ZEDER

INVESTMENTS LIMITED

ANNUAL REPORT **2014**


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COMPANIES IN ZEDER'S PORTFOLIO HAVE VALUABLE ASSETS, WELL-ESTABLISHED BRANDS AND GOOD MANAGEMENT IN PLACE.

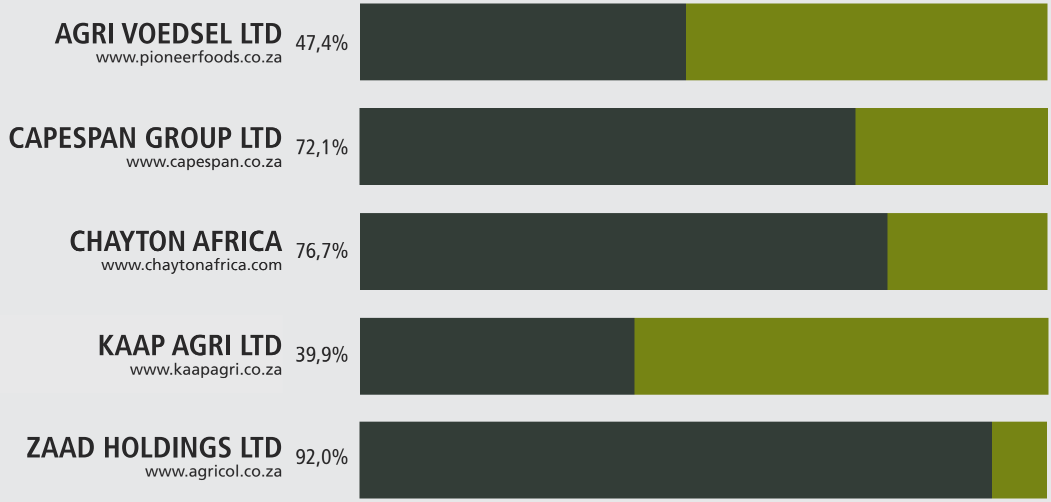
VIEW THIS REPORT ONLINE AT WWW.ZEDER.CO.ZA

INTEREST IN INVESTMENTS

INVESTING IN THE BROAD AGRIBUSINESS INDUSTRY.

OUR INVESTMENTS ARE ESTABLISHED BUSINESSES

INTEREST IN INVESTMENTS / CONTINUED



BOARD OF DIRECTORS

THE ZEDER BOARD OF DIRECTORS HAS A WEALTH OF KNOWLEDGE, EXPERIENCE AND EXPERTISE.

ZEDER IS MANAGED BY PSG GROUP LTD

BOARD OF DIRECTORS / CONTINUED

EXECUTIVE

N (Norman) Celliers (40)
CHIEF EXECUTIVE OFFICER
BEng (Civil), MBA (Oxon), Dip Soc (Oxon)
Appointed 23 July 2012

WL (Wynand) Greeff (44)
FINANCIAL DIRECTOR
BCompt (Hons), CA(SA)
Appointed 21 May 2009

NON-EXECUTIVE

AE (Antonie) Jacobs (49)
CHIEF EXECUTIVE OFFICER – ZAAD HOLDINGS
BCompt (Hons), CA(SA), MCom (Tax), LLB
Re-appointed 8 April 2013

PJ (Piet) Mouton (37)
CHIEF EXECUTIVE OFFICER – PSG GROUP
BCom (Mathematics)
Appointed 30 April 2012

JF (Jannie) Mouton (67)
NON-EXECUTIVE CHAIRMAN
BCom (Hons), CA(SA), AEP
Appointed 21 August 2006

INDEPENDENT NON-EXECUTIVE

GD (George) Eksteen (72)[1]
FARMER AND DIRECTOR OF COMPANIES
Appointed 1 September 2009

WA (André) Hanekom (55)
DIRECTOR OF COMPANIES
BCompt (Hons), CA(SA)
Appointed 7 October 2013

MS (Michiel) du Pré le Roux (64)[1]
NON-EXECUTIVE CHAIRMAN – CAPITEC BANK HOLDINGS
BCom, LLB
Appointed 1 September 2006

CA (Chris) Otto (64)[1]
DIRECTOR OF COMPANIES
BCom, LLB
Appointed 21 August 2006

LP (Lambert) Retief (61)[1, 2]
DIRECTOR OF COMPANIES
BCom (Hons), CA(SA), OPM (HBS)
Appointed 7 November 2006

1 *Member of audit and risk committee*
2 *Lead independent director*

CHAIRMAN'S LETTER

OVERVIEW

Zeder is an active investor in the broad agribusiness industry. We are satisfied with the results achieved for the year ended 28 February 2014 and believe that Zeder's foundation has been strengthened to underpin sustainable growth going forward. In keeping with the amended and optimised strategy communicated to the market over the past 18 months, and the overall group strategy of *Internal Focus*, the primary objective has been to rebalance and invigorate our existing portfolio.

Limited investments were therefore made in new companies, but significant capital reallocation took place across the portfolio, with R529m received from the disposal of minority interests in non-core investments and R879m invested to obtain larger interests in existing portfolio companies or provide equity capital to support strategic growth initiatives.

At the time of writing this letter, the see-through value of Zeder's portfolio had reached R5,5bn with the value of each of our five core investments exceeding R500m, ensuring an improved balance across the portfolio. In addition, our influence over core investments has been strengthened, with Zeder's shareholding in unlisted companies approaching or exceeding 50%.

The process of rebalancing our existing portfolio has to a large extent been concluded and we are excited about the growth prospects of our core investments which provide us with exposure across the spectrum, from agri-inputs to consumer goods. We continue to actively support our investee companies in defining and executing appropriate strategic plans. These plans contain initiatives that include developing and growing exposure to Africa and other markets.

INVESTMENTS

Pioneer Foods (CEO – Phil Roux)

Our interest in Pioneer Foods, through the unlisted Agri Voedsel, remains our largest investment and its performance during the past financial year has been encouraging. Significant management changes were affected and the group has undergone internal realignment while embarking on an exciting growth path that includes improving operational efficiencies and strategic expansions. With a turnover in excess of R20bn and a market capitalisation of R22bn, this remains one of South Africa's leading food companies. We are proud of our association and involvement with this group.

Capespan (CEO – Johan Dique)

The largest change in ownership during the past year involved the increase of Zeder's interest in the Capespan Group from 37% to 72% through an additional investment of R358m. Capespan has an annual turnover in excess of R7bn and represents a group of companies involved with global fruit production, procurement and marketing on the one hand and integrated logistics on the other. Although Capespan remains South Africa's largest fruit exporter, it is increasingly recognised as a leading global player in the fruit industry, with more than 44% of its volumes now generated from outside South Africa. Furthermore, an exciting investment has been made in China that bodes well for sustainable future growth.

Kaap Agri (CEO – Sean Walsh)

Perhaps the most significant shift in our portfolio during the year has been the disposal of our interests in the traditional agricultural co-operatives, except for our investment in Kaap Agri. It is a retail services group that supplies a variety of products and services to both the agricultural sector and the general public. It has a turnover of R5,5bn and its operating points stretch across 88 locations in South Africa and Namibia. Given the clear strategic vision and enthusiastic management team, we remain committed to supporting this group on its growth path.

Zaad (CEO – Antonie Jacobs)

Regarding our exposure to strategic agri-inputs, good progress was made to continue expanding our seed business. During the past year, Zaad acquired the remaining shares in Klein Karoo Seed Marketing ("KKS"). In so doing, it now owns all of the shares in Agricol and KKS, two of South Africa's leading niche seed producers. Zaad is a global player with a consolidated annual turnover in

We are satisfied with the results achieved for the year ended 28 February 2014 and believe that Zeder's foundation has been strengthened to underpin sustainable growth going forward.

excess of R800m. We remain optimistic about the future growth prospects of this business.

Chayton Africa (Group CEO – Willem Meyer; Zambia CEO – Stuart Kearns)

The development of Chayton Africa and its operations in Zambia gained momentum during the past year. Two crops were successfully harvested on 4 200 hectares of irrigated land and the management team proved that they can deliver against large scale operational targets. Subsequent to year-end, Chayton Africa acquired Mpongwe Milling for US$27,5m. It is a leading maize and wheat mill with established brands servicing Zambia and the Democratic Republic of Congo. The milling and farming operations in Zambia now provide a vertically integrated platform from which further growth can be achieved.

THE YEAR AHEAD

We will continue to focus on growing the existing businesses within Zeder's portfolio and endeavour to add new investments when appropriate.

APPRECIATION

Being an investment holding company, Zeder's performance ultimately depends on that of its underlying investments. We are fortunate to have ambitious and talented management teams in place who continue to deliver on strategy. I would therefore like to express my sincere appreciation to the leaders and employees of all our portfolio companies for their hard work and dedication.

The Zeder board was further strengthened with the appointment of André Hanekom during the past year – a warm welcome to him.

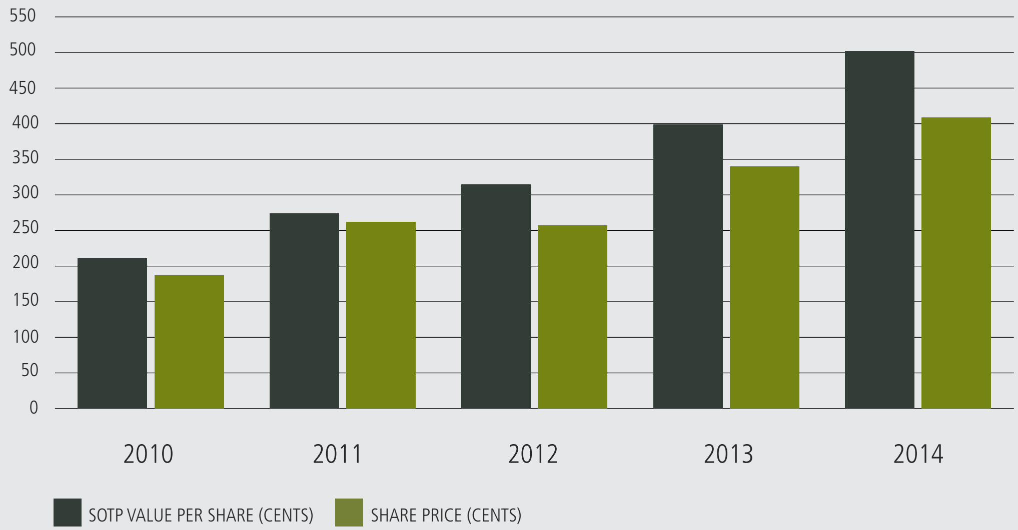
I would like to extend a special word of thanks to Norman Celliers, our CEO, and his team for their efforts to establish a stronger foundation for growth in the coming years.

