options exercised during the year represented the share options that became exercisable on 28 February 2019 and that were exercised within the approved exercise window.

⁵ The approved PSG Group Limited Supplementary Share Incentive Trust ("PSG Group SIT") deed ("PSG Group Trust Deed"), entitles the PSG Group board (acting through its remuneration committee) ("PSG Group Remcom") to instruct the PSG Group SIT's trustees to effect such adjustments to the Strike Prices (as defined in the PSG Group Trust Deed) of awarded but unexercised share options as the PSG Group Remcom "shall consider fair and reasonable in the circumstances ..." and to take account of special dividends and various other corporate actions listed in that clause. On 30 July 2020, PSG Group shareholders approved the unbundling of an effective 30.5m shares in Capitec, whereby significant value of more than R12bn was unlocked for PSG Group shareholders and in accordance with the JSE Listings Requirements and the PSG Group Trust Deed, the PSG Group SIT's trustees adjusted the Strike Prices of the awarded but unexercised share options. The PSG Group external auditors, PwC, reviewed, and the JSE approved, the adjusted strike prices, accordingly.

⁶ PSG Group Limited share options granted to participants, relate to the period prior to the Management Fee Internalisation transaction.

REMUNERATION REPORT

IMPLEMENTATION REPORT continued

2. EXECUTIVE DIRECTORS' SHARE OPTIONS continued

2.3 Extent of the share incentive scheme

The Zeder shareholders approved the maximum number of Zeder shares that may be utilised for purposes of the share incentive scheme (both in total and on a per individual basis) at a general meeting held on 29 August 2016. The table below depicts the number of shares already utilised until 28 February 2021, as opposed to the maximum number of shares that may be utilised for purposes of all employees:

	Maximum number of shares	Utilised	
		Number	%
Maximum number of shares allowed in total	173 051 465	6 468 429	3.7
Maximum number of shares allowed per individual	34 610 293	8 227 549	23.8

At 28 February 2021, the share incentive scheme had three participants, comprising the executives and financial employees.

At 28 February 2021, the total number of share options that had already been awarded but remain unvested amounted to 25 489 086, representing 1.7% of Zeder's total number of shares in issue (*net of treasury shares*). However, assuming that all share options are settled on a net-equity basis going forward in accordance with the recent changes introduced to Zeder's Remuneration Policy by the remuneration committee, the dilution to Zeder's shareholders should be significantly less than the aforementioned 1.7%.

2.4 Loan funding provided prior to 28 February 2018

Zeder's executive directors and their associated entities have loan funding payable to Zeder and its subsidiaries in terms of i) the share incentive scheme, and ii) funded investments in terms of agreements.

It should be noted that the remuneration committee has prudently decided that no new loan funding be granted for the foreseeable future, while existing loan funding will be phased out in accordance with the existing loan repayment terms.

2.4.1 Share incentive scheme funding

The terms pertaining to such funding are set out in paragraph 3.4.6 of the Remuneration Policy.

Executive directors

The table below provides the outstanding loan balances and related security cover (i.e. value of Zeder and other shares ceded and pledged as security for such loans expressed as a percentage of the loan balances outstanding) of the executive directors as at the reporting date:

	Total loans Rm	Security cover based on closing share price %	Security cover based on SOTP value per share %
As at 28 February 2021			
N Celliers		n/a	n/a
JH le Roux	3	98.6	154.2

Mr N Celliers settled the loan before 28 February 2021 and the loan to Mr JH le Roux became full recourse on 28 February 2021.

The table below provides the outstanding loan balances and related security cover of the executive director as at 14 April 2021, the date of the results announcement:

	Total loans Rm	Security cover based on closing share price %	Security cover based on SOTP value per share %
As at 14 April 2021			
JH le Roux	3	112.3	155.3

In accordance with the Zeder SIT trust deed, the Trustees conditionally waived the minimum-security cover ratio for the existing loans. The applicable threshold for the loan to value cover ratio will remain subject to the Trustees' discretion and the Trustees, in conjunction with Zeder, will continuously monitor the cover ratio in respect of the existing loans and can revoke the waiver at any time.

Zeder employees (excluding the executive directors)

As at 28 February 2021, there are no outstanding loan balances to financial employees.

2.4.2 Other loan funding

During April 2013, a wholly-owned subsidiary of PSG Group Limited ("**PSG Group**") (Zeder's ultimate holding company) advanced loan funding of R9.9m for a period of seven years to a related party of the former CEO of Zeder, who was employed by a PSG Group subsidiary. Such loan funding was utilised by the related party to acquire 2 635 933 Zeder shares ("**Funded Shares**") in the open market, thereby creating an additional mechanism whereby the interests of the former CEO were further aligned with those of shareholders. After the internalisation of the management fee, a wholly-owned subsidiary of Zeder acquired the loan, amounting to R12.6m. The loan carried interest at prime less 1%, was secured by the Funded Shares, and was repaid during the year.

REMUNERATION REPORT

continued

3. NON-EXECUTIVE DIRECTORS' REMUNERATION

The remuneration of non-executive directors is reviewed annually by the Zeder Exco and thereafter referred to the remuneration committee, which seeks to ensure that fees are market related considering the nature of the Zeder group's operations. The approval of the non-executive director's remuneration is subject to approval by the Zeder shareholders.

The remuneration committee has recommended, and the board has endorsed such recommendation, for approval of the payment to the non-executive directors of the company, as set out in the table below:

Audited	Total paid 2021 R'000	Total paid 2020 R'000
GD Eksteen ¹	495	595
S Cassiem ²		
WL Greeff ³		
RM Jansen ¹	468	554
ASM Karaan ²	330	330
NS Mjoli-Mncube	440	440
PJ Mouton ³		
CA Otto ^{1,4}	747	1 024
	2 480	2 943

¹ Independent board fees in total of R350 000 paid in October 2019 for the services rendered in relation to the disposal of Pioneer Foods shares was approved by the shareholders at the 30 September 2019 general meeting.

² Prof ASM Karaan passed away on 13 January 2021. Mrs S Cassiem was appointed on 12 February 2021.

³ These directors do not receive any emoluments for services rendered to the company and only receive emoluments from PSG Corporate Services Proprietary Limited ("PSGCS") for services rendered to PSG Group Limited and its investee companies (including the Zeder group). The Zeder group pays a strategic fee to PSGCS for services rendered to the company. These directors' remuneration is disclosed in PSG Group Limited's annual report.

⁴ In January 2019 Mr CA Otto was appointed as the Chairman of the Zeder board of directors. Previously the Chairman's fee was included in the PSG Strategic Input Fee, therefore no Chairman's fee was approved by the shareholders at the 2018 AGM. At the 2019 AGM a fee of R450 000 was approved by the shareholders and the proportional amount of R112 500 was paid to Mr CA Otto in August 2019.

The non-executive directors receive no other remuneration or benefits beside directors' fees, except for reasonable travelling and accommodation expenses incurred by non-executive directors to attend board and committee meetings. The fee is not dependent on attendance at board and board committee meetings.





SOCIAL AND ETHICS REPORT

SOCIAL AND ETHICS REPORT

The Social and Ethics Committee ("**social and ethics committee**"), which comprises the members of the Exco and Mr CA Otto (chairman and non-executive director), is a statutory committee which assists the board in monitoring the company's activities, having regard to any relevant legislation, legal requirements and prevailing codes of best practice relating to matters which include:

- Social and Economic Development
- Good corporate citizenship
- The environment, health and public safety
- Client relationships
- Labour and employment

Each investee company has its own social and ethics committee to monitor the investee's activities with regards to the aforementioned best practices.

This report by the social and ethics committee is prepared in accordance with the requirements of the Companies Act of South Africa, No. 71 of 2008 (as amended) ("**the Companies Act**") and the King IV Report on Corporate Governance for South Africa, 2016 ("**King IV**"), and describes, *inter alia*, how the social and ethics committee has discharged its statutory duties in terms of the Companies Act, and its additional duties assigned to it by the board in respect of the financial year ended 28 February 2021.

Zeder believes in conducting its business in a responsible manner, with due regard for the potential impact thereof on the environment in which it operates at large.

The social and ethics committee is satisfied that it has fulfilled all its mandate as prescribed by the Companies Regulations to the Companies Act, and that there were no instances of non-compliance to disclose. Furthermore, the committee is satisfied with the social and ethics aspects pertaining to the Zeder group.



Chris Otto

Chairman

28 May 2021

Stellenbosch

CORPORATE SOCIAL INVESTMENT

As a good corporate citizen with the best interest of our country and its people at heart, the Zeder group contributes significantly to society. Enclosed is some of the corporate social investment ("CSI") initiatives undertaken by its underlying investments. Although this is not a comprehensive list, it illustrates our dedication to making South Africa a better place.

Zeder's CSI initiatives covers a broad spectrum of society and can be summarised as follows:

- Education
- Skills development
- Sustainable use of the environment
- Community outreach

EDUCATION

- Kaap Agri, through the Kaap Agri Academy, runs a farmer development programme that empowers emerging farmers and farmworkers. During the year the academy presented the learnership programme in mixed farming at NQF level 2. The academy also trains farm workers in a range of regulatory short courses. Kaap Agri's contribution to the Academy during the year was approximately R1m.
- Kaap Agri continued the Young Starts Programme, run in partnership with Technogirl Trust. The programme is aimed to provide young adult women with job shadowing opportunities, career guidance and mentorship over a period of three years. The programme focuses on breaking down the gender stereotypes that prevent women from entering the formal economy. In addition to the time spent on mentoring the learners, Kaap Agri also invested financial capital to the amount of R285 000.
- In 2019 Kaap Agri committed to donating R100 000 to the Nelson Mandela Children's Fund for three consecutive years. The fund focusses on childhood development, youth leadership and education. With the funding received from Kaap Agri, afterschool programmes in Path onto Prosperity ("POP") and Saturday mathematics and literacy classes at Soetendal Primary School, were implemented. There are 74 children who regularly attend the Riebeeck Kasteel POP and 114 children who attend the Riebeeck West POP centre. 24 learners attended the Saturday mathematics and literacy classes during the year.
- Kaap Agri Donated R66 000 worth of school shoes, uniforms, stationery, cloth masks and hand sanitizer to the 120 students at Weltevreden Primary School at Riebeeck West.
- During the year Kaap Agri sponsored 43 high school learners, and a further three students were supported to further their studies at university. The investment in educational bursaries for secondary and tertiary education amounted to R1.4m for the year.
- TLG supports the Bright Star Life skills training project through donations. The project is coordinated by Badisa Tygerberg and aims to facilitate growth and insight within foster children.
- Agrivision Africa has schools (pre-school, junior school and main school) at its Somawhe facility for all permanent workers' children up to grade 9 where an average of 364 children are benefitting.
- Agrivision Africa continues to support the local primary and secondary school (Katuba School) by providing free transport for the school children.

SKILLS DEVELOPMENT

- Internal Employee training has continued for the Agrivision Group as part of the requirements under FSSC22000 and Global G.A.P control points and compliance criteria. Training sessions were conducted for all employees in Health and Safety, Silo Safety, Responsible use and Handling of Plant Protection Products, Hygiene and machine safety. Trainers included the ESG Manager, Human Resource Managers and Quality Control Manager respectively.
- Zaad through African Seed Group ("ASG") has established 29 micro agri-distribution depots in previously disadvantaged areas. The project's vision is to empower entrepreneurs through access to high-quality agri-inputs. ASG provides technical support, training and distribution services for these entrepreneurs.
- TLG contributed approximately R1.3m towards learnership initiative programmes, employees' training and development as well as bursaries towards tertiary education for children of employees of the TLG group.

SUSTAINABLE USE OF THE ENVIRONMENT

- Zaad in partnership with the Grow Project distributed several vegetable garden kits to underprivileged schools in the Western Cape. Furthermore, Zaad's Home Vegetable Garden Kits launched this year and sold through several channels, and carry a promise that ASG will sponsor one garden kit for every 25 sold. To date this initiative has enabled Zaad to sponsor 20 micro gardens.
- Zaad through ASG has donated in excess of R50 000 worth of vegetable seeds to a variety of noteworthy causes.

