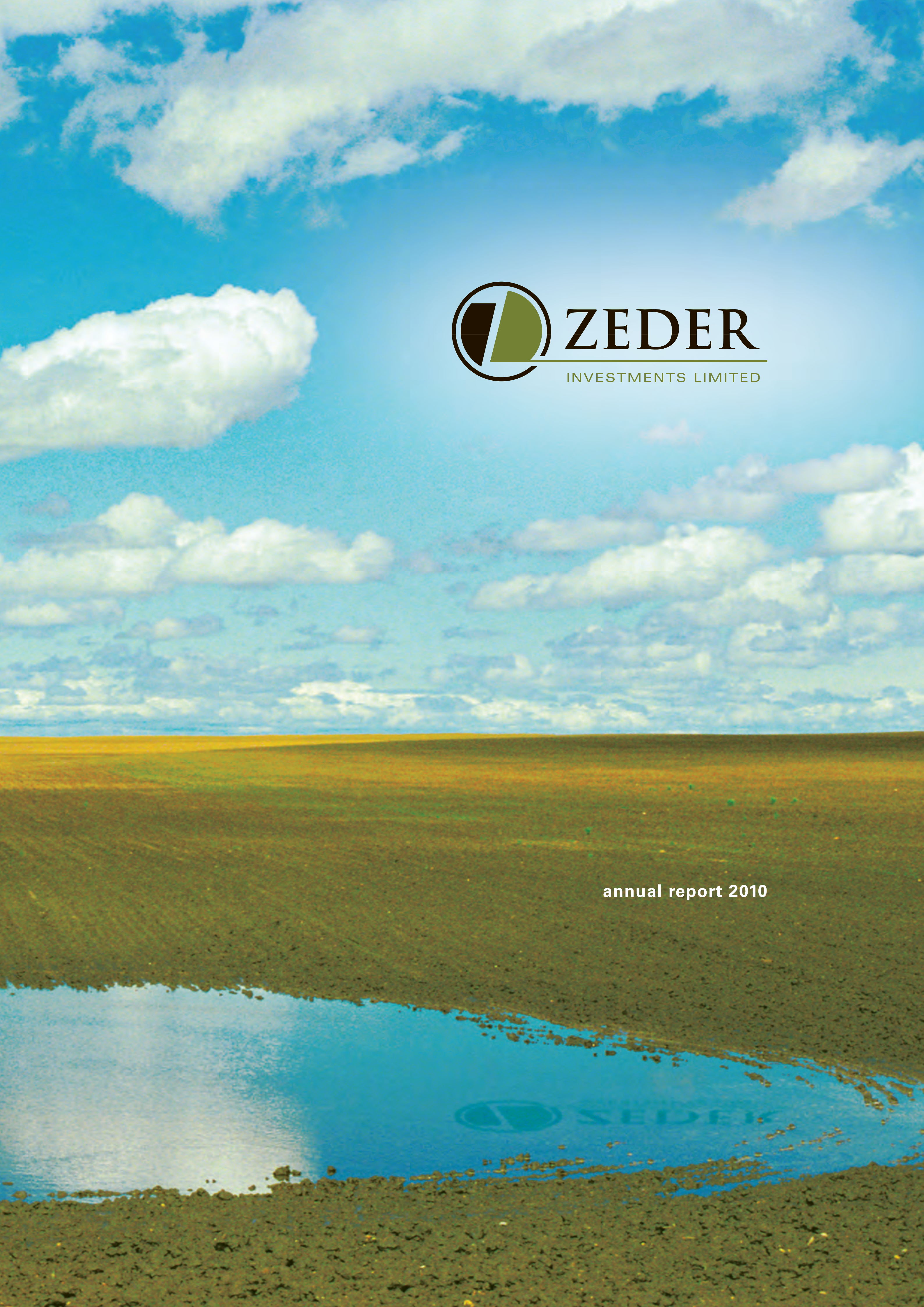
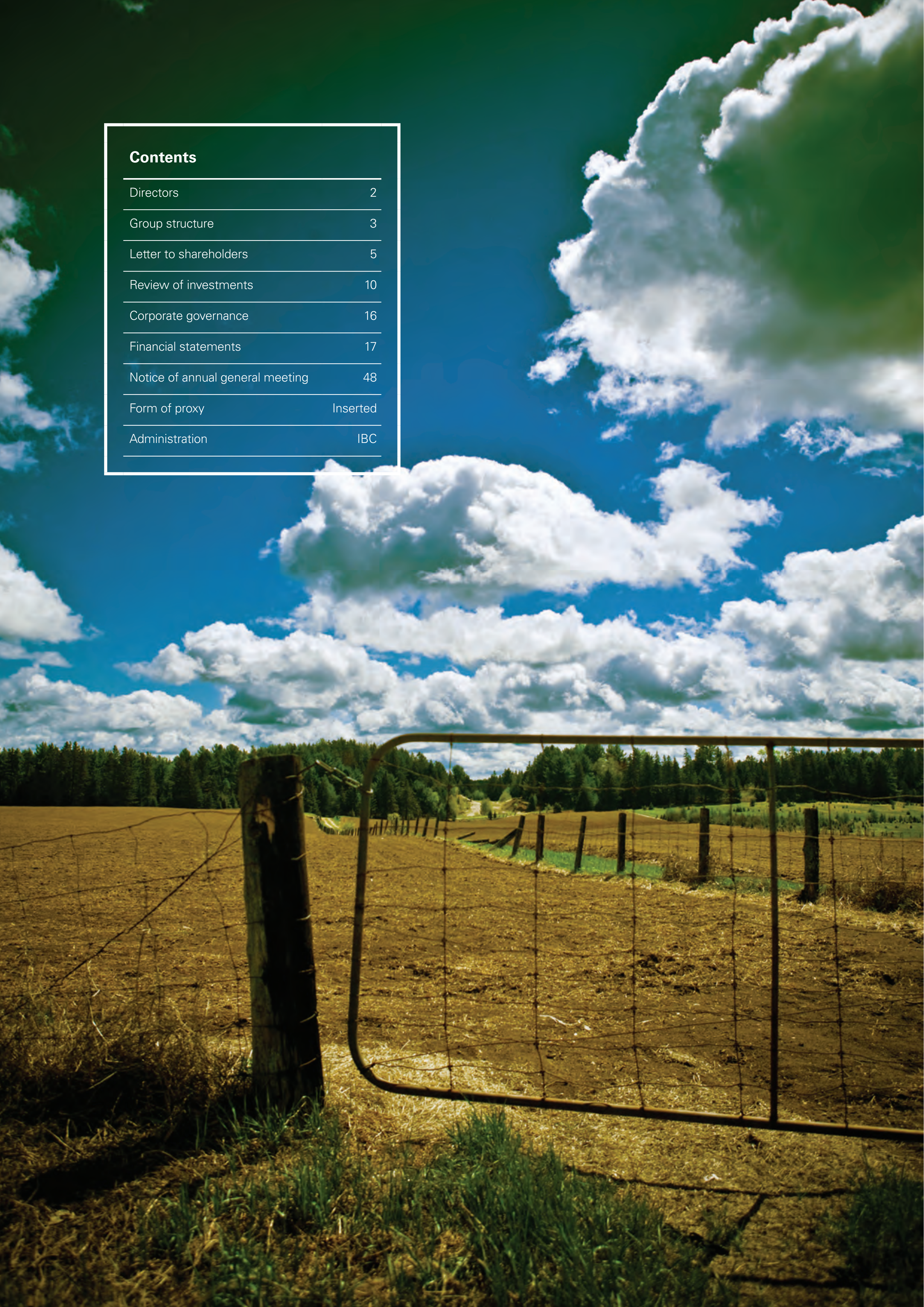


ZEDER
INVESTMENTS LIMITED

annual report 2010



Contents

ZEDER

INVESTMENTS LIMITED

Zeder focuses on the agricultural, food, beverages, food processing and related sectors

The investment approach is value orientated, which is considered vital for generating attractive long-term investment returns.

Directors

Johannes Fredericus Mouton
CHAIRMAN
(63), BCom (Hons), CA(SA), AEP

DIRECTORSHIPS: Executive chairman of PSG Group Ltd, non-executive director of Steinhoff International Holdings Ltd, KWV Ltd and Pioneer Food Group Ltd.

SUMMARY OF CURRICULUM VITAE
Mr Mouton is the founder of PSG. He also serves as a trustee of trusts and investment funds of the Stellenbosch University. Prior to the establishment of PSG, he co-founded and served as managing director of the stockbroking firm SMK. He was directly involved in the establishment of both Capitec Bank and Zeder.

Antonie Egbert Jacobs
CHIEF EXECUTIVE OFFICER
(45), BAcc, BCompt (Hons), CA(SA), MCom (Tax), LLB

DIRECTORSHIPS: Non-executive director of KWV Ltd, Capespan Group Ltd and MGK Business Investments Ltd.

SUMMARY OF CURRICULUM VITAE
Mr Jacobs has many years experience in an investment management capacity in the agricultural sector. He was the managing director of KLK and financial director of Winecorp and Spier Holdings.

George Douglas Eksteen
NON-EXECUTIVE DIRECTOR
(68)

SUMMARY OF CURRICULUM VITAE
Mr Eksteen farms in the Malmesbury area. He is currently the chairman of Kaap Agri Ltd and also serves on the board of Pioneer Food Group Ltd.

Wynand Louw Greeff
FINANCIAL DIRECTOR
(40), BCompt (Hons), CA(SA)

SUMMARY OF CURRICULUM VITAE
Mr Greeff has been involved within the PSG group since 2002 and is currently also financial director of PSG Group Ltd. He serves on various boards within PSG.

Michiel Scholtz du Pré le Roux
NON-EXECUTIVE DIRECTOR
(60), BCom, LLB

DIRECTORSHIPS: Non-executive chairman of Capitec Bank Holdings Ltd.

SUMMARY OF CURRICULUM VITAE
Mr le Roux was managing director of Distillers Corporation (SA) Ltd from 1979 to 1993, and from 1995 to 1998 managing director of Boland Bank, NBS Boland and BoE Bank. He is one of the founding members of Capitec Bank.

Chris Adriaan Otto
NON-EXECUTIVE DIRECTOR
(60), BCom, LLB

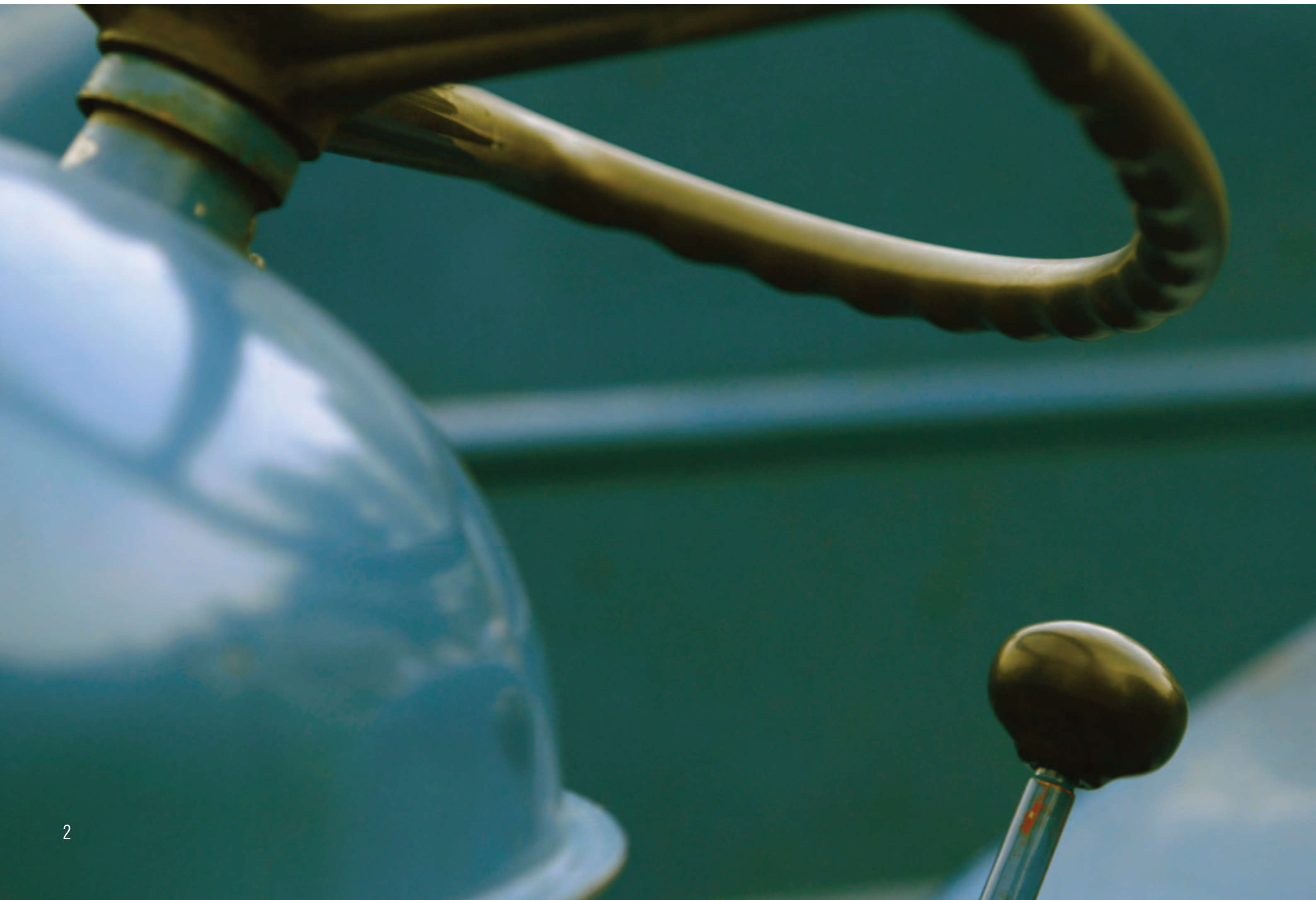
DIRECTORSHIPS: Non-executive director of PSG Group Ltd, Capitec Bank Holdings Ltd, Capevin Holdings Ltd, Capevin Investments Ltd and Kaap Agri Ltd.

SUMMARY OF CURRICULUM VITAE
Mr Otto has been a director of PSG Group since 1996. He has been directly involved in the establishment of Capitec Bank and Zeder. He has played an integral role in the establishment and management of PSG Group and its various operating subsidiaries.

Lambert Phillips Retief
NON-EXECUTIVE DIRECTOR
(57), BCom (Hons), CA(SA), OPM (HBS)

DIRECTORSHIPS: Non-executive chairman of Paarl Media Holdings (Pty) Ltd, non-executive director of Media24 Ltd and Naspers Ltd.

SUMMARY OF CURRICULUM VITAE
Mr Retief has been involved in the printing and publishing business since 1978. He is a past chairman of the Provincial Press Association and current president of the Printing Industry Federation of South Africa. He is also a director of various investment companies.