To my fellow directors and members of the Zeder Exco – thank you for your valuable contributions during the past year.

Jannie Mouton
Chairman

REVIEW OF OPERATIONS

REVIEW OF OPERATIONS



YEAR ENDED FEBRUARY	2011	2012	2013	2014
Recurring headline earnings (Rm)	264,7	273,0	251,1	292,1
Headline earnings (Rm)	184,8	299,9	196,3	252,5
Recurring headline earnings per share (cents)	27,1	27,9	25,7	29,8
Headline earnings per share (cents)	18,9	30,7	20,1	25,8
Dividend per share (cents)	4,0	4,0	4,0	4,5

REVIEW OF OPERATIONS / CONTINUED

OVERVIEW

Zeder is an investor in the broad agribusiness industry with a specific focus on the food and beverage sectors. The value of its underlying investment portfolio amounted to R4,9bn (R5,2bn on a see-through basis) as at 28 February 2014. Agri Voedsel (with its 30,4% interest in Pioneer Foods) remains a large strategic investment representing 39,8% of the portfolio. During the year under review, Zeder continued rebalancing its portfolio in line with its amended strategy. It disposed of investments valued at R528,7m and invested an additional R879,4m, the majority of which was utilised to acquire additional stakes in its existing core portfolio.

STRATEGY

Over the past 18 months, Zeder has communicated a refined strategy to the market. It seeks larger, strategic stakes in entities that allow it to play a more active role in its underlying portfolio companies and assist with the determination of appropriate long-term strategies to help expand the respective businesses.

During the past year significant progress has been made in this regard through further investments in Agri Voedsel, Capespan, Zaad, Chayton Africa and Kaap Agri. Zeder also disposed of its interests in NWK, Suidwes and Overberg Agri. Zeder's portfolio is now well balanced with fewer but larger core investments. These companies offer attractive growth prospects and Zeder has no intention of listing them.

RESULTS

The two key benchmarks which Zeder believes to measure performance by are sum-of-the-parts ("SOTP") value per share and *recurring headline earnings* per share.

SOTP

Zeder's SOTP value per share, calculated using the quoted market prices for all JSE-listed and over-the-counter ("OTC") traded investments, and market-related valuations for unquoted, unlisted investments, increased by 25,8% to R5,02 since 28 February 2013. Zeder's see-through SOTP value per share, calculated on the same basis apart from using the see-through JSE-listed market price for Agri Voedsel's investment in Pioneer Foods instead of Agri Voedsel's own OTC share price, increased by 20,9% to R5,26 during the same period. At the close of business on Friday, 4 April 2014, Zeder's SOTP and see-through SOTP value per share were R5,14 and R5,58 respectively.

Company	2012 Interest (%)	2012 Rm	2013 Interest (%)	2013 Rm	**2014 Interest (%)**	**2014 Rm**
Agri Voedsel	44,7	1 230,4	45,0	1 475,2	**47,4**	**1 960,0**
Capespan	40,9	293,0	37,1	284,2	**72,1**	**777,2**
Zaad Holdings	25,1	49,8	92,0	368,9	**92,0**	**678,8**
Chayton			73,4	276,9	**76,7**	**560,4**
Kaap Agri	33,4	205,5	34,9	343,2	**39,9**	**527,8**
Capevin Holdings	39,8	713,1	5,3	287,6	**2,7**	**177,2**
Other		147,9		54,0		**229,3**
Suidwes	23,7	82,7	24,1	90,2		
NWK	19,9	206,5	19,9	224,7		
Overberg Agri	18,6	186,9	18,6	107,3		
Total investments		3 115,8		3 512,2		**4 910,7**
Cash and cash equivalents		77,5		692,2		**376,1**
Other net liabilities		(108,6)		(301,1)		**(365,4)**
SOTP value		3 084,7		3 903,3		**4 921,4**
Number of shares in issue (million)		978,1		978,1		**980,2**
SOTP value per share (rand)		3,15		3,99		**5,02**
See-through SOTP value per share (rand)		3,48		4,35		**5,26**

Recurring headline earnings

Zeder's consolidated *recurring headline earnings* is the sum of its effective interest in that of each of its underlying investments. The result is that investments which Zeder does not equity account in terms of accounting standards are included in the calculation of consolidated *recurring headline earnings*. This provides management and investors with a more realistic and simplistic way of evaluating Zeder's earnings performance.

	Feb 2013 Rm	**Feb 2014 Rm**
Earnings analysis		
Food, beverages and related services	205,7	**239,3**
Agri-related retail, trade and services	120,4	**74,1**
Agri-inputs	28,7	**49,6**
Agri-production	(21,8)	**(4,8)**
Net interest, taxation and other income and expenses	(23,3)	**(7,1)**
Management (base) fee	(58,6)	**(59,0)**
Recurring headline earnings	251,1	**292,1**
Management (performance) fee		**(59,0)**
Non-recurring headline earnings, net of taxation	(54,8)	**19,4**
Headline earnings	196,3	**252,5**
Non-headline items	315,4	**38,8**
Attributable earnings	511,7	**291,3**
Recurring headline earnings per share (cents)	25,7	**29,8**
Headline earnings per share (cents)	20,1	**25,8**
Attributable earnings per share (cents)	52,3	**29,7**

Recurring headline earnings per share increased by 16% to 29,8 cents, mainly due to improved contributions from Agri Voedsel (i.e. Pioneer Foods), Capespan, Zaad, Kaap Agri and Chayton.

However, the positive effect of the aforementioned was to some extent offset by:

- the cash proceeds from the disposal of the bulk of Zeder's Capevin Holdings shares that yielded a lower return than what the Capevin Holdings investment did during the prior year; and
- a weaker performance from NWK and Suidwes, prior to disposing of same during September 2013, as a result of drought conditions experienced in their geographical locations.

Headline earnings per share increased by 28,4% to 25,8 cents. The aforementioned, coupled with higher marked-to-market gains, resulted in the increase in *headline earnings* per share.

Attributable earnings per share decreased by 43,2% to 29,7 cents and profit before finance costs and taxation by 19,5% to R517,3m, mainly as a result of the one-off non-headline gain on the disposal of the majority of the Capevin Holdings investment during the prior year.

Agri Voedsel (Pioneer Foods)

Agri Voedsel is an unlisted investment holding company that owns a 30,4% economic interest in the JSE-listed Pioneer Foods. During the year under review, Zeder invested a further R106,5m in cash and issued ordinary shares to the value of R3,8m to increase its stake in Agri Voedsel from 45% to 47,4%.

Pioneer Foods produced satisfactory results for the period ended 30 September 2013 with adjusted headline earnings per share having increased by 12%. In line with its competitors, Pioneer Foods commented that although its overall performance is encouraging, it continues to face challenges resulting from a prolonged high commodity price cycle, structural challenges within the poultry industry and constrained consumer spending. However, early indications are that the core divisions within the organisation are performing well and that new management is making significant strides to strategically realign the organisation and improve operational efficiencies. It is a leading food producer with strong fundamentals and is well poised to benefit from the growing demand for food and beverages, both in sub-Saharan Africa and select international markets. Agri Voedsel represents a strategic interest and there is no intention of unbundling its Pioneer Foods investment.

Pioneer Foods' results can be viewed at ***www.pioneerfoods.co.za***.

Kaap Agri

Kaap Agri is an unlisted retail, trade and services group which supplies a variety of products and services to the agricultural sector and the general public. It has 167 operating points throughout South Africa, as well as a growing exposure to the rest of Africa. Kaap Agri's underlying performance remains encouraging and the company produced satisfactory results for the year ended 30 September 2013 with a 23,4% increase in headline earnings per share. During the year under review, Zeder invested an additional R26,6m in cash and issued ordinary shares to the value of R4,4m to increase its stake in Kaap Agri from 34,9% to 39,9%.

Kaap Agri's results can be viewed at ***www.kaapagri.co.za***.

Capespan

Capespan is an unlisted fruit and logistics group with a history spanning more than 70 years. Its core business activities are focused on the production, procurement, distribution and marketing of fruit in more than 60 countries worldwide. Capespan continued to deliver satisfactory results and reported a 42,2% increase in recurring headline earnings per share for the year ended 31 December 2013. Zeder remains optimistic about Capespan's growth potential in both its fruit and logistics divisions and has invested R358m in cash to increase its interest from 37,1% to 72,1% during the year under review.

Capespan's results can be viewed at ***www.capespan.com***.

Zaad Holdings

Zeder owns a 92% interest in Zaad Holdings, the holding company of wholly-owned Agricol and Klein Karoo Seed Marketing Group ("KKS"), which includes a subsidiary Bakker Brothers based in Holland. Agricol is a seed business that has established itself in both the South African and international markets with a proud history spanning more than 50 years. KKS develops and distributes vegetable, pasture and agronomic seed in mainly Africa, the Middle East and Asia. The financial performance of Zaad is encouraging, with a 16,3% growth in recurring headline earnings per share for the period under review. The seed market remains attractive, particularly in an African context where the demand for agricultural inputs is expected to grow exponentially as it provides food for its own needs, as well as the rest of the world.