COMMUNITY OUTREACH

- Capespan inherited a dilapidated house used as an early childhood development ("ECD") and after school care facility for the Misty Cliffs. The house was demolished and a more suitable site adjacent to the old site was identified and prepared for construction of an age-appropriate day care and after school facility. Once complete the facility will consist of two classrooms to accommodate pre-school children separately from class attending learners, a kitchen, ablutions, portico and a fenced in, separate outdoor play area.
- Capespan extended the sports ground facilities at Omdraai Valam farm to include a clubhouse consisting of a large room suitable for Valam and Oorkant staff meetings or training purposes, with a kitchenette for preparation of refreshments during events.
- The vegetable tunnels at Capespan's Oorkant and Norriseep farms were relocated to more suitable sites to ensure improved coordination and comply better with operational requirements for both the farm and tunnels. Re-planting has also been done to ensure crop ready for harvest during peak season to the benefit of farm workers.
- Kaap Agri was a founder member of the Porterville Community Association and plays a major role in ensuring the sustainability of the project. The association has been supporting those in dire need for 17 years. Currently, Kaap Agri representatives serve on the committee and provide support in respect of the detailed co-ordination required, as well as all administrative duties to ensure that the project runs smoothly. The Porterville Primary and High Schools, the local old age home, the Western Cape Government Department of Social Services and Poverty Alleviation, ACVV Huis Nerina, and Badisa, a social services organisation, were this year's beneficiaries of a total amount of R0.2m.
- TLG made a contribution to People Opposing Poverty in Society ("POPS") which enabled POPS to provide food parcels to impoverished communities. This organization conducts various projects which are aimed at bringing poverty alleviation to the most vulnerable and impoverished communities in Port Elizabeth. A number of families receive food parcels from POPS on a daily basis which contained the basics to prepare a nutritional meal.
- TLG partnered with an organization by the name of Genesis Nutrition and distributed high energy protein meals (meal replacement) to less fortunate children of Dalweide Primary School.
- TLG supports the Reach for a Dream Foundation. For the past 30 years, the Reach for a Dream Foundation has been fulfilling the dreams of children, of all races, colour and creed between the ages of three and 18 years who are faced with life threatening illnesses.
- TLG supports the national council for persons with disabilities ("NCDP") and their mission for the past 80 years to make South Africa a country where people with disabilities have access to equal rights and opportunities. This is achieved by conducting awareness and sensitization programmes. TLG made a monetary contribution to the organisation.
- Zaad through ASG sponsored seed for the planting of 50ha maize in the Ncora region in the Eastern Cape. The sponsorship is in support of a local community irrigation project being developed. The ASG management team has also assisted with the project management during the development and implementation of the pilot project.
- Agrivision Africa made a donation of seed to community leaders around Mkushi District.
- Agrivision Africa has continued to make its monthly donations of white bread flour to an orphanage (Itimpi Mission) in Kitwe.
- Agrivision Africa spearheaded the renovation of the 50km Machiya Government Gravel Road in Mpongwe District. This was done in conjunction with other commercial farmers.

CORPORATE SOCIAL INVESTMENT

continued


- Both Agrivision Africa's farming operations have clinics on the farm. The clinic at Mkushi facility is operated by a community health worker employed by the company while the two clinics at Somawhe are operated by a registered nurse and clinical officer also employed by the company. Medication disbursed to employees is done at no charge. At the Somawhe facility, these clinics are also open to the broader community and not just the workers.
- Agrivision Africa has built a kitchen for Katuba School in order to support the feeding program. This is a program aimed at providing food to approximately 700 primary school children coming from far off places.
- Agrivision Africa continues to support Government programs through the District Commissioners' Offices in Kitwe, Mkushi and Mpongwe district by making donations towards Independence Day, Women's day celebrations, other local events and coronavirus support.

CORONAVIRUS RELIEF

Various nationwide lock down restrictions have been imposed since March 2020 by the South African Government and the National Coronavirus Command Council. The pandemics significant negative impact on South African businesses and the economy in general is clear. The comprehensive regulations issued by government to combat the spread of the virus resulted in many businesses, including Zeder's portfolio, having to find new ways of working to continue operations while mitigating the pandemic's impact. This approach enabled continued contribution to identified socio-economic development programmes for the most vulnerable in our communities. These contributions included the following:

- Kaap Agri partnered with the Gift of the Givers foundation and donated 69 water storage tanks to the value of R216 000 in order to assist the country during the coronavirus pandemic. These tanks have a storage capacity of 138 000 litres and were distributed in informal settlements and townships in areas such as Garies, Calvinia, Sutherland and Graaf Reinet as well as Tygerberg Hospital in Cape Town.
- Kaap Agri in partnership with other Agri businesses and industry organisations assisted needy communities in the Swartland region. More than 52 tonnes of bread flour were donated to families in dire need and to relief and support organisations to assist those impacted by the coronavirus.
- Kaap Agri through four of its Agrimark stores partnered with the Goedgedacht Trust, a farm-based community support organization in Malmesbury, to create a self isolation facility for locals infected with the coronavirus. With the help of Agrimark and other sponsors the Goedgedacht Trust converted its premises into a coronavirus recovery centre to accommodate infected patients under quarantine. The centre has been able to accommodate up to 34 patients at a time.
- Capespan made R100 000 available for food relief in the areas where Capespan operates in. In addition to this, R150 000 was received from the Waitrose Foundation Covid-19 Relief Fund.
- Capespan distributed more than 20 tonnes of apples to already needy farm worker communities in the Durbanville area as well as township community feeding schemes in the Cape Town Metropole impacted negatively by the coronavirus lockdown measures.
- TLG, through a monetary donation, supported the Rhenish Church which, during the "hard" lockdown period, commenced a feeding scheme programme for the less fortunate people in the community of Elsie's River.





SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

Report of the audit and risk committee	66
Approval of the summary consolidated financial statements	67
Director's responsibility statement	68
Declaration by the company secretary	68
Directors' report	69
Independent auditor's report	72
Summary consolidated statement of financial position	73
Summary consolidated income statement	74
Summary consolidated statement of comprehensive income	75
Summary consolidated statement of changes in equity	76
Summary consolidated statement of cash flows	77
Notes to the summary consolidated financial statements	78
Annexure A – SOTP value	96
Annexure B – Shareholder analysis	100

The summary consolidated financial statements comprise a summary of the audited consolidated annual financial statements of Zeder Investments Limited ("Zeder") for the year ended 28 February 2021.

The summary consolidated financial statements were compiled under the supervision of the group financial director, Mr JH le Roux, CA(SA), and have been audited by PricewaterhouseCoopers Inc.

The annual consolidated 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.

REPORT OF THE AUDIT AND RISK COMMITTEE

for the year ended 28 February 2021

The Zeder Audit and Risk Committee ("**the committee**") is an independent statutory committee appointed by the board of directors in terms of section 94 of the Companies Act of South Africa, No. 71 of 2008 (as amended) ("**the Companies Act**"). The committee also acts as the statutory audit committee of public company subsidiaries that are legally required to have such a committee.

The committee performed the following duties in respect of the year under review:

- Satisfied itself that the external auditor is independent of Zeder, as set out in section 94(8) of the Companies Act, and suitable for appointment by considering, *inter alia*, paragraph 3.84(g)(iii) and the information stated in paragraph 22.15(h) of the JSE Limited Listings Requirements ("**JSE Listings Requirements**");
- Ensured that the appointment of the external auditor complied with the Companies Act and any other legislation relating to the appointment of an auditor;
- In consultation with management, agreed to the engagement letter, terms, audit plan and budgeted audit fees for the 2021 financial year;
- Approved the nature and extent of non-audit services that the external auditor may provide;
- Nominated for appointment at the annual general meeting, Deloitte & Touche as the external audit firm;
- Satisfied itself, based on the information and explanations supplied by management and obtained through discussions with the independent external auditor, that the risk management processes and systems of internal financial controls are effective and forms a basis for the preparation of reliable financial statements;
- Satisfied itself, based on the information and explanations supplied by management and obtained through discussions with the external auditor, that Zeder be regarded as a going concern;
- Reviewed the formal policy and calculation for the ordinary dividend and recommended no ordinary dividend for approval by the board;
- Reviewed the accounting policies and financial statements for the year ended 28 February 2021 and, based on the information provided to the committee, considers that the company and group complies, in all material respects, with the requirements of 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;
- Considered the JSE Limited's ("**JSE**") latest report on the proactive monitoring of financial statements for compliance with IFRS;
- Ensured that the appropriate financial reporting procedures exist and are operating as required by the JSE Listings Requirements paragraph 3.84(g)(ii);
- Satisfied itself in terms of paragraph 3.84(g)(i) of the JSE Listings Requirements that the Zeder financial director, as well as the group finance function, has the appropriate expertise and experience; and
- Undertook the prescribed functions in terms of section 94(7) of the Companies Act, on behalf of the subsidiary companies of the group.

PricewaterhouseCoopers Inc. has served as external auditor of Zeder Investments Limited for the past 15 years, while the designated external audit partner has served in such capacity for the past one year. The committee adopted mandatory audit firm rotation, as set out in the rules of the Independent Regulatory Board of Auditors, and recommended, as endorsed by the board, the appointment of Deloitte & Touche as external auditor, with effect from the financial year ending 28 February 2022.



RM Jansen

Chairman

28 May 2021

Stellenbosch

APPROVAL OF THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the maintenance of adequate accounting records and to prepare consolidated 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 consolidated annual financial statements. Management fulfils this responsibility primarily by establishing and maintaining accounting systems and practices adequately supported by internal financial controls. Such controls provide assurance that the company and 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 have been prepared in accordance with the requirements of 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 requirements of the Companies Act of South Africa; and the JSE Listings Requirements, and incorporate full and reasonable disclosure. Appropriate and recognised accounting policies are consistently applied.

The summary 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 summary consolidated financial statements, therefore, is not a substitute for reading the consolidated annual financial statements of Zeder Investments Limited.

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.

These summary consolidated financial statements, are prepared on the going-concern basis, since the directors have every reason to believe that the company and group have adequate resources to continue for the foreseeable future.

These summary consolidated financial statements, set out on pages 73 to 100 were approved by the board of directors of Zeder Investments Limited and are signed on its behalf by:



Chris Otto

Chairman

28 May 2021

Stellenbosch



Johann le Roux

CEO and Financial director

DIRECTOR'S RESPONSIBILITY STATEMENT

The director, whose name is stated below, hereby confirms that:

- the summary consolidated financial statements set out on pages 73 to 100, fairly present in all material respects the financial position, financial performance and cash flows of the company and group in terms of IFRS;
- no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the company and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the company; and
- the internal financial controls are adequate and effective and can be relied upon in compiling the summary consolidated financial statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of the King Code. Where I am not satisfied, I have disclosed to the audit and risk committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action.



JH le Roux

CEO and Financial director

28 May 2021

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 as are required of a public company in terms of the Companies Act of South Africa and that all such returns are true, correct and up to date.



Zeder Corporate Services Proprietary Limited

Per: L van der Merwe

Company secretary

28 May 2021

Stellenbosch

DIRECTORS' REPORT

OVERVIEW

Zeder Investments Limited ("Zeder") is an investor in the broad agribusiness and related industries, with a historical 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 income statements and statements of financial position, comprehensive income, changes in equity and cash flows, as well as the segment report and the notes to the aforementioned.

IFRS require that an entity reassess whether it is an investment entity if facts and circumstances indicate changes to one or more of the elements making up the definition of an investment entity or the typical characteristics of an investment entity. Zeder has reassessed whether, as a result of the Pioneer Foods disposal, it meets the definition of an investment entity and the typical characteristics of an investment entity and has concluded that it, in fact, did so with effect from 1 March 2020. This date takes into consideration that the terms and conditions attached to the Pioneer Foods disposal were met during March 2020. Where an entity's status change to that of an investment entity, it does not consolidate its subsidiaries ("investments") but rather measures investments at fair value through profit or loss in terms of IFRS 9. Such change in accounting is applied prospectively, with no adjustment to prior year comparatives. However, an investment entity continues to consolidate subsidiaries that provide services related to the investment entity's investment activities (i.e. those wholly-owned subsidiaries comprising Zeder's head office operations).