Group structure

KAAP AGRI LTD **41,3%**

KWV HOLDINGS LTD **31,3%**

CAPEVIN HOLDINGS LTD **37,0%**

MGK BUSINESS INVESTMENTS LTD **26,7%**

AGRICOL HOLDINGS LTD **20,3%**

KLK LANDBOU LTD **10,0%**

CAPESPAN GROUP LTD **14,6%**

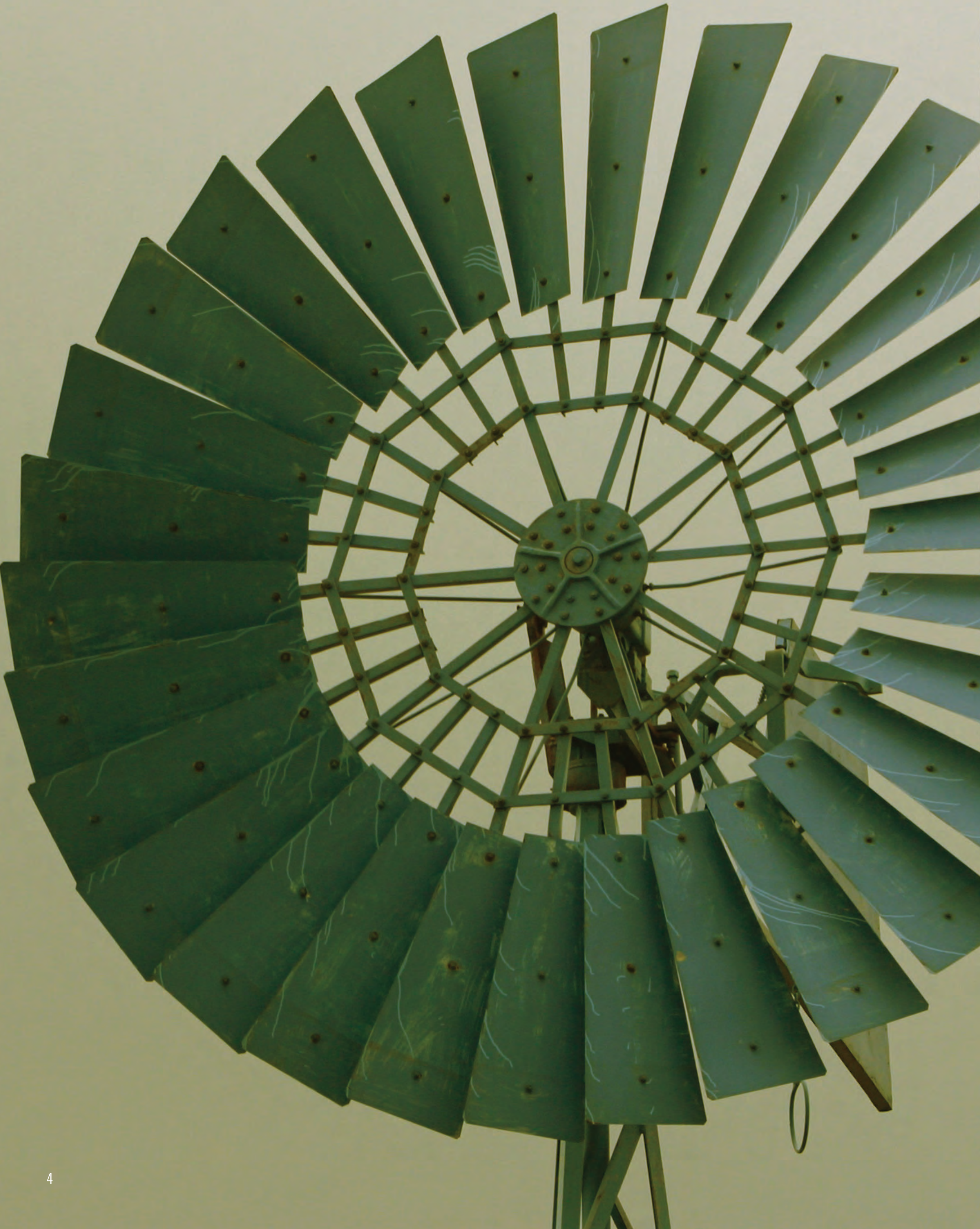
SUIDWES INVESTMENTS LTD **18,4%**

NWK LTD **7,4%**

OVK OPERATIONS LTD **9,2%**

BKB LTD **3,7%**

TUINROETE AGRI LTD **10,0%**



As the current century progresses, the world faces an increasing challenge of raising living standards for the growing number of people. The challenge is to provide sufficient quantities of three related resources, namely, water, food and energy.

Further statistical proof of the growing significance of the agri sector can be drawn from the following: According to the United Nations, in 1960, there was one hectare of farmland per person globally. By 2000 that figure had fallen to 0,55 hectare per capita. Over the next 40 years the population of the world is projected to increase from 6 billion to 9 billion. Land will therefore become even scarcer as the world has to double food output to satisfy expected demand by 2050. It is essential for farmers, agri and food companies to utilise all productive land in order to satisfy the future needs of the world.

The fundamentals remain in place for a long-term boom in the prices of all agri-related products. To further understand the vagaries of profitability one must take the cyclical nature of agriculture and its related businesses into account. Food shortages and high energy prices caused a massive increase in food prices in 2008 which have subsequently fallen by 50% as a result of depressed demand and good harvests. This cyclical feature of agriculture has a significant effect on our investments which are engaged in traditional agri businesses. Currency strength, weather patterns, consumer demand and worldwide yields of soft commodities are other factors that have an impact on the profitability of farmers and our investments.

The outlook for Africa's agricultural prospects also looks promising. The continent is land-rich, land utilisation rates are low and the productivity of the land under cultivation has room to be increased significantly. Therefore, as the world's appetite for land and food grows inexorably, Africa looks set to emerge as the key destination for agricultural investment. Zeder and its investments are able to benefit from this renewed focus on Africa.

INVESTMENT PHILOSOPHY

Zeder invests in established businesses in the agricultural, food, beverages, food processing and related sectors with the following characteristics:

- Unlisted
- Discount to intrinsic value
- Low price/earnings and price/book ratios
- Where we know and trust management

Zeder is a long-term investor and offers its investments access to capital as well as being a soundingboard for corporate decision-making. The running of the business is up to management – their competence and Zeder's support create the ideal opportunity to grow the business in order to achieve its potential.

Zeder subscribes to the philosophy of black economic empowerment (BEE) and encourages it with all of its investments. Zeder has participated and facilitated similar transactions and has strategic and trusted BEE partners which it can introduce to its investments. BEE is vital to ensure the success of our country's prosperity.

INVESTMENT STRATEGY DURING THE YEAR UNDER REVIEW

In June last year Zeder raised R495 million by means of a rights offer at R1,35 per share. The offer was oversubscribed by more than 40%. This enabled Zeder to make mandatory offers to Kaap Agri's and Capevin's minority shareholders.

The table below illustrates how Zeder invested its cash and how its intrinsic value has grown over the period.

	28 February 2009		28 February 2010		Total cash invested during the financial year ended 28 February 2010	Current	
Company	**Interest**	**OTC market value Rm**	**Interest**	**OTC market value Rm**		**P/E**	**P/NAV**
Kaap Agri	34,3%	437,2	**41,3%**	**812,8**	**116,6**	5,9	0,8
KWV Ltd (Combined)	25,7%	413,7		**767,1**	**224,7**		
KWV Holdings			**31,3%**	**214,6**	**60,0**	N/A	0,6
Capevin Holdings			**37,0%**	**552,5**	**164,7**	8,3	1,8
MGK	26,7%	27,3	**26,7%**	**27,3**		6,8	0,3
Agricol	20,0%	9,8	**20,3%**	**10,1**		2,3	0,6
KLK	10,0%	5,2	**10,0%**	**8,6**		4,4	0,4
Capespan	12,1%	49,8	**14,6%**	**54,5**	**3,9**	6,4	0,5
Suidwes	17,1%	47,1	**18,4%**	**53,4**	**3,5**	3,5	0,7
NWK	5,9%	31,9	**7,4%**	**42,1**	**8,9**	4,7	0,5
OVK	9,0%	22,5	**9,2%**	**27,3**	**0,6**	4,6	0,7
BKB	3,5%	7,7	**3,7%**	**8,2**	**0,2**	4,7	0,6
Tuinroete Agri	10,0%	12,2	**10,0%**	**10,7**		5,8	0,7
Other agri investments		116,7		**143,5**	**57,2**		
Total investments		1 181,1		**1 965,6**	**415,6**		
Cash and cash equivalents		27,9		**121,6**			
Other net liabilities		(35,7)		**(20,9)**			
Total intrinsic value		1 173,3		**2 066,3**			
Shares in issue (million)		611,3		**978,1**			
Value per share (R)		1,92		**2,11**			
Value per share – adjusted (R) *		1,71		**2,11**			

** Following the rights issue (366,8 million new shares at R1,35 per share), the intrinsic value per share for the previous year decreased to R1,71 per share (from R1,92) based on the full proceeds received and shares issued on 28 February 2009, the effect being that the per share growth in intrinsic value per was in fact 23,4%.*

The intrinsic value per share increases to approximately R2,68 per share if the see-through value (at market prices) of Distell at Capevin Holdings and Pioneer Foods at Kaap Agri is taken into consideration respectively.

Zeder's investment portfolio increased by 29% to R2,2 billion, with its investments in Kaap Agri, Capevin and KWV representing almost 80% of the portfolio.

At year-end Zeder had cash at hand of R120 million and, together with a R300 million funding facility, will provide it with the necessary reserves to pursue attractive identified investment opportunities.

KEY OPERATIONAL DEVELOPMENTS

KWV

The performance of KWV's own operations has been unsatisfactory in the past and return on equity is currently less than 5%. It is an asset-rich business with significant potential. However, it always formed part of a larger group which had the luxury of an investment in the consistently performing Distell.

As overseers of Zeder's shareholders' interest we took up the responsibility of getting involved in the strategy of the business as a result of the poor performance of KWV. Consequently, KWV was restructured and its operational business unbundled to shareholders. Shareholders are now invested in two separate entities, namely:

- KWV Holdings, the operational entity and owner of the KWV operational business; and
- Capevin Holdings with its core asset an effective interest of 14,9% in Distell.

KWV Holdings is now an independent business entity and the onus rests on management to deliver good results. KWV shareholders who received Capevin Holdings shares now enjoy the full Distell dividend (save for minor administrative costs).

Zeder is currently busy with an offer to KWV Holdings' minorities to increase its stake in KWV as the company has the potential to significantly increase its return on equity.

Kaap Agri/Pioneer Foods

Zeder increased its shareholding in Kaap Agri to 41,3% during the year under review. Both Kaap Agri's operational business and its investment in Pioneer Foods are delivering satisfactory results. Kaap Agri holds a 31,9% shareholding in Pioneer Foods.

Pioneer Foods was found to have participated in anti-competitive activities and has made a provision of R350 million for the potential Competition Commission fines. Zeder's share of the provision amounted to R43,9 million which we have provided for in this set of financial results.

Pioneer Foods is co-operating with the Competition Commission to resolve all outstanding matters.

For further information regarding the Competition Commission case, please refer to Pioneer's website: www.pioneerfoods.co.za.

FINANCIAL RESULTS

In the spirit of consistent, clear and unambiguous communication to stakeholders, management introduced the recurring headline earnings concept as the predominant measure of Zeder's financial performance a few years ago. At the time, recurring headline earnings were defined as reportable headline earnings in terms of accounting standards, excluding any marked-to-market movements and one-off items.

During the past year we have revisited and fine-tuned this methodology by now measuring recurring headline earnings on a see-through basis. Zeder's recurring headline earnings are the sum of its effective interest in that of each of its underlying investees, regardless of its percentage shareholding. The result is that investments in which Zeder holds less than 20% and is not allowed to equity account in terms of accounting standards, are now included in the calculation of our consolidated recurring headline earnings. This provides management and investors with a more realistic and simple way of evaluating Zeder's financial performance.

Year-end February	**2008**	*change %*	**2009**	*change %*	**2010**
Headline earnings (Rm)	**206,5**	*(25,7)*	**153,4**	*(0,9)*	**152,0**
Headline earnings per share (cents)	**35,4**	*(28,8)*	**25,2**	*(31,3)*	**17,3**
NAV per share (R)	**2,59**	*8,9*	**2,82**	*(17,4)*	**2,33**
Dividend per share (cents)	**5,0**	*40,0*	**7,0**	*(42,9)*	**4,0**
Recurring headline earnings (Rm)	**118,8**	*65,0*	**196,0**	*6,2*	**208,1**
Recurring headline earnings per share (cents)	**21,0**	*53,3*	**32,2**	*(26,7)*	**23,6**
Number of issued shares (m)	**605,1**	*1,0*	**611,3**	*60,0*	**978,1**
Weighted number of shares (m)	**582,8**	*4,5*	**609,0**	*44,6*	**880,6**

- Having applied the aforesaid principles to the prior year figures, Zeder's recurring headline earnings per share for the year ended 28 February 2009 amounted to 32,2 cents per share as opposed to the 24,4 cents per share previously reported in terms of the old methodology (a 32% increase).
- Recurring headline earnings increased by 6,2% to R208,1 million. However, recurring headline earnings per share decreased by 26,7% to 23,6 cents. This was mainly attributable to:
  - o the fact that Zeder invested most of the cash from the rights issue only towards the latter part of the year;
  - o the impact of continued investment in the cash and asset-rich but low earnings-yielding KWV own operations; and
  - o disappointing results from MGK.
- Reportable headline earnings per share decreased by 31,3% to 17,3 cents. In addition to the effects stated above, we have also included Zeder's R43,9 million share of Pioneer Foods' provision for the potential fine to the Competition Commission. Without the penalty provision, Zeder's headline earnings per share would have been 22,2 cents a share.

THANKS

We would like to thank our fellow Zeder board members and management team for their team spirit and hard work. A special word of thanks to the investee companies, their boards and management teams. Many thanks for the year and may you continue to grow beyond expectations. Lastly to our shareholders, we sincerely appreciate your loyalty and commitment.

Jannie Mouton
CHAIRMAN

Antonie Jacobs
CHIEF EXECUTIVE OFFICER

KAAP AGRI LTD

Interest: 41,3%

Chairman	**George Eksteen**
Managing director	**Corwyn Botha**
Head office	**Malmesbury, Western Cape**

Year ended 30 September	2007	2008	**2009**
Revenue (Rm)	1 701	2 363	**2 274**
Headline earnings (Rm)	196	240	**293**
Headline earnings per share (cents)	100,6	102,7	**119,0**
Dividend per share (cents)	15,0	23,0	**30,0**
Net asset value per share (cents)	747,0	803,0	**879,0**

OPERATIONS
Retail
Grain storage and marketing
Silo capacity 322 000 tons
Mechanisation

FINANCIAL COMMENTARY

We have confidence in management's ability to grow and create value for its shareholders. Kaap Agri's performance continues to be very satisfactory, generating almost R100 million from own operations. Kaap Agri passes through 100% of the Pioneer dividend it receives as a result of its 31,9% shareholding in Pioneer and, in addition, pays a dividend from own operations. Kaap Agri also paid a maiden interim dividend during its 2009 financial year.

PIONEER FOODS

Amidst the uncertainty hanging over the company because of the pending Competition Commission cases and uncertainty of the magnitude of the fines, the company has experienced good growth mainly as a result of improved profit margins. A number of changes on the board, which included the appointment of a new chairman and vice-chairman, heralded a new era in the history of the company. Zeder's management is confident that the board's approach to solve the competition issues will lead to a swift close to this unfortunate matter of events.

