



Full Year Results

For the year ended 28 February 2017

Presented by:

Norman Celliers

Chief Executive Officer

An investment holding company

Company overview

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

Business definition

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

Strategic Focus

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

Invest in **and build** businesses

Sum-of-the-Parts

Performance review

FY2017

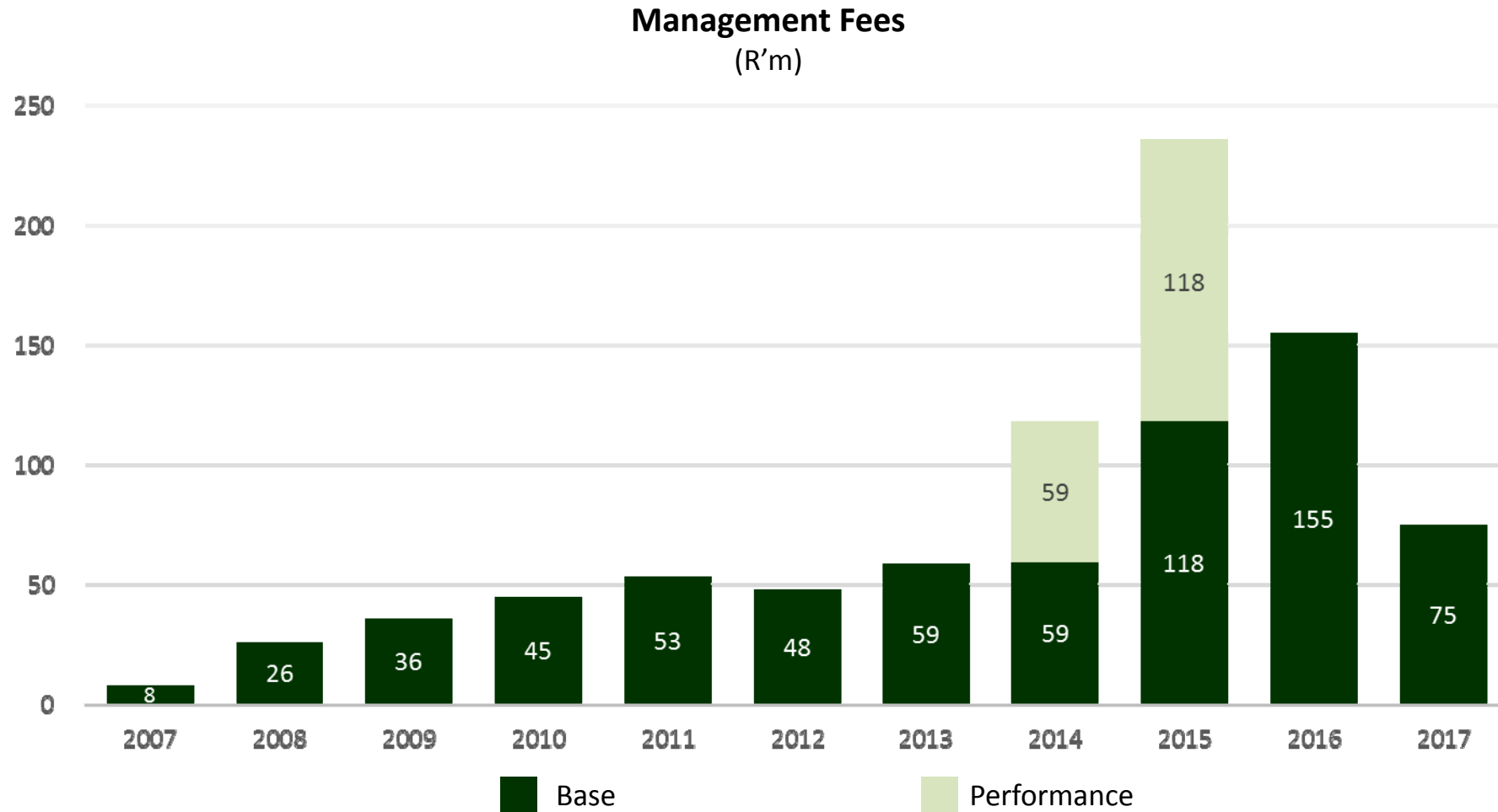
Company	29 Feb 2016		28 Feb 2017		31 Mar 2017	
	Interest (%)	Rm	Interest (%)	Rm	Interest (%)	Rm
Pioneer Foods	27.2	7,574	27.1	9,538	27.1	10,288
Capespan	96.6	2,027	98.1	1,975	98.1	1,975
Zaad	92.3	1,246	91.4	1,531	91.4	1,531
Kaap Agri	39.4	758	39.8	1,321	39.8	1,321
Agrivision	55.9	614	55.6	614	55.6	614
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 (rand) – post mgmt fee liability		6.93		8.53		8.95