Noteworthy transactions

- Zeder disposed of its entire shareholding in Pioneer Foods on 23 March 2020 for a total consideration of R6.4bn. As a result, Zeder has settled all its debt and related obligations and declared a special gross dividend of 230 cents per share (R3.9bn) to shareholders, which was paid on 28 April 2020.
- Zeder disposed of its entire shareholding in Quantum Foods on 12 June 2020, for a total consideration of R308m.
- Zeder invested R426m in the repurchase of shares during the year at an average price of R2.48 per share. The share repurchases were in terms of the general authority granted by shareholders at the relevant AGMs and were funded out of available cash resources. The 172m ordinary shares repurchased have been delisted and cancelled.

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

- Zeder's *SOTP value* per share, calculated using the quoted market prices for all JSE-listed investments and valuations performed for unlisted investments, decreased during the year to R4.33 as at 28 February 2021. The decrease is mainly due to the payment of the R2.30 per share special dividend on 28 April 2020 out of cash reserves.

Net asset value per share ("NAVPS")

- Zeder adopted NAVPS as the applicable criteria for trading statement purposes.

Earnings performance

Pursuant to the change in investment entity status, shareholders and investors are cautioned that earnings per share ("EPS") and headline earnings per share ("HEPS") as well as NAVPS for the year ended 28 February 2021 are not comparable to those for the previous year ended 29 February 2020.

- NAVPS decreased by 7.5% to 433.2 cents mainly due to the significant special dividend paid to shareholders during the reporting period, countered by the gain on deemed disposal and reacquisition of investments.
- HEPS increased to 39.7 cents (2020: 23.7 cents) mainly due to the fair value increases in the value of investments, countered by Zeder ceasing to consolidate its subsidiaries.
- Attributable EPS increased to 152.8 cents (2020: 32.9 cents) mainly due to the significant non-headline gain on deemed disposal and reacquisition of investments, as a result of the aforementioned change in investment entity status.
- Profit for the year amounted to R2.5bn (2020: R599m), while the earnings attributable to equity holders of the group from continued operations amounted to a profit of R1.1bn (2020: loss of R234m).

DIRECTORS' REPORT

continued

STATED CAPITAL

No ordinary shares were issued during the year under review or prior year. The company purchased and cancelled 171 918 767 (2020: nil) ordinary shares during the year.

Details regarding the authorised and issued share capital, as well as the treasury shares, are disclosed in the notes to the consolidated annual financial statements.

	Total 2021 '000	Total 2020 '000
Audited		
In issue (<i>gross of treasury</i>)	1 543 260	1 715 179
Held by share incentive trust	(5 001)	(5 001)
Held by executives through loan funding received		(8 299)
In issue (<i>nett of treasury</i>)	1 538 259	1 701 879

DIVIDENDS

No ordinary dividend was declared to the ordinary shareholder during the year under review or prior year. However, the company declared on 1 April 2020, a special dividend of 230 cents per share from income resources, as a result of the disposal of Pioneer Foods, which was paid on 28 April 2020. Following the significant special dividend, the directors have resolved to amend the Zeder dividend policy. Going forward the payment of dividends will be conditional on the group having sufficient reserves to fund its operations, investments and growth plans.

EVENTS SUBSEQUENT TO THE REPORTING DATE

Subsequent to year-end Zeder declared a special dividend of 20 cents per share (paid on 10 May 2021).

The financial results reported and business environment reviewed, reflect the year ended 28 February 2021, as well as subsequent events that transpired prior to the publication of these results. It is, however, important to note that, at the time of producing this report, some uncertainty around the global coronavirus pandemic remains. Many of Zeder's portfolio companies fell within the "essential services" classification under the Covid-19 regulations and were accordingly permitted to continue certain operations during the government-imposed lock-downs. Zeder, however is well positioned, with a stable balance sheet and cash resources.

Apart from the above, the directors are unaware of any matter or event which is material to the financial affairs of the group that have occurred between the end of the reporting year and the date of approval of the condensed consolidated financial statements.

DIRECTORS

Details of the company's directors at the date of this report appear on page 5.

DIRECTORS' EMOLUMENTS

Details of directors' emoluments appear in the remuneration report on pages 45 to 56.

PRESCRIBED OFFICERS

Members of the Zeder Executive Committee ("**Exco**") are regarded as being the prescribed officers of the company. The Exco comprises Messrs JH le Roux (Chairman), WL Greeff, and PJ Mouton. Messrs JH le Roux's remuneration is detailed in the remuneration report on page 45. Mr N Celliers (former Chairman) resigned effective on 1 October 2020. All other Exco members' remuneration is disclosed in PSG Group Limited's annual report. The duties and responsibilities of the Exco are set out in the corporate governance section on page 29 of this annual report.

DIRECTORS' SHAREHOLDING

Audited	Beneficial		Non-beneficial	Total shareholding 2021		Total shareholding 2020	
	Direct	Indirect	Indirect	Number	%	Number	%
N Celliers		1 187 987		1 187 987	0.077	7 340 499	0.429
JH le Roux		1 045 838		1 045 838	0.068	1 045 838	0.061
GD Eksteen		6 427 512	506 073	6 933 585	0.451	6 933 585	0.405
WL Greeff		80 000		80 000	0.005	80 000	0.005
NS Mjoli-Mncube	48 983			48 983	0.003	48 983	0.003
CA Otto			80 000	80 000	0.005	80 000	0.005
	48 983	8 741 337	586 073	9 376 393	0.609	15 528 905	0.908

All or part of the above shares, held by Mr JH le Roux, serve as security for loans granted to him with regards to the share options allocated to executive directors, in terms of a share incentive scheme, on or before 28 February 2018.

There has been no changes in the shareholding of directors between year-end and the date of this report.

Also refer to Annexure B on page 100 of this annual report, detailing the shareholder analysis.

INDEPENDENT AUDITOR'S REPORT ON SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF ZEDER INVESTMENTS LIMITED

OPINION

The summary consolidated financial statements of Zeder Investments Limited, set out on pages 73 to 99 of the Zeder Investments Annual Report 2021, which comprise the summary consolidated statement of financial position as at 28 February 2021, the summary consolidated income statement and the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Zeder Investments Limited for the year ended 28 February 2021.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the JSE Limited's (JSE) requirements for summary financial statements, as set out in note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated annual financial statements and the auditor's report thereon. The summary consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND OUR REPORT THEREON


We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 26 May 2021. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

DIRECTOR'S RESPONSIBILITY FOR THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the JSE's requirements for summary financial statements, set out in note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.



PricewaterhouseCoopers Inc.

Director: JA Hugo

Registered Auditor

28 May 2021

Stellenbosch

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

for the year ended 28 February 2021

Audited	Feb 21 Rm	Feb 20* Rm
Assets		
Investments (note 2)	5 724	
Property, plant and equipment		1 599
Right-of-use assets		425
Intangible assets		805
Biological assets (bearer plants)		413
Investment in ordinary shares of associates and joint ventures		1 272
Loans to associates and joint ventures		40
Equity securities		31
Employee benefits		42
Deferred income tax assets		140
Biological assets (agricultural produce)		173
Loans and advances	129	89
Trade and other receivables	15	1 814
Derivative financial assets		1
Inventories		1 413
Current income tax assets	2	9
Cash, money market investments and other cash equivalents	876	411
Non-current assets held for sale		5 470
Total assets	6 746	14 147
Equity		
Ordinary shareholders' equity	6 662	7 974
Non-controlling interests		344
Total equity	6 662	8 318
Liabilities		
Deferred income tax liabilities	1	121
Borrowings		3 516
Lease liabilities		632
Derivative financial liabilities		24
Employee benefits	4	168
Trade and other payables	79	1 309
Current income tax liabilities		43
Non-current liabilities held for sale		16
Total liabilities	84	5 829
Total equity and liabilities	6 746	14 147
Net asset value per share (cents)	433.2	468.5
Tangible asset value per share (cents)	433.2	421.2

* Representation in order of liquidity

SUMMARY CONSOLIDATED INCOME STATEMENT

for the year ended 28 February 2021

Audited	Feb 21 Rm	Feb 20 Rm
Net fair value gain on investments (note 2)	771	
Investment income (note 2)	82	51
Revenue from sale of goods and services		7 492
Cost of goods sold and delivery of services		(5 623)
Gross profit from sale of goods and services	–	1 869
Income		
Change in fair value of biological assets		225
Gain on deemed disposal and reacquisition of investments (note 2)	355	
Net fair value gains		79
Other operating income	5	40
Total income	360	344
Expenses		
Marketing, administration and other expenses	(27)	(2 078)
Net monetary gain		118
Total expenses	(27)	(1 960)
Net income from associates and joint ventures		
Share of profits of associates and joint ventures		247
Impairment of associates		(298)
Net loss on dilution of interest in associates		(1)
Net loss from associates and joint ventures	–	(52)
Profit before finance costs and taxation	1 186	252
Finance costs	(49)	(351)
Profit/(loss) before taxation	1 137	(99)
Taxation	(19)	(97)
Profit/(loss) for the year from continued operations	1 118	(196)
Profit for the year from discontinued operations	1 357	795
Gain on deemed disposal and reacquisition of investments (note 2)	1 297	
Net fair value gains	60	
Profit for the year	2 475	599
Profit attributable to:		
Owners of the parent	2 475	561
Continued operations	1 118	(234)
Discontinued operations	1 357	795
Non-controlling interests		38
	2 475	599

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 28 February 2021

Audited	Feb 21 Rm	Feb 20 Rm
Profit for the year	2 475	599
Other comprehensive income/(loss) for the year, net of taxation	536	(389)
<i>Items reclassified to profit or loss</i>		
Reclassification of foreign currency translation reserve	536	
<i>Items that may be reclassified to profit or loss</i>		
Currency translation adjustments including hyperinflation effect		(201)
Share of other comprehensive loss of associates and joint ventures		(188)
Total comprehensive income for the year	3 011	210
Attributable to:		
Owners of the parent	3 011	218
Continued operations	1 654	457
Discontinued operations	1 357	(239)
Non-controlling interests		(8)
	3 011	210

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 28 February 2021

Audited	Feb 21 Rm	Feb 20 Rm
Ordinary shareholders' equity at beginning of the year	7 974	7 918
Previously reported	7 974	8 096
Adjustment due to initial application of IFRS 16		(178)
Total comprehensive income for the year	3 011	218
Net movement in treasury shares	35	1
Transactions with non-controlling interests	(15)	(8)
Share buy-back	(426)	
Other movements	2	33
Dividends paid	(3 919)	(188)
Ordinary shareholders' equity at end of the year	6 662	7 974
Non-controlling interests at beginning of the year	–	311
Previously reported	344	316
Adjustment due to initial application of IFRS 16		(5)
Deemed disposal and reacquisition of investments	(344)	
Total comprehensive loss for the year	–	(8)
Shares issued		3
Transactions with non-controlling interests		54
Other movements		1
Dividends paid		(17)
Non-controlling interests at end of the year	–	344
Total equity	6 662	8 318

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 28 February 2021

Audited	Feb 21 Rm	Feb 20 Rm
Cash generated from operations (note 4)	24	337
Investment income	75	314
Finance cost and taxation paid	(63)	(393)
Cash flow from operating activities	36	258
Acquisition of subsidiaries		(32)
Proceeds from disposal of subsidiaries		53
Proceeds from disposal of investments (note 2)	6 716	
Additions to investments	(25)	
Cash and cash equivalents on deemed disposal on investments	(328)	
Net loans granted to associates and joint ventures		(9)
Additions to property, plant and equipment		(202)
Proceeds from disposal of property, plant and equipment		27
Additions to intangible assets		(112)
Proceeds from disposal of equity securities		6
Other	(121)	51
Cash flow from investing activities	6 242	(218)
Treasury shares sold	32	1
Dividends paid to group shareholders	(3 919)	(188)
Dividends paid to non-controlling interests		(17)
Borrowings repaid	(1 500)	(630)
Borrowings drawn		894
Lease liabilities		(73)
Share buy-back	(426)	
Other		(20)
Cash flow from financing activities	(5 813)	(33)
Net increase in cash and cash equivalents	465	7
Exchange differences on cash and cash equivalents including hyperinflation effect		(29)
Cash and cash equivalents at beginning of the year	411	433
Cash and cash equivalents at end of the year	876	411

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 28 February 2021

1. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

These summary consolidated financial statements are prepared in accordance with the requirements of the JSE Listings Requirements for summary financial statements, and the requirements of the Companies Act, applicable to summary financial statements. The JSE requires summary financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*.