For more information, please refer to
www.kaapagri.co.za and
www.pioneerfoods.co.za

CAPEVIN HOLDINGS LTD (previously KWV Ltd)

Interest: 37,0%

Chairman	**Khutso Mampeule**

Year ended 30 June *	2007	2008	**2009**
Headline earnings (Rm)	138	157	**159**
Headline earnings per share (cents)	33,4	38,0	**38,3**
Dividend per share (cents)	7,0	8,5	**12,5**
Net asset value per share (cents)	156,2	173,5	**161,6**

** Reflecting the effective interest in Capevin Investments, indirectly Distell.*

OPERATIONS
Holding company
51% interest in listed subsidiary Capevin Investments Ltd
14,9% effective shareholding in Distell

FINANCIAL COMMENTARY

Considering the tough consumer environment and the strength of the currency we were surprised by Distell's stable performance over the last 18 months showing Distell's resilience and strength of its portfolio of brands.

OTHER
Unbundling of operational assets and activities (KWV Holdings Ltd)
9,6% interest in Capevin Investments Ltd was sold to Remgro

For more information, please refer to
www.capevin.com and
www.distell.co.za

KWV HOLDINGS LTD

Interest: 31,3%

Chairman	**Thys du Toit**
Managing director	**Thys Loubser**
Head office	**Paarl, Western Cape**

Year ended 30 June *	2007	2008	**2009**
Revenue (Rm)	818	738	**733**
Headline earnings (Rm)	(26)	39	**(2)**
Headline earnings per share (cents)	(6,3)	9,4	**(0,5)**
Dividend per share (cents)	–	–	**–**
Net asset value per share (cents)	1 622,3	2 029,5	**2 477,3**

** Reflecting KWV's own operations, excluding the indirect Distell interest.*

OPERATIONS
Wine
Brandy

FINANCIAL COMMENTARY

Despite difficult market conditions globally, sales volumes generally held up well with growth achieved in certain areas and brands. KWV is now without the dividend flow from Distell and is now an independent business entity.

We are confident that the rich assets will in future create good value for shareholders. A strategy has been introduced in order to improve return on equity. With vast cash resources and no debt, the company is well positioned should growth opportunities arise.

OTHER
Split of KWV's own operations and Distell interest
R150 million rights issue
Acquisition of Wild Africa Cream and Golden Kaan

For more information, please refer to
www.kwv.co.za

CAPESPAN GROUP LTD

Interest: 14,6%

Chairman	**Dr Paul Clüver**
Managing director	**Neil Oosthuizen**
Head office	**Bellville, Western Cape**

Year ended 31 December	2007	2008	**2009**
Revenue (Rm)	2 144	2 490	**2 637**
Headline earnings (Rm)	51	137	**62**
Headline earnings per share (cents)	20,0	33,7	**20,4**
Dividends per share (cents)	6,0	7,0	**8,5**
Net asset value per share (cents)	199,5	252,9	**250,3**

OPERATIONS
Fruit
Logistics
Investments

FINANCIAL COMMENTARY

Lower local export volumes as a result of the appreciating currency and deflationary pressure on fruit prices negatively affected the recent results of the Fruit division in the last financial year. To add to these adverse factors, the collapse in the worldwide shipping volumes proved to be the major challenge for the Logistics division. Although profits are down considerably, the company is in a strong position to benefit from the recovery in the world economy and is pursuing global expansion opportunities.

OTHER
Unifruco and Outspan shareholding restructured
Launched Capespan Academy

For more information, please refer to
www.capespan.co.za

SUIDWES INVESTMENTS LTD

Interest: 18,4%

Chairman	**Pierre Vercueil**
Managing director	**Schalk Pienaar**
Head office	**Leeudoringstad, North West**

Year ended 30 April	2007	2008	**2009**
Turnover (Rm)	1 888	3 222	**3 564**
Headline earnings (Rm)	45	74	**79**
Headline earnings per share (cents)	36,8	59,7	**64,0**
Dividend per share (cents)	7,0	10,0	**12,0**
Net asset value per share (cents)	210,1	256,1	**309,0**

OPERATIONS
Grain storage and marketing
Silo capacity 1,2 million tons
Financing
Retail
Mechanisation

FINANCIAL COMMENTARY

The Grain and Financing divisions performed very well because of good harvests and a higher demand for input production credit respectively. Deflationary pressure after the previous year's high input prices resulted in the Trading division not performing as well as in the previous year, although it was still profitable.

Although the operating environment proved to be more challenging, the company performed satisfactorily.

OTHER
Centenary celebrations in 2009

For more information, please refer to **www.suidwes.co.za**

NWK LTD

Interest: 7,4%

Chairman	**Heinrich Krüger**
Managing director	**Danie Marais**
Head office	**Lichtenburg, North West**

Year ended 28 February	2007	2008	**2009**
Revenue (Rm)	2 868	3 163	**6 632**
Headline earnings (Rm)	70	105	**169**
Headline earnings per share (cents)	50,1	74,7	**118,4**
Dividends per share (cents)	37,0	31,0	**33,0**
Net asset value per share (cents)	586,1	633,9	**719,3**

OPERATIONS
Grain storage and marketing
Silo capacity 2,6 million tons
Financing
Retail
Industries
Mechanisation

FINANCIAL COMMENTARY

The record maize harvest and high commodity prices in the first half of the 2009 year resulted in the storage facilities being fully utilised and saw demand for credit increase significantly. This, and the excellent performance of the Retail division which has grown market share and delivered in the increasing demand of the traditional customer base, were the main contributors to 2009's excellent performance. The Industries division that processes maize meal, sunflower oils and livestock feeds was affected adversely by the drastic decrease in commodity prices in the second half of the year – stock was purchased at high price levels and had to be written off and sold at lower prices.

OTHER
Centenary celebrations in 2009
Entered broiler market with Opti Chicks

For more information, please refer to **www.nwk.co.za**

MGK BUSINESS INVESTMENTS LTD

MGK GROUP • GROEP

Interest: 26,7%

Chairman	**Eben Pienaar**
Managing director	**Ben Lombard**
Head office	**Brits, North West**

Year ended 31 July	2007	2008	**2009**
Revenue (Rm)	1 216	1 653	**1 539**
Headline earnings (Rm)	14	30	**12**
Headline earnings per share (cents)	83,5	146,0	**44,0**
Dividends per share (cents)	26,0	–	**25,0**
Net asset value per share (cents)	438,6	955,8	**686,7**

OPERATIONS
Retail
Financing
Seed

FINANCIAL COMMENTARY

MGK experienced a very difficult year. Being very focused on its retail activities, the company's procurement policies and deflationary pressure led to the poor performance – stock (fertilizer, etc) was bought at high prices just as the economy came to a standstill. Subsequently the company had significant stock writedowns.

OTHER
Bought 10 retail outlets from Afgri

For more information, please refer to **www.mgk.co.za**

OVK OPERATIONS LTD

Interest: 9,2%

Chairman	**Manie Botha**
Managing director	**Hardie van Niekerk**
Head office	**Ladybrand, Free State**

Year ended 28 February	2007	2008	**2009**
Revenue (Rm)	1 523	2 016	**2 435**
Headline earnings (Rm)	33	59	**74**
Headline earnings per share (cents)	80,0	99,3	**125,0**
Dividends per share (cents)	15,0	20,0	**26,0**
Net asset value per share (cents)	464,2	554,3	**658,9**

OPERATIONS
Grain storage and marketing
Silo capacity 363 000 tons
Retail
Financing
Fuel distribution and motor dealerships

FINANCIAL COMMENTARY

OVK's management credits an increased market share as well as inflationary factors for its increase in revenue. The Retail and Grain divisions contribute a significant share of total profit. Headline earnings per share continued to show strong growth, albeit at a slower pace, something we have come to expect from OVK. The company continues to deliver solid, positive results year after year.

For more information, please refer to **www.ovk.co.za**

TUINROETE AGRI LTD

Interest: 10,0%

Chairman	**Hendrik Pienaar**
Managing director	**Jan Weys**
Head office	**Mossel Bay, Western Cape**

Year ended 30 June	2007 (16 months)	2008	**2009**
Revenue (Rm)	432	468	**547**
Headline earnings (Rm)	22	18	**19**
Headline earnings per share (cents)	60,2	44,7	**45,4**
Dividends per share (cents)	2,1	5,0	**6,0**
Net asset value per share (cents)	290,8	322,9	**364,0**

OPERATIONS
Retail
Animal feeds

FINANCIAL COMMENTARY

Despite tough economic conditions in the area Tuinroete operates in, the company delivered satisfactory results. The grain harvest was poor, severe drought conditions persisted in many parts of the southern and eastern Cape and the non-farming segment of the business, usually a significant contributor to profits, came under pressure.

For more information, please refer to **www.tagri.co.za**

KLK LANDBOU LTD

Interest: 10,0%

Chairman	**Kobus Marais**
Managing director	**Stephen van Huyssteen**
Head office	**Upington, Northern Cape**

Year ended 28 February	2007	2008	**2009**
Revenue (Rm)	955	1 186	**1 208**
Headline earnings (Rm)	9	11	**10**
Headline earnings per share (cents)	49,4	54,4	**45,0**
Dividends per share (cents)	8,0	10,0	**10,0**
Net asset value per share (cents)	378,0	409,5	**444,0**

OPERATIONS
Retail
Fuel distribution and motor dealerships
Livestock auctioneering
Abattoirs

FINANCIAL COMMENTARY

KLK experienced a challenging year due to a number of its divisions taking strain as a result of the nature of their business and other economic pressures. The problematic and costly meat value chain initiatives have been closed.

For more information, please refer to **www.klk.co.za**

BKB LTD

Interest: 3,7%

Chairman	**Chris Louw**
Managing director	**Wolf Edmayr**
Head office	**Port Elizabeth, Eastern Cape**

Year ended 30 June	2007	2008	**2009**
Revenue (Rm)	1 153	1 940	**2 313**
Headline earnings (Rm)	46	55	**47**
Headline earnings per share (cents)	66,6	75,2	**68,4**
Dividends per share (cents)	18,0	22,0	**22,0**
Net asset value per share (cents)	421,0	455,0	**566,0**

OPERATIONS
Retail
Property leasing
Grain storage and marketing services
Auctioneering
Wool and mohair brokerage

FINANCIAL COMMENTARY

More than half of BKB's profit was generated from property leasing. Combining with the Grain division, these two divisions compensated for the disappointing results from the wool and mohair brokerage and the Retail division in the previous financial year. The addition of Grainco gave BKB a more diversified spread of products and services during the last few years. BKB's Property leasing division as well as the Auctioneering division provides the business with very stable profits.

For more information, please refer to
www.bkb.co.za

AGRICOL HOLDINGS LTD

Interest: 20,3%

Chairman	**Louis Andrag**
Managing director	**Paul Marais**
Head office	**Brackenfell, Western Cape**

Year ended 30 June	2007	2008	**2009**
Revenue (Rm)	153	187	**230**
Headline earnings (Rm)	12	17	**23**
Headline earnings per share (cents)	391,1	567,3	**771,0**
Dividends per share (cents)	70,0	70,0	**100,0**
Net asset value per share (cents)	2 219,0	2 394,0	**3 094,0**

OPERATIONS
Agronomy crop seed
Lawn and turf grasses
Pasture grasses
Seed for confectionary use
Bird seed

FINANCIAL COMMENTARY

Favourable circumstances due to the high commodity prices in the beginning of Agricol's financial year and good weather conditions boosted growth. The increasing demand for protein (meat) away from starch products is proving to be a good opportunity for the company as Agricol is a market leader in the forage seed market. Agricol was also the supplier of the grass seed for all the World Cup stadia. Every match we watch of this year's World Cup will remind us of Agricol's contribution.

For more information, please refer to
www.agricol.co.za

Corporate governance

Zeder is managed by PSG Group Ltd ("PSG Group") in terms of a management agreement and adheres to PSG Group's corporate governance policies. Zeder is committed to the principles of transparency, integrity and accountability as also advocated in the King Report on Corporate Governance. Accordingly Zeder's corporate governance policies have in all respects been appropriately applied during the period under review.

BOARD OF DIRECTORS

The Zeder board of directors remains autonomous, albeit that there is a management agreement in place. Details of Zeder's directors are provided on page 2 of this annual report.

The board met four times during the past year and had close to a 100% attendance. 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. Mr JF Mouton fills the role of non-executive chairman and Mr AE Jacobs that of chief executive officer. The appointment of directors is formal and transparent and is considered to be a matter for the board as a whole.

The board's key roles and responsibilities are:

- Promoting the interests of stakeholders
- Formulation and approval of strategy
- Retaining effective control
- Ultimate accountability and responsibility for the performance and affairs of the company

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

- Executive committee
- Audit and risk committee

There is no remuneration committee as the remuneration of the directors is determined and paid by PSG Group in terms of the aforementioned management agreement.

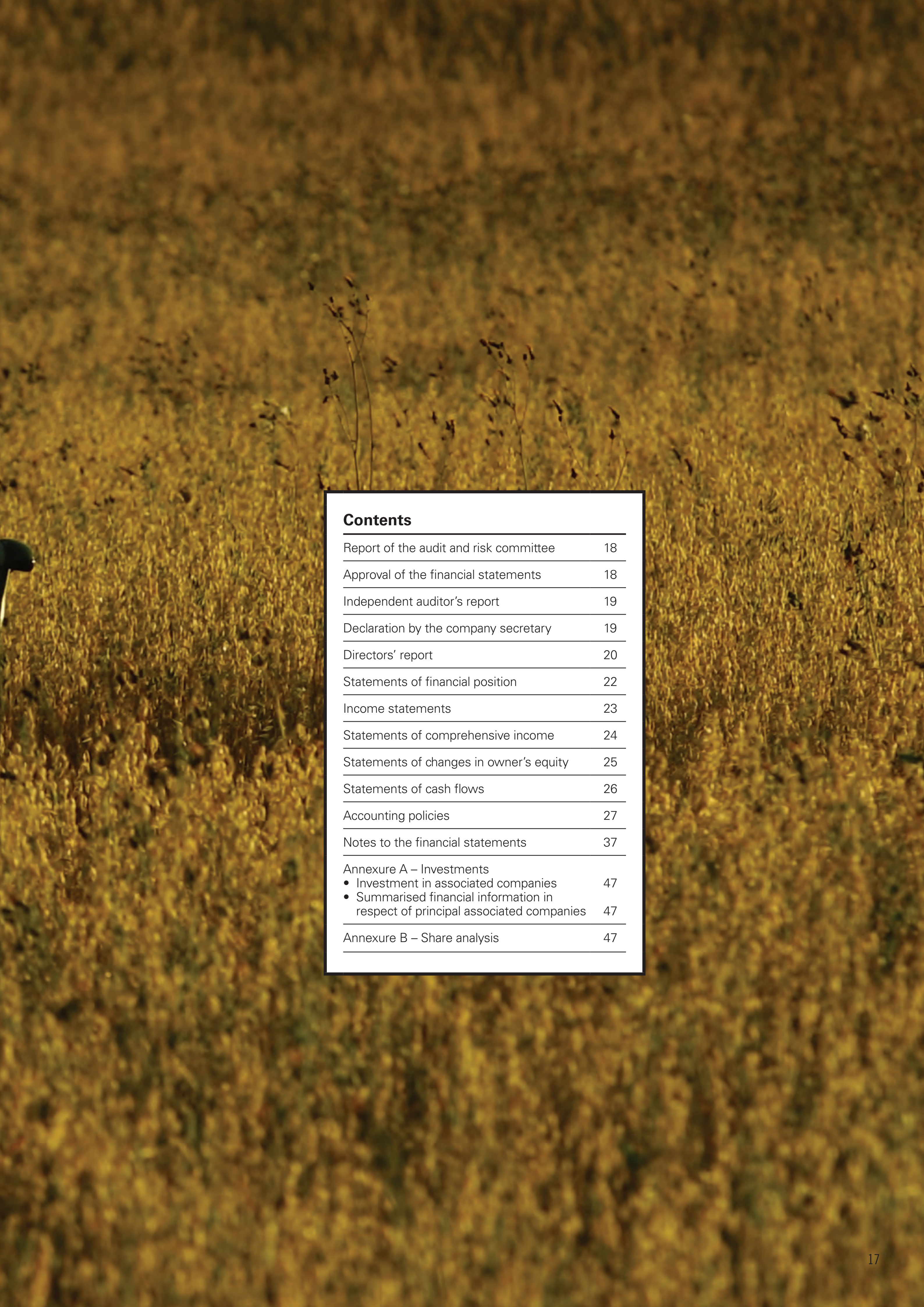
EXECUTIVE COMMITTEE

The Zeder executive committee comprises Messrs JF Mouton (chairman), CA Otto, AE Jacobs, WL Greeff, PJ Mouton, WJS Meyer and Ms A Wessels. This committee meets regularly, at least twice a month, and is primarily responsible for the allocation and investing of the company's resources, including capital.