Further information about Agricol and KKS can be viewed at ***www.agricol.co.za***, ***www.seedmarketing.co.za*** and ***www.bakkerbrothers.nl*** respectively.

Chayton Africa

Chayton Africa's vision is to own and operate grain-related agribusinesses across southern Africa. It owns and operates two large-scale commercial farming operations in Zambia and has recently acquired Mpongwe Milling, a leading milling business to complement its production activities. In less than two years, Chayton Africa has managed to increase its productive farmland under irrigation from 420 hectares to 4 200 hectares and is actively evaluating related development and acquisitive opportunities. The integration of the mill, with dominant regional maize meal and wheat flour brands is anticipated to unlock synergies. While the company remains in the development phase, operational performance to date has been encouraging with actual agricultural yields exceeding expectations. Chayton is well positioned to benefit from the growing demand for staple foods in sub-Saharan Africa.

Further information about Chayton Africa can be viewed at ***www.chaytonafrica.com***.

Capevin Holdings (Distell)

Capevin Holdings ("CVH") is a listed holding company with its core asset being an effective interest of 28,9% in JSE-listed Distell. During the previous reporting period, Zeder announced its strategic decision to exit its investment in CVH and reported its disposal of 15,1% in CVH for R799,8m. During the year under review, Zeder has obtained the required shareholder approval and will dispose of its remaining 2,7% interest in CVH at the appropriate time.

Distell's results can be viewed at ***www.distell.co.za***.

PSG MANAGEMENT FEE

Effective 1 March 2013, Zeder shareholders approved a restructuring of the Zeder management agreement in terms of which the basis of the calculation of the base and performance fee payable to PSG was changed. The base fee is now calculated as 1,5% p.a. of Zeder's volume weighted average market capitalisation for the year, and the performance fee as 20% p.a. of Zeder's share price outperformance of the GOVI-index yield plus 4% ("benchmark hurdle"). The performance fee, however, is limited to the base fee in the event that it exceeds same. The excess performance fee is carried over to the next financial year as a reduction of the benchmark hurdle.

The base management fee (recurring) and performance fee (non-recurring) calculated in terms of the revised fee arrangement amounted to R59m (2013: R58,6m) and R59m (non-recurring headline cost) respectively for the year under review. As the performance fee exceeded the base fee, the benchmark hurdle per Zeder share for its 2015 financial year has been reduced by 10 cents from R4,09 to R3,99.

CORPORATE GOVERNANCE

Zeder is managed by PSG Group Ltd ("PSG") in terms of a formal management agreement and adheres to PSG's corporate governance policies. For more detail regarding these policies, refer to PSG's annual report which is available at www.psggroup.co.za.

Zeder is committed to the four values underpinning good corporate governance – responsibility, accountability, fairness and transparency – as also advocated in the King Code of Governance Principles (King III). Zeder's corporate governance policies have in all material respects been applied appropriately during the financial year under review.

Due to the size and nature of the company, the board does not consider application of all the principles contained within King III appropriate. Where specific principles have not been applied, explanations for these are contained within this section of the annual report. A detailed analysis of the group's adherence to King III is available at www.zeder.co.za.

BOARD OF DIRECTORS

There is a clear division of responsibilities at board level to ensure a balance of power and authority, such that no one individual director has unfettered powers of decision-making. The Zeder board of directors remains autonomous, albeit that there is a formal management agreement in place between Zeder and PSG Corporate Services (Pty) Ltd ("PSG Corporate Services"). Details of Zeder's directors are provided on page 7 of this annual report. The independence of the non-executive directors is considered on an ongoing basis by the board as a whole.

Although certain of the non-executive directors are not classified as independent in terms of King lll, all of the non-executive directors are independent of thought and action. The board believes that directors should own shares in the company. A director, as a shareholder, will thus share proportionally in the consequences of any good or bad decision.

The board met four times during the past financial year as set out in the table below. Mr WA Hanekom was appointed to the board on 7 October 2013. Mr JF Mouton fulfils the role of non-executive chairman, Mr N Celliers that of chief executive officer, and Mr WL Greeff that of financial director. Mr LP Retief was appointed as lead independent director on 11 November 2013.

Due to the nature and size of the business of the company, the experience of the directors and the knowledge that directors have regarding the particular business of the company, induction, as well as ongoing training and development of directors, are not driven through formal processes.

Zeder does not have a nomination committee, and director appointments are considered to be a matter for the board as a whole, with all appointments being made in a formal and transparent manner.

Zeder's memorandum of incorporation requires one third of the non-executive directors of the company to retire by rotation and offer themselves for re-election by shareholders at the annual general meeting. In addition thereto, newly appointed directors should retire and offer themselves for re-election by shareholders at the first annual general meeting following their appointment. In accordance with the company's memorandum of incorporation, Messrs GD Eksteen, WA Hanekom, MS du Pré le Roux, PJ Mouton and CA Otto retire and have offered themselves for re-election. Brief curricula vitae for these directors are included on pages 40 and 41 of this annual report.

BOARD ATTENDANCE	8 Apr 2013	19 Jul 2013	7 Oct 2013	10 Feb 2014
JF Mouton (chairman)	√	√	√	√
N Celliers	√	√	√	√
GD Eksteen	√	√	√	√
WL Greeff	√	√	√	√
WA Hanekom				√
AE Jacobs		√	√	√
PJ Mouton	√	√	√	√
MS du Pré le Roux	√		√	√
CA Otto	√	√	√	√
LP Retief	√	√	√	√
√ – Present				

The board's key roles and responsibilities are:

- promoting the interests of stakeholders;
- formulation and approval of strategy;
- retaining effective control; and
- ultimate accountability and responsibility for the performance and affairs of the company.

The board does not conduct regular appraisals of its members and committees. Consideration will be given to same in future.

The audit and risk committee consisted of three independent non-executive directors, namely Messrs LP Retief (chairman), MS du Pré le Roux and GD Eksteen. Subsequent to the reporting date, Mr CA Otto was appointed as member of the audit and risk committee. Messrs LP Retief and MS du Pré le Roux have been members for more than seven years, and Mr GD Eksteen has been a member for the past four and a half years. The audit and risk committee met on 8 April 2013 and 7 October 2013.

ATTENDANCE	8 Apr 2013	7 Oct 2013
GD Eksteen	√	√
MS du Pré le Roux	√	√
LP Retief (chairman)	√	√
√ – Present		

The audit and risk committee has formal terms of reference and their report is on page 22 of this annual report.

The board has not appointed a remuneration committee as PSG Corporate Services fulfils this role in terms of the formal management agreement. The remuneration paid to Messrs N Celliers, GD Eksteen, AE Jacobs, WA Hanekom, MS du Pré le Roux and LP Retief is disclosed in the directors' report on page 25 of this annual report. Messrs WL Greeff, JF Mouton, PJ Mouton and CA Otto received remuneration from PSG Corporate Services for services rendered to PSG and its subsidiaries in general.

The executive committee, which comprises five directors with three being non-executive (Messrs JF Mouton, PJ Mouton and CA Otto), has been tasked as the committee with the responsibility of monitoring the company's activities having regard to any relevant legislation, legal requirements and prevailing codes of best practice with matters relating to, inter alia:

- Social and economic development;
- Good corporate citizenship;
- The environment, health and public safety;
- Consumer relationships; and
- Labour and employment.

The committee is satisfied with the social and ethical matters relating to Zeder and its subsidiaries.

EXECUTIVE COMMITTEE

The executive committee responsible for the management of Zeder comprises Messrs JF Mouton (chairman), N Celliers, WL Greeff, JA Holtzhausen, PJ Mouton and CA Otto. 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.

INTERNAL CONTROL AND RISK MANAGEMENT

Internal control and risk management is overseen by the audit and risk committee. Based on the functions performed by the audit and risk committee and PSG Corporate Services, in terms of the formal management agreement, the board is confident that the system of internal controls and current risk management processes are effective and aligned to the business needs and that it is not necessary to establish an internal audit function.

Based on the size and nature of the business, the audit and risk committee believes that certain governance mechanisms are not warranted. These include implementation of a combined assurance model and implementation of an IT governance framework.

As IT does not play a significant role in the sustainability of Zeder's business at a group level due to its nature and size, the investment and expenditure in IT at group level are insignificant. The board is accordingly satisfied that the current systems of IT governance at group level are appropriate.

COMPANY SECRETARY

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

The company secretary has to date maintained a professional relationship with board members, giving direction on good governance and independent advice, as and when required. The audit and risk committee has reviewed, through discussion and assessment, the qualifications, experience and competence of the individuals employed by the company secretary and has noted that the company secretary performed all formalities and substantive duties timeously and in an appropriate manner. The board is satisfied that an arm's length relationship exists between the company secretary and the group.

The declaration by the company secretary in terms of section 88(2)(e) of the Companies Act of South Africa is presented page 23 of this annual report.

INTEGRATED REPORTING AND DISCLOSURE

Part of the philosophy of Zeder is to invest in companies with strong management. Zeder therefore relies on them to apply the principles of King III in regards to integrated reporting and disclosure, to the extent appropriate to their business.

Zeder applies the principles of integrated reporting at group level to the extent that such are considered appropriate.

SUSTAINABILITY

Social responsibility

Zeder also subscribes to the philosophy of black economic empowerment ("BEE") and encourages its investments to undertake BEE initiatives. Zeder has participated in and facilitated BEE transactions and has a strategic and trusted BEE partner, which it introduces to its investments.

Financial reporting and stakeholder communication

Zeder has identified its two major stakeholders as its shareholders and investment companies. Ongoing communication and engagement are therefore focused on these groups, as detailed below. Financial reports are provided to shareholders twice a year. Details regarding significant transactions undertaken are reported as required by the JSE Listings Requirements.