The summary consolidated financial statements do not include all of the information required for full consolidated annual financial statements and should be read in conjunction with the consolidated annual financial statements for the year ended 28 February 2021.

The new standards, interpretations or amendments which became effective for application during the year, do not have a material impact on the measurement of amounts or disclosures in the current or prior year.

The accounting policies applied in the preparation of the annual consolidated financial statements, from which the summary financial statements were derived, are in terms of IFRS, however, the accounting policies applied are materially different, as detailed in paragraph 1.1 below. The comparative summary consolidated financial statements were not restated.

In preparing these summary consolidated financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty related mainly to those detailed in paragraph 1.1 below, and, in particular, determining the fair value of investments, as detailed in note 2.

1.1 Application of the Investment Entity exception in terms of IFRS 10 Consolidated Financial Statements

1.1.1 Change in Investment Entity status

An Investment Entity is typically an entity that i) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services, ii) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both, and iii) measures and evaluates the performance of substantially all of its investments on a fair value basis. Zeder previously measured and evaluated investment performance with reference to investments' contribution to both Zeder's *sum-of-the-parts* ("*SOTP*") value (i.e. quoted market prices of JSE-listed investments and valuations performed for unlisted investments) and *recurring* headline earnings (i.e. profitability) per share.

During the year, the group undertook the following major corporate actions, which significantly impacted the group's composition and focus areas going forward:

- Zeder disposed of its entire shareholding in Pioneer Foods, its largest investment, for R6.41bn cash; and
- Zeder disposed of its entire shareholding in Quantum Foods for R308m cash.

The investments in Pioneer Foods and Quantum Foods contributed approximately 64% to Zeder's consolidated *recurring* headline earnings for the year ended 29 February 2020 and, as a result of such investments' disposals, the group became more focussed on measuring and evaluating the performance of its investments on a fair value basis, rather than from both a fair value and profitability perspective. Fair value is ultimately representative of a range of factors, including the investee's growth prospects, market rating, marketability, operational performance, profitability and the like.

Zeder's focus on value creation for its shareholders has not changed, and therefore the performance of its investment portfolio is accordingly measured with reference to the growth in fair value of each investment (i.e. *SOTP value*) rather than the consolidated profitability of Zeder (i.e. *recurring* headline earnings), with effect from 1 March 2020, following in particular the disposal of the Pioneer Foods, and in accordance with Zeder's drive to meet its objective of value creation through capital appreciation, investment income or both.

IFRS 10 lists typical characteristics of an Investment Entity as being i) it has more than one investment, ii) it has more than one investor, iii) it has investors that are not related parties of the entity; and iv) it has ownership interests in the form of equity or similar interests. Zeder strongly exhibits all of these characteristics of an Investment Entity.

1.1.2 Accounting treatment of Investment Entities

IFRS 10 contains special accounting requirements for Investment Entities. Where an entity meets the definition of an Investment Entity, it does not consolidate its subsidiaries ("investments"), but rather measures investments at fair value through profit or loss. However, an Investment Entity still continues to consolidate subsidiaries that provide services related to the Investment Entity's investment activities (i.e. those wholly-owned subsidiaries comprising Zeder's head office operations).

Accordingly, Zeder prospectively changed its accounting policy, with effect from 1 March 2020, and now measures investments at fair value through profit or loss, irrespective of whether they are subsidiaries, as permitted by IFRS 10. Zeder still consolidates wholly-owned head office subsidiaries, which are not investments, and which provide investment activities to Zeder. The resultant change in accounting policy impacts, *inter alia*, Zeder's attributable earnings, headline earnings, *recurring* headline earnings and net asset value. Under the new accounting policy, Zeder's attributable earnings and headline earnings will largely comprise dividend and interest income, fair value gains and losses, less operating expenses, financing costs and tax.

1.1.3 Impact of applying the Investment Entity exception

IFRS 10 requires a parent that becomes an Investment Entity to account for the change in its status prospectively from the date at which the change in status occurred, therefore prior period comparatives have not been restated. Having considered various factors and the timeline of aforementioned disposals, Zeder applied judgement and its application of the Investment Entity exception has been accounted for with effect from 1 March 2020. Accordingly, on such date, the group's existing subsidiaries (other than aforementioned wholly-owned head office subsidiaries providing investment activities to Zeder) were deemed to be disposed of and re-acquired at fair value, with the resultant gain or loss being recognised as a non-headline item in the income statement. Such investments were subsequently measured at fair value through profit or loss for the entire year under review.

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 28 February 2021 continued

1. BASIS OF PRESENTATION AND ACCOUNTING POLICIES continued

1.1 Application of the Investment Entity exception in terms of IFRS 10 Consolidated Financial Statements continued

1.1.4 Critical judgements applied in accounting for Investment Entities

Assessment as an Investment Entity

Zeder has, as a result of the above disposals, reassessed whether it meets the definition of an Investment Entity in terms of IFRS 10 and the typical characteristics of an Investment Entity and has concluded that it, in fact, did so with effect from 1 March 2020. Refer to note 1.1.

Zeder's focus on value creation for its shareholders has not changed, and therefore the performance of its investments is measured with reference to the fair value of each investment (i.e. *SOTP value*) rather than the consolidated profitability of Zeder (i.e. *recurring* headline earnings) with effect from 1 March 2020 in Zeder's drive to meet its objective of value creation through capital appreciation, investment income or both.

Fair valuation of investments

The investments portfolio, a material asset of the group, is held at fair value through profit or loss.

The group applies a number of methodologies to determine and assess the reasonableness of the investments' fair value, which may include the following:

- Earnings multiple, including EV/EBITDA and price/earnings multiples;
- Market-related net asset value supported by third party valuations; and
- Recent transaction prices, including closing quoted listed share prices.

The primary valuation models utilised for valuing unlisted investments are the earnings multiple model, as well as the market-related net asset value of the investments, or a combination of both.

The earnings multiple is the main assumption applied to an earnings-based valuation. The multiple is derived from comparable listed companies. Companies in the same industry and geography and, where possible, with a similar business model and profile are selected and multiples are then adjusted for factors including, *inter alia*, liquidity risk, marketability risk, growth potential, relative performance and a minority/controlling discount/premium is applied. This continues to be an important exercise given the market volatility we have seen as a result of the Covid-19 pandemic in the year to 28 February 2021. EV/EBITDA multiples are applied to the *recurring* earnings, before interest, tax, depreciation and amortisation ("**EBITDA**"), of an investment to determine the enterprise value ("**EV**"). Earnings are usually obtained from the management accounts of the investments and where necessary, are adjusted for *non-recurring* items such as restructuring expenses or significant corporate actions. At 28 February 2021, for most of the investments we used the latest audited financial year-end earnings. In a small number of assets we used *recurring* headline earnings. Net debt and cash are deducted from/added to the EV to determine the fair value of the equity of the investments.

Independent third party valuations were obtained to determine the market-related net asset value for certain investments, and where there are extreme volatility in earnings and resultant market multiples of the investments and comparable companies. Certain agricultural companies trade at a discount to their underlying asset values and this can be attributed to the appetite for primary farming assets and the ability of the company to realise these assets at market-related net asset values. These discounts were referenced by considering the traded discounts of comparable companies, adjusting the discount for entity specific factors, which include, but not limited to, liquidity and marketability factors.

For additional details in respect of the investments, per IFRS 13, as well as post-tax profit sensitivity analysis, refer to Annexure A.

2. INVESTMENTS

It was concluded that, with effect from 1 March 2020, Zeder had qualified as an Investment Entity per the IFRS 10 criteria. As a result, on such date, the group's existing subsidiaries (other than wholly-owned head office subsidiaries providing investment activities to Zeder) were deemed to be disposed of and re-acquired at fair value, with the resultant gain or loss being recognised as a non-headline *item* in the income statement. As required by IFRS 9, in accordance with IFRS 10, Zeder manages and accounts for the majority of its financial assets at fair value through profit or loss, with any resultant gain or loss recognised in fair value gains/losses. Fair value is determined in accordance with IFRS 13.

Statement of financial position items carried at fair value include investments in equity instruments. The group applies a number of valuation methodologies to the investments to determine and assess the reasonableness of the fair value, which may include the following: price/earnings or EV/EBITDA multiples; market related net asset values supported by third party valuations or closing quoted listed share prices.

The primary valuation models utilised for valuing unlisted portfolio investments are the EV/EBITDA multiple model and the market-related net asset value of investments. The applicable EV/EBITDA multiple used, is determined by considering the multiples of comparable companies and adjusting the multiple for company-specific factors. The market-related net asset value used is dependent on independent third party valuations on farms and other infrastructure assets, using comparable sales within the area, less a cost to sell.

Audited	Feb 21 Rm	Feb 20 Rm
Pioneer Foods		6 348
Zaad	2 010	2 034
The Logistics Group	1 325	1 028
Capespan	1 117	999
Kaap Agri	1 102	723
Agrivision Africa	146	242
Quantum Foods		188
Other	24	19
Total investment value	5 724	11 581

Refer to Annexure A for additional details on valuation inputs, per IFRS 13.

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 28 February 2021 continued

2. INVESTMENTS continued

Audited	Carrying value 29 Feb 2020 Rm	Gain/(loss) upon deemed disposal and reacquisition of investments on 1 Mar 2020 ¹ Rm	Fair value 1 Mar 2020 Rm	Fair value gain/(loss) Rm	(Disposals)/ additions Rm	Fair value 28 Feb 2021 Rm	Investment (dividend) income Rm
Continued operations							
Zaad	1 882	152	2 034	(24)		2 010	
The Logistics Group	1 333	(305)	1 028	297		1 325	
Capespan	417	582	999	118		1 117	
Kaap Agri	723		723	355	24	1 102	16
Agrivision Africa	316	(74)	242	(96)		146	
Quantum Foods ²	188		188	120	(308)	—	
Other	19		19	1	4	24	1
	4 878	355	5 233	771	(280)	5 724	17
Discontinued operations							
Pioneer Foods ²	5 051	1 297	6 348	60	(6 408)	—	
	9 929	1 652	11 581	831	(6 688)	5 724	17
Interest income on cash and cash equivalents and loans and advances							65
Total investment income							82

¹ Gain on deemed disposal and reacquisition of investments due to change in investment entity status. As a result, the foreign currency translation reserves accounted for by subsidiaries were recycled to the profit or loss and included in the gain on deemed disposal and reacquisition of investments as well.

² Fair value gain represents fair value gain on disposal of asset held for sale and discontinued operation.

Investments disposed of during the current year

Pioneer Foods

On 23 March 2020, Zeder disposed of the entire shareholding held by it in Pioneer Food Group Limited, representing 28.2% of the total voting interest, to Pepsi Co, for an aggregate sale amount of R6.41bn. The carrying value of the investment in Pioneer Foods prior to disposal was R5.05bn, resulting in a fair value gain of R1.4bn upon disposal of the discontinued operation.

Quantum Foods

On 12 June 2020, Zeder disposed of the entire shareholding held by it in Quantum Foods Holdings Limited, representing 32.1% of that company's issued share capital, to Country Bird Holdings Proprietary Limited, for an aggregate sale amount of R308m. The carrying value of the investment in Quantum Foods prior to its disposal was R188m, resulting in a fair value gain of R120m upon disposal of the asset held for sale.

Audited	Proceeds Rm	Carrying value Rm	Fair value gains on disposal ¹ Rm
Continued operations			
Quantum Foods	308	188	120
Discontinued operations			
Pioneer Foods	6 408	5 051	1 357
	6 716	5 239	1 477

¹ This fair value gain on disposal represents an additional fair value gain of R120m on Quantum Foods and R60m on Pioneer Foods over and above the fair value gain for these investments as reflected in note 2 on the date of transition.