AUDIT AND RISK COMMITTEE

A report by the Zeder audit and risk committee has been provided on page 18 of this annual report.

For more detail regarding Zeder's corporate governance policies, refer to PSG Group's annual report at www.psggroup.co.za.



Contents

Report of the audit and risk committee

The audit committee considered the matters set out in section 270A(5) of the Companies Act, as amended by the Corporate Laws Amendment Act, and is satisfied with the independence and objectivity of the external auditors. The committee has considered and recommended the fees payable to the external auditor and is satisfied with the extent of non-audit related services performed.

The audit committee is satisfied that there was no material breakdown in the internal accounting controls during the financial year. We base this on the information and explanations provided by the Zeder executive committee as well as discussions with the independent external auditors on the results of their audit.

As required by JSE Listings Requirement 3.84(i), the audit committee has satisfied itself that the group financial director has appropriate expertise and experience.

The audit committee has perused the financial statements of Zeder Investments Ltd and the group for the year ended 28 February 2010 and, based on the information provided to the audit committee, the committee considers that Zeder Investments Ltd has complied in all material respects, with the requirements of the Companies Act (61 of 1973), as amended, and International Financial Reporting Standards (IFRS).

MS du Pré le Roux
Chairman

12 April 2010
Stellenbosch

Approval of financial statements

The directors are responsible for the maintenance of adequate accounting records and to prepare financial statements that fairly represent the state of affairs and the results of the group. The external auditors are responsible for independently auditing and reporting on the fair presentation of these financial statements. The directors fulfil this responsibility primarily by establishing and maintaining accounting systems and practices adequately supported by internal accounting controls. Such controls provide assurance that the group's assets are safeguarded, that transactions are executed in accordance with management's authorisations and that the financial records are reliable. The financial statements are prepared in accordance with International Financial Reporting Standards and incorporate full and reasonable disclosure. Appropriate and recognised accounting policies are consistently applied.

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

The financial statements set out on pages 20 to 47 were approved by the board of directors of Zeder Investments Ltd and are signed on its behalf by:

AE Jacobs
Director

WL Greeff
Financial director

12 April 2010
Stellenbosch

Independent auditor's report

to the members of Zeder Investments Ltd

We have audited the group annual financial statements and annual financial statements of Zeder Investments Ltd, which comprise the consolidated and separate statements of financial position as at 28 February 2010, and the consolidated and separate income statements, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes and the directors report, as set out on pages 20 to 47.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements present fairly, in all material respects, the consolidated and separate financial position of Zeder Investments Ltd as at 28 February 2010 and its consolidated and separate financial performance, and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of South Africa.

PricewaterhouseCoopers Inc

PricewaterhouseCoopers Inc.
Director: HD Nel
Registered auditor

12 April 2010
Cape Town

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 and that all such returns are true, correct and up to date.

PSG Corporate Services (Pty) Ltd
CJ Siertsema
Company secretary

12 April 2010
Stellenbosch

The directors are pleased to submit their report for the year ended 28 February 2010.

NATURE OF BUSINESS

The group's main business is that of an investment company in the agricultural and related sectors in South Africa.

OVERVIEW

In June 2009, Zeder raised R495 million in cash by means of a rights offer at R1,35 per share. The rationale for same was to obtain funding in order to give effect to its strategy of investing in companies that offer attractive growth potential. The offer price of R1,35 per share represented a substantial discount to Zeder's net asset value but was necessary to secure funding in challenging market conditions.

During the year, Zeder increased its investment in associated companies, particularly:

- an additional 7,0% in Kaap Agri Ltd, mainly by means of an offer to minorities;
- an additional 11,3% in Capevin Holdings Ltd (previously KWV Ltd);
- a 31,3% shareholding in KWV Holdings Ltd; and
- the acquisition of two additional associated companies, namely, Capespan Group Ltd and Thembeka OVB Holdings (Pty) Ltd.

During August 2009, Capevin Holdings Ltd unbundled its operations and, as a result, KWV Holdings Ltd was established. Zeder received KWV Holdings Ltd shares in the process. Following the restructuring, KWV Holdings Ltd offered its shareholders an additional 54 shares for every 100 shares held in KWV Holdings Ltd after the split. Zeder followed its own rights as well as that obtained through underwriting the offer, resulting in a 31,3% shareholding for a total cash investment of R59,9 million.

Overall, the group's investment portfolio, including equity securities, increased by 28,8% to R2 183,0 million as at 28 February 2010.

RESULTS

Zeder's net profit after tax for the year ended 28 February 2010 decreased by 26,6% to R123,6 million, while headline earnings decreased from R153,4 million to R152,0 million. Headline earnings per share decreased by 31,3% to 17,3 cents. The main reasons for the decrease in earnings are:

- the increased number of ordinary shares in issue as a result of the aforementioned rights issue together with a lower return on excess cash in hand;
- lower income from associates, as a result of losses suffered by KWV's operations during the second half of its financial year ended 30 June 2009, and a provision by Pioneer Food Group Ltd of approximately R350 million for the potential penalty imposed by the Competition Commission; and
- a R17,5 million non-headline loss on the dilution of Zeder's interest in KWV Holdings Ltd due to the deconsolidation of the KWV Employee Trust's shares which were previously consolidated by Capevin Holdings Ltd.

The rights issue also had a negative impact on Zeder's accounting net asset value per share, which decreased from R2,82 as at 28 February 2009 to R2,33 as at 28 February 2010.

Where the company equity accounts its investments, the book value is tested for potential impairment at each reporting period. The group has tested for potential impairment at year-end and the directors are satisfied that Zeder's investments in associated companies are fairly stated.

The operating results and the state of affairs of the group are set out in the attached income statement, statement of financial position and notes thereto.

SHARE CAPITAL

Details of the authorised and issued share capital appear in note 7 to the financial statements. During the periods under review, the number of shares in issue changed as follows:

	Number of shares
Net shares in issue at 29 February 2008	605 057 207
Additional shares issued	30 000
Issued in terms of a share swap in August 2008	6 218 116
Net shares in issue at 28 February 2009	611 305 323
Rights issue – June 2009	366 783 194
Net shares in issue at 28 February 2010	978 088 517

DIVIDENDS

A final dividend of 4,0 cents per share has been declared by the directors on 12 April 2010 in respect of the year ended 28 February 2010. The 2009 final dividend of 7,0 cents per share was declared on 6 April 2010 and paid on 11 May 2009.

DIRECTORS

The directors of the company at the date of this report and any changes during the year under review are set out below:

MS du Pré le Roux
GD Eksteen (appointed 1 September 2009)
WL Greeff (appointed 21 May 2009)
AE Jacobs
JF Mouton
CA Otto
LP Retief

Directors' emoluments paid by PSG Group in terms of management agreement

CASH-BASED REMUNERATION	Basic salaries R000	Company contributions R000	Performance-related R000	Fees R000	**Total 2010 R000**	Total 2009 R000
Executive						
AE Jacobs	1 046	85			**1 131**	1 109
WL Greeff						
Non-executive						
JF Mouton						
CA Otto						
MS du Pré le Roux				95	**95**	90
GD Eksteen				12	**12**	
LP Retief				100	**100**	93
JG Carinus						30
	1 046	85		207	**1 338**	1 322

SHAREHOLDING OF DIRECTORS

The shareholding of directors in the issued share capital of the company was as follows:

	Beneficial		Non-beneficial		**Total shareholding 28 February 2010**		Total shareholding 28 February 2009	
Name	Direct	Indirect	Direct	Indirect	**Number**	**%**	Number	%
AE Jacobs		130 000			**130 000**	**0,013**	50 000	0,008
JF Mouton				80 000	**80 000**	**0,008**	50 000	0,008
CA Otto				80 000	**80 000**	**0,008**	50 000	0,008
WL Greeff	80 000				**80 000**	**0,008**		
MS du Pré le Roux				250 000	**250 000**	**0,026**	250 000	0,041
	80 000	130 000		410 000	**620 000**	**0,063**	400 000	0,065

INDIVIDUAL SHAREHOLDERS HOLDING 5% OR MORE OF THE ISSUED SHARE CAPITAL AS AT 28 FEBRUARY 2010

	Number of shares	**%**
PSG Financial Services Ltd	**396 868 630**	**40,6**

SECRETARY

The secretary of the company is PSG Corporate Services (Pty) Ltd. The business and postal addresses are as follows:

Ou Kollege Building
35 Kerk Street
Stellenbosch 7600

PO Box 7403
Stellenbosch 7599

Statements of financial position
at 28 February 2010

		GROUP		COMPANY	
		2010	2009	**2010**	2009
	Notes	**R000**	R000	**R000**	R000
Assets					
Investment in associated companies	1	**1 967 800**	1 445 340	**1 557 668**	1 088 450
Financial assets					
Equity securities	2	**215 187**	249 187	**215 187**	249 187
Loans and advances	3		38 709		38 709
Deferred income tax	4		131		131
Current income tax receivable		**196**	2 754	**196**	2 754
Receivables	5	**42**	585	**42**	585
Cash and cash equivalents	6	**121 607**	27 923	**121 607**	27 923
Total assets		**2 304 832**	1 764 629	**1 894 700**	1 407 739
Capital and reserves attributable to the company's equity holders					
Share capital	7	**9 781**	6 113	**9 781**	6 113
Share premium		**1 730 089**	1 242 264	**1 730 089**	1 242 264
Other reserves		**(9 692)**	6 076		
Retained earnings		**551 834**	470 984	**132 010**	120 170
Ordinary shareholders' funds		**2 282 012**	1 725 437	**1 871 880**	1 368 547
Total equity		**2 282 012**	1 725 437	**1 871 880**	1 368 547
Liabilities					
Financial liabilities					
Borrowings	8	**31**		**31**	
Deferred income tax	4	**1 667**		**1 667**	
Trade and other payables	9	**21 122**	39 192	**21 122**	39 192
Total liabilities		**22 820**	39 192	**22 820**	39 192
Total equity and liabilities		**2 304 832**	1 764 629	**1 894 700**	1 407 739

Income statements
for the year ended 28 February 2010

		GROUP		COMPANY	
		2010	2009	**2010**	2009
	Notes	**R000**	R000	**R000**	R000
Income					
Investment income	10	**41 169**	24 852	**83 560**	61 065
Fair value gains and losses on financial instruments	11	**15 220**	20 515	**15 220**	20 515
Other operating income	12	**1 129**	7 370	**1 129**	7 370
Total income		**57 518**	52 737	**99 909**	88 950
Expenses					
Management fee		**(40 713)**	(35 594)	**(40 713)**	(35 594)
Performance fee			(19 939)		(19 939)
Other		**(86)**	(2 266)	**(86)**	(2 266)
Total expenses		**(40 799)**	(57 799)	**(40 799)**	(57 799)
Results of operating activities		**16 719**	(5 062)	**59 110**	31 151
Finance costs	13	**(539)**	(3 627)	**(539)**	(3 627)
Income from associated companies	1	**128 551**	175 020		
Loss on dilution of interest in associated company	1	**(17 548)**			
Profit before taxation		**127 183**	166 331	**58 571**	27 524
Taxation	14	**(3 542)**	2 290	**(3 542)**	2 290
Net profit for the year		**123 641**	168 621	**55 029**	29 814
Attributable to equity holders of the company		**123 641**	168 621	**55 029**	29 814
Earnings per share (cents)	15				
Basic		**14,0**	27,7		

Statements of comprehensive income
for the year ended 28 February 2010

	GROUP		COMPANY	
	2010	2009	**2010**	2009
	R000	R000	**R000**	R000
Net profit for the year	**123 641**	168 621	**55 029**	29 814
Share of other comprehensive income of associated companies	**(16 864)**	5 892		
Other equity movements of associated companies	**1 096**	184		
Step acquisition from equity securities to investment in associated companies				
Reversal of previous fair value gains after taxation on equity securities	**(398)**		**(398)**	
Revaluation of assets and liabilities of associated companies	**398**			
Other comprehensive income for the year, net of tax	**107 873**	174 697	**54 631**	29 814
Attributable to equity holders of the company	**107 873**	174 697	**54 631**	29 814

Statements of changes in owners' equity
for the year ended 28 February 2010

	Share capital R000	Share premium R000	Other reserves R000	Retained earnings R000	Total R000
GROUP					
Balance at 29 February 2008	6 051	1 227 714		332 616	1 566 381
Comprehensive income					
Net profit for the year				168 621	168 621
Other comprehensive income			6 076		6 076
Share of other comprehensive income of associated companies			5 892		5 892
Other equity movements of associated companies			184		184
Total comprehensive income			6 076	168 621	174 697
Transactions with owners					
Issue of share capital	62	14 550			14 612
Dividend paid				(30 253)	(30 253)
Total transactions with owners	62	14 550		(30 253)	(15 641)
Balance at 28 February 2009	6 113	1 242 264	6 076	470 984	1 725 437
Comprehensive income					
Net profit for the year				**123 641**	**123 641**
Other comprehensive income			**(15 768)**		**(15 768)**
Share of other comprehensive income of associated companies			**(16 864)**		**(16 864)**
Other equity movements of associated companies			**1 096**		**1 096**
Step acquisition from equity securities to investment in associated companies					
Reversal of previous fair value gains after taxation on equity securities				**(398)**	**(398)**
Revaluation of assets and liabilities of associated companies				**398**	**398**
Total comprehensive income			**(15 768)**	**123 641**	**107 873**
Transactions with owners					
Issue of share capital	**3 668**	**491 490**			**495 158**
Share issue costs		**(3 665)**			**(3 665)**
Dividend paid				**(42 791)**	**(42 791)**
Total transactions with owners	**3 668**	**487 825**		**(42 791)**	**448 702**
Balance at 28 February 2010	**9 781**	**1 730 089**	**(9 692)**	**551 834**	**2 282 012**
COMPANY					
Balance at 29 February 2008	6 051	1 227 714		120 609	1 354 374
Comprehensive income					
Net profit for the year				29 814	29 814
Transactions with owners					
Issue of share capital	62	14 550			14 612
Dividend paid				(30 253)	(30 253)
Total transactions with owners	62	14 550		(30 253)	(15 641)
Balance at 28 February 2009	6 113	1 242 264		120 170	1 368 547
Comprehensive income					
Net profit for the year				**55 029**	**55 029**
Other comprehensive income				**(398)**	**(398)**
Step acquisition from equity securities to investment in associated companies					
Reversal of previous fair value gains after taxation on equity securities				**(398)**	**(398)**
Total comprehensive income				**54 631**	**54 631**
Transactions with owners					
Issue of share capital	**3 668**	**491 490**			**495 158**
Share issue costs		**(3 665)**			**(3 665)**
Dividend paid				**(42 791)**	**(42 791)**
Total transactions with owners	**3 668**	**487 825**		**(42 791)**	**448 702**
Balance at 28 February 2010	**9 781**	**1 730 089**		**132 010**	**1 871 880**