Management fees

Performance review

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

FY2017

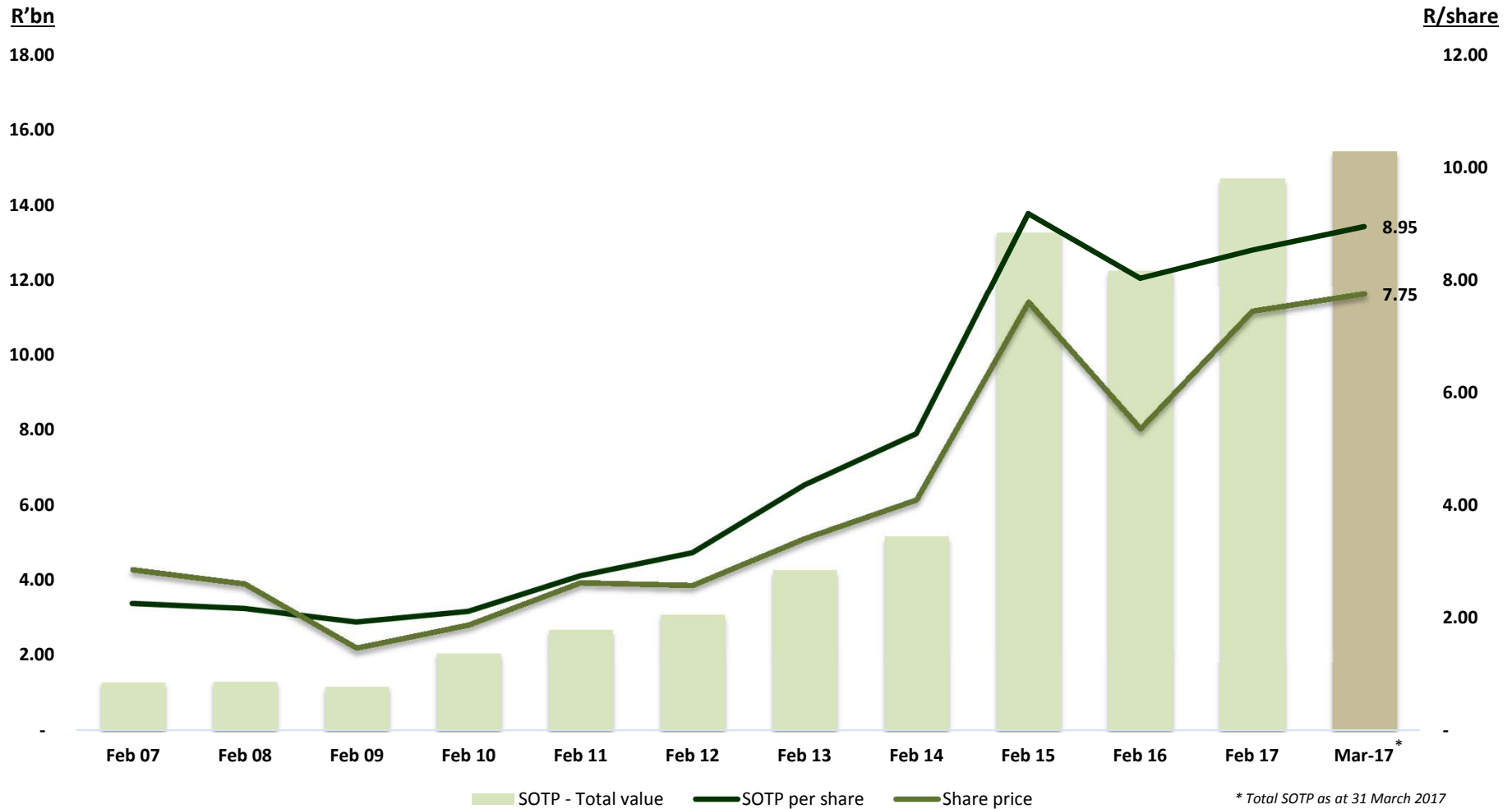


Structural discount removed

Performance review

The internalisation of the Management Agreement has resulted in a reduction of the historical discount between share price and sum-of-the-parts.