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 applicable to trade and other payables.

The summary consolidated financial statements do not include all financial risk management information and disclosures 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 28 February 2021. Risk management continues to be carried out throughout the group under policies approved by the respective boards of directors.

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.

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 28 February 2021 continued

2. INVESTMENTS continued

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.

There have been no significant transfers between level 1, 2 or 3 during the year and the valuation techniques and inputs used to determine fair values of other financial assets and liabilities are similar to those disclosed in the consolidated annual financial statements for the year ended 29 February 2020, except for investments held at fair value (refer to Annexure A).

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
28 February 2021				
Assets				
Cash and cash equivalents – money market fund	271			271
Investments	1 102		4 622	5 724
	1 373	–	4 622	5 995
Opening balance			29	
Deemed disposal and reacquisition of investments			4 293	
Additions			4	
Fair value gains			296	
Liabilities				
Derivative financial liabilities				–
Opening balance			24	
Deemed disposal and reacquisition of investments			(24)	

Audited	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
29 February 2020				
Assets				
Cash and cash equivalents – money market fund	82			82
Derivative financial assets		1		1
Equity securities		2	29	31
	82	3	29	114
Opening balance			29	
Disposals			(6)	
Fair value gains			7	
Disposal of subsidiaries			(1)	
Liabilities				
Derivative financial liabilities			24	24
Opening balance			25	
Fair value gains			(4)	
Finance cost			3	

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 28 February 2021 continued

3. HEADLINE EARNINGS AND DIVIDEND PER SHARE

Audited	Feb 21 Rm	Feb 20 Rm
Profit for the year attributable to owners of the parent	2 475	561
Non-headline items	(1 832)	(157)
Gross amounts		
Profit on disposal of subsidiaries' operations		(2)
Net fair value gain resulting from disposal of subsidiary and step up of associate and joint venture to subsidiary		(58)
Impairment of associates		298
Net loss/(gain) on dilution of interest in associates		1
Non-headline items of associates and joint ventures		(8)
Non-headline items of discontinued operations		(512)
Net loss on sale and impairment of property, plant and equipment		108
Impairment of intangible assets and goodwill		46
Gain on deemed disposal and reacquisition of investments (note 2)		
Continued operations	(355)	
Discontinued operations	(1 297)	
Fair value gain on disposal of assets held for sale (note 2)		
Continued operations	(120)	
Discontinued operations	(60)	
Other		3
Non-controlling interests		(20)
Taxation		(13)
Headline earnings	643	404
Continued operations	643	121
Discontinued operations		283

During the year, the change in Investment Entity status resulted in the non-headline item of R1.83bn, relating to the fair value adjustment to the investments, with effect from 1 March 2020. Refer to investments note 2, for a reconciliation.

Audited	Feb 21 Rm	Feb 20 Rm
Dilutive earnings (Rm)		
Headline	550	403
Attributable	2 382	560
Earnings per share (cents)		
Headline (basic)	39.7	23.7
Continued operations	39.7	7.1
Discontinued operations		16.6
Headline (diluted)	33.9	23.7
Continued operations	33.9	7.1
Discontinued operations		16.6
Attributable (basic)	152.8	32.9
Continued operations	69.0	(13.8)
Discontinued operations	83.8	46.7
Attributable (diluted)	146.8	32.9
Continued operations	63.2	(13.8)
Discontinued operations	83.6	46.7
Dividends per share (cents)		
Special dividend per share – declared on 1 April 2020, paid on 28 April 2020	230.0	
Number of shares (million)		
In issue	1 543	1 715
In issue (<i>net of treasury shares</i>)	1 538	1 702
Weighted average	1 619	1 702
Diluted weighted average	1 623	1 702

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 28 February 2021 continued

4. CASH GENERATED FROM OPERATIONS

Audited	Feb 21 Rm	Feb 20 Rm
Profit/(loss) before taxation from continued operations	1 137	(99)
Investment income	(82)	(51)
Finance costs	49	351
Depreciation and amortisation		297
Changes in fair value of biological assets		(225)
Net fair value gains		(11)
Profit on disposal of subsidiaries' operations		(2)
Net fair value gain resulting from disposal of subsidiary and step up of associate and joint venture to subsidiary		(58)
Gain on deemed disposal and reacquisition of investments (note 2)	(355)	
Net fair value gain on investments	(771)	
Share of profits of associates and joint ventures		(247)
Impairment of associates		298
Net loss on dilution of interest in associates		1
Net loss on sale and impairment of property, plant and equipment		108
Impairment of intangible assets and goodwill		46
(Reversal of)/impairment of loans to associates	(3)	89
Impairment of trade and other receivables		46
Net harvest short-term biological assets		98
Net monetary gain		(70)
Other non-cash items	(1)	(68)
	(26)	503
Changes in working capital and other financial instruments	50	49
Additions to biological assets		(215)
Cash generated from operations	24	337

5. SEGMENTAL REPORTING

During the year, as a result of the prospective change in Investment Entity status, the group changed the segments to reflect that of its seven major investments representing the major investments of the group, namely Zead, The Logistics Group, Capespan, Kaap Agri, Quantum Foods, Agrivision Africa and Pioneer Foods. Previously the group was organised into five reportable segments, namely i) food, beverages and related services, ii) logistical services, iii) agri-related retail, trade and services, iv) agri-inputs and v) agri-production, that represented the different sectors in the broad agribusiness and related industries.

Previously, to provide context to its consolidated income statement, the group presented consolidated *recurring* headline earnings which was calculated on a proportional basis, and included the proportional earnings of underlying investments, excluding marked-to-market adjustments and once-off items. The result was that investments in which Zeder held less than 20% and which were generally not equity accountable in terms of accounting standards, were equity accounted for the purpose of calculating the consolidated *recurring* headline earnings. *Non-recurring* headline earnings included, *inter alia*, once-off gains and losses and marked-to-market fluctuations, as well as the resulting taxation charge on these items. However, following Zeder's change in status to that of an Investment Entity, consolidated *recurring* headline earnings is no longer presented to or evaluated by the chief operating decision-maker, the executive committee, ("CODM") and therefore it is no longer presented as part of Zeder's segment report.

SOTP is a valuation tool used to measure Zeder's performance. The *SOTP value* is calculated using the quoted market prices for all JSE-listed investments, and valuations performed for unlisted investments.

These values in the comparative periods will not necessarily correspond with the values per the summary consolidated statement of financial position since the comparative values were measured using the relevant accounting standards which included historical cost.

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 28 February 2021 continued

5. SEGMENTAL REPORTING continued

The CODM evaluates the following information to assess the segments' performance (also refer Annexure A):

Audited	Fair value gains/ (losses) on investments Rm	Investment (dividend) income Rm	Other income and expenses Rm	Headline earnings Rm	SOTP value Rm
28 February 2021					
Continued operations					
Zaad	(24)		6	(18)	2 010
The Logistics Group	297			297	1 325
Capespan	118			118	1 117
Kaap Agri	355	16		371	1 102
Agrivision Africa	(96)			(96)	146
Quantum Foods				–	
Other	1	1		2	24
Discontinued operations					
Pioneer Foods				–	
Unallocated (mainly head office)			(12)	(12)	
Cash and cash equivalents					876
Other net assets					62
Debt funding					
Total				662	6 662
Non-headline items (note 3)				1 832	
Taxation				(19)	
Profit for the year				2 475	
Profit for the year from continued operations				1 118	
Profit for the year from discontinued operations				1 357	
SOTP value per share (rand)					4.33

* Change in segments prospectively to be in line with change in Investment Entity status.

As a result of the aforementioned change in segments, information for the year ended 28 February 2021, are also included below, and presented on the old basis of segment information, the five reportable segments, namely i) food, beverages and related services, ii) logistical services, iii) agri-related retail, trade and services, iv) agri-inputs and v) agri-production, but are not comparable to those for the previous year ended 29 February 2020:

Headline earnings segmental analysis (audited):	Food, beverages and related services Rm	Logistical services Rm	Agri-related retail, trade and services Rm	Agri-inputs Rm	Agri-production Rm	Unallocated (mainly head office) Rm	Total Rm
28 February 2021							
Headline earnings	118	297	373	(18)	(96)	(31)	643
Continued operations	118	297	373	(18)	(96)	(31)	643
Discontinued operations							–
Non-headline items (note 3)	2 059	(305)		152	(74)		1 832
Attributable earnings	2 177	(8)	373	134	(170)	(31)	2 475
Continued operations	820	(8)	373	134	(170)	(31)	1 118
Discontinued operations	1 357						1 357

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 28 February 2021 continued

5. SEGMENTAL REPORTING continued

<i>Recurring headline earnings segmental analysis (audited):</i>	Food, beverages and related services Rm	Logistical services Rm	Agri- related retail, trade and services Rm	Agri- inputs Rm	Agri- production Rm	Unallocated (mainly head office) Rm	Total Rm
29 February 2020							
<i>Recurring headline earnings from investments</i>	315	125	114	163	8		725
Continued operations	19	125	114	163	8		429
Discontinued operations	296						296
Net interest, taxation and other income and expenses						(166)	(166)
Recurring headline earnings	315	125	114	163	8	(166)	559
Continued operations	19	125	114	163	8	(166)	263
Discontinued operations	296						296
Other <i>non-recurring</i> headline earnings ¹	(96)	(6)	7	24		(84)	(155)
Headline earnings	219	119	121	187	8	(250)	404
Continued operations	(64)	119	121	187	8	(250)	121
Discontinued operations	283						283
Non-headline items	(46)	(9)	(1)		(24)	237	157
Attributable earnings	173	110	120	187	(16)	(13)	561
Continued operations	(91)	110	120	187	(16)	(544)	(234)
Discontinued operations	264					531	795

¹ During the previous year, non-recurring items comprised mainly of the impairment of loans to associates and restructuring costs, countered by a net monetary gain due to Zimbabwe being classified as a hyperinflationary economy for the first time during that year.

Audited	Feb 2021		Feb 2020	
	SOTP value	Profit before tax from continued operations	SOTP value	Loss before tax from continued operations
	Rm	Rm	Rm	Rm
Segments				
Food, beverages and related services	1 117	2 177	7 535	716
Continued operations	1 117	820	1 187	(79)
Discontinued operations		1 357	6 348	795
Logistical services	1 325	(8)	1 028	179
Agri-related retail, trade and services	1 126	373	742	114
Agri-inputs	2 010	134	2 034	264
Agri-production	146	(170)	242	(48)
Management fees and other income and expenses (including impairments)		(12)		(529)
Profit before tax		2 494		696
Profit for the year from discontinued operations		(1 357)		(795)
Profit/(loss) before tax from continued operations		1 137		(99)
Cash and cash equivalents	876		83	
Other net assets	62		40	
Debt funding			(1 500)	
SOTP value	6 662		10 204	
SOTP value per share (rand)	4.33		5.97	

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 28 February 2021 continued

5. SEGMENTAL REPORTING continued

IFRS revenue (revenue and investment income) segmental analysis (audited) ² :	Feb 21	Feb 20
	Rm	Rm
Segments		
Food, beverages and related services	1	3 969
Revenue		3 952
Investment income	1	17
Logistical services	–	939
Revenue		937
Investment income		2
Agri-related retail, trade and services investment income	16	
Agri-inputs	6	2 128
Revenue		2 113
Investment income	6	15
Agri-production	–	491
Revenue		490
Investment income		1
Unallocated investment income (mainly head office interest income)	59	16
IFRS revenue	82	7 543

² Segmental income comprises revenue and investment income, as per the income statement.

6. CAPITAL COMMITMENTS, CONTINGENCIES AND SURETYSHIPS

Capital commitments, contingencies and suretyships similar to those disclosed in the consolidated annual financial statements for the year ended 29 February 2020 remained in effect during the year under review. Zeder has committed an additional investment into Zaad, to enable an investment in the EAS group of companies in Kenya.