Statements of cash flows

for the year ended 28 February 2010

		GROUP		COMPANY	
		2010	2009	**2010**	2009
	Notes	**R000**	R000	**R000**	R000
Cash retained from operating activities					
Cash generated by operating activities	20.1	**20 939**	16 083	**20 939**	16 083
Taxation refund/(paid)	20.2	**915**	(1 814)	**915**	(1 814)
Net cash flow from operating activities		**21 854**	14 269	**21 854**	14 269
Cash utilised in investing activities					
Acquisition of equity securities	2	**(52 642)**	(127 429)	**(52 642)**	(127 429)
Acquisition of associated companies	1	**(349 074)**	(132 477)	**(349 074)**	(132 477)
Proceeds from disposal of investments			105 477		105 477
Loan advanced to associated company		**(13 865)**		**(13 865)**	
Net loans repaid		**38 709**	33 830	**38 709**	33 830
Net cash flow from investment activities		**(376 872)**	(120 599)	**(376 872)**	(120 599)
Cash flows from financing activities					
Dividend paid		**(42 791)**	(30 253)	**(42 791)**	(30 253)
Proceeds from issue of ordinary shares		**495 158**		**495 158**	
Placement cost		**(3 665)**		**(3 665)**	
Net cash flow from financing activities		**448 702**	(30 253)	**448 702**	(30 253)
Net increase/(decrease) in cash and cash equivalents		**93 684**	(136 583)	**93 684**	(136 583)
Cash and cash equivalents at beginning of year		**27 923**	164 506	**27 923**	164 506
Cash and cash equivalents at end of year	20.3	**121 607**	27 923	**121 607**	27 923

Accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

GROUP FINANCIAL STATEMENTS

The group annual financial statements comprise those of the company and associated companies.

BASIS OF PREPARATION

These group financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act of South Africa. They have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

The preparation of group financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed further below.

Standards, interpretations and amendments to published standards that are effective for the first time in 2010

- IFRS 8 – Operating Segments *(effective January 2009)*
  IFRS 8 requires an entity to adopt the 'management approach' to reporting on the financial performance of its operating segments. The standard sets out requirements for disclosure of information about an entity's operating segments and also about the entity's products and services, the geographical areas in which it operates, and its major customers. The disclosure should enable users of its financial statements to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.
- IAS 1 Revised – Presentation of Financial Statements *(effective January 2009)*
  The revised standard prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity in a statement of comprehensive income. As a result, the group presents in the statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the statement of comprehensive income. Comparative information has been re-presented so that it also is in conformity with the revised standard. The change in accounting policy only impacts on presentation aspects.
- IAS 27 – Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Joint Controlled Entity or Associate *(effective January 2009)*
  The amendment removed the definition of the cost method from IAS 27 and replaced it with a requirement to present dividends as income in the separate financial statements of the investor.
- Amendments to IFRS 7 – Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments *(effective January 2009)*
  The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The change in accounting policy only results in additional disclosures.

New and amended standards not currently relevant to the group's operations

- IAS 23 Revised – Borrowing Costs (effective January 2009)
- IFRIC 13 – Customer Loyalty Programmes (effective July 2008)
- IFRIC 15 – Agreements for the Construction of Real Estate (effective January 2009)
- IFRIC 16 – Hedges of a Net Investment in Foreign Operations (effective October 2008)
- AC 503 Revised – Accounting for Black Economic Empowerment (BEE) Transactions
- Amendment to IFRS 2 – Share-based Payment Vesting Conditions and Cancellations (effective January 2009)
- Amendment to IAS 32 – Financial Instruments – Presentation and IAS 1 – Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation (effective January 2009)

The implications of these statements have no impact on measurements of assets and liabilities or disclosures in the current or prior years.

Standards, interpretations and amendments to published standards that are not yet effective

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the group's accounting periods beginning on or after 1 March 2010 or later periods, but which the group has not early adopted, are as follows:

- IFRS 3 Revised – Business Combinations *(effective July 2009)*
  The revised standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed. The group will apply IFRS 3 (revised) prospectively to all business combinations from 1 March 2010.
- IAS 27 Revised – Consolidated and Separate Financial Statements *(effective July 2009)*
  IAS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control. They will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value and a gain or loss is recognised in profit or loss.
- IFRIC 17 – Distribution of Non-cash Assets to Owners *(effective July 2009)*
  This interpretation provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. IFRS 5 has also been amended to require that assets are classified as held for distribution only when they are available for distribution in their present condition and the distribution is highly probable. The group and company will apply IFRIC 17 from 1 March 2010.
- IFRS 9 – Financial Instruments *(effective January 2013)*
  The new standard improves and simplifies the approach for classification and measurement of financial assets compared with the requirements of IAS 39. IFRS 9 applies a consistent approach to classifying financial assets and replaces the numerous categories of financial assets in IAS 39, each of which had its own classification criteria. IFRS 9 also results in one impairment method, replacing the numerous impairment methods in IAS 39 that arise from the different classification categories.

Management is in the process of assessing the impact of these amendments and standards on the reported results of the group and the company.

Standards, amendments and interpretations to existing standards that are not yet effective or not relevant to the group's operations, are as follows:

- Amendment to IFRS 2 – Group Cash-settled Share-based Payment Transactions *(effective January 2010)*
- IFRIC 18 – Transfers of Assets from Customers *(effective July 2009)*
- IFRIC 19 – Extinguishing Financial Liabilities with Equity Instruments *(effective July 2010)*
- Amendment to IFRIC 9 – Reassessment of Embedded Derivatives and IAS 39 – Financial Instruments: Recognition and Measurement *(effective July 2009)*
- AC 504 – IAS 19 (AC 116) – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction in the South African Environment *(effective April 2009)*
- Amendments to IAS 32 – Classification of Rights Issues *(effective February 2010)*
- Amendments to IAS 39 – Financial Instruments: Recognition and Measurement – Eligible Hedged Items *(effective July 2009)*

INVESTMENT IN ASSOCIATED COMPANIES

Associated companies are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associated companies are accounted for by the equity method of accounting and are initially recognised at cost.

The results of associated companies are accounted for according to the equity method, based on their most recent audited financial statements or latest management information. Equity accounting involves recognising the group's share of its associated companies' post-acquisition profits or losses in the income statement, and its share of post-acquisition movements in other comprehensive income, in the statement of other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the group's share of losses in an associated company equals or exceeds its interest in the associated company, including any other unsecured receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associated company.

Dilution gains and losses arising in investment in associated companies are recognised in the income statement. Previously the policy was to account for the dilution gains and losses in equity. This change in accounting policy had no significant impact on prior year figures and therefore no restatement is required.

For step acquisitions of investment in associated companies the carrying value of pre-associate investments are restated to cost through equity. The pre-associate interest in identifiable net assets is also stepped up to fair value through equity. Goodwill is calculated at each stage of step acquisition. The step acquisition investment in associated companies is initially carried at fair value of the group's share of net assets plus goodwill arising from each stage of step acquisition.

Certain associates have year-ends that differ from that of the company. In such circumstances the results of certain unlisted companies are accounted for from the latest published information and management accounts as at year-end, respectively.

Loans to associated companies (including preference shares) are disclosed as part of the carrying amount of the investment in associated companies.

The accounting policies of associated companies have been changed, where necessary, to ensure consistency with the policies adopted by the group.

The company accounts for investments in associated companies at cost less provision for impairment.

FINANCIAL INSTRUMENTS

Financial instruments recognised on the statement of financial position include equity securities, receivables, loans and advances, trade payables, and cash and cash equivalents. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

FINANCIAL ASSETS

The group classifies its financial assets into the following categories: financial assets at fair value through profit or loss and loans and advances. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Financial assets at fair value through profit or loss

This category has two subcategories: financial assets held for trading and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. The group does not hold its financial assets for selling in the short term. The group has designated its financial assets at fair value through profit or loss as it is managed, and its performance is evaluated, on a fair value basis which is in accordance with a documented investment strategy. Also, information about the group's assets is provided on a fair value basis internally and to the group's executive committee and board of directors.

Derivatives are also categorised as held for trading unless they are designated as hedges.

Loans and advances

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those that the group intends to sell in the short term. Loans and advances are carried at amortised cost using the effective-interest method. Specific provisions are made against identified doubtful advances.

Recognition and measurement of financial assets

Purchases and sales of financial assets are recognised on trade date – the date on which the group commits to purchase or sell the asset. Financial assets not carried at fair value through profit or loss are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.

Financial assets at fair value through profit or loss are subsequently carried at fair value. Realised and unrealised gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise.

The fair values of quoted financial assets are based on current bid prices. If the market for a financial asset is not active, the group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, and discounted cash flow analysis refined to reflect the issuer's specific circumstances.

The group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

The group does not apply hedge accounting.

IMPAIRMENT OF INVESTMENTS IN ASSOCIATED COMPANIES

An impairment loss is recognised for the amount by which the associate's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The carrying amount of investment in associated companies is reviewed annually and written down for impairment where necessary.

RECEIVABLES

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective-interest method, less provision for impairment. A provision for impairment is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, other deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, money market funds and bank overdrafts.

SHARE CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

Non-redeemable preference shares, where the dividend declaration is subject to discretion of the board, is classified as equity.

FINANCIAL LIABILITIES

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity.

Financial liabilities include borrowings and trade and other payables.

Financial liabilities are initially recognised at fair value less transaction costs that are directly attributable to the raising of the funds, for all financial liabilities carried at amortised cost. All financial liabilities measured at fair value through profit or loss are initially recognised at fair value. The best evidence of the fair value at initial recognition is the transaction price (i.e. the fair value of the consideration received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable markets.

BORROWINGS

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings, using the effective-interest method.

CURRENT AND DEFERRED INCOME TAX

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

PROVISIONS

Provisions are recognised when:

- the group has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation; and
- the amount has been estimated reliably.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

REVENUE RECOGNITION

Revenue is recognised as follows:

Interest income

Interest income is recognised on a time proportionate basis using the effective-interest method. When a receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding discount as interest income. Interest income from financial assets that are classified as at fair value through profit or loss is included in investment income.

Dividend income

Dividend income is recognised when the right to receive payment is established. Dividend income from financial assets that are classified as at fair value through profit or loss is included in investment income.

MANAGEMENT FEES

Management fees payable consist of a base fee and a performance fee element. The base fee is calculated at 2% p.a. (exclusive of VAT) on the net asset value of the group (excluding cash) at the end of every month and 0,15% p.a. (exclusive of VAT) on the daily average cash balances. The base fee is accrued at the end of every month. The performance fee is calculated on the last day of the financial year at 10% p.a. on the outperformance of the group's equity portfolio above the equally weighted FTSE-JSE Beverage Total Return Index (TRI041) and the FTSE-JSE Food Producers Total Return Index (TRI043) over any financial year. The performance fee is accrued at each year-end.

DIVIDEND DISTRIBUTIONS

Dividend distributions to the company's shareholders are recognised as a liability in the period in which the dividends are declared by the company's directors.

SECONDARY TAX ON COMPANIES

South African resident companies are subject to a dual corporate tax system, one part of the tax being levied on taxable income and the other, a secondary tax (called STC), on distributed income. A company incurs STC charges on the declaration or deemed declaration of dividends (as defined under tax law) to its shareholders. STC is not a withholding tax on shareholders, but a tax on companies.

The STC tax consequence of dividends is recognised as a taxation charge in the income statement in the same period that the related dividend is accrued as a liability. The STC liability is reduced by dividends received during the dividend cycle. Where dividends declared exceed the dividends received during a cycle, STC is payable at the current STC rate on the net amount. Where dividends received exceed dividends declared within a cycle, there is no liability to pay STC. The potential tax benefit related to excess dividends is carried forward to the next dividend cycle as an STC credit. Deferred tax assets are recognised on unutilised STC credits to the extent that it is probable that the group will declare dividends in the following year to fully utilise such STC credits.

CONTINGENCIES

A contingent liability is either a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. These contingent liabilities are not recognised in the statement of financial position but disclosed in the notes to the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. These contingent assets are not recognised in the statement of financial position but are disclosed in the notes to the financial statements unless the inflow of financial benefits is probable.

SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive committee that makes strategic decisions.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial period. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances.

Fair value of unquoted equity securities

The fair value of unquoted equity securities is determined with reference to over-the-counter market prices.

Directors' valuation of unlisted associated companies

Directors' valuation of unlisted associated companies are determined with reference to market prices, assessing the fair value of underlying investments as well as the published net asset value or valuation techniques. Valuation techniques used include applying a market-related price/earnings ratio to operational earnings or performing discounted cash flow models to the expected cash flows. The following assumptions are used in the valuation models:

Assumptions for the year ended 28 February 2010	**Range**
Exit price/earnings ratio	**7,5**
Weighted average cost of capital	**12,1% – 18,8%**
Growth rate	**10,0% – 15,0%**
Beta	**0,80 – 1,00**

Assumptions for the year ended 28 February 2009	Range
Exit price/earnings ratio	7,9 – 9,2
Weighted average cost of capital	12,5% – 15,5%
Growth rate	12,5% – 20,0%
Beta	1,00

Impairment of investments

An impairment of investments is considered when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgement. In making this judgement, the following factors may be considered: normal volatility in share price, the financial health of the investee, sector performance and changes in operational and financing cash flow.

Impairment of investment in associated companies

An impairment of investment in associated companies is considered when the fair value is below its carrying value. In determining whether the decline is significant or prolonged, the following factors may be considered: normal volatility in share price, the financial health of the investee, sector performance and changes in operational and financing cash flow.

An impairment loss is recognised for the amount by which the associate's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The value in use is calculated with reference to the assumptions in the table above. The underlying market values of investments in listed entities held by associated companies are also considered in assessing the carrying values.

The directors are satisfied that the company's investment in associated companies is fairly stated.

Acquisition of associated companies

In accounting for the acquisition of associated companies, management applies judgement in allocating the purchase price to the tangible and intangible assets of the associates acquired, as well as to goodwill.

Equity accounting

The group accounts for certain investments as associates although the group holds less than 20 per cent of the issued share capital. This is based on the group's ability to exercise significant influence over the investments through its voting power (both through its equity holding and its representation on the board of directors), its participation in the strategic, financial and operational decisions of the investments, and the fact that the influence is also acknowledged by the investees.

FINANCIAL RISK MANAGEMENT

The group's activities expose it to a variety of financial risks: market risk (including price risk and cash flow interest rate risk), credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

Risk management is carried out under policies approved by the group's board of directors.