Communication with investment companies is done on an ongoing basis. The annual general meeting serves as platform for interactive communication with stakeholders. The company's communication officer's contact details are available on Zeder's website should stakeholders wish to direct queries to the company.

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

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These summary consolidated financial statements comprise a summary of the audited consolidated annual financial statements of Zeder Investments Ltd ("Zeder") for the year ended 28 February 2014.

The consolidated annual financial statements, including these summary consolidated financial statements, were compiled under the supervision of the group financial director, Mr WL Greeff, CA(SA), and were audited by Zeder's external auditor, PricewaterhouseCoopers Inc.

The consolidated annual financial statements, including the unmodified audit opinion, is available on Zeder's website www.zeder.co.za or may be requested and obtained in person, at no charge, at the registered office of Zeder during office hours.

REPORT OF THE AUDIT AND RISK COMMITTEE

for the year ended 28 February 2014

The audit and risk committee ("the committee") reports that it has considered the matters set out in the Companies Act of South Africa, and is satisfied with the independence and objectivity of the external auditor, PricewaterhouseCoopers Inc. The fees payable to the external auditor and the extent of non-audit-related services performed were approved by the audit and risk committee of the ultimate holding company, in accordance with the management agreement.

The committee also acted as the statutory audit committee of those public company subsidiaries that are legally required to have such a committee.

The committee has satisfied itself that the financial function, including the financial director, has the appropriate expertise, experience and resources, and is satisfied that the internal financial controls of the company are working effectively.

A board-approved audit and risk committee charter stipulating, inter alia, the committee's composition, duties and responsibilities, has been adopted. The committee is satisfied that it complied with the responsibilities as set out in the audit and risk committee charter as well as relevant legal and regulatory responsibilities.

Based on the information and explanations given by management and discussions with the independent external auditor regarding the results of their audit, the committee is satisfied that there was no material breakdown in the internal financial controls during the financial year under review.

The committee has evaluated the annual financial statements of the company and group for the year ended 28 February 2014, as well as these summary consolidated financial statements and, based on the information provided to the committee, considers that the group complies, in all material respects, with the requirements of the Companies Act of South Africa, as amended, and International Financial Reporting Standards.

LP Retief
Chairman

7 April 2014
Stellenbosch

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

for the year ended 28 February 2014

The directors are responsible for the maintenance of adequate accounting records and to prepare annual financial statements that fairly represent the state of affairs and the results of the company and group. The external auditor is responsible for independently auditing and reporting on the fair presentation of the annual financial statements. Management fulfils this responsibility primarily by establishing and maintaining accounting systems and practices adequately supported by internal accounting controls. Such controls provide assurance that the company and group's assets are safeguarded, that transactions are executed in accordance with management's authorisations and that the financial records are reliable. The annual financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the manner required by the Companies Act of South Africa and the JSE Listings Requirements, and incorporate full and responsible disclosure. Appropriate and recognised accounting policies are consistently applied.

The audit and risk committee of the group meets regularly with the external auditor, as well as senior management, to evaluate matters concerning accounting policies, internal control, auditing and financial reporting. The external auditor has unrestricted access to all records, assets and personnel as well as to the audit and risk committee.

The annual 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 annual financial statements, including these summary consolidated financial statements set out on pages 24 to 39, were approved by the board of directors of Zeder Investments Ltd and are signed on its behalf by:

JF Mouton
Chairman

WL Greeff
Financial director

7 April 2014
Stellenbosch

DECLARATION BY THE COMPANY SECRETARY

We declare that, to the best of our knowledge, the company has lodged with the Registrar all such returns and notices as are required of a public company in terms of the Companies Act of South Africa and that all such returns and notices are true, correct and up to date.

PSG Corporate Services (Pty) Ltd
Per PJR de Wit
Company secretary

7 April 2014
Stellenbosch

DIRECTORS' REPORT

for the year ended 28 February 2014

NATURE OF BUSINESS

Zeder is an investor in the broad agribusiness industry. The activities of the Zeder group of companies are set out in detail in the review of operations section of this annual report.

OPERATING RESULTS

The operating results and state of affairs of the group are set out in the attached summary income statement and summary statements of financial position, comprehensive income, changes in equity and cash flows. For the year under review, the group's recurring headline earnings amounted to R292m (2013: R251m), headline earnings amounted to R253m (2013: R196m) and earnings attributable to owners of the parent amounted to R291m (2013: R512m).

The results for the year ended 28 February 2014, for the first time include the consolidated eight month results of Capespan, a company in which Zeder acquired a controlling interest during the year under review.

STATED/SHARE CAPITAL

During the year under review, the company issued 2 099 814 ordinary shares and thereby increased its total number of ordinary shares in issue to 980 188 331. The company also converted its ordinary and preference shares to shares with no par value.

DIVIDENDS

A final dividend of 4 cents per share was declared and paid in respect of the year ended 28 February 2013.

On 7 April 2014, the company declared a final dividend of 4,5 cents per share in respect of the year ended 28 February 2014, which is payable on 5 May 2014.

EVENTS SUBSEQUENT TO THE REPORTING DATE

The acquisition of Mpongwe Milling that was announced on SENS on 13 November 2013, became effective after the reporting date and is being implemented at present.

The directors are unaware of any other matter or event which is material to the financial affairs of the group that have occurred between the reporting date and the date of approval of the annual financial statements.

DIRECTORS

The directors of the company at the date of this report were:

Executive
N Celliers (Chief executive officer)
WL Greeff (Financial director)

Non-executive
GD Eksteen[1]
WA Hanekom[1]
AE Jacobs
MS du Pré le Roux[1]
JF Mouton (Chairman)
PJ Mouton
CA Otto[1]
LP Retief[2]

[1] Independent
[2] Lead independent non-executive director

DIRECTORS' EMOLUMENTS

Directors' emoluments are paid by PSG Group in terms of the management agreement (refer note 2 to the summary consolidated financial statements). Directors' emoluments include the following cash-based remuneration:

	Basic salary R'000	Company contri-butions R'000	Perform-ance-related R'000	Fees R'000	Total 2014 R'000	Total 2013 R'000
Executive						
N Celliers[1]	**1 975**	**25**	**2 000**		**4 000**	2 100
WL Greeff[4]					**–**	–
Non-executive						
GD Eksteen				**108**	**108**	99
WA Hanekom				**20**	**20**	–
AE Jacobs[2, 3]	**1 458**	**167**			**1 625**	252
JF Mouton[4]					**–**	–
PJ Mouton[4]					**–**	–
CA Otto[4]					**–**	–
MS du Pré le Roux				**108**	**108**	99
LP Retief				**114**	**114**	104
	3 433	**192**	**2 000**	**350**	**5 975**	2 654

1 *Performance-related emoluments were paid in respect of the 2014 year.*
2 *During the prior year, AE Jacobs resigned as CEO of Zeder, and during the current year joined Zeder as a non-executive director.*
3 *The basic salary and company contributions received by AE Jacobs relate to his employment as CEO of Zaad.*
4 *These directors receive directors' emoluments from PSG Group for services rendered to PSG Group and its investee companies.*

The company's prescribed officers include members of PSG Group's executive committee, which manages the group (as further discussed in the corporate governance section of this annual report), and whose remuneration is disclosed in PSG Group's annual report.

In addition to the cash-based remuneration above, share options have been awarded to Mr N Celliers, the cost of which is carried by PSG Group in terms of the aforementioned management agreement.

No share options have vested to date and the cost (determined using an option pricing model) carried by PSG Group amounts to R3,6m.

Awarded share options will vest as follows:

	Number of shares	
	PSG Group	**Zeder**
FY15	14 011	775 581
FY16	15 768	882 593
FY17	15 768	882 593
FY18	15 768	882 593
FY19	1 756	107 013
Total	63 071	3 530 373

The weighted average strike price per share for the aforementioned PSG Group and Zeder share options is R56,84 and R3,05, respectively.

SHAREHOLDING OF DIRECTORS

	Beneficial		Non-beneficial		Total	
28 February 2014	**Direct**	**Indirect**	**Direct**	**Indirect**	**Number**	**%**
N Celliers				2 635 933	**2 635 933**	**0,269**
GD Eksteen				250 000	**250 000**	**0,026**
WL Greeff	80 000				**80 000**	**0,008**
AE Jacobs		70 000			**70 000**	**0,007**
JF Mouton				80 000	**80 000**	**0,008**
MS du Pré le Roux				250 000	**250 000**	**0,026**
CA Otto				80 000	**80 000**	**0,008**
	80 000	**70 000**	**–**	**3 295 933**	**3 445 933**	**0,352**

The only change in the shareholding of directors since the prior year was the acquisition of 250 000 shares by GD Eksteen and 2 635 933 shares by N Celliers. Also refer to the shareholder analysis in note 11 to these summary consolidated financial statements.

SECRETARY

The secretary of the company is PSG Corporate Services (Pty) Ltd. Please refer to the administration section for its business and postal addresses.

AUDITOR

At the date of this report, PricewaterhouseCoopers Inc. held office in accordance with the Companies Act of South Africa.

SPECIAL RESOLUTIONS OF SIGNIFICANT SUBSIDIARIES

The following special resolutions were passed by subsidiary companies of the company during the financial year:

1. Zaad

The authorised ordinary share capital of no par value was increased by the creation of additional ordinary shares of no par value, ranking *pari passu* in all respects with the existing ordinary shares of no par value.

Zaad was authorised to change its name from Agricol Holdings Ltd to Zaad Holdings Ltd and all existing translated forms of its name, if any, were cancelled.

The existing memorandum of incorporation and articles of association of Zaad were substituted, in their entirety, by the adoption of a new memorandum of incorporation.

Zaad was authorised to make a capitalisation issue in terms of sections 41(1) and 41(3) of the Companies of South Africa, to the extent applicable.

