

SUMMARISED RESULTS

FOR THE YEAR ENDED 28 FEBRUARY 2017



SOTP value **↑ 23,1%** to **R8,53** per share as at 28 February 2017

Recurring headline earnings **↑ 0,5%** to **42,6 cents** per share

Dividend **↑ 22,2%** to **11 cents** per share

OVERVIEW

Zeder is an investor in the broad agribusiness industry, with a specific focus on the food and beverage sectors. Its underlying investment portfolio was valued at R15,2bn on 28 February 2017. Zeder's 27,1% interest in Pioneer Foods remains its largest investment, representing 62,7% (2016: 60,9%) of the portfolio.

INTERNALISATION OF PSG GROUP MANAGEMENT AGREEMENT

On 29 August 2016, Zeder shareholders voted in favour of acquiring the rights to the management agreement from PSG Group in exchange for the issue of 207 661 758 Zeder shares, representing a 12% equity interest. PSG Group's shareholding consequently increased from 34,5% to 42,1%, with no further management fees payable to PSG Group in terms of this agreement with effect from 1 September 2016. These rights, valued at R1,45bn, did not meet the recognition criteria for intangible assets in terms of International Financial Reporting Standards ("IFRS"), and was consequently accounted for in the income statement as a non-recurring headline expense. It should be noted that this was a once-off charge, with Zeder benefiting from the related cost savings thereafter.

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

Zeder's SOTP value per share, calculated using the quoted market prices for all JSE-listed investments, and market-related valuations for unlisted investments, increased by 23,1% during the reporting period to R8,53 as at 28 February 2017. At the close of business on Friday, 31 March 2017, Zeder's SOTP value per share was R8,95.

Company	29 Feb 2016		28 Feb 2017		31 Mar 2017	
	Interest (%)	Rm	Interest (%)	Rm	Interest (%)	Rm
Pioneer Foods	27,2	7 574	27,1	9 538	27,1	10 288
Capespan	96,6	2 027	98,1	1 975	98,1	1 975
Zaad	92,3	1 246	91,4	1 531	91,4	1 531
Kaap Agri	39,4	758	39,8	1 321	39,8	1 321
Agrivision	55,9	614	55,6	614	55,6	614
Quantum Foods	26,4	168	26,7	193	26,7	184
Other		44		39		41
Total investments		12 431		15 211		15 954
Cash		118		173		166
Other net liabilities		(324)		(678)		(680)
SOTP value – pre mgmt fee liability		12 225		14 706		15 440
Mgmt fee liability*		(1 667)				
SOTP value – post mgmt fee liability		10 558		14 706		15 440
Number of shares in issue (net of treasury shares) (million)		1 523		1 725		1 725
SOTP value per share – post mgmt fee liability (rand)		6,93		8,53		8,95

* Calculated as 12% newly issued Zeder shares multiplied by Zeder SOTP value per share. Note: Zeder's live SOTP is available at www.zeder.co.za.

RECURRING HEADLINE EARNINGS

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

The modest 0,5% increase in recurring headline earnings per share for the year under review resulted from the higher number of shares in issue following the aforementioned internalisation of the PSG Group management agreement as well as the tough trading conditions experienced at Pioneer Foods, Capespan and Quantum Foods in particular, offset by commendable results from Kaap Agri, Zaad and Agrivision.

Following the once-off management fee internalisation charge of R1,45bn to the income statement, Zeder's headline earnings per share and attributable earnings per share decreased significantly from a 36,5 cents per share and 52,5 cents per share profit in the prior year, to a loss of 47,5 cents and 49,1 cents per share in the current year, respectively.

PROSPECTS

Zeder's existing portfolio of investments in leading companies offers a diversified and complementary exposure to the agribusiness and food industries. We remain actively involved with our underlying portfolio companies and continuously seek new investment opportunities. Despite inevitable cyclicalities, we believe that attractive returns are derived over the long term and aim to construct portfolios that should benefit accordingly.

CORPORATE ACTION

Pioneer Foods released a cautionary announcement on 7 March 2017 informing the market of preliminary discussions held in relation to potential corporate activity. Given the significance of Zeder's interest in Pioneer Foods, Zeder was compelled to release its own cautionary announcement in response thereto. This cautionary remains in place and shareholders are advised to continue exercising caution when dealing in the company's securities until a further announcement is made.

DIVIDEND

The directors have resolved to declare a gross final dividend of 11 cents (2016: 9 cents) per share from income reserves in respect of the year ended 28 February 2017, which represents a 22,2% increase. The final dividend amount, net of South African dividend tax of 20%, is 8,8 cents per share for those shareholders who are not exempt from dividend tax. The number of ordinary shares in issue at the declaration date is 1 730 514 648 and the income tax number of the company is 9406891151.

The salient dates of this dividend distribution are:

Last day to trade cum dividend	Tuesday, 2 May 2017
Trading ex-dividend commences	Wednesday, 3 May 2017
Record date	Friday, 5 May 2017
Date of payment	Monday, 8 May 2017

Share certificates may not be dematerialised or rematerialised between Wednesday, 3 May 2017 and Friday, 5 May 2017, both days inclusive.

AUDITED FINANCIAL RESULTS

This voluntary announcement contains only a summary of the information of the full announcement made on SENS on Monday, 10 April 2017, and is the responsibility of the directors. Please refer to the full announcement for additional information. The full announcement is also available for viewing 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 the company or the company's sponsor during office hours. Any investment decisions by investors and/or shareholders should be based on consideration of the full announcement.

Signed on behalf of the board of directors

Jannie Mouton
Chairman

Stellenbosch
10 April 2017

Norman Celliers
Chief executive officer