7. RELATED-PARTY TRANSACTIONS

Related-party transactions similar to those disclosed in the consolidated annual financial statements for the year ended 29 February 2020 took place during the year under review. During the year, Zaad borrowed R126m from Zeder. The loan is unsecured, repayable in June 2021 and carries interest at prime plus 4% and is included under loans and advances on the statement of financial position of the group. Included in the group's investment income is R6m interest income from Zaad.

8. EVENTS SUBSEQUENT TO THE REPORTING DATE

Subsequent to year-end Zeder declared a special dividend of 20 cents per share (paid on 10 May 2021).

The financial results reported and business environment reviewed, reflect the year ended 28 February 2021, as well as subsequent events that transpired prior to the publication of these results. It is, however, important to note that, at the time of producing this report, some uncertainty around the global coronavirus pandemic remains. Many of Zeder's portfolio companies fell within the "essential services" classification under the Covid-19 regulations and were accordingly permitted to continue certain operations during the government-imposed lock-downs. Zeder is well positioned, with a stable balance sheet and cash resources.

Apart from the above, the directors are unaware of any matter or event which is material to the financial affairs of the group which has occurred between the end of the reporting year and the date of approval of the summary consolidated financial statements.

ANNEXURE A: SOTP VALUE

for the year ended 28 February 2021

Investment (audited)	28 Feb 2021		Country of incorporation ²	Nature of business	Listed/unlisted	Classification at Feb 2021	SOTP value				Valuation method	Fair value	
	Voting rights ¹ %	Number of shares held m					1 Mar 2020 Rm	Movement Rm	28 Feb 2021 Rm	Portion %		Categorisation	R/share
Continued operations													
Zaad	97.0	33.0	South Africa ³	Specialist agricultural seed and agrochemical company	Unlisted	Subsidiary	2 034	(24)	2 010	35	EV/EBITDA multiple (note A)	Level 3	60.85
The Logistics Group ("TLG")	98.5	361.9	South Africa ⁴	Integrated logistics provider	Unlisted	Subsidiary	1 028	297	1 325	23	EV/EBITDA multiple (note A)	Level 3	3.66
											Market-related net asset value underpinned by farming operations including P/E multiple on other operations (note A)	Level 3	3.13
Capespan	96.0	356.9	South Africa ⁵	Fruit marketing and farming	Unlisted	Subsidiary	999	118	1 117	20	Closing JSE-listed share price (note B)	Level 1	35.20
Kaap Agri	42.3	31.3	South Africa ⁴	Retail and agricultural trade services group	Listed	Subsidiary	723	379	1 102	19	Market-related net asset value underpinned by farming and milling operations (note A)	Level 3	140.54
Agrivision Africa	56.0	1.0	Mauritius ⁶	Farming and milling operation	Unlisted	Subsidiary	242	(96)	146	3	Refer note B	Level 3	
Quantum Foods				Integrated egg and boiler business	Listed		188	(188)	–		Refer note C	Level 3	
Other				Various	Unlisted	Various	19	5	24				
Discontinued operations													
Pioneer Foods				Food and beverage company	Listed		6 348	(6 348)	–		Refer note B		
Sub-total							11 581		5 724	100			
Cash and cash equivalents							83		876				
Other net assets							40		62				
Debt funding							(1 500)						
Total SOTP value							10 204		6 662				
SOTP value per share (rand)							5.97		4.33				
Sub-total								(5 857)					
Adjust for disposals/(additions) included in movement (note 2)								6 688					
Fair value gains/(losses) from investments (note 2)								831					

¹ Voting rights equal economic interests, except for Kaap Agri where economic interest amounts to 44.5%.

² Principle place of business is the country of incorporation, unless otherwise stated.

³ Operating via subsidiaries in Southern Africa, Europe and the Middle East.

⁴ Operating via subsidiaries in Southern Africa.

⁵ Operating via various subsidiaries throughout the world.

⁶ Operating via subsidiaries in Zambia.

ANNEXURE A: SOTP VALUE

for the year ended 28 February 2021 continued

Valuation inputs: additional details in respect of the investments, per IFRS 13:

Note A – unlisted investments:

For an overall description with regards to the valuation methods and judgements applied refer to note 1.1.4.

Level 3 unobservable inputs and additional information	EBITDA Rm	EV/EBITDA multiple ⁷ times	Net debt and cash Rm	Recurring headline earnings ⁸ Rm	P/E multiple ⁷ times	Comparable market prices ⁹ per hectare	Market-related net asset value ¹⁰ Rm	Net company-specific discounts %	Implied P/E multiple times
Zaad ¹¹	379		(1 128)	181					11.0
Seed	237	9.0	(868)	122				2.5	
Chemical	142	7.6	(260)	59				2.5	
The Logistics Group ¹²	372	4.4	(602)	142				2.5	9.3
Capespan ¹³								30.0	
Mainly South African farming assets						R0.2m – R1.1m	1 661		
Other operations				10	8.0			15.7 – 24.6	
Agrivision Africa (USDm) ¹⁴						\$3 000 – \$6 000	72	75.0	

⁷ EV/EBITDA and P/E (price/earnings) ratio's comparable to other similar companies, adjusted for company-specific factors that include a combination of inter alia, liquidity, marketability, and minority/controlling discount/premiums, where applicable.

⁸ Recurring headline earnings is calculated on a see-through basis. The investments' recurring headline earnings is the sum of its effective interest in the recurring headline earnings of each of its underlying operations and represent its sustainable earnings.

⁹ Comparable market prices per hectare include pome, citrus, grapes, wheat and maize farm land valuations, obtained from an independent third-party valuer, measured against comparable sales.

¹⁰ Valuations based on market-related net asset values of underlying assets, determined by reference to the comparable market prices per hectare, adjusted for company-specific factors, that include inter alia, liquidity and marketability discounts as well as a net asset value discount attributed to the appetite for primary farming assets and the ability of the company to realise these assets at market-related net asset values. This excludes the fair value of other operations, in the case of Capespan, that is valued on an earnings multiple basis.

¹¹ Represents the year ended 31 January 2021. The specific sector which Zaad operates in is generally characterised by valuations that translate into high earnings multiples, due to their unique product offerings developed through its own research and development divisions and their widespread presence in international markets. Zaad is earnings generative and thus valued on an EV/EBITDA multiple, comparable to other similar companies, adjusted for company-specific factors that include a combination of, inter alia, liquidity, marketability, and minority/controlling discount/premiums, where applicable. The Zaad group consists of two divisions which operate on a global scale namely a Seed and Chemical business.

¹² Represents the year ended 31 December 2020. The Logistics Group owns and operates various strategic port assets and warehouses in South Africa and Mozambique. TLG is earnings and cash generative and thus valued on an EV/EBITDA multiple, comparable to other similar companies, adjusted for company-specific factors that include a combination of liquidity, marketability, and minority/controlling discount/premiums, where applicable.

¹³ Represents the year ended 31 December 2020. Capespan is an asset-heavy business with large Southern African fruit farming operations and an international fruit marketing capability. Capespan has an asset value under-pin, given the number of farms that it owns. Given the asset intense investment and inconsistent earnings, it remains appropriate to value Capespan on a market-related net asset value basis (fair value less cost to sell). These valuations are supported by third party valuations and/or comparable sales, adjusted for company-specific factors, that include inter alia, liquidity and marketability discounts as well as a net asset value discount, attributed to the appetite for primary farming assets and the ability of the company to realise these assets at market-related net asset values. Associates of Capespan, which are earnings generative, are valued on a P/E multiple, based on comparable sales of similar associates, adjusted for company-specific factors, that include a combination of, inter alia, liquidity, marketability, and minority discount. Not included in above table, based on an independent third-party valuer, a valuation of a fruit packing facility with cold storage based on a discounted cash flow model, with the following inputs: Net profit of R18m, represented by affordable net annual rent; capitalisation rate of 12%; and with a property value of R150m. Sensitivity on the capitalisation rate: A 1% increase would result in a R11m increase and a 1% decrease would result in a R15m decrease in estimated value.

¹⁴ Represents the year ended 31 December 2020. Agrivision Africa is an asset-heavy farming and milling business in Zambia. Given the asset intense investment and lack of consistent earnings, it remains appropriate to value Agrivision Africa on a market related net asset value basis (fair value less cost to sell). These valuations are supported by appropriate third party valuations and/or by comparable sales, adjusted for company-specific factors, that include inter alia, liquidity and marketability discounts as well as a net asset value discount, attributed to the appetite for primary farming assets and the ability of the company to realise these assets at market-related net asset values. As a result of the constrained operating environment and very few comparable farm sales, a significant discount was applied to the market-related net asset value calculation to take into account the distressed asset nature, rather than going concern.

Note B – listed investments: Kaap Agri is valued using its closing JSE-listed share price as at 28 February 2021. Pioneer Foods and Quantum Foods were valued using the respective closing JSE-listed share prices and were categorised as level 1.

Note C – other unlisted investments: Certain equity securities included in other 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 that trade infrequently 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 balance include a 32.4% interest in Clean Air Nurseries, an associate, valued at the loans converted to equity during the year as this is a start-up enterprise. As at 28 February 2021, based on the assumption that the over-the-counter prices of the traded equity securities were 5% higher/lower for the full year, the fair value would have been R8m higher/lower than the current fair value.

Post-tax profit sensitivity analysis:

	Increase Rm	Decrease Rm
28 February 2021 (audited)		
Closing JSE-listed share price (5%)	55	(55)
EV/EBITDA (1x)	847	(847)
Multiple discounts (5%)	6	(6)
Comparable market prices per hectare (10%)	56	(56)
Net asset value discounts (5%)	(47)	47

The change in valuation outcome disclosed in the above table shows the effect of the increase or decrease in the input variables deemed to be subject to the most judgement and estimation, and respective impact on the fair value presented in the summary consolidated financial statements. An increase in the EBITDA multiple and control premium inputs, would lead to an increase in the estimated value. However, an increase in the discount due to the lack of liquidity and marketability and minority discount inputs, would lead to a decrease in the estimated value. An increase in the comparable market prices per hectare, would lead to an increase in the estimated value. However an increase in the net asset value discount, would lead to a decrease in the estimated value.