2. Capespan

A number of amendments were made to the memorandum of incorporation.

Capespan was authorised to remunerate its directors for their services as directors and/or pay any fees relating thereto.

REPORT OF THE INDEPENDENT AUDITOR

to the shareholders of Zeder Investments Ltd

The summary consolidated financial statements of Zeder Investments Ltd, which comprise the summary consolidated statement of financial position as at 28 February 2014, and the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Zeder Investments Ltd for the year ended 28 February 2014. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated 7 April 2014. Our auditor's report on the audited consolidated financial statements contained an Other matter paragraph: "Other reports required by the Companies Act" (refer below).

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of Zeder Investments Ltd.

DIRECTORS' RESPONSIBILITY FOR THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the requirements of the JSE Ltd Listings Requirements for abridged reports, set out in note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements, and for such internal control as the directors determine is necessary to enable the preparation of summary consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

OPINION

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of Zeder Investments Ltd for the year ended 28 February 2014 are consistent, in all material respects, with those consolidated financial statements, in accordance with the requirements of the JSE Ltd Listings Requirements for abridged reports, set out in note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

OTHER REPORTS REQUIRED BY THE COMPANIES ACT

The "Other reports required by the Companies Act" paragraph in our audit report dated 7 April 2014 states that as part of our audit of the consolidated financial statements for the year ended 28 February 2014, we have read the directors' report, the audit committee's report and the declaration by the company secretary for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated financial statements. These reports are the responsibility of the respective preparers. The paragraph also states that, based on reading these reports, we have not identified material inconsistencies between these reports and the audited consolidated financial statements. The paragraph furthermore states that we have not audited these reports and accordingly do not express an opinion on these reports. The paragraph does not have an effect on the summary consolidated financial statements or our opinion thereon.

PricewaterhouseCoopers Inc

PricewaterhouseCoopers Inc.
Director: NH Döman
Registered Auditor

Stellenbosch
7 April 2014

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 28 February 2014

	Audited 2014 Rm	Audited 2013 Rm
ASSETS		
Non-current assets	**3 638,1**	2 838,5
Property, plant and equipment	**925,0**	381,8
Intangible assets	**375,8**	158,9
Biological assets	**118,0**	
Investment in ordinary shares of associates	**1 821,8**	2 126,5
Loans and preference share investments in associates	**18,2**	54,5
Investment in ordinary shares of joint ventures	**0,1**	
Loans granted to joint ventures	**1,6**	
Equity securities	**206,5**	100,5
Loans and advances	**78,6**	16,3
Deferred income tax assets	**59,4**	
Employee benefits	**33,1**	
Current assets	**2 989,2**	1 059,2
Biological assets	**83,4**	31,3
Inventories	**739,8**	174,6
Trade and other receivables	**1 127,2**	100,7
Derivative financial assets	**1,3**	
Current income tax receivable	**22,7**	
Cash, money market investments and other cash equivalents	**1 014,8**	752,6
Non-current assets held for sale (note 5)	**177,6**	287,7
Total assets	**6 804,9**	4 185,4
EQUITY AND LIABILITIES		
Ordinary shareholders' equity	**3 606,9**	3 283,5
Non-controlling interests	**536,0**	109,1
Total equity	**4 142,9**	3 392,6
Non-current liabilities	**1 013,2**	544,8
Deferred income tax liabilities	**104,6**	53,9
Borrowings	**738,5**	445,2
Derivative financial liabilities	**45,7**	45,7
Employee benefits	**124,4**	
Current liabilities	**1 648,8**	248,0
Borrowings	**459,8**	60,0
Trade and other payables	**1 081,3**	184,9
Derivative financial liabilities	**15,2**	
Current income tax payable	**19,3**	0,5
Employee benefits	**73,2**	2,6
Total liabilities	**2 662,0**	792,8
Total equity and liabilities	**6 804,9**	4 185,4
Net asset value per share (cents)	**368,0**	335,7
Tangible net asset value per share (cents)	**329,6**	319,5
Number of shares in issue (million)	**980,2**	978,1

SUMMARY CONSOLIDATED INCOME STATEMENT

for the year ended 28 February 2014

	Audited 2014 Rm	Audited 2013 Rm
Revenue	**6 010,6**	328,1
Cost of sales	**(5 134,6)**	(234,4)
Gross profit	**876,0**	93,7
Income		
Change in fair value of biological assets	**90,5**	28,7
Investment income	**64,4**	13,1
Net fair value gains	**144,0**	32,5
Other operating income	**8,9**	5,5
Total income	**307,8**	79,8
Expenses		
Management fees (note 2)	**(118,0)**	(58,6)
Marketing, administration and other expenses	**(741,3)**	(120,1)
Total expenses	**(859,3)**	(178,7)
Net profit from associates		
Equity accounted earnings	**218,0**	300,2
Loss on impairment of associate	**(21,4)**	
Loss on dilution of interest in associates		(155,3)
(Loss)/gain on disposal of investment in associates	**(3,8)**	502,9
Profit before finance costs and taxation	**517,3**	642,6
Finance costs	**(86,0)**	(37,2)
Profit before taxation	**431,3**	605,4
Taxation	**(97,1)**	(95,9)
Profit for the year	**334,2**	509,5
Attributable to:		
Owners of the parent	**291,3**	511,7
Non-controlling interests	**42,9**	(2,2)
	334,2	509,5
Reconciliation to headline earnings		
Attributable to owners of the parent	**291,3**	511,7
Non-headline items (note 3)	**(38,8)**	(315,4)
Headline earnings	**252,5**	196,3
Earnings per share (cents)		
Attributable (basic and diluted)	**29,7**	52,3
Headline (basic and diluted)	**25,8**	20,1
Recurring headline (basic and diluted)	**29,8**	25,7
Weighted average number of shares (million)	**979,8**	978,1

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 28 February 2014

	Audited 2014 Rm	Audited 2013 Rm
Profit for the year	**334,2**	509,5
Other comprehensive income for the year, net of taxation, which may subsequently be reclassified to profit or loss	**117,0**	44,7
Currency translation adjustments	**157,4**	13,4
Fair value gains on available-for-sale investments	**0,4**	0,4
Share of other comprehensive income of associates	**31,2**	32,3
Reclassification of other comprehensive income of associates	**(55,9)**	(1,2)
Cash flow hedges	**(15,4)**	
Reclassification of fair value gains on disposal of available-for-sale investments	**(0,7)**	
Share of other equity movements of associates		(0,2)
Other comprehensive income for the year, net of taxation, which may subsequently not be reclassified to profit or loss		
Actuarial gains on employee defined benefit plans	**1,1**	
Total comprehensive income for the year	**452,3**	554,2
Attributable to:		
Owners of the parent	**361,6**	552,6
Non-controlling interests	**90,7**	1,6
	452,3	554,2

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 28 February 2014

	Audited 2014 Rm	Audited 2013 Rm
Ordinary shareholders' equity at beginning of year	**3 283,5**	2 817,0
Shares issued	**8,2**	
Total comprehensive income for the year	**361,6**	552,6
Transactions with non-controlling interests	**(7,3)**	(47,0)
Dividend paid	**(39,1)**	(39,1)
Ordinary shareholders' equity at end of year	**3 606,9**	3 283,5
Non-controlling interests at end of year	**536,0**	109,1
Non-controlling interests at beginning of year	**109,1**	
Total comprehensive income for year	**90,7**	1,6
Transactions with non-controlling interests	**336,2**	107,5
Total equity	**4 142,9**	3 392,6
Dividend per share (cents)	**4,5**	4,0

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 28 February 2014

	Audited 2014 Rm	Audited 2013 Rm
Net cash flow from operating activities	**255,1**	44,8
Net cash flow from investment activities	**189,4**	386,3
Net cash flow from financing activities	**(228,4)**	242,7
Net increase in cash and cash equivalents	**216,1**	673,8
Exchange gains on cash and cash equivalents	**46,1**	1,3
Cash and cash equivalents at beginning of year	**752,6**	77,5
Cash and cash equivalents at end of year	**1 014,8**	752,6

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 28 February 2014

1. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

The summary consolidated financial statements are prepared in accordance with the requirements of the JSE Ltd (JSE) for summary financial statements, and the requirements of the Companies Act applicable to summary financial statements. The JSE requires summary financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*. The accounting policies applied in the preparation of the consolidated financial statements from which the summary consolidated financial statements were derived are in terms of International Financial Reporting Standards and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements, apart from the following new accounting standards and amendments to IFRS which were relevant to the group's operations from 1 March 2013.

- IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Ventures* and amendments to IAS 28 *Investments in Associates*

  The group has adopted aforementioned suite of IFRSs and amendments which deal with the accounting treatment for the group's interests in its investees. The group has reviewed its accounting policies and concluded that the adoption of same did not result in any material changes to the group's accounting for its investees.

- IFRS 13 *Fair Value Measurement*

  The group has adopted the new standard on how to measure fair value and enhance fair value disclosures. The adoption did not result in any material impact on the financial statements.

- Amendments to IAS 19 *Employee Benefits*

  The amendments became relevant to the group following its acquisition of a controlling interest in Capespan Group Ltd ("Capespan") (note 4), which operates defined benefit plans. Capespan previously elected to follow a policy of recognising remeasurements to employee benefit assets and liabilities in other comprehensive income, which has now become mandatory.

  The prior year employee benefits liability, as per the statement of financial position, was included in trade and other payables at the previous reporting date.

- Amendments to IAS 34 *Interim Financial Reporting*

  The amendments relate to the introduction of IFRS 13 *Fair Value Measurement* and changes to IFRS 7 *Financial Instruments: Disclosures*. The group has complied with the requirements of the additional disclosures in these summary financial statements.

  The group also adopted the various other revisions to IFRS which became effective during the year. These revisions have not resulted in material impacts to the group's reported results.