Market risk

Market risk is the risk of adverse financial impact due to changes in fair values or future cash flows of financial instruments from fluctuations in interest rates, equity prices and foreign currency exchange rates.

Price risk

The group is exposed to equity securities price risk because of investments held by the group and classified on the statement of financial position as at fair value through profit or loss. The group manages price risk by investing in a portfolio of investments and monitoring equity securities' prices on a regular basis. The group is not directly exposed to commodity price risk.

At 28 February 2010, if the closing market prices of the equity investments that the group holds had been 20% (2009: 20%) higher/lower, with all other variables held constant, the net profit after tax for the year would have been R37 012 000 (2009: R42 860 000) higher/lower.

Cash flow interest rate risk
The group's interest rate risk arises from interest-bearing investments. The group manages its cash flow interest rate risk by monitoring interest rates on a regular basis.

The group's financial assets that expose it to interest rate risk is set out in note 1 (Preference shares of associated companies), note 3 (Loans and advances) and note 6 (Cash and cash equivalents).

At 28 February 2010, if interest rates at that date had been 100 (2009: 300) basis points higher/lower, with all other variables held constant for a 12-month period, the group's net post-tax profit for the year would have been R1 418 000 (2009: R1 768 000) higher/lower, arising as a result of changes in interest rate income on floating rate investments.

The group had no fixed interest rate investments at 28 February 2010 (2009: Rnil).

Foreign currency risk
The group's financial assets and liabilities are denominated in rand. The group does not have any financial assets denominated in foreign currency.

Credit risk
Financial assets which potentially subject the group to credit risk, consist of preference shares of associated companies, loans and advances, and cash and cash equivalents. Cash is invested with high credit-quality financial institutions and money market funds.

The following table provides information regarding the aggregated risk exposure for financial assets:

28 February 2010		**Credit rating**		
	A1-# R000	**A-2#** R000	**Not rated** R000	**Carrying value** R000
Preference shares of associated companies			**75 325**	**75 325**
Unquoted equity securities			**73 603**	**73 603**
Cash and cash equivalents		**1 626**	**119 981**	**121 607**

28 February 2009		Credit rating		
	A1-# R000	A-2# R000	Not rated R000	Carrying value R000
Preference shares of associated companies			15 193	15 193
Unquoted equity securities			78 466	78 466
Loans and advances	38 709			38 709
Cash and cash equivalents		8 819	19 104	27 923

 # A1- Global Credit Rating and A-2 Standard & Poor's credit rating

The group's maximum exposure to credit risk at 28 February 2010 and 28 February 2009 is represented by the carrying amounts of preference shares of associated companies, loans and advances in respect of the prior year, and cash and cash equivalents.

The unrated unquoted equity securities relate to advances which are linked to equity instruments. Refer note 2.

The unrated cash and cash equivalents relate to the group's investment in the PSG Money Market Fund of which the underlying instruments are rated in terms of the Collective Investment Schemes Control Act. The mandate of the fund is to invest in cash deposits and highly liquid, fixed-interest securities with a weighted average maturity of less than 90 days. A spread of investments in top-quality financial instruments and institutions moderates the risk through diversification.

Impairment history

The group had no instances of impairment of financial assets due to credit risk during the reporting periods. At 28 February 2010 and 28 February 2009 the group had no financial assets that were past due.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. At year-end the group had limited liquidity risk as it had virtually no debt.

Trade and other payables will be settled out of existing cash resources.

The financial risks and sensitivities described above are the same for the company.

Fair value estimation

Effective 1 January 2010, the group and company adopted the amendment to IFRS 7 for financial instruments that are measured in the statement of financial position at fair value. This requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

The following assets are measured at fair value:

Group and company		**2010 R000**	2009 R000
Level 1	Equity securities – at quoted market prices	**141 583**	170 721
Level 2	Equity securities – derived from quoted market prices	**73 604**	78 466
		215 187	249 187

The group and company had no level 3 assets or liabilities at 28 February 2010 and 28 February 2009.

Capital risk management

The group's objective when managing capital is to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders.

The group policy is to declare and pay dividends according to its free cash flow model, i.e. dividends and interest received less management fees, interest and taxation paid.

The group's capital comprises total equity, as shown in the group statement of financial position. When funding is required, the group will either raise additional capital or utilise debt. There is no restriction on the level of gearing. However, the group will continuously assess the extent of gearing employed, in the context of the level of liquidity within the group's portfolio.

FINANCIAL INSTRUMENTS BY CATEGORY

The accounting policies for the group and company's financial instruments have been applied to the line items below. The carrying value of the financial instruments approximates fair value.

28 February 2010	**Fair value through profit or loss R000**	**Loans and receivables R000**
Assets		
Equity securities	**215 187**	
Preference shares in associated companies		**75 325**
Receivables		**42**
Cash and cash equivalents		**121 607**
	215 187	**196 974**

	At amortised cost R000
Liabilities	
Trade and other payables	**21 123**
	21 123

28 February 2009	Fair value through profit or loss R000	Loans and receivables R000
Assets		
Equity securities	249 187	
Preference shares in associated company		15 193
Loans and advances		38 709
Receivables		585
Cash and cash equivalents		27 923
	249 187	82 410

	At amortised cost R000
Liabilities	
Trade and other payables	39 192
	39 192

	GROUP 2010 R000	GROUP 2009 R000	COMPANY 2010 R000	COMPANY 2009 R000
1. INVESTMENT IN ASSOCIATED COMPANIES				
Carrying value of shares				
Unlisted	**1 892 476**	1 430 147	**1 482 344**	1 073 257
Preference shares	**75 324**	15 193	**75 324**	15 193
Thembeka Agri (Pty) Ltd	**16 910**	15 193	**16 910**	15 193
Thembeka OVB Holdings (Pty) Ltd	**58 414**		**58 414**	
	1 967 800	1 445 340	**1 557 668**	1 088 450
Preference shares				
Current portion	**16 910**		**16 910**	
Non-current portion	**58 414**	15 193	**58 414**	15 193
	75 324	15 193	**75 324**	15 193
Reconciliation				
Carrying value at beginning of year	**1 430 147**	1 138 882	**1 073 257**	926 875
Equity accounted earnings				
Share of profit after tax	**128 551**	175 020		
Loss on dilution of interest in associated company	**(17 548)**			
Movement in investment value:				
Dividends received	**(42 390)**	(36 213)		
Acquisitions – cash	**349 074**	132 477	**349 074**	132 477
Acquisitions – shares issued		14 612		14 612
Acquisitions – other	**7 647**		**7 647**	
Other non-cash movements		(707)		(707)
Share of movement in reserves of associated companies	**(15 769)**	6 076		
Transfer from equity securities at cost	**52 366**		**52 366**	
Revaluation of assets and liabilities of associated companies	**398**			
Carrying value at end of year	**1 892 476**	1 430 147	**1 482 344**	1 073 257
Market value of unlisted investments (based on published over-the-counter prices)	**1 672 327**	890 510	**1 672 327**	890 510
Directors' valuation of unlisted investments	**1 892 476**	1 430 147	**1 892 476**	1 430 147
Refer to critical accounting of estimates and judgements in the accounting policies for details supporting the directors' valuation.				
Portion of the share in net profit retained by associated companies that has been accounted for from unaudited interim reports and management reports	**78 810**	91 196		

The preference shares issued by Thembeka OVB Holdings (Pty) Ltd during the current year, carry a dividend rate equal to prime. The capital and accrued dividends are redeemable on 3 March 2016. The preference shares issued by Thembeka Agri (Pty) Ltd carry a dividend rate of prime plus 2% and the capital and accrued dividends are redeemable on 2 October 2010.

Refer Annexure A

	GROUP		COMPANY	
	2010	2009	**2010**	2009
	R000	R000	**R000**	R000
2. EQUITY SECURITIES				
Quoted				
Unlisted	**141 583**	170 721	**141 583**	170 721
Unquoted	**73 604**	78 466	**73 604**	78 466
	215 187	249 187	**215 187**	249 187

The unquoted equity securities relate to advances which are linked to equity instruments. In terms of these agreements, the company is entitled to the majority of the increase in the market value of the underlying equity securities and the dividends received on these securities. The advances are impaired to the value of the underlying instruments should the market value of the instruments fall below the current carrying value of the advances.

A list of the equity securities is available for inspection at the company's registered office.

	Fair value through profit or loss			
	GROUP		COMPANY	
	2010	2009	**2010**	2009
	R000	R000	**R000**	R000
Reconciliation of movements				
Carrying amount at beginning of period	**249 187**	214 408	**249 187**	214 408
Additions – cash purchases	**52 642**	127 429	**52 642**	127 429
Transfer to investment in associated companies at cost	**(52 366)**		**(52 366)**	
Reversal of previous fair value gains on equity securities transferred to investments in associated companies through equity	**(463)**		**(463)**	
Disposals	**(44 275)**	(103 524)	**(44 275)**	(103 524)
Unrealised net fair value gains	**10 462**	10 874	**10 462**	10 874
Carrying amount at 28 February 2010	**215 187**	249 187	**215 187**	249 187
Current portion				
Non-current portion	**215 187**	249 187	**215 187**	249 187
	215 187	249 187	**215 187**	249 187

The investment in equity securities forms part of a strategic investment portfolio and the company's stated long-term investment strategy.

	GROUP 2010	GROUP 2009	COMPANY 2010	COMPANY 2009
3. LOANS AND ADVANCES				
Unsecured loans	**–**	38 709	**–**	38 709
Current portion		38 709		38 709
Non-current portion				
	–	38 709	**–**	38 709

The unsecured loan consisted of cash advanced to PSG Corporate Services (Pty) Ltd. The unsecured loan carried interest at prime less 3% and was repayable on demand. PSG Group Ltd guaranteed the loan payable by PSG Corporate Services (Pty) Ltd at 28 February 2009.

	GROUP		COMPANY	
	2010	2009	**2010**	2009
	R000	R000	**R000**	R000
4. DEFERRED INCOME TAX				
Deferred income tax assets	**3 358**	5 168	**3 358**	5 168
To be recovered after more than 12 months				
To be recovered within 12 months	**3 358**	5 168	**3 358**	5 168
Deferred income tax liabilities	**(5 025)**	(5 037)	**(5 025)**	(5 037)
To be paid after more than 12 months	**(5 025)**	(5 037)	**(5 025)**	(5 037)
To be paid within 12 months				
Net deferred income tax asset/(liability)	**(1 667)**	131	**(1 667)**	131

The movement in the deferred tax balance during the period was as follows:

GROUP and COMPANY	Tax loss R000	Unrealised profits R000	STC credits R000	Total R000
At 29 February 2008		(5 910)	3 020	(2 890)
Other		516		516
Credit to income statement	560	357	1 588	2 505
At 28 February 2009	560	(5 037)	4 608	131
Reversal of deferred tax on previous fair value gains on equity securities transferred to investments in associated companies		**65**		**65**
Charges to income statement	**(136)**	**(53)**	**(1 674)**	**(1 863)**
At 28 February 2010	**424**	**(5 025)**	**2 934**	**(1 667)**

The STC liability for the group, should all retained earnings be paid out, amounts to R50 167 000 (2009: R42 817 000) at 28 February 2010.

Deferred tax on temporary differences relating to financial assets that are measured at fair value through profit or loss which forms part of the company's long-term investment strategy, is calculated using the capital gains tax rate.

The total temporary differences relating to investments in associated companies, for which deferred tax liabilities have not been recognised, are approximately R28 292 000 (2009: Rnil).

The deferred income tax assets and liabilities were calculated on all temporary differences under the liability method using an effective tax rate of 28% (2009: 28%). For STC credits the rate used was 10% (2009: 10%).

The recoverability of the deferred income tax assets was assessed as set out in the accounting policies.

	GROUP		COMPANY	
	2010 R000	2009 R000	**2010 R000**	2009 R000
5. RECEIVABLES				
Prepayments and sundry debtors	**42**	585	**42**	585
Current portion	**42**	585	**42**	585
Non-current portion				
	42	585	**42**	585
6. CASH AND CASH EQUIVALENTS				
Cash at bank and in hand	**1 626**	8 819	**1 626**	8 819
Money market fund	**119 981**	19 104	**119 981**	19 104
	121 607	27 923	**121 607**	27 923

The money market fund earned interest at money market rates during the period under review. Money market funds are invested in instruments with a weighted average maturity of less than 90 days.

	GROUP 2010 R000	GROUP 2009 R000	COMPANY 2010 R000	COMPANY 2009 R000
7. SHARE CAPITAL				
Authorised				
1 500 000 000 ordinary shares of 1 cent each	**15 000**	15 000	**15 000**	15 000
250 000 000 cumulative, non-redeemable, non-participating preference shares of 1 cent each	**2 500**	2 500	**2 500**	2 500
Issued				
978 088 517 (2009: 611 305 323) ordinary shares of 1 cent each	**9 781**	6 113	**9 781**	6 113

The company issued 366 783 194 ordinary shares at a rights offer price of R1,35 per share during the year under review.

Refer to the directors' report for details of shares issued during the period.

	GROUP 2010 R000	GROUP 2009 R000	COMPANY 2010 R000	COMPANY 2009 R000
8. BORROWINGS				
Unsecured loans	**31**		**31**	
Current portion	**31**		**31**	
Non-current portion				
	31	–	**31**	–

The unsecured loan consists of cash borrowed from PSG Corporate Services (Pty) Ltd. The unsecured loan carries interest at prime plus 1% and is repayable on demand.