ANNEXURE B – SHAREHOLDER ANALYSIS

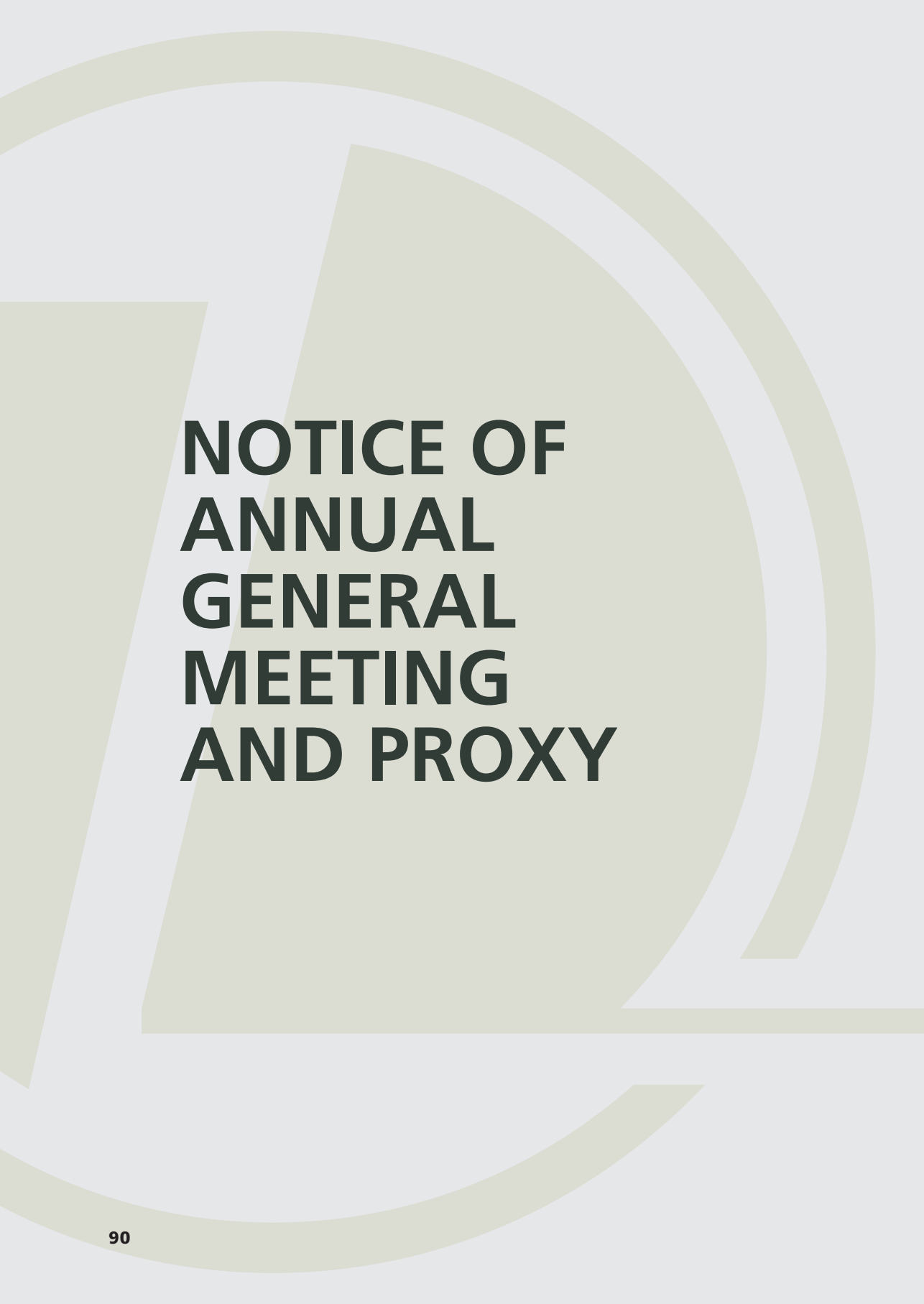
FOR THE YEAR ENDED 28 FEBRUARY 2021

GROUP	Shareholders		Shares held	
	Number	%	Number	%
Range of shareholding				
1 – 20 000	9 055	78.9	33 927 901	2.2
20 001 – 50 000	1 034	9.0	34 264 909	2.2
50 001 – 100 000	568	5.0	41 165 937	2.7
100 001 – 500 000	614	5.4	132 711 463	8.6
500 001 – 1 000 000	95	0.8	64 709 538	4.2
Over 1 000 000	98	0.9	1 231 479 137	80.1
	11 464	100.0	1 538 258 885	100.0
Treasury shares				
– Employee share scheme	1		5 001 469	
	11 465		1 543 260 354	
Public and non-public shareholding				
Non-public				
– Directors ¹	5	0.1	8 188 406	0.6
– PSG Financial Services Limited	1		748 354 891	48.6
Public	11 458	99.9	781 715 588	50.8
	11 464	100.0	1 538 258 885	100.0
Major shareholders holding 5% or more of shares in issue (net of treasury shares) at 28 February 2021				
PSG Financial Services Limited (wholly-owned subsidiary of ultimate holding company, PSG Group Limited)			748 354 891	48.6
Public Investment Corporation (including Government Employees Pension Fund) ²			133 581 001	8.7
Coronation Asset Management Proprietary Limited ²			81 868 499	5.3
			963 804 391	62.6

¹ Refer to the directors' report for further details on the directors' shareholdings.

² The shareholding includes shares held directly or indirectly by the entity and/or its clients.





NOTICE OF ANNUAL GENERAL MEETING AND PROXY

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given of the annual general meeting of shareholders of Zeder Investments Limited ("**Zeder**" or "**the company**") to be conducted entirely through electronic communication on Wednesday, 14 July 2021, at 10:00 am ("**the AGM**").

As a result of the Covid-19 pandemic, and as contemplated in section 63(2)(a) of the Companies Act, No. 71 of 2008, as amended ("**Companies Act**"), the AGM will be conducted entirely through electronic communication, rather than physically.

Refer to the *Voting and electronic participation at the AGM* section of this notice of AGM for more detail.

PURPOSE OF THE AGM

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

AGENDA OF THE AGM

Presentation of the audited annual financial statements of the company, including the remuneration report and the reports of the directors and the audit and risk committee for the year ended 28 February 2021.

The annual report, of which this notice forms part, contains the summary consolidated financial statements and the aforementioned reports. The consolidated annual financial statements, including the unmodified audit opinion, are available on Zeder's website at www.zeder.co.za or a copy may be requested and obtained in person, at no charge, at the registered office of Zeder during office hours. In addition, electronic copies of the consolidated annual financial statements may be requested and obtained, at no charge, from the company at cosec@zeder.co.za.

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

Note:

For ordinary resolutions numbers 1 to 10 (inclusive) to be adopted, more than 50% of the voting rights exercised on the applicable ordinary resolution must be exercised in favour thereof. For ordinary resolution number 11 to be adopted, at least 75% of the voting rights exercised on the applicable ordinary resolution must be exercised in favour thereof.

1. CONFIRMATION OF APPOINTMENT OF DIRECTOR

1.1 Ordinary resolution number 1

"Resolved that Mrs S Cassiem's appointment as director, in terms of the memorandum of incorporation of the company, be and is hereby confirmed."

Summary curriculum vitae of Mrs S ("Shameema") Cassiem

Shameema obtained her B.Com Honours degree in 1991 and is a Chartered Accountant (South Africa). She has over 20 years' experience, primarily in the financial services industry and, amongst others, served as chief financial officer of Thembeke Capital from 2006 to 2014. Over the years she has served on the boards of listed and unlisted companies, as well as on various audit committees.

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

NOTICE OF ANNUAL GENERAL MEETING

continued

2. RETIREMENT AND RE-ELECTION OF DIRECTORS

2.1 Ordinary resolution number 2

"Resolved that Mr WL Greeff, 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 WL ("Wynand") Greeff

Wynand graduated with a BCompt (Hons) degree and is a Chartered Accountant (SA). He has served within the broader PSG Group since 2002 and has been the financial director of PSG Group since 2006.

2.2 Ordinary resolution number 3

"Resolved that Mr PJ Mouton, 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 PJ ("Piet") Mouton

Piet graduated with a BCom (Mathematics) degree and is the chief executive officer of PSG Group. He currently serves as a director on the boards of various PSG Group companies, including Curro Holdings and PSG Konsult, as well as on the board of Capitec Bank.

The reason for ordinary resolutions numbers 2 and 3 is that the memorandum of incorporation of the company, the Listings Requirements of the JSE Listings Requirements and, to the extent applicable, 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, each reference 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 4

"Resolved that, subject to the approval of ordinary resolution number 1, Mrs S Cassiem, 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."

Summary curriculum vitae of Mrs S ("Shameema") Cassiem

A summary of Shameema's curriculum vitae has been included at paragraph 1.1 above.

3.2 Ordinary resolution number 5

"Resolved that Mr RM Jansen, 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 RM ("Rudi") Jansen

Rudi obtained his B. Compt Honours degree in 1990 and qualified as a Chartered Accountant (SA) in 1992. He worked for PricewaterhouseCoopers, both in Johannesburg and internationally. During 1996, he joined MIH Holdings Ltd and M-Cell Ltd as Group Management Accountant. Rudi was then appointed head of finance at MWEB and, after a stint as CFO of MIH's Internet segment, a subsidiary of Naspers, he re-joined MWEB as Group CEO, where he served until 2012. Since then Rudi has served as independent non-executive director and chairman of the audit committee of Capevin Holdings Ltd until 2017. Currently, Rudi serves as independent non-executive director, chairman of the audit committee and member of the remuneration committee of Community Investment Venture Holdings (Pty) Ltd.

3.3 Ordinary resolution number 6

"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."

Summary curriculum vitae of Mr CA ("Chris") Otto

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

3.4 Ordinary resolution number 7

"Resolved that Mrs NS Mjoli-Mncube, 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 Mrs NS ("Nonhlanhla") Mjoli-Mncube

Nonhlanhla attended the Massachusetts Institute of Technology and Aspen Global Leadership Institute, USA, and holds an MA (City and Regional Planning). She is the former economic advisor to the Presidency and former deputy chair of the Construction Industry Development Board. Nonhlanhla serves on the boards of several listed companies and has held executive positions. She is also a recipient of the SABC Businesswoman of the Year Award and currently manages her own construction company.

The reason for ordinary resolutions numbers 4 to 7 (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. APPOINTMENT OF AUDITOR

Ordinary resolution number 8

"Resolved that Deloitte & Touche be and is hereby appointed as auditor of the company for the ensuing financial year or until the next annual general meeting of the company, whichever is the later, with the designated auditor being Mr JHW de Kock, as registered auditor and partner in the firm, on the recommendation of the audit and risk committee of the company."

The reason for ordinary resolution number 8 is that the company, being a public listed company, must have its annual financial results audited and such auditor must be appointed or re-appointed, as the case may be, each year at the annual general meeting of the company, as required by the Companies Act and the JSE Listings Requirements.

NOTICE OF ANNUAL GENERAL MEETING

continued

5. NON-BINDING ENDORSEMENT OF ZEDER'S REMUNERATION POLICY

Ordinary resolution number 9

"Resolved that the company's remuneration policy, as set out on pages 38 to 44 of the annual report to which this notice of AGM is annexed, be and is hereby endorsed by way of a non-binding advisory vote."

The reason for ordinary resolution number 9 is that the King IV Report on Corporate Governance™ for South Africa, 2016 ("King IV™") recommends, and the JSE Listings Requirements require, that the remuneration policy of a company be tabled for a non-binding advisory vote by shareholders at each annual general meeting of the company. This enables shareholders to express their views on the remuneration policy adopted by the company's remuneration committee of the company. The effect of ordinary resolution number 9, if passed, will be to endorse the company's remuneration policy. Ordinary resolution number 9 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements. However, the board will take the outcome of the vote into consideration when considering amendments to the company's remuneration policy.

6. NON-BINDING ENDORSEMENT OF ZEDER'S IMPLEMENTATION REPORT ON THE REMUNERATION POLICY

Ordinary resolution number 10

"Resolved that the company's implementation report with regard to its remuneration policy, as set out on pages 45 to 56 of the annual report to which this notice of AGM is annexed, be and is hereby endorsed by way of a non-binding advisory vote."

The reason for ordinary resolution number 10 is that King IV™ recommends, and the JSE Listings Requirements require, that the implementation report on a company's remuneration policy be tabled for a non-binding advisory vote by shareholders at each annual general meeting of the company. This enables shareholders to express their views on the implementation of a company's remuneration policy. The effect of ordinary resolution number 10, if passed, will be to endorse the company's implementation report in relation to its the remuneration policy. Ordinary resolution number 10 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements. However, the board will take the outcome of the vote into consideration when considering amendments to the implementation of the company's remuneration policy.

Note:

Should 25% or more of the votes exercised in respect of ordinary resolution number 9 or ordinary resolution number 10 be against either resolution, or both resolutions, the company will issue an invitation to those shareholders who voted against the applicable resolution to engage with the company.

7. GENERAL AUTHORITY TO ISSUE SHARES FOR CASH

Ordinary resolution number 11

"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 JSE 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 15 months from the date of this resolution;
- the general issues of shares for cash under this authority may not exceed, in 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, shares issued in connection with the Zeder Group Share Incentive Trust ("**the Trust**") or options granted by the Trust in accordance with the JSE Listings Requirements 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 (*net of treasury shares*) of the company amounts to 76 912 944 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 Limited ("**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 JSE 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 the Stock Exchange News Service of the JSE."

For listed entities wishing to issue shares for cash (other than issues by way of rights offers, in consideration for acquisitions and/or in connection with 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 JSE Listings Requirements and the memorandum of incorporation of the company. Accordingly, the reason for ordinary resolution number 11 is to obtain a general authority from shareholders to issue shares for cash in compliance with the JSE Listings Requirements and the memorandum of incorporation of the company.

Note:

For this resolution to be adopted, at least 75% of the voting rights exercised on it, whether in person or by proxy, must be exercised 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 4 (inclusive) to be adopted, at least 75% of the voting rights exercised on the applicable special resolution must be exercised in favour thereof.