  Enhanced disclosures, as required by IFRS 12 *Disclosures of Interests in Other Entities*, have been provided in the full set of annual financial statements.

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS / CONTINUED

for the year ended 28 February 2014

2. MANAGEMENT FEES

Management fees are payable to PSG Group Ltd ("PSG Group"), Zeder's ultimate holding company, or its nominee ("the Manager") in terms of a management agreement. In accordance with the management agreement, the Manager provides all investment, administrative, advisory, financial and corporate services to the Zeder group of companies.

The management fees payable consist of a base fee and a performance fee element. The base fee is calculated at the end of every half-year as 1,5% p.a. (exclusive of VAT) of Zeder's volume weighted average market capitalisation for that half-year. The performance fee is calculated at the end of the financial year as 20% p.a. (exclusive of VAT) on Zeder's share price outperformance of the GOVI-index yield plus 4%, adjusted for dividends.

3. NON-HEADLINE ITEMS

	Audited 2014 Rm	Audited 2013 Rm
Gross amounts		
Net loss on dilution of interest in associates		155,3
Share of non-headline items of associates	**11,6**	(42,8)
Fair value adjustment on step-up of associate to subsidiary	**(17,2)**	(22,0)
Reclassification of other comprehensive income of associates with step-up to subsidiary or upon disposal	**(57,1)**	
Impairment of investment in associates	**21,4**	
Net gain on disposal of non-current assets held for sale	**(14,0)**	
Net loss/(gain) on disposal of investments in associates	**3,8**	(502,9)
Other	**5,3**	5,5
Non-controlling interests	**(0,1)**	0,2
Taxation	**7,5**	91,3
	(38,8)	(315,4)

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS / CONTINUED

for the year ended 28 February 2014

4. SUBSIDIARIES ACQUIRED

Capespan

The group acquired a further 25,3% shareholding in Capespan and thereby increased its interest to 71,1%. At the reporting date, the group held 72,1% in Capespan, which is a global fruit procurement company and South Africa's largest fruit exporter. The remeasurement of the previously held associate interest resulted in a non-headline gain of R16,1m being recognised in net fair value gains in the income statement.

Klein Karoo Seed Marketing ("KKS")

The group, through Zaad, acquired the remaining 51% of KKS on 31 October 2013. The remeasurement of the previously held interest in the associate resulted in a non-headline gain of R1,1m being recognised in net fair value gains in the income statement. KKS is a seed company that develops and distributes vegetable, pasture and agronomic seed in developing countries, mainly throughout Africa, the Middle East and Asia. KKS has offices and research stations in, inter alia, South Africa, Zambia, Zimbabwe, Jordan and the Netherlands.

Accounting for these business combinations has been finalised and the summarised assets and liabilities recognised at acquisition date were:

	Capespan Rm	KKS Rm	Total Rm
Property, plant and equipment	308,3	124,5	**432,8**
Biological assets	144,1		**144,1**
Intangible assets	58,1	70,8	**128,9**
Investment in associates	181,0		**181,0**
Loans to and preference share investments in associates		9,3	**9,3**
Equity securities	6,2		**6,2**
Loans and advances	64,4	4,3	**68,7**
Derivative financial assets		0,1	**0,1**
Deferred income tax assets	59,3	1,1	**60,4**
Income tax receivable	19,6		**19,6**
Inventories	105,7	319,6	**425,3**
Trade and other receivables	973,3	147,4	**1 120,7**
Cash and cash equivalents	350,3	1,4	**351,7**
Non-current assets held for sale	10,1		**10,1**
Borrowings	(538,7)	(371,9)	**(910,6)**
Deferred income tax liabilities	(36,2)	(12,8)	**(49,0)**
Net employee benefits	(122,3)	(4,8)	**(127,1)**
Income tax payables	(14,9)	(1,0)	**(15,9)**
Trade and other payables	(638,8)	(91,7)	**(730,5)**
Total identifiable net assets	929,5	196,3	**1 125,8**
Non-controlling interest at fair value	(268,6)	(34,2)	**(302,8)**
Previously held investment at fair value	(403,0)	(101,0)	**(504,0)**
Goodwill recognised		69,1	**69,1**
Total consideration	257,9	130,2	**388,1**
Cash consideration paid	(257,9)	(130,2)	**(388,1)**
Cash and cash equivalents acquired	350,3	1,4	**351,7**
Net cash inflow/(outflow) from business combination	92,4	(128,8)	**(36,4)**

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS / CONTINUED

for the year ended 28 February 2014

4. SUBSIDIARIES ACQUIRED (continued)

Goodwill recognised from these business combinations can be attributed to the employee corps, geographical footprint and growth potential of the entities acquired. Acquisition costs of R4,2m were incurred with the aforementioned business combinations, and are included in marketing, administration and other expenses in the income statement.

Had Capespan and KKS been consolidated with effect from 1 March 2013 instead of their respective acquisition dates, the consolidated income statement would have reflected additional revenue of R1,9bn and profit after tax of R9m.

5. NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale consists mainly of JSE-listed equity securities in Capevin Holdings with a carrying value of R177m. These equity securities were classified as held for sale during the previous financial year and are expected to be realised through sale in the coming months.

6. FINANCIAL INSTRUMENTS

6.1 Financial risk factors

The group's activities expose it to a variety of financial risks; market risk (including currency risk, fair value interest rate risk, and price risk), credit risk and liquidity risk.

The summary financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and therefore they should be read in conjunction with the group's annual financial statements for the year ended 28 February 2014. Risk management continues to be carried out by each major entity within the group under policies approved by the respective boards of directors.

6.2 Fair value estimation

The information below analyses financial assets and financial liabilities, which are carried at fair value, by level of hierarchy as required by IFRS 7 and IFRS 13. The different levels in the hierarchy are defined below:

- 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 fair value of financial assets and liabilities carried at amortised cost approximates their fair value, while those measured at fair value in the statement of financial position can be summarised as follows:

	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
Assets				
Derivative financial assets	1,0	0,3		**1,3**
Equity securities	163,8	1,0	41,7	**206,5**
Non-current assets held for sale (note 5)	177,0	0,6		**177,6**
	341,8	1,9	41,7	**385,4**
Liabilities				
Derivative financial liabilities	15,2		45,7	**60,9**

There have been no significant transfers between level 1, 2 or 3 during the year under review, nor were there any significant changes to the valuation techniques and inputs used to determine fair values.

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS / CONTINUED

for the year ended 28 February 2014

7. SEGMENTAL REPORTING

At 28 February 2013, the group was organised into four reportable segments, namely i) Zaad Holdings, ii) Chayton, iii) food and agri, and iv) beverages. Zaad Holdings and Chayton are subsidiaries, while food and agri and beverages comprises investments in associates and equity securities.

Following Zeder obtaining a controlling interest in Capespan (refer note 4), the chief operating decision-maker (being PSG Group's executive committee, which manages the group) has revised their segmentation of how they review segments' performance and allocate capital. This revision resulted in the reportable segments being restated to consist of the following: i) food, beverages and related services, ii) agri-related retail, trade and services, iii) agri-inputs and iv) agri – production.

Recurring headline earnings is 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 investments. The result is that investments which Zeder do not equity account or consolidate in terms of accounting standards, are included in the calculation of recurring headline earnings.

The segments represent different sectors in the broad agribusiness industry. The segment report set out below was compiled based on the revised segmentation and comparatives have been restated accordingly. These restatements had no impact on reported amounts of profit or loss, assets, liabilities, equity or cash flows.

Non-recurring headline earnings include equity securities' see-through recurring headline earnings and the related net fair value gains/losses and investment income (as recognised in the income statement). Associates' and subsidiaries' one-off gains/losses are excluded from recurring headline earnings and included in non-recurring headline earnings.

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

SOTP is a key valuation tool used to measure Zeder's performance. In determining SOTP, listed assets and liabilities are valued using quoted market prices, whereas unlisted assets and liabilities are valued using appropriate valuation methods. These values will not necessarily correspond with the values per the statement of financial position since the latter are measured using the relevant accounting standards which include historical cost and the equity accounting method.

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS / CONTINUED

for the year ended 28 February 2014

7. SEGMENTAL REPORTING (continued)

	Audited 2014 Rm	Audited 2013 Rm
Recurring headline earnings		
Food, beverages and related services	**239,3**	205,7
Agri-related retail, trade and services	**74,1**	120,4
Agri-inputs	**49,6**	28,7
Agri-production	**(4,8)**	(21,8)
Net interest, taxation and other income and expenses	**(7,1)**	(23,3)
Management (base) fee	**(59,0)**	(58,6)
Recurring headline earnings	**292,1**	251,1
Management (performance) fee	**(59,0)**	
Other non-recurring headline earnings	**19,4**	(54,8)
Headline earnings	**252,5**	196,3
Non-headline items (note 3)	**38,8**	315,4
Attributable earnings	**291,3**	511,7
SOTP segmental analysis:		
Segments		
Food, beverages and related services	**3 078,2**	2 047,0
Agri-related retail, trade and services	**593,3**	819,4
Agri-inputs	**678,8**	368,9
Agri-production	**560,4**	276,9
Cash and cash equivalents	**376,1**	692,2
Other net liabilities	**(365,4)**	(301,1)
SOTP value	**4 921,4**	3 903,3
Income segmental analysis:		
Food, beverages and related services	**5 442,6**	–
Revenue	**5 407,3**	
Investment income	**35,3**	
Agri-related retail, trade and services		
Investment income	**3,5**	5,9
Agri-inputs	**467,8**	266,6
Revenue	**465,4**	264,7
Investment income	**2,4**	1,9
Agri-production	**137,9**	63,7
Revenue	**137,9**	63,4
Investment income		0,3
Unallocated investment income (mainly head office interest income)	**23,2**	5,0
IFRS revenue	**6 075,0**	341,2

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS / CONTINUED

for the year ended 28 February 2014

8. EVENTS SUBSEQUENT TO THE REPORTING DATE

The acquisition of Mpongwe Milling that was announced on SENS on 13 November 2013, became effective after the reporting date and is being implemented at present.