Historical overview



Recurring headline earnings

Performance review

Recurring headline earnings per share increased by 0.5% for the year ended 28 February 2017.

FY2017

	29 Feb 2016 Rm	Audited Change (%)	28 Feb 2017 Rm
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	545	<i>n/a</i>	(770)
Non-headline items	237		(26)
Attributable earnings	782	<i>n/a</i>	(796)
Weighted average number of shares in issue (million) <i>(net of treasury shares)</i>	1,490		1,622
Recurring headline earnings per share (cents)	42.4	0.5	42.6
Headline earnings per share (cents)	36.5	<i>n/a</i>	(47.5)
Attributable earnings per share (cents)	52.5	<i>n/a</i>	(49.1)

Salient features

Performance review

Historical overview

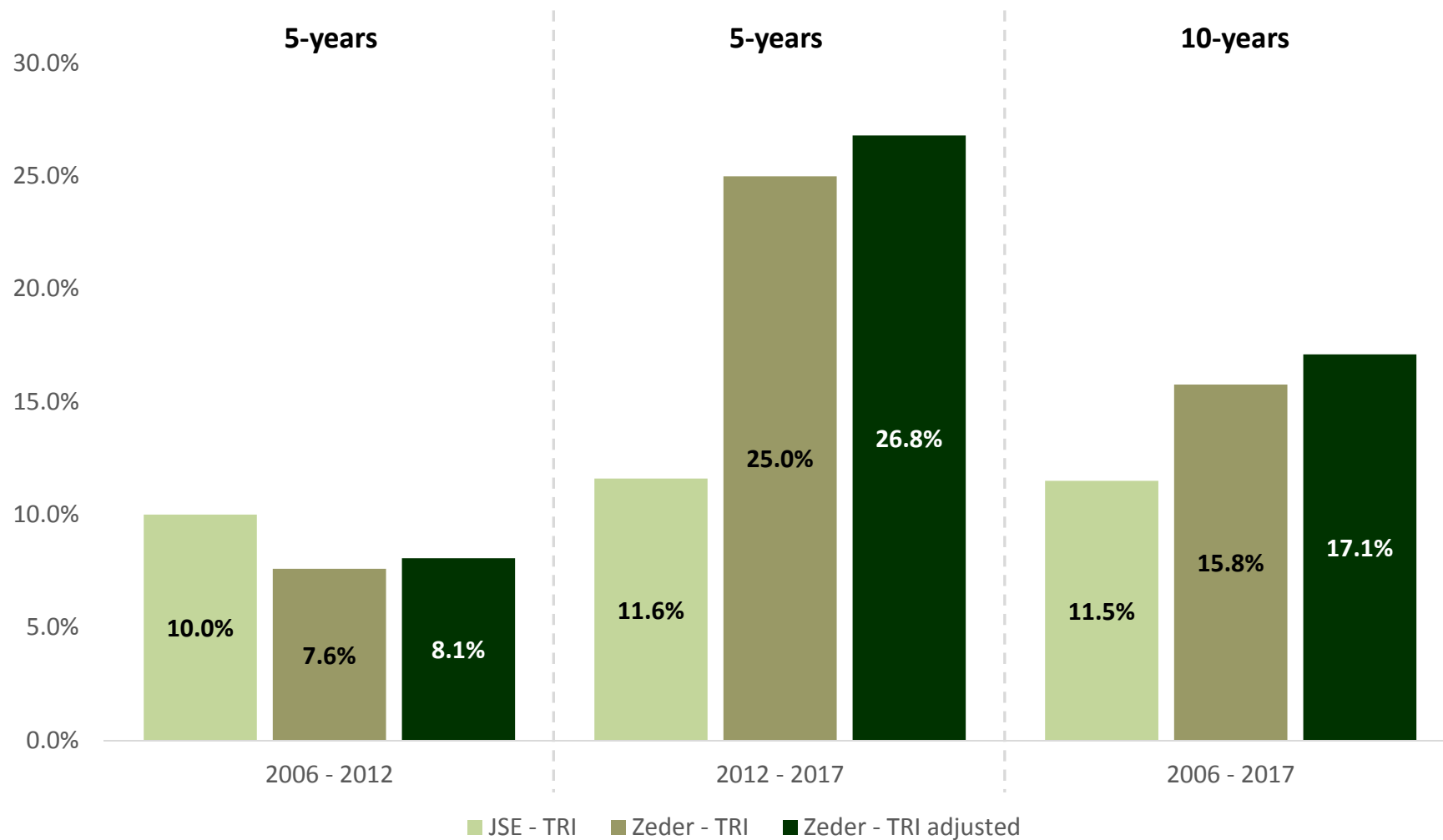
	Feb 2007	Feb 2008	Feb 2009	Feb 2010	Feb 2011	Feb 2012	Feb 2013	Feb 2014	Feb 2015	Feb 2016	Feb 2017	% Chg FY16-FY17
SOTP - pre mgmt liability (R'bn)	1.29	1.31	1.17	2.07	2.68	3.09	4.26	5.16	13.26	12.25	14.71	20.0%
SOTP - post mgmt liability (R'bn)	1.11	1.13	1.01	1.79	2.31	2.67	3.68	4.46	11.45	10.58	14.71	39.0%
Market Capitalisation (R'bn)	1.63	1.57	0.89	1.83	2.56	2.51	3.33	4.01	10.97	8.15	12.83	57.5%
RHE from investments (R'm)	144.5	144.5	231.6	236.2	316.8	323.4	332.9	366.4	540.1	804.6	820.7	2.0%