		GROUP		COMPANY	
		2010	2009	**2010**	2009
		R000	R000	**R000**	R000
9.	**TRADE AND OTHER PAYABLES**				
	Management and performance fees – PSG Group	**21 110**	38 528	**21 110**	38 528
	Other	**12**	664	**12**	664
		21 122	39 192	**21 122**	39 192
	Current portion	**21 122**	39 192	**21 122**	39 192
	Non-current portion				
		21 122	39 192	**21 122**	39 192
10.	**INVESTMENT INCOME**				
	Interest income				
	Loans and advances	**449**	5 187	**449**	5 187
	Cash and short-term funds	**15 497**	7 382	**15 497**	7 382
		15 946	12 569	**15 946**	12 569
	Dividend income				
	Equity securities – at fair value through profit or loss	**18 139**	9 869	**18 139**	9 869
	Associated companies			**42 391**	36 213
	Preference shares – debt securities	**7 084**	2 414	**7 084**	2 414
		25 223	12 283	**67 614**	48 496
	Investment income	**41 169**	24 852	**83 560**	61 065
11.	**FAIR VALUE GAINS AND LOSSES ON FINANCIAL INSTRUMENTS**				
	Net fair value gains on financial instruments at fair value through profit or loss:				
	Realised fair value gains and losses	**4 758**	9 641	**4 758**	9 641
	Unrealised fair value gains and losses	**10 462**	10 874	**10 462**	10 874
		15 220	20 515	**15 220**	20 515
12.	**OTHER OPERATING INCOME**				
	Rebate received on PSG Money Market funds invested	**388**	84	**388**	84
	Directors' fees	**741**		**741**	
	Underwriting fee income – Pioneer and MGK rights issues		7 286		7 286
		1 129	7 370	**1 129**	7 370
13.	**FINANCE COSTS**				
	Short-term facility	**539**	3 627	**539**	3 627

		GROUP		COMPANY	
		2010	2009	**2010**	2009
		R000	R000	**R000**	R000
14.	**TAXATION**				
	Current taxation				
	Current period	**2 078**		**2 078**	
	Prior year	**(398)**	210	**(398)**	210
		1 680	210	**1 680**	210
	Deferred taxation				
	Current period	**188**	(917)	**188**	(917)
	Secondary tax on companies				
	Current taxation		5		5
	Deferred taxation	**1 674**	(1 588)	**1 674**	(1 588)
		1 674	(1 583)	**1 674**	(1 583)
		3 542	(2 290)	**3 542**	(2 290)
	Reconciliation of income tax charge:				
	Reconciliation of rate of taxation	**%**	%	**%**	%
	South African normal tax rate	**28,0**	28,0	**28,0**	28,0
	Adjusted for:				
	Prior year under/(over)provision	**(0,3)**	0,1	**(0,7)**	0,8
	Non-taxable income	**(5,6)**	(2,1)	**(32,3)**	(49,3)
	Non-deductible charges	**9,7**	5,5	**12,3**	32,3
	Income from associated companies	**(28,3)**	(29,5)		
	Capital gains tax	**(1,7)**	(2,4)	**(3,6)**	(14,3)
	Secondary tax on companies	**1,3**	(1,0)	**2,9**	(5,8)
	Utilisation of assessed loss	**(0,3)**		**(0,6)**	
	Effective rate of tax	**2,8**	(1,4)	**6,0**	(8,3)

	GROUP	
	2010	2009
	R000	R000
15. EARNINGS PER SHARE		
The calculations of earnings per share are based on the following:		
Total earnings attributable to ordinary shareholders	**123 641**	168 621
Adjustments (before tax):	**28 428**	(15 218)
Loss on dilution of interest in associated company	**17 548**	
Non-headline items of associated companies	**10 880**	(15 218)
Less: Tax		
Headline earnings	**152 069**	153 403
	Number of shares '000	Number of shares '000
The calculation of the weighted average number of shares is as follows:		
Number of shares at beginning of year	**611 305**	605 057
Weighted number of shares issued during the year	**269 309**	3 914
Weighted number of shares at end of year	**880 614**	608 971
Earnings per share (cents)	**14,04**	27,69
Headline earnings per share (cents)	**17,27**	25,19

	GROUP		COMPANY	
	2010	2009	**2010**	2009
	R000	R000	**R000**	R000
16. DIVIDEND PER SHARE				
Normal dividend	**42 791**	30 253	**42 791**	30 253

Final
4 cents per share (2009: 7 cents)

Dividends payable are not accounted for until they have been declared.

17. CAPITAL COMMITMENTS AND CONTINGENCIES

Pioneer Food Group Ltd recently announced that they had made a R350 million provision for a potential penalty(ies) which the Competition Commission wishes to impose. However, the final amount of same still needs to be determined upon finalisation of the ongoing negotiations and/or once official rulings have been obtained. The final penalty may thus increase or decrease depending on the outcome of the aforementioned.

18. BORROWING POWERS

In terms of the company's articles of association, borrowing powers are unlimited.

19. RELATED-PARTY TRANSACTIONS

PSG Group Ltd ("PSG") has been identified as a related party by virtue of the fact that Messrs JF Mouton, CA Otto and WL Greeff are directors of both companies and the fact that the company is managed by PSG as detailed below.

The management fee to PSG for providing all investment, administrative, advisory, financial and corporate services in terms of a management agreement amounted to R40 713 000 (2009: R35 594 000) for the year under review. The management agreement also provides for a performance fee to be paid to PSG should the group outperform the Food Producers and Beverages indices based on the growth in the group's net asset value for the year under review. A performance fee of R19 939 000 was paid to PSG for the year ended 28 February 2009. No performance fee has been incurred in the current year. See note 9 for amounts due to PSG at year-end.

During the year a market-related fee of R3 990 000 was paid to PSG for providing a general undertaking in respect of the Kaap Agri minority offer. Other market-related transaction fees amounting to R980 000 (2009: R630 000) were paid to PSG Capital, the corporate finance division of PSG, during the current year. These fees were incurred in acquiring investments and raising capital and were capitalised to the respective investments or written off to the share premium account respectively.

During the year the company invested in the PSG Money Market Fund and earned interest of R14 440 000 (2009: R4 798 000) for the year. The balance on the PSG Money Market Fund at 28 February 2010 was R119 981 000 (2009: R19 104 000). A rebate of R388 000 (2009: R84 000) was received from PSG Investment Services (Pty) Ltd for investing in the PSG Money Market Fund.

During the year the company borrowed funds from a subsidiary of PSG which carried interest at prime plus 1% amounting to interest paid of R539 000 (2009: Rnil). The amount outstanding at year-end is R31 000. During the prior year the company advanced money to the same subsidiary and earned interest at prime less 3% amounting to R5 187 000 for the year. The amount due from the subsidiary at 28 February 2009 was R38 709 000 (refer note 3 and 8).

Net interest of R36 000 (2009: R60 000) was earned on the company's account with PSG Online Services (Pty) Ltd. Administration fees of R17 800 (2009: R7 600) were incurred with PSG Online Services (Pty) Ltd. These fees relate to trades that took place via the BDA accounts held at PSG Online Services (Pty) Ltd and have been capitalised to the respective investments.

Details of directors' emoluments and share dealings are included in the directors' report.

		GROUP		COMPANY	
		2010	2009	**2010**	2009
		R000	R000	**R000**	R000
20.	**NOTES TO THE STATEMENTS OF CASH FLOWS**				
20.1	**Cash generated by operating activities**				
	Net income from normal operations before tax	**127 183**	166 331	**58 571**	27 524
	Adjusted for:				
	Changes in working capital				
	Change in receivables	**543**	(567)	**543**	(567)
	Change in trade and other payables	**(18 039)**	3 938	**(18 039)**	3 938
	Change in financial instruments				
	Fair value changes in equity securities	**(15 220)**	(12 827)	**(15 220)**	(12 827)
	Non-cash net income from associated companies	**(73 528)**	(140 792)	**(4 916)**	(1 985)
		20 939	16 083	**20 939**	16 083
20.2	**Taxation (refund)/paid**				
	Charge/(credit) in income statement	**3 542**	(2 290)	**3 542**	(2 290)
	Deferred tax adjustment	**(1 862)**	2 505	**(1 862)**	2 505
	Movement in taxation receivable	**(2 558)**	1 794	**(2 558)**	1 794
	Other	**(37)**	(195)	**(37)**	(195)
		(915)	1 814	**(915)**	1 814
20.3	**Cash and cash equivalents at end of year**				
	Cash and short-term funds	**121 607**	27 923	**121 607**	27 923
21.	**NET ASSET VALUE PER SHARE**				
	Net asset value per share (rand)	**2,33**	2,82	**1,91**	2,24
	Net tangible asset value per share (rand)	**2,33**	2,82	**1,91**	2,24

22. SEGMENTAL REPORTING

The group is organised into two reportable agricultural segments, namely: Food and agri, and Beverages. These segments represent the major associate and equity investments of the group. Both segments operate in the Republic of South Africa.

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

Segmental income comprises dividends received and fair value gains/(losses) relating to equity investments, as well as income from associated companies (including loss on dilution of investment in associated company), after tax, as per the income statement.

Recurring headline earnings are calculated on a see-through basis. Zeder's recurring headline earnings is the sum of its effective interest in that of each of its underlying investees, regardless of its percentage shareholding. The result is that equity investments which Zeder does not equity account in terms of accounting standards, are included in the calculation of recurring headline earnings.

22. SEGMENTAL REPORTING *continued*

For the year ended 28 February 2010	Income R000	Recurring headline earnings R000	Non-recurring headline earnings R000	Headline earnings R000	Asset carrying value R000
Food and agri	**124 551**	**190 293**	**(56 358)**	**133 935**	**1 396 161**
Beverages	**26 895**	**45 939**		**45 939**	**786 826**
	151 446	**236 232**	**(56 358)**	**179 874**	**2 182 987**
Net interest and other income	**16 536**	**16 536**		**16 536**	**121 618**
Management fees and taxation	**(44 341)**	**(44 655)**	**314**	**(44 341)**	**(22 593)**
Total	**123 641**	**208 113**	**(56 044)**	**152 069**	**2 282 012**
Non-headline items				**(28 428)**	
Attributable earnings				**123 641**	
For the year ended 28 February 2009 *					
Food and agri	139 881	169 471	(30 266)	139 205	1 144 450
Beverages	67 937	53 395		53 395	550 077
	207 818	222 866	(30 266)	192 600	1 694 527
Net interest and other income	14 047	9 027	5 020	14 047	67 217
Management fees and taxation	(53 244)	(35 888)	(17 356)	(53 244)	(36 307)
Total	168 621	196 005	(42 602)	153 403	1 725 437
Non-headline items				15 218	
Attributable earnings				168 621	

** Comparative figures are consistently presented*

Annexure A – Investments
at 28 February 2010

INVESTMENT IN ASSOCIATED COMPANIES

		Proportion held	
		2010	2009
Company	**Nature of business**	**%**	%
Unlisted			
Kaap Agri Ltd	Agricultural	**41,3***	34,3*
Capevin Holdings Ltd	Holding company of 14,9% in Distell	**37,0***	25,7*
KWV Holdings Ltd	Wine producing	**31,3***	
Capespan Group Ltd	Transport of fresh produce	**14,6***	
Agricol Holdings Ltd	Agricultural	**20,3**	20,3
MGK Business Investments Ltd	Agricultural	**26,7**	26,7
Thembeka Agri Holdings (Pty) Ltd	Holding company of 20% in KLK Landbou Ltd	**49,9**	49,9
Thembeka OVB Holdings (Pty) Ltd	Holding company of 20% in Overberg Agri Ltd	**49,0**	

SUMMARISED FINANCIAL INFORMATION IN RESPECT OF PRINCIPAL ASSOCIATED COMPANIES

	2010	2009
	R000	R000
Assets	**5 935 173**	6 433 995
Liabilities	**1 014 848**	2 050 489
Revenues	**2 851 346**	5 092 074
Profits	**(252 326)**	647 165

** Economic interest held*

Annexure B – Share analysis
at 28 February 2010

	Shareholders		**Shares held**	
	Number	**%**	**Number**	**%**
RANGE OF SHAREHOLDING				
1 – 50 000	3 137	82,6	42 121 451	4,3
50 001 – 100 000	307	8,1	23 430 781	2,4
100 001 – 500 000	229	6,0	49 098 286	5,0
500 001 – 1 000 000	36	0,9	27 126 509	2,8
Over 1 000 000	89	2,4	836 311 490	85,5
	3 798	100,0	978 088 517	100,0
PUBLIC AND NON-PUBLIC SHAREHOLDING				
Non-public				
Directors	5	0,1	620 000	0,1
PSG Financial Services (Pty) Ltd	1	0,0	396 868 630	40,6
Public	3 792	99,9	580 599 887	59,3
	3 798	100,0	978 088 517	100,0
INDIVIDUAL SHAREHOLDERS HOLDING 5% OR MORE AS AT 28 FEBRUARY 2010				
PSG Financial Services (Pty) Ltd			396 868 630	40,6

Notice of annual general meeting

Notice is hereby given of the annual general meeting of shareholders of Zeder Investments Ltd ("Zeder" or "the company") to be held at The Venue at Webersburg, Webersburg Wines, Annandale Road, Stellenbosch, on Friday, 18 June 2010, at 10:00.

AGENDA

1. To receive, consider and adopt the annual financial statements of the company and the reports of the directors and the auditor for the year ended 28 February 2010.

2. Re-election of directors:

   2.1. To re-elect as director Mr MS du Pré le Roux who retires by rotation in terms of the articles of association of the company and, being eligible, offers himself for re-election.

   Summary curriculum vitae of Michiel Scholtz du Pré le Roux
   Mr le Roux, aged 60, obtained his BCom and LLB degrees from the University of Stellenbosch.

   He is non-executive chairman of Capitec Bank Holdings Ltd and Capitec Bank Ltd and non-executive director of Zeder Investments Ltd.

   Mr le Roux has 30 years' working experience in commerce and banking. He was managing director of Distillers Corporation (SA) Ltd from 1979 to 1993, and from 1995 to 1998 managing director of Boland Bank Ltd, NBS Boland Ltd and BoE Bank Ltd.

   Mr le Roux was one of the founding members of the Capitec group and resigned from his position as chief executive officer effective 31 March 2004.

   2.2. To re-elect as director Mr LP Retief who retires by rotation in terms of the articles of association of the company and, being eligible, offers himself for re-election.

   Summary curriculum vitae of Lambert Phillips Retief
   Mr Retief, aged 57, obtained the BCom Hons degree from the University of Stellenbosch. He also qualified as Chartered Accountant (SA).

   He is non-executive chairman of Paarl Media Holdings (Pty) Ltd. He is non-executive director of Media24 Ltd and Zeder Investments Ltd.

   Mr Retief has been involved in the printing and publishing business since 1978. He is a past chairman of the Provincial Press Association and current president of the Printing Industry Federation of South Africa.

   2.3 To re-elect as director Mr GD Eksteen, being a new appointment to the board, who retires by rotation in terms of the articles of association of the company and, being eligible, offers himself for re-election.

   Summary curriculum vitae of George Douglas Eksteen
   Mr Eksteen, aged 68, farms in the Malmesbury area. He is currently the chairman of Kaap Agri Ltd and also serves on the board of Pioneer Food Group Ltd.

3. To confirm the reappointment of PricewaterhouseCoopers Inc. as auditor for the ensuing year on the recommendation of the audit and risk committee.

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

4.1. Ordinary resolution number 1

"Resolved that the unissued shares in the company, limited to 5% of the number of shares in issue at 28 February 2010, be and are hereby placed under the control of the directors until the next annual general meeting and that they be and are hereby authorised to issue any such shares as they may deem fit, subject to the Companies Act, 1973 (Act 61 of 1973) as amended, the articles of association of the company, and the provisions of the Listings Requirements of the JSE Ltd, save that the aforementioned 5% limitations set out in this resolution shall not apply to any shares issued in terms of a rights offer."

4.2. Ordinary resolution number 2

"Resolved that the directors of the company be and are hereby authorised by way of a general authority, to allot and issue any of its unissued shares for cash placed under their control as they in their discretion may deem fit, without restriction, subject to the provisions of the Listings Requirements of the JSE Ltd ("JSE"), and subject to the proviso that the aggregate number of ordinary shares able to be allotted and issued in terms of this resolution, shall be limited to 5% of the issued share capital at 28 February 2010, provided that:

- the approval shall be valid until the date of the next annual general meeting of the company, provided it shall not extend beyond fifteen months from the date of this resolution;
- a paid press announcement giving full details, including the impact on net asset value and earnings per share, will be published after any issue representing, on a cumulative basis within any one financial year, 5% or more of the number of shares in issue prior to such issue;
- the general issues of shares for cash in the aggregate in any one financial year may not exceed 5% of the applicant's issued share capital (number of securities) of that class. The securities of a particular class will be aggregated with the securities that are compulsorily convertible into securities of that class; and, in the case of the issue of compulsorily convertible securities, aggregated with the securities of that class into which they are compulsorily convertible. The number of securities of a class which may be issued shall be based on the number of securities of that class in issue at the date of such application less any securities of the class issued during the current financial year, provided that any securities of that class to be issued pursuant to a rights issue (announced and irrevocable and underwritten) or acquisition (concluded up to the date of application) may be included as though they were securities in issue at the date of application;
- 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 trading days prior to the date that the price of the issue is agreed between the issuer and the party subscribing for the securities. The JSE should be consulted for a ruling if the applicant's securities have not traded in such 30 business day period;
- any such issue will only be made to public shareholders as defined in paragraph 4.25 to 4.27 of the Listings Requirements of the JSE and not to related parties; and
- any such issue will only be securities of a class already in issue."