The directors are unaware of any other matter or event which is material to the financial affairs of the group that have occurred between the reporting date and the date of approval of these annual financial statements.

9. PREPARATION

These summary consolidated financial statements were compiled under the supervision of the group financial director, Mr WL Greeff, CA(SA), and have been audited by PricewaterhouseCoopers Inc., who expressed an unmodified opinion thereon. The auditor also expressed an unmodified opinion on the annual financial statements from which these summary consolidated financial statements were derived.

A copy of the auditor's report on the summary consolidated financial statements and of the auditor's report on the annual consolidated financial statements are available for inspection at the company's registered office, together with the financial statements identified in the respective auditor's reports.

The auditor's report does not necessarily report on all of the information contained in this announcement/financial results. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's report together with the accompanying financial information from the issuer's registered office.

10. CHANGES TO THE BOARD OF DIRECTORS

AE Jacobs was appointed as a non-executive director on 8 April 2013.

WA Hanekom was appointed as a non-executive director on 8 October 2013.

LP Retief was appointed as lead independent director on 11 November 2013.

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS / CONTINUED

for the year ended 28 February 2014

11. SHAREHOLDER ANALYSIS

	Shareholders		Shares held	
2014	**Number**	**%**	**Number**	**%**
Range of shareholding				
1 – 20 000	**4 445**	**76,3**	**27 745 258**	**2,8**
20 001 – 50 000	**709**	**12,2**	**24 062 119**	**2,5**
50 001 – 100 000	**292**	**5,0**	**21 691 540**	**2,2**
100 001 – 500 000	**241**	**4,1**	**53 277 570**	**5,4**
500 001 – 1 000 000	**46**	**0,8**	**31 879 676**	**3,3**
Over 1 000 000	**91**	**1,6**	**821 532 168**	**83,8**
	5 824	**100,0**	**980 188 331**	**100,0**
Public and non-public shareholding				
Non-public				
– Directors	**7**	**0,1**	**3 445 933**	**0,3**
– PSG Financial Services Ltd	**1**	**0,0**	**415 176 633**	**42,4**
Public	**5 816**	**99,9**	**561 565 765**	**57,3**
	5 824	**100,0**	**980 188 331**	**100,0**
Major shareholders holding 5% or more at 28 February 2014				
PSG Financial Services			**415 176 633**	**42,4**
Coronation and its client*			**140 514 697**	**14,3**
Allan Gray and its clients*			**135 102 961**	**13,8**
Sanlam Investment Management and its clients*			**50 134 858**	**5,1**
			740 929 149	**75,6**

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

2013				
Range of shareholding				
1 – 20 000	3 502	73,9	22 777 633	2,3
20 001 – 50 000	628	13,2	21 644 437	2,2
50 001 – 100 000	273	5,8	20 506 324	2,1
100 001 – 500 000	191	4,0	41 481 124	4,2
500 001 – 1 000 000	56	1,2	39 723 039	4,1
Over 1 000 000	90	1,9	831 955 960	85,1
	4 740	100,0	978 088 517	100,0
Public and non-public shareholding				
Non-public				
– Directors	4	0,1	490 000	0,1
– PSG Financial Services Ltd	1	0,0	415 176 633	42,4
Public	4 735	99,9	562 421 884	57,5
	4 740	100,0	978 088 517	100,0

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 Spier Wine Estate, Baden Powell Drive, Stellenbosch, on Friday, 20 June 2014, at 09:45 ("the AGM").

Purpose

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

Agenda

1. Presentation of the audited annual financial statements of the company, including the reports of the directors and the audit committee for the year ended 28 February 2014. The annual report of which this notice forms part, contains the summary audited annual financial statements and the aforementioned reports. A copy of the consolidated annual financial statements, including the unmodified audit opinion, is available on Zeder's website at www.zeder.co.za or may be requested and obtained in person, at no charge, at the registered office of Zeder during office hours.

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

Note:
For any of the ordinary resolution numbers 1 to 10 to be adopted, more than 50% of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof. For ordinary resolution number 11 to be adopted, at least 75% of the voting rights exercised on such ordinary resolution must be exercised in favour thereof.

2.1 Retirement and re-election of directors

2.1.1 Ordinary resolution number 1

"Resolved that Mr GD Eksteen, who retires by rotation in terms of the memorandum of incorporation of the company and, being eligible and offering himself for re-election, be and is hereby re-elected as director."

Summary curriculum vitae of Mr GD Eksteen
Mr GD Eksteen farms in the Malmesbury area and is currently the chairman of Agri Voedsel.

2.1.2 Ordinary resolution number 2

"Resolved that Mr WA Hanekom, being newly appointed to the board, who retires in terms of the memorandum of incorporation of the company and, being eligible and offering himself for re-election, be and is hereby re-elected as director."

Summary curriculum vitae of Mr WA Hanekom
Mr Hanekom previously served as the CEO of Pioneer Food Group and played a pivotal role in establishing the Pioneer Food Group as one of the leading South African producers and distributors of a range of food, beverages and related products.

2.1.3 Ordinary resolution number 3

"Resolved that Mr MS du Pré le Roux, who retires by rotation in terms of the memorandum of incorporation of the company and, being eligible and offering himself for re-election, be and is hereby re-elected as director."

Summary curriculum vitae of Mr MS du Pré le Roux
Mr le Roux was the managing director of Distillers Corporation (SA) from 1979 to 1993, and from 1995 to 1998 the managing director of Boland Bank, NBS Boland and BOE Bank. He is one of the founding members and currently the chairman of Capitec Bank.

2.1.4 Ordinary resolution number 4

"Resolved that Mr PJ Mouton, who retires by rotation in terms of the memorandum of incorporation of the company and, being eligible and offering himself for re-election, be and is hereby re-elected as director."

Summary curriculum vitae of Mr PJ Mouton
Mr Mouton is the chief executive officer of PSG Group. He serves as a non-executive director on the boards of various PSG Group companies including Capitec Bank, Curro Holdings and PSG Konsult. He has been active in the investment and financial services industry since 1999.

2.1.5 Ordinary resolution number 5

"Resolved that Mr CA Otto, who retires by rotation in terms of the memorandum of incorporation of the company and, being eligible and offering himself for re-election, be and is hereby re-elected as director."

Summary curriculum vitae of Mr CA Otto
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.

The reason for ordinary resolution numbers 1 to 5 (inclusive) is that the memorandum of incorporation of the company and, to the extent applicable, the South African Companies Act, 71 of 2008, as amended ("the Companies Act") require that a component of the non-executive directors and newly appointed directors rotate at every annual general meeting of the company and, being eligible, may offer themselves for re-election as directors.

2.2 Re-appointment of the members of the audit and risk committee of the company

Note:
For avoidance of doubt, all references to the audit and risk committee of the company is a reference to the audit committee as contemplated in the Companies Act.

2.2.1 Ordinary resolution number 6

"Resolved that Mr GD Eksteen, being eligible, be and is hereby re-appointed as a member of the audit and risk committee of the company, as recommended by the board of directors of the company, until the next annual general meeting of the company."

Summary curriculum vitae of Mr GD Eksteen
A summary of Mr Eksteen's curriculum vitae has been set out in paragraph 2.1.1 above.

2.2.2 Ordinary resolution number 7

"Resolved that Mr MS du Pré le Roux, being eligible, be and is hereby re-appointed as a member of the audit and risk committee of the company, as recommended by the board of directors of the company, until the next annual general meeting of the company."

Summary curriculum vitae of Mr MS du Pré le Roux
A summary of Mr MS du Pré le Roux's curriculum vitae has been set out in paragraph 2.1.3

2.2.3 Ordinary resolution number 8

"Resolved that Mr CA Otto, being eligible, be and is hereby re-appointed as a member of the audit and risk committee of the company, as recommended by the board of directors of the company, until the next annual general meeting of the company."

Summary curriculum vitae of Mr CA Otto
A summary of Mr Otto's curriculum vitae has been set out in paragraph 2.1.5 above.

2.2.4 Ordinary resolution number 9

"Resolved that Mr LP Retief, being eligible, be and is hereby re-appointed as a member of the audit and risk committee of the company, as recommended by the board of directors of the company, until the next annual general meeting of the company."

Summary curriculum vitae of Mr LP Retief
Mr Retief obtained a BCom (Hons) degree from the University of Stellenbosch. He also qualified as a Chartered Accountant (SA). He is the non-executive chairman of Paarl Media Holdings and a non-executive director of Naspers and Pioneer Food Group.

The reason for ordinary resolution numbers 6 to 9 (inclusive) is that the company, being a public listed company, must appoint an audit committee and the Companies Act requires that the members of such audit committee be appointed, or re-appointed, as the case may be, at each annual general meeting of a company.

2.3 Re-appointment of auditor

Ordinary resolution number 10

"Resolved that PricewaterhouseCoopers Inc. be and is hereby re-appointed as auditor of the company for the ensuing year on the recommendation of the audit and risk committee of the company."

The reason for ordinary resolution number 10 is that the company, being a public listed company, must have its financial results audited and such auditor must be appointed or re-appointed each year at the annual general meeting of the company as required by the Companies Act.