Mgmt fees paid - base (R'm)	(7.5)	(25.7)	(35.6)	(44.6)	(53.2)	(48.0)	(58.6)	(59.0)	(118.0)	(155.0)	(75.0)	-51.6%
Mgmt fees paid - performance (R'm)								(59.0)	(118.0)			
RHE (R'm)	137.0	118.8	196.0	208.1	264.7	273.0	251.1	300.0	414.2	631.8	690.8	9.3%
Dividend (R'm)	11.4	30.1	42.8	39.1	39.1	39.1	39.1	44.1	79.4	137.1	189.8	38.4%
Issued shares (m)	571	605	611	978	978	978	978	980	1,444	1,523	1,725	
Weighted shares (m)	490	583	609	881	978	978	978	980	1,172	1,490	1,622	
<i>Per share:</i>												
SOTP - 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	6.2%
SOTP - post mgmt fee liability (R)	1.95	1.87	1.65	1.83	2.37	2.73	3.76	4.55	7.93	6.95	8.53	22.8%
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	39.1%
RHE from investments (Cents)	29.5	24.8	38.0	26.8	32.4	33.1	34.0	37.4	46.1	54.0	50.6	-6.3%
RHE (Cents)	27.8	21.0	32.2	23.6	27.1	27.9	25.7	30.6	35.3	42.4	42.6	0.5%
Dividend (Cents)	2.0	5.0	7.0	4.0	4.0	4.0	4.0	4.5	5.5	9.0	11.0	22.2%
Management fee liability (R'm)	175.2	178.2	160.0	281.4	365.4	420.1	580.1	702.9	1,807.6	1,667.7	-	

Total shareholder return

Performance review

An improved performance over the past 5 years has ensured that Zeder's overall shareholder value creation since inception has been attractive.