NOTICE OF ANNUAL GENERAL MEETING

continued

8. REMUNERATION OF NON-EXECUTIVE DIRECTORS

Special resolution number 1

"Resolved, in terms of section 66(9) of the Companies Act, that the company be and is hereby authorised to remunerate its directors for their services as directors on the basis set out below, provided that this authority will be valid until the next annual general meeting of the company:

	Proposed annual remuneration ^{1,2,3} Feb 2022 R
Board	
Chairman fee	525 000
Member	288 750
Audit and Risk Committee	
Chairman fee	202 125
Member	173 250
Remuneration Committee	
Chairman fee	86 265
Member	57 750

¹ With effect from 1 March 2021.

² No fees are payable in respect of the Zeder Social and Ethics Committee and Nomination Committee.

³ Proposed annual remuneration excludes VAT."

The reason for special resolution number 1 is to allow the company to obtain the approval of shareholders by way of a special resolution for the payment of remuneration to its non-executive directors in accordance with the requirements of the Companies Act.

The effect of special resolution number 1, if passed, is that the company will be able to pay its non-executive directors for the services they render to the company as directors without requiring further shareholder approval until the next annual general meeting of the company.

9. INTER-COMPANY FINANCIAL ASSISTANCE

9.1 Special resolution number 2: 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**" and "**inter-related**" will herein have the meanings attributed to them 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, if passed, of special resolution number 2 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.

9.2 Special resolution number 3: 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 person, including any company or corporation that is related or inter-related to the company ("**related**" and "**inter-related**") will herein have the meanings attributed to them 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, 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 of 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, if passed, of special resolution number 3 is to grant the directors the authority, until the next annual general meeting of the company, to provide financial assistance to any person, including 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 wholly-owned subsidiary raises 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 wholly-owned 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 resolutions numbers 2 and 3 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); and
- 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.

In addition, prior to providing any financial assistance under special resolutions numbers 2 and 3, the board of directors will satisfy itself that:

- 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.

NOTICE OF ANNUAL GENERAL MEETING

continued

10. SHARE REPURCHASES BY THE COMPANY AND ITS SUBSIDIARIES

Special resolution number 4

"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 JSE 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 15 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 on the date that this authority is granted, 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 aggregate, in any one financial year of the company's issued share capital of that class at the time the authority is granted;
- a resolution has been passed by the board of directors approving the repurchase, that the company and its subsidiaries ("**the group**") 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 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 JSE 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(h) of the JSE Listings Requirements."

The reason for and effect, if passed, of special resolution number 4 is to grant the directors a general authority in terms of the company's memorandum of incorporation and the JSE 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 4.

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 as may be required by the Companies Act.

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 4 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 (fairly valued) will at the time of the AGM and at the time of making such determination, and for a period of 12 months thereafter, be in excess of the consolidated liabilities of the group (fairly valued);
 - 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 ordinary business purposes for a period of 12 months after the date of the notice of the AGM and for a period of 12 months after the date of the share repurchase.

General information in respect of major shareholders, material changes since 28 February 2021 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, which are 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. Electronic copies of the consolidated annual financial statements may be requested and obtained, at no charge, from the company at cosec@zeder.co.za.

2. 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 law and the JSE Listings Requirements.
3. Special resolutions numbers 1 to 4 are renewals of resolutions taken at the previous AGM held on 17 July 2020.

NOTICE OF ANNUAL GENERAL MEETING

continued

VOTING AND ELECTRONIC PARTICIPATION AT THE AGM

1. The AGM will be conducted virtually, giving shareholders the opportunity to attend and participate in the AGM using a compatible smartphone, tablet or computer.
2. Although voting will be permitted by way of electronic communication, shareholders are encouraged to submit votes by proxy before the AGM.
3. The date on which shareholders must be recorded as such in the share register maintained by the transfer secretary of the company ("**share register**") for purposes of being entitled to receive this notice is Friday, 28 May 2021.
4. The date on which shareholders must be recorded in the share register for purposes of being entitled to participate and vote at the AGM is Friday, 9 July 2021, with the last day to trade being Tuesday, 6 July 2021.
5. **Shareholders who wish to vote, but not attend the AGM**
 - a. *Certificated shareholders and own-name dematerialised shareholders*
 - Complete the form of proxy attached to this notice of the AGM and email same, together with proof of identification (i.e. valid South African ("**SA**") identity document, SA driver's license or passport) and authority to do so (where acting in a representative capacity), to the transfer secretary, Computershare Investor Services (Pty) Ltd ("**transfer secretary**"), at proxy@computershare.co.za so as to be received by the transfer secretary by no later than 10:00 am on Monday, 12 July 2021, provided that any form of proxy not delivered to the transfer secretary by this time and date may be emailed to the transfer secretary at any time before the appointed proxy exercise any shareholder rights at the AGM, subject to the transfer secretary verifying and registering such form of proxy and proof of identification before any shareholder rights are exercised.
 - b. *Dematerialised shareholders (excluding own-name dematerialised shareholders)*
 - Provide your central securities depository participant ("**CSDP**") or broker with your voting instructions in terms of the custody agreement entered into between you and your CSDP or broker.
 - You should contact your CSDP or broker regarding the cut-off time for submitting your voting instructions to them.
 - If your broker or CSDP does not receive voting instructions from you, it will be obliged to vote in accordance with the instructions in the custody agreement.
6. **Shareholders who wish to attend and vote at the AGM**
 - a. *Certificated shareholders and own-name dematerialised shareholders*
 - Register online at www.smartagm.co.za by no later than 10:00 am on Monday, 12 July 2021. Shareholders may still register online to participate in and/or vote electronically at the AGM after this date and time, provided, however, that for those shareholders to participate and/or vote electronically at the AGM, they must be verified and registered before the commencement of the AGM.
 - As part of the registration process you will be requested to upload proof of identification (i.e. valid SA identity document, SA driver's license or passport) and authority to do so (where acting in a representative capacity).
 - Following successful registration, the transfer secretary will provide you with a meeting ID number, username and password in order to connect electronically to the AGM.
 - Participate in the AGM through the Lumi website at <https://web.lumiagm.com> and follow the steps set out at www.smartagm.co.za.

- b. *Dematerialised shareholders (excluding own-name dematerialised shareholders)*
- Request your CSDP or broker to provide you or your proxy with the necessary authority (i.e. letter of representation) in terms of the custody agreement entered into between you and your CSDP or broker.
 - Register online at www.smartagm.co.za by no later than 10:00 am on Monday, 12 July 2021. Shareholders may still register online to participate in and/or vote electronically at the AGM after this date and time, provided, however, that for those shareholders to participate and/or vote electronically at the AGM, they must be verified and registered before the commencement of the AGM.
 - As part of the registration process you will be requested to upload your letter of representation and proof of identification (e.g. valid SA identity document, SA driver's license or passport).
 - Following successful registration, the transfer secretary will provide you with a meeting ID number, username and password in order to connect electronically to the AGM.
 - Participate in the AGM through the Lumi website at <https://web.lumiagm.com> and follow the steps set out at www.smartagm.co.za.
7. Each Zeder shareholder is entitled to appoint one or more proxy(ies) (who need not be a shareholder(s) of the company) to participate, speak and vote in their stead at the AGM. Shareholders are referred to the attached form of proxy attached to this notice of the AGM.
8. Voting will take place by way of a poll and accordingly each shareholder will have one vote in respect of each share held.
9. You will need the latest versions of Chrome, Edge or Firefox. Please ensure that your browser is compatible.
10. The cost (e.g. mobile data consumption or internet connectivity) of electronic participation in the AGM will be carried by the participant.
11. The participant acknowledges that the electronic communication services are provided by third parties and indemnifies the company and its directors, employees, company secretary, transfer secretary, advisors or service providers against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the company or its directors, employees, company secretary, transfer secretary, advisors or service providers, whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking the participant via the electronic services to the AGM.
12. The company cannot guarantee there will not be a break in electronic communication that is beyond the control of the company.

By order of the board



Zeder Corporate Services (Pty) Ltd

Per L van der Merwe

Company secretary

28 May 2021

Stellenbosch



(Incorporated in the Republic of South Africa)
(Registration number 2006/019240/06)
JSE share code: ZED
ISIN code: ZAE000088431
LEI: 37890022AF5FD117D649

("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 conducted entirely through electronic communication on Wednesday, 14 July 2021, at 10:00 am ("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/our proxy to participate, speak and vote on my/our behalf 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 Mrs S Cassiem's appointment as director			
2.1	Ordinary resolution number 2: To re-elect Mr WL Greeff as director			
2.2	Ordinary resolution number 3: To re-elect Mr PJ Mouton as director			
3.1	Ordinary resolution number 4: To appoint Mrs S Cassiem as a member of the audit and risk committee			
3.2	Ordinary resolution number 5: To re-appoint Mr RM Jansen as a member of the audit and risk committee			
3.3	Ordinary resolution number 6: To re-appoint Mr CA Otto as a member of the audit and risk committee			
3.4	Ordinary resolution number 7: To re-appoint Mrs NS Mjoli-Mncube as a member of the audit and risk committee			
4.	Ordinary resolution number 8: To appoint Deloitte & Touche as the auditor			
5.	Ordinary resolution number 9: Non-binding endorsement of Zeder's remuneration policy			
6.	Ordinary resolution number 10: Non-binding endorsement of Zeder's implementation report on the remuneration policy			
7.	Ordinary resolution number 11: General authority to issue shares for cash			
8.	Special resolution number 1: Remuneration of non-executive directors			
9.1	Special resolution number 2: Inter-company financial assistance			
9.2	Special resolution number 3: Financial assistance for the subscription and/or purchase of shares in the company or a related or inter-related company			
10.	Special resolution number 4: Share repurchases by the company and its subsidiaries			

Please indicate your voting instruction in the table above by inserting the number of shares that you wish to vote in the appropriate box provided or by inserting a cross should you wish to vote all of your shares.

Signed at _____ on this _____ day of _____ 2021

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 participate, speak and vote in his/her stead at the AGM.

FORM OF PROXY

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 participating in 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. Proxy forms, together with proof of identification and authority to do so (when acting in a representative capacity), should be e-mailed to the transfer secretary of the company, Computershare Investor Services Proprietary Limited, at *proxy@computershare.co.za* so as to be received by them no later than 10:00 am on Monday, 12 July 2021, provided that any form of proxy not delivered to the transfer secretary by this time may be e-mailed to the transfer secretary at any time before the appointed proxy exercise any shareholder rights at the AGM, subject to the transfer secretary verifying and registering such form of proxy and proof of identification before any shareholder rights are exercised.
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 secretary 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 participating the AGM and speaking and voting thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
8. The chairman of the AGM may reject or accept a form of proxy which is completed and/or received, otherwise than in accordance with these notes, if the chairman is satisfied as to the manner in which the shareholder wishes to vote.

ADMINISTRATION

DETAILS OF ZEDER INVESTMENTS LIMITED

Registration number: 2006/019240/06

Share code: ZED

ISIN code: ZAE000088431

LEI:37890022AF5FD117D649

SECRETARY AND REGISTERED OFFICE

Zeder Corporate Services Proprietary Limited

Registration number: 2015/376259/07

Second floor

Ou Kollege

35 Kerk Street

Stellenbosch, 7600

PO Box 7403

Stellenbosch, 7599

Telephone +27 21 831 9559

TRANSFER SECRETARY

Computershare Investor Services Proprietary Limited

Rosebank Towers

15 Biermann Avenue

Rosebank, 2196

Private Bag X9000

Saxonwold, 2132

CORPORATE ADVISOR AND SPONSOR

PSG Capital Proprietary Limited

INDEPENDENT JOINT SPONSOR

UBS South Africa Proprietary Limited

AUDITOR

PricewaterhouseCoopers Inc.

PRINCIPAL BANKER

FirstRand Bank Limited

WEBSITE ADDRESS

www.zeder.co.za

SHAREHOLDERS' DIARY

Financial year-end

Profit announcement

Annual general meeting

Interim profit announcement

2021

28 February

14 April

14 July

6 October

www.zeder.co.za