2.4 General authority to issue ordinary shares for cash

Ordinary resolution number 11

"Resolved that the directors of the company be and are hereby authorised by way of a general authority, to allot and issue any of the company's unissued shares for cash as they in their discretion may deem fit, without restriction, subject to the provisions of the Listings Requirements of the JSE Ltd ("the 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 as at the date of this notice of AGM, 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;

– the general issues of shares for cash in any one financial year may not exceed in the aggregate 5% of the company's issued share capital (number of securities) of that class as at the date of the notice of AGM, it being recorded that ordinary shares issued pursuant to a rights offer to shareholders shall not diminish the number of ordinary shares that comprise the 5% of the ordinary shares that can be issued in terms of this ordinary resolution. As at the date of this notice of AGM, 5% of the listed, issued ordinary shares of the company amounts to 49 009 416 ordinary shares;

– in determining the price at which an issue of shares will be made in terms of this authority the maximum discount permitted will be 10% of the weighted average traded price of such shares, as determined over the 30 trading days prior to the date that the price of the issue is agreed between the company and the party subscribing for the securities. The JSE will be consulted for a ruling if the securities have not traded in such 30 business day period;

– any such issue will only be made to public shareholders as defined in paragraphs 4.25 to 4.27 of the Listings Requirements of the JSE and not to related parties; and

– any such issue will only be securities of a class already in issue or, if this is not the case, will be limited to such securities or rights that are convertible into a class already in issue."

For listed entities wishing to issue shares for cash (other than issues by way of rights offers and/or in consideration for acquisitions and/or to share incentive schemes as may have been duly approved by the JSE and shareholders of the company, if applicable), it is necessary for the board to obtain the prior authority of the shareholders in accordance with the Listings Requirements of the JSE and the memorandum of incorporation of the company. The reason for ordinary resolution number 9 is accordingly to obtain a general authority from shareholders to issue shares for cash in compliance with the Listings Requirements of the JSE and the memorandum of incorporation of the company.

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

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

Note:
For the special resolutions to be adopted, at least 75% of the voting rights exercised on each special resolution must be exercised in favour thereof.

3.1 Inter-company financial assistance

3.1.1 Special resolution number 1: Inter-company financing

"Resolved in terms of section 45(3)(a)(ii) of the Companies Act of 2008 (Act 71 of 2008), as amended ("the Companies Act"), as a general approval, that the board of the company be and is hereby authorised to approve that the company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in section 45(1) of the Companies Act) that the board of the company may deem fit to any company or corporation that is related or inter-related ("related" or "inter-related" will herein have the meaning attributed to it in section 2 of the Companies Act) to the company, on the terms and conditions and for amounts that the board of the company may determine, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the company."

The reason for and effect of special resolution number 1 is to grant the directors of the company the authority until the next annual general meeting to provide direct or indirect financial assistance to any company or corporation which is related or inter-related to the company. This means that the company is, inter alia, authorised to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.

3.1.2 Special resolution number 2: Financial assistance for the acquisition of shares in a related or inter-related company

"Resolved that in terms of section 44(3)(a)(ii) of the Companies Act, as a general approval, that the board of the company be and is hereby authorised to approve that the company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in sections 44(1) and 44(2) of the Companies Act), that the board of the company may deem fit to any company or corporation that is related or inter-related to the company ("related" or "inter-related" will herein have the meaning attributed to it in section 2 of the Companies Act) and/or to any financier who provides funding by subscribing for preference shares or other securities in any company or corporation that is related or inter-related to the company, on the terms and conditions and for amounts that the board of the company may determine for the purpose of, or in connection with the subscription of any option, or any shares or other securities, issued or to be issued by a related or inter-related company or corporation, or for the purchase of any shares or securities of a related or inter-related company or corporation, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the company."

The reason for and effect of special resolution number 2 is to grant the directors the authority until the next annual general meeting to provide financial assistance to any company or corporation which is related or inter-related to the company for the purpose of or in connection with the subscription or purchase of options, shares or other securities in any such related or inter-related company or corporation. This means that the company is authorised, inter alia, to grant loans to its subsidiaries and to guarantee and furnish security for the debt of its subsidiaries where any such financial assistance is directly or indirectly related to a party subscribing for options, shares or securities in its subsidiaries. A typical example of where the company may rely on this authority is where a subsidiary raised funds by way of issuing preference shares and the third party funder requires the company to furnish security, by way of a guarantee or otherwise, for the obligations of its subsidiary to the third party funder arising from the issue of the preference shares. The company has no immediate plans to use this authority and is simply obtaining same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority.

3.2 Special resolution number 3: Share buy-back by Zeder and its subsidiaries

"Resolved as a special resolution that the company and the subsidiaries of the company be and are hereby authorised, as a general approval, to repurchase any of the shares issued by the company, upon such terms and conditions and in such amounts as the directors may from time to time determine, but subject to the provisions of section 46 and 48 of the Companies Act of 2008 (Act 71 of 2008), as amended ("the Companies Act"), the memorandum of incorporation of the company, the Listings Requirements of the JSE Ltd ("the JSE") and the requirements of any other stock exchange on which the shares of the company may be quoted or listed, including, inter alia, 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 the aggregate in any one financial year of the company's issued share capital at the time the authority is granted;
- a resolution has been passed by the board of directors approving the purchase, that the company has satisfied the solvency and liquidity test as defined in the Companies Act and that since the solvency and liquidity test was applied there have been no material changes to the financial position of the group;
- the general repurchase is authorised by the company's memorandum of incorporation;
- repurchases must not be made at a price more than 10% above the weighted average of the market value of the shares for five business days immediately preceding the date that the transaction is effected. The JSE will be consulted for a ruling if the company's securities have not traded in such five business day period;
- the company may at any point in time only appoint one agent to effect any repurchase(s) on the company's behalf;
- 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 the repurchase of any shares."

The reason for and effect of special resolution number 3 is to grant the directors a general authority in terms of its memorandum of incorporation and the Listings Requirements of the JSE for the acquisition by the company or by a subsidiary of the company of shares issued by the company 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. Furthermore, in terms of section 48 (2)(b)(i) of the Companies Act, subsidiaries may not hold more than 10%, in aggregate, of the number of the issued shares of a company. For the avoidance of doubt, a pro rata repurchase by the company from all its shareholders will not require shareholder approval, save to the extent as may be required by the Companies Act.

3.3 Special resolution number 4: Amendment to the memorandum of incorporation of the company in relation to the issue of the company's shares

"Resolved as a special resolution that, the memorandum of incorporation of the company be and is hereby amended by the deletion of existing clause number 6, in its entirety, and the substitution thereof with the following new clause 6:

"6.1. The company is authorised to issue –

6.1.1. such number of such class of Shares as is set out in Schedule 1 hereto, subject to the preferences, rights, limitations and other terms associated with such class set out therein;

6.1.2. such number of each of such further classes of Shares, if any, as are set out in Schedule 1 hereto with the preferences, rights, limitations and other terms associated with each such class set out therein, subject to the JSE Listings Requirements.

6.2. The power of the Board to –

6.2.1. increase or decrease the number of authorised Shares of any class of the company's Shares; or

6.2.2. create any class of Shares; or

6.2.3. reclassify any classified Shares that have been authorised but not issued; or

6.2.4. classify any unclassified Shares that have been authorised but not issued; or

6.2.5. determine the preferences, rights, limitations or other terms of any Shares,

shall be subject to the approval of the Shareholders by way of a special resolution.

6.3. The authorisation and classification of Shares, the numbers of authorised Shares of each class, and the preferences, rights, limitations and other terms associated with each class of Shares, as set out in this Memorandum of Incorporation, may be changed only by an amendment of this Memorandum of Incorporation by special resolution of the Shareholders and in accordance with the JSE Listings Requirements.

6.4. Each Share issued by the company has associated with it an irrevocable right of the Shareholder to vote on any proposal to amend the preferences, rights, limitations and other terms associated with that Share, and accordingly if any amendment to this Memorandum of Incorporation relates to the variation of any preferences, rights, limitations and other terms associated with any class of Share already in issue, such amendments shall not be implemented without a special resolution adopted by the holders of Shares of that class at a separate meeting. The holders of Shares of that class will, subject to the further provisions of clause 23.2, also be entitled to vote at the meeting of ordinary Shareholders where the amendment is tabled for approval.

6.5. No Shares may be authorised in respect of which the preferences, rights, limitations or any other terms of any class of Shares may be varied in response to any objectively ascertainable external fact or facts as provided for in sections 37(6) and 37(7).

6.6. *The Board may, subject to clauses 6.7, 6.9 and 6.11, the Act and the JSE Listings Requirements, resolve to issue Shares of the company at any time, but only –*

6.6.1. *within the classes and to the extent that those Shares have been authorised by or in terms of this Memorandum of Incorporation; and*

6.6.2. *to the extent that such issue has been approved by the Shareholders in general meeting, either by way of a general authority (which may be either conditional or unconditional) to issue Shares in its discretion or a specific authority in respect of any particular issue of Shares, provided that, if such approval is in the form of a general authority to the Directors, it shall be valid only until the next annual general meeting of the company and it may be varied or revoked by any general meeting of the Shareholders prior to such annual general meeting, provided further that the approval by Shareholders in general meeting shall not be required –*

6.6.2.1. *to the extent that such Shares have first been offered to existing ordinary Shareholders in proportion to their shareholding, on such terms and in accordance with such procedures as the Board may determine; or*

6.6.2.2. *to the extent that such Shares are issued for the acquisition of assets by the company, whether by means of an acquisition issue or a vendor consideration placement.*

6.7. *All issues of Shares for cash and all issues of options and convertible securities granted or issued for cash must, in addition, be in accordance with the JSE Listings Requirements.*

6.8. *Save where permitted by the JSE, all Securities for which a listing is sought on the JSE and all Securities of the same class as Securities which are listed on the JSE must be freely transferable and must, notwithstanding the provisions of section 40(5), but unless otherwise required by the Act, only be issued after the company has received the consideration approved by the Board for the issuance of such Securities.*

6.9. *Save –*

6.9.1. *where otherwise permitted under the Act, the JSE Listings Requirements or this Memorandum of Incorporation;*

6.9.2. *where approved by Shareholders in general meeting; or*

6.9.3. *where such Shares are issued for the acquisition of assets by the company, whether by means of an acquisition issue or a vendor consideration placement