Shareholder value



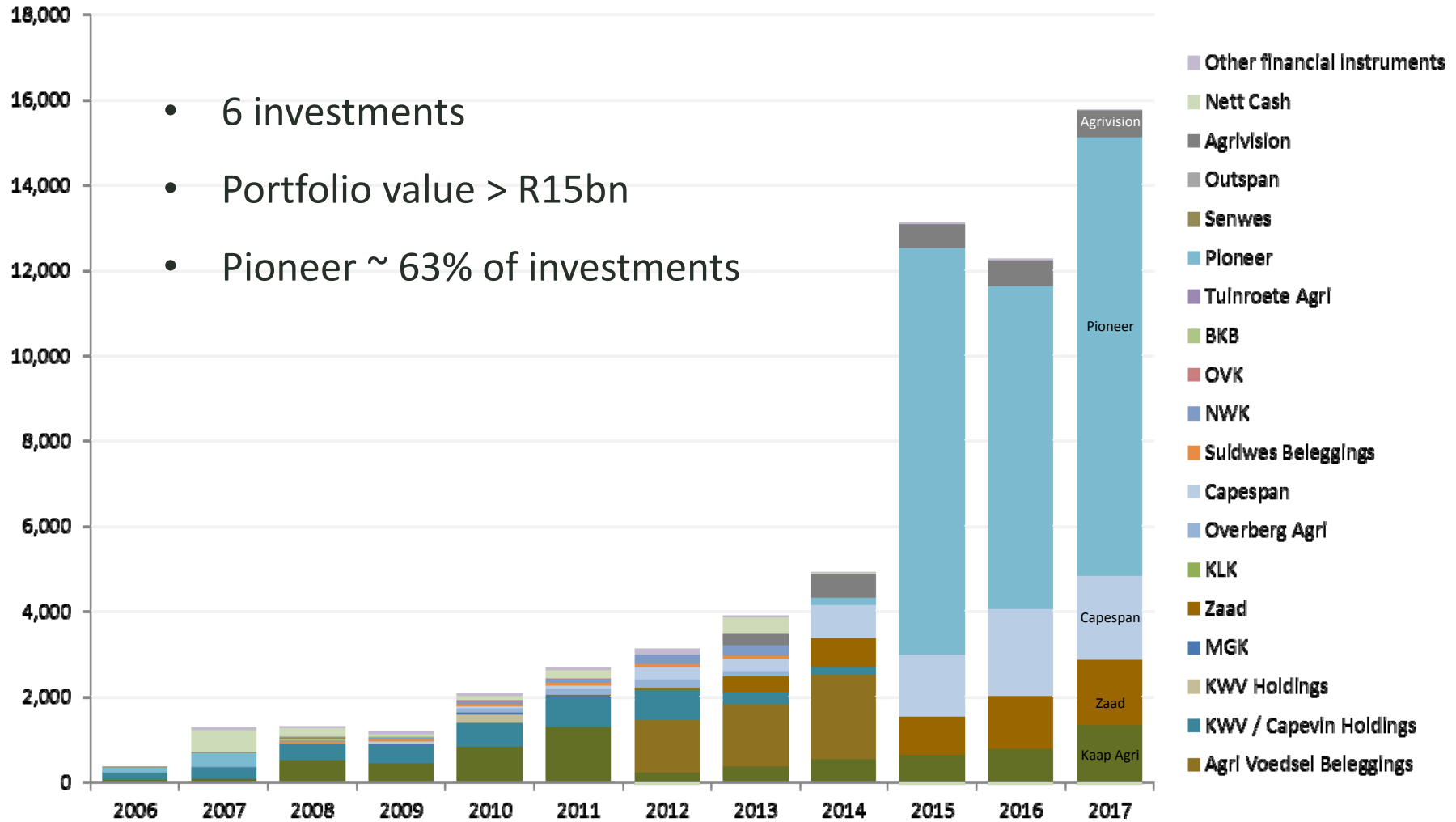
Investments over time

Portfolio evaluation

Portfolio construction has changed significantly from many small investments to fewer, larger positions that have increased in value.

Portfolio construction

R'million



Strong understanding and engaged

Portfolio evaluation

We are very close to our companies and management teams and believe that additional growth can be achieved to generate attractive shareholder returns.

General commentary

- We have a strong and well diversified portfolio that provides us with broad exposure to the industry
- We have worked hard internally on and within the underlying companies to ensure that they are aligned and prepared to deliver sustainable growth
- Significant progress continues to be made internally within companies, but full results may only be visible in medium term
- Project Internal Focus remains very relevant and applicable – but has been expanded to drive platform growth
- New and adjacent opportunities are reviewed on an ongoing basis