At least 75% of the shareholders present in person or by proxy and entitled to vote at the annual general meeting must cast their vote in favour of this resolution.

4.3. Special resolution number 1

"Resolved as a special resolution that the company be and is 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 section 85 to section 88 of the Companies Act, 1973 (Act 61 of 1973) as amended, the articles of association of the company, the Listings Requirements of the JSE Ltd ("JSE") and the requirements of any other stock exchange on which the shares of the company may be quoted or listed, namely that:

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

- an announcement must be published as soon as the company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue prior to the acquisition, pursuant to which the aforesaid 3% threshold is reached, containing full details thereof, as well as for each 3% in aggregate of the initial number of shares acquired thereafter;
- the general authority to repurchase is limited to a maximum of 20% in aggregate in any one financial year of the company's issued share capital at the time the authority is granted;
- the general repurchase is authorised by the company's articles of association;
- repurchases must not be made at a price more than 10% above the weighted average of the market value of the shares for five business days immediately preceding the date that the transaction is effected. The JSE should be consulted for a ruling if the applicant's securities have not traded in such five business day period;
- the company will only effect a general repurchase if, after the purchase is effected, it still complies with paragraphs 3.37 to 3.41 of the Listings Requirements of the JSE concerning shareholder spread requirements;
- the company may at any point in time only appoint one agent to effect any repurchase(s) on the company's behalf;
- the company may not effect a repurchase during any prohibited period as defined in terms of the Listings Requirements of the JSE unless there is a repurchase programme in place as contemplated in terms of 5.72(g) of the Listings Requirements of the JSE; and
- the company must ensure that its sponsor provides the JSE with the required working capital letters before it commences to repurchase of any shares."

4.4. Special resolution number 2

"Resolved as a special resolution that the company, insofar as it may be necessary to do so, hereby approves, as a general approval, and authorises the acquisition by any subsidiary of the company of shares issued by such subsidiary and/or by the company, upon such terms and conditions and in such amounts as the directors of such subsidiary/ies may from time to time determine, but subject to the provisions of section 85 to section 89 of the Companies Act, 1973 (Act 61 of 1973) as amended, the articles of association of the company, the Listings Requirements of the JSE Ltd ("JSE") (if listed) and the requirements of any other stock exchange on which the shares of the acquiree company may be quoted or listed, namely that:

- the general repurchase of shares may only be implemented on the open market of the JSE and done without any prior understanding or arrangement between the company and the other counterparty;
- this general authority shall only be valid until the next annual general meeting of the company, provided that it shall not extend beyond fifteen months from the date of this resolution;
- an announcement must be published as soon as the subsidiary has acquired shares constituting, on a cumulative basis, 3% of the number of shares of the acquiree company in issue prior to the acquisition, pursuant to which the aforesaid 3% threshold is reached, containing full details thereof, as well as for each 3% in aggregate of the initial number of shares acquired thereafter;
- this general authority to repurchase is limited to a maximum of 20% in the aggregate in any one financial year of the acquiree company's issued share capital at the time the authority is granted, subject to a maximum of 10% in aggregate in the event that it is the company's share capital that is repurchased by a subsidiary;
- the general purchase is authorised by the company's articles of association;
- 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 should be consulted for a ruling if the applicant's securities have not traded in such five business day period;
- the subsidiary company will only effect a general repurchase if, after the repurchase is effected, the company still complies with paragraphs 3.37 to 3.41 of the Listings Requirements of the JSE concerning shareholder spread requirements;
- the company and/or subsidiary may at any point in time only appoint one agent to effect any repurchase(s) on the subsidiary company's behalf;
- the subsidiary company may not effect a repurchase during any prohibited period as defined in terms of the Listings Requirements of the JSE unless there is a repurchase programme in place as contemplated in terms of 5.72(g) of the Listings Requirements of the JSE; and
- the company must ensure that its sponsor provides the JSE with the required working capital letters before it commences the repurchase of any shares."

Reasons for and effects of the special resolutions

1. The reason for and effect of special resolution number 1 is to grant the directors a general authority in terms of the Companies Act, 1973 (Act 61 of 1973) as amended, for the acquisition by the company of shares issued by it on the basis reflected in the special resolution.

   In terms of the Listings Requirements of the JSE, any general repurchase by the company must, inter alia, be limited to a maximum of 20% of the company's issued share capital in any one financial year of that class at the time the authority is granted.

2. The reason for and effect of special resolution number 2 is to grant the board of directors of any subsidiary of the company a general authority to acquire shares issued by such subsidiary and/or by the company on the basis reflected in the special resolution.

   In terms of the Listings Requirements of the JSE, any general purchase by a subsidiary of listed shares must, inter alia, be limited to a maximum of 20% of the issued share capital of the acquiree company in any one financial year of that class at the time the authority is granted, subject to a maximum of 10% in the event that it is the company's share capital that is repurchased by a subsidiary.

3. The directors of the company or its subsidiaries will only utilise the general authority to purchase shares of the company and/or the subsidiary as set out in special resolutions number 1 and 2 to the extent that the directors, after considering the maximum shares to be purchased, are of the opinion that the company and its subsidiaries' ("Zeder") position would not be compromised as to the following:
   – Zeder's ability in the ordinary course of business to pay its debts for a period of 12 months after the date of the notice of the annual general meeting;
   – the consolidated assets of Zeder will be in excess of the consolidated liabilities of Zeder. The assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited annual financial statements of Zeder;
   – the ordinary capital and reserves of Zeder after the purchase will remain adequate for the purpose of the business of Zeder for a period of 12 months after the date of the notice of the annual general meeting; and
   – the working capital available to Zeder after the purchase will be sufficient for Zeder's requirements for a period of 12 months after the date of the notice of the annual general meeting.

Information relating to the special resolutions

1. General information in respect of directors (page 2), major shareholders (page 47), directors' interest in securities and material changes (page 21) and the share capital of the company (page 20) is contained in the annual report to which this notice is attached.

2. The company is not involved in any legal or arbitration proceedings, nor are any proceedings pending or threatened of which the company is aware that may have or have had in the previous 12 months, a material effect on the company's financial position.

3. The directors, whose names are on page 2 of the annual report to which this notice is attached, 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 that have been made and that the notice contains all information required by the JSE Listings Requirements.

4. Special resolutions 1 and 2 are renewals of resolutions taken at the previous annual general meeting on 19 June 2009.

VOTING

Shareholders entitled to attend and vote at the annual general meeting may appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a member of the company. A form of proxy, in which are set out the relevant instructions for its completion, is enclosed for the use of a certificated shareholder or own-name registered dematerialised shareholder who wishes to be represented at the annual general meeting. Completion of a form of proxy will not preclude such shareholder from attending and voting (in preference to that shareholder's proxy) at the annual general meeting.

The instrument appointing a proxy and the authority (if any) under which it is signed must reach the transfer secretaries of the company at the address given below by not later than 10:00 on Thursday, 17 June 2010.

Dematerialised shareholders, other than own-name registered dematerialised shareholders, who wish to attend the annual general meeting in person, will need to request their Central Securities Depository Participant (CSDP) or broker to provide them with the necessary authority in terms of the custody agreement entered into between such shareholders and the CSDP or broker.

On a poll, ordinary shareholders will have one vote in respect of each share held. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who are unable to attend the annual general meeting and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between themselves and the CSDP or broker in the manner and time stipulated therein.

By order of the board

PSG Corporate Services (Pty) Ltd
Company secretary

Stellenbosch
12 April 2010

Registered office
Zeder Investments Ltd
1st Floor
Ou Kollege Building
35 Kerk Street
Stellenbosch, 7600
(PO Box 7403, Stellenbosch, 7599)

Transfer secretaries
Computershare Investor Services (Pty) Ltd
Ground Floor
70 Marshall Street
Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)
South Africa

Zeder Investments Ltd: Previously Friedshelf 766 (Pty) Ltd
(Incorporated in the Republic of South Africa)
(Registration number: 2006/019240/06)
JSE share code: ZED ISIN code: ZAE000088431
("Zeder" or "the company")

Form of proxy *For use by certificated and own-name dematerialised shareholders only*

For use at the annual general meeting of ordinary shareholders of the company to be held at Stellenbosch at 10:00 on Friday, 18 June 2010.

I/We (full name in print) ____

of (address) ____

being the registered holder(s) of ______________________________ ordinary shares hereby appoint:

1. ____ or failing him/her,

2. ____ or failing him/her,

3. the chairman of the meeting,
as my/our proxy to vote for me/us at the annual general meeting for purposes of considering and, if deemed fit, passing, with or without modification, the special resolutions and ordinary 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. To adopt annual financial statements and reports			
2.1 To re-elect MS du Pré le Roux as director			
2.2 To re-elect LP Retief as director			
2.3 To re-elect GD Eksteen as director			
3. To confirm the reappointment of the auditor, PricewaterhouseCoopers Inc.			
4.1 Ordinary resolution number 1 – unissued shares			
4.2 Ordinary resolution number 2 – authority to issue shares for cash			
4.3 Special resolution number 1 – share buyback by Zeder Investments Ltd			
4.4 Special resolution number 2 – share buyback by subsidiaries of Zeder Investments Ltd			

Please indicate your voting instruction by way of inserting the number of shares or by a cross in the space provided.

Signed at ______________________ on this __________ day of ______________________ 2010

Signature(s) ____

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

Notes

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

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 annual general meeting". The person whose name appears first on the form of proxy and who is present at the meeting 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. Failure to comply with the above will be deemed to authorise the chairman of the annual general meeting, if he/she is the authorised proxy, to vote in favour of the resolutions at the meeting, or any other proxy to vote or to abstain from voting at the meeting 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 meeting 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 meeting, 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 member, in whose name any shares stand, shall be deemed joint holders thereof.

4. Forms of proxy must be completed and returned to be received by the transfer secretaries of the company, Computershare Investor Services (Proprietary) Ltd, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), by not later than 10:00 on Thursday, 17 June 2010.

5. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).

6. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company's transfer secretaries or waived by the chairman of the annual general meeting.

7. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.

ADMINISTRATION

DETAILS OF ZEDER INVESTMENTS LTD

Registration number 2006/019240/06
Share code: ZED
ISIN code: ZAE000088431

SECRETARY AND REGISTERED OFFICE

PSG Corporate Services (Pty) Ltd
Registration number 1996/004840/07
Ou Kollege Building
35 Kerk Street
Stellenbosch 7600
PO Box 7403
Stellenbosch 7599
Telephone +27 21 887 9602
Telefax +27 21 887 9619

TRANSFER SECRETARIES

Computershare Investor Services (Pty) Ltd
Ground Floor
70 Marshall Street
Johannesburg, 2001
PO Box 61051, Marshalltown, 2107
Johannesburg 2000
South Africa

CORPORATE ADVISOR AND SPONSOR

PSG Capital

BROKER

PSG Online Securities Ltd

AUDITOR

PricewaterhouseCoopers Inc.

PRINCIPAL BANKER

First National Bank – a division of FirstRand Bank Ltd

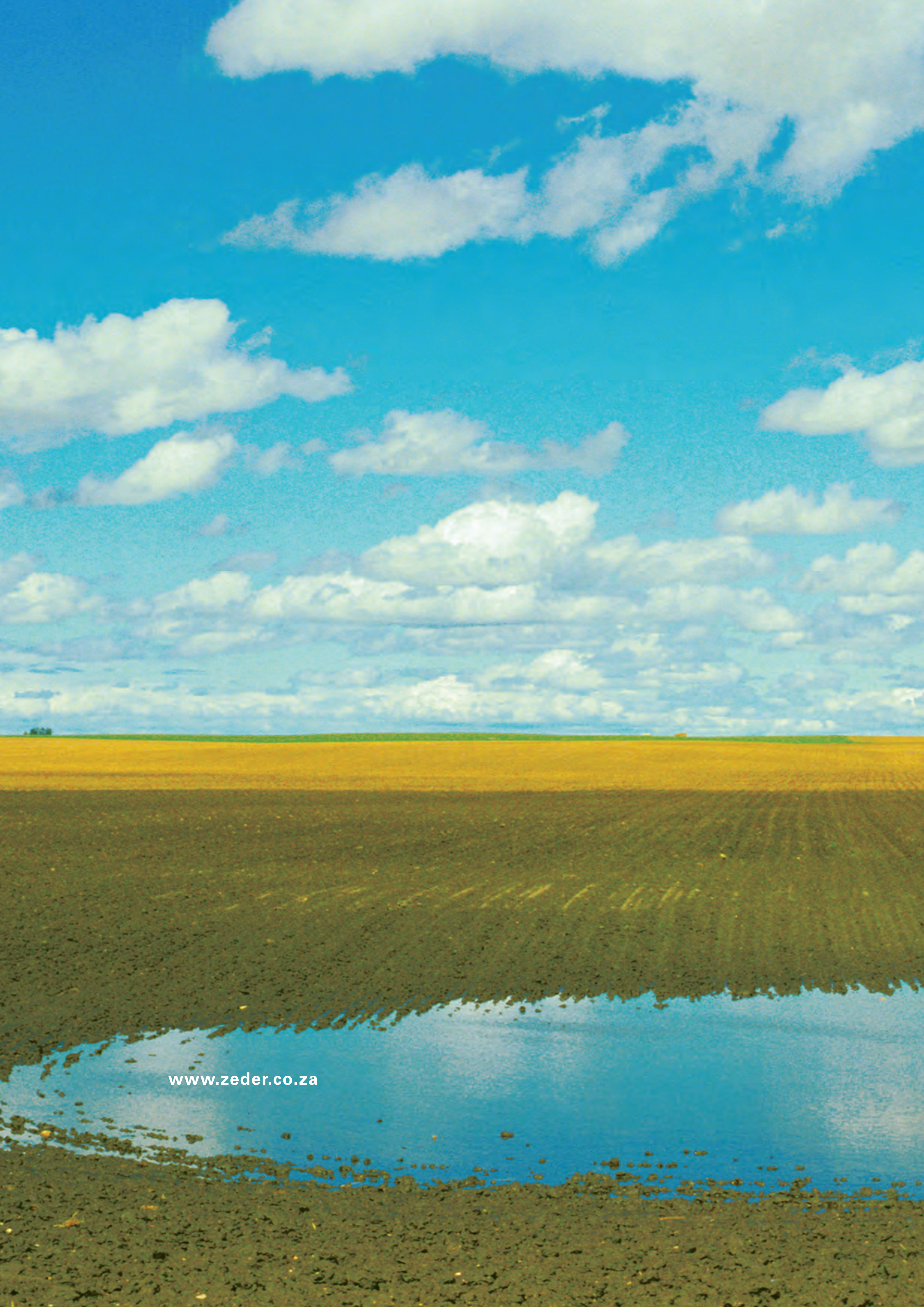
WEBSITE ADDRESS

www.zeder.co.za

SHAREHOLDERS' DIARY

	2010
Financial year-end	28 February
Profit announcement	12 April
Annual general meeting	18 June
Interim profit announcement	4 October

GREYMATTER & FINCH # 5128


www.zeder.co.za