Business overview

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

Portfolio evaluation



Detailed historical review

Portfolio evaluation



Summarised Income Statement	Sep 11	Sep 12	Sep 13	Sep 14	Sep 15	Sep 16
Key metrics	R'm	R'm	R'm	R'm	R'm	R'm
Revenue	14,139	15,512	16,236	17,699	18,748	20,600
EBITDA	1,342	1,379	1,499	2,006	2,488	2,615
<i>EBITDA margin</i>	<i>9.5%</i>	<i>8.9%</i>	<i>9.2%</i>	<i>11.3%</i>	<i>13.3%</i>	<i>12.7%</i>
EBIT	1,236	1,162	1,153	1,716	2,153	2,273
<i>EBIT margin</i>	<i>8.7%</i>	<i>7.5%</i>	<i>7.1%</i>	<i>9.7%</i>	<i>11.5%</i>	<i>11.0%</i>
Recurring headline earnings	726	767	853	1,242	1,534	1,637
Headline earnings	726	606	707	1,055	1,227	1,676
WANOS (m)	179	181	183	184	185	186
Recurring HEPS (R)	4.32	4.07	4.70	6.78	8.32	8.83
Share price (R)	59.00	53.00	87.50	118.00	195.76	176.61*

* As at 31 March 2017

Business overview

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

Portfolio evaluation

CAPESPAN
GROUP LIMITED



Detailed historical review

Portfolio evaluation



Summarised Income Statement	Dec 11	Dec 12	Dec 13	Dec 14	Dec 15	Dec 16
Key metrics	R'm	R'm	R'm	R'm	R'm	R'm
Revenue	3,181	5,631	7,149	7,392	7,688	8,311
EBITDA	146	206	228	227	299	250
<i>EBITDA margin</i>	4.6%	3.7%	3.2%	3.1%	3.9%	3.0%
EBIT	109	165	191	169	220	155
<i>EBIT margin</i>	3.4%	2.9%	2.7%	2.3%	2.9%	1.9%
Net finance income/(costs)	3	1	(9)	(3)	(38)	(39)
Income from associates	7	26	29	61	72	42
Recurring headline earnings	64	99	139	159	171	98
Headline earnings	64	87	127	97	136	90
WANOS (m)	299	316	319	321	324	338
Recurring HEPS (R)	0.22	0.28	0.44	0.49	0.53	0.29
Net asset value per share (R)	3.27	3.61	4.34	4.62	6.26	5.37
P/E	10.9	10.0	6.7	13.0	12.3	19.2
Share price (R)	2.40	2.75	2.95	6.36	6.50	5.56
Market cap (R'm)	717	822	941	2,056	2,098	2,014

Business overview

Portfolio evaluation

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



Detailed historical review

Portfolio evaluation



Summarised Income Statement	Feb 12	Feb 13	Feb 14	Feb 15	Feb 16	Jan 17
Key metrics	R'm	R'm	R'm	R'm	R'm	R'm
Revenue	257	294	465	947	1,226	1,349
EBITDA	39	48	92	142	232	219
<i>EBITDA margin</i>	<i>15.2%</i>	<i>16.3%</i>	<i>19.8%</i>	<i>15.0%</i>	<i>18.9%</i>	<i>16.2%</i>
EBIT	36	45	80	120	197	185
<i>EBIT margin</i>	<i>14.0%</i>	<i>15.3%</i>	<i>17.2%</i>	<i>12.7%</i>	<i>16.1%</i>	<i>13.7%</i>
Recurring headline earnings	28	36	54	77	105	133
Headline earnings	19	35	51	74	105	131
WANOS (m)	9	10	13	17	20	22
Recurring HEPS (R)	3.14	3.49	4.06	4.44	5.33	6.04
Net asset value per share (R)	3.02	5.86	25.16	29.00	37.73	40.47
P/E	12.0	12.0	12.0	12.0	12.0	12.6
Share price (R)	37.68	41.88	48.72	53.28	64.00	74.19
Market cap (R'm)	199	512	784	962	1,350	1,632

Post balance sheet investment

Portfolio evaluation

Agreement has been reached to acquire 35% of May Seed (Turkey).



Company overview

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



Tohumda Kalite

Country overview

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



Zeder thoughts

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

Business overview

Portfolio evaluation

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



KAAP AGRI

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

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



Detailed historical review

Portfolio evaluation



Summarised Income Statement	Sep 11	Sep 12	Sep 13	Sep 14	Sep 15	Sep 16
Key metrics	R'm	R'm	R'm	R'm	R'm	R'm
Revenue	2,624	3,212	4,008	4,875	5,341	5,653
EBITDA	147	183	219	263	311	368
<i>EBITDA margin</i>	<i>5.6%</i>	<i>5.7%</i>	<i>5.5%</i>	<i>5.4%</i>	<i>5.8%</i>	<i>6.5%</i>
EBIT	134	169	202	243	291	338
<i>EBIT margin</i>	<i>5.1%</i>	<i>5.3%</i>	<i>5.0%</i>	<i>5.0%</i>	<i>5.4%</i>	<i>6.0%</i>
Recurring headline earnings	78	103	129	158	183	210
Headline earnings	78	102	129	158	183	210
WANOS (m)	67	69	70	70	70	70
Recurring HEPS (R)	1.18	1.48	1.83	2.24	2.59	2.99
Net asset value per share (R)	11.62	12.70	14.13	15.83	17.81	19.95
P/E	1.4	6.1	9.0	11.2	12.0	15.0
Share price (R)	1.64	9.00	16.50	25.00	31.00	44.78
Market cap (R'm)	110	621	1,163	1,762	2,184	3,155

Business overview

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

Farming & Development



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

Milling & Processing



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

Portfolio evaluation



Agrivision Africa

Brands & Distribution



- Formal retail
- Distribution depots



Financial performance

Portfolio evaluation

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



Agrivision Africa

Summarised Income Statement	Dec 13	Dec 14	Dec 15	Dec 16
Key metrics	\$'000	\$'000	\$'000	\$'000
Revenue	14,304	32,532	31,711	39,718
EBITDA	2,831	3,576	2,199	7,326
<i>EBITDA margin</i>	<i>19.8%</i>	<i>11.0%</i>	<i>6.9%</i>	<i>18.4%</i>
EBIT	(245)	5	(955)	4,305
<i>EBIT margin</i>	<i>-1.7%</i>	<i>0.0%</i>	<i>-3.0%</i>	<i>10.8%</i>
Recurring headline earnings	(1,509)	(3,385)	(3,615)	1,306
Headline earnings	(1,509)	(4,016)	(5,955)	3,645
Wanos (m)	0.8	1.3	1.9	1.9
Recurring HEPS (\$)	(1.80)	(2.60)	(1.90)	0.69
Net asset value per share (\$)	38.33	30.64	19.08	55.15*
Share price (\$)	54.62	54.62	54.62	54.62
Market cap (\$'000)	33,674	52,351	68,704	101,519
USD:ZAR	10.50	10.82	10.82	10.82
Market cap (R'm)	353	566	743	1,098

* Adjusted as per formal US\$-based 3rd party valuation conducted in November 2016

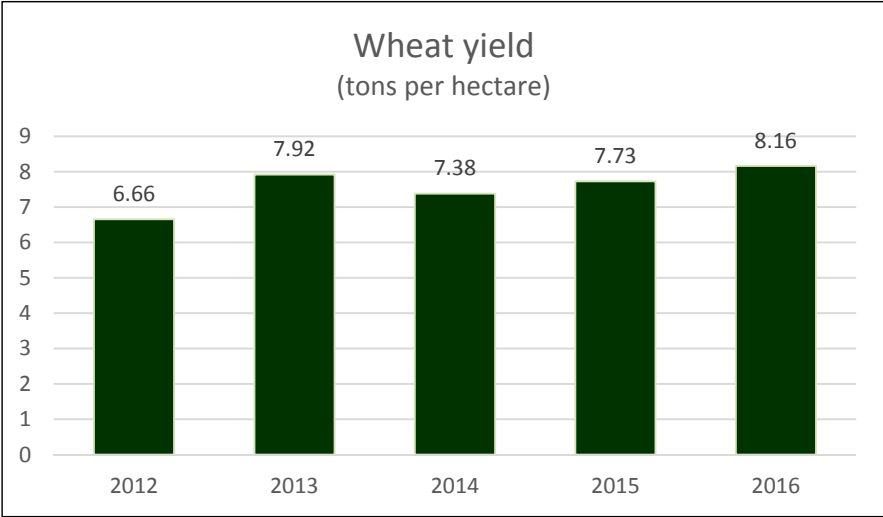
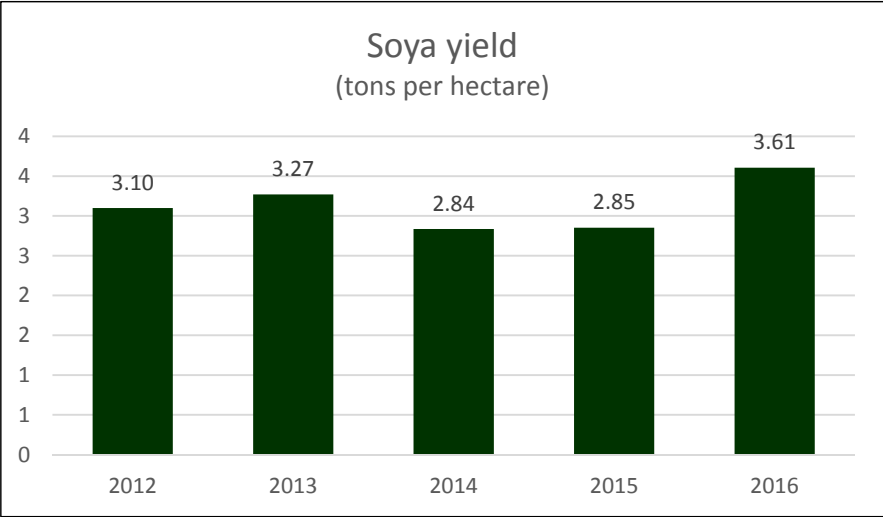
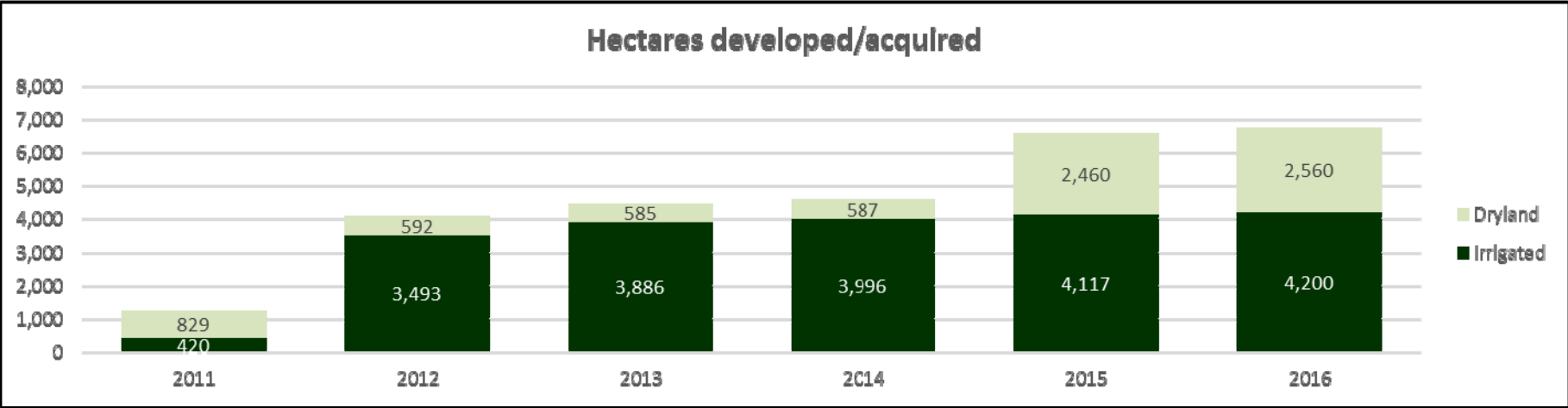
Financial performance

Portfolio evaluation

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



Agrivision Africa



Business overview

Portfolio evaluation

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



Detailed historical review

Portfolio evaluation



Summarised Income Statement	Sep 13	Sep 14	Sep 15	Sep 16
Key metrics	R'm	R'm	R'm	R'm
Revenue	3,483	3,561	3,468	3,913
EBITDA	(40)	84	220	134
<i>EBITDA margin</i>	-1.1%	2.4%	6.3%	3.4%
EBIT	(251)	(21)	164	124
<i>EBIT margin</i>	-7.2%	-0.6%	4.7%	3.2%
Recurring headline earnings	(80)	26	126	66
Headline earnings	(80)	26	126	66
WANOS (m)	233	233	233	233
Recurring HEPS (R)	(0.34)	0.11	0.54	0.28
Share price (R)	n/a	2.07	3.60	2.99*

* As at 31 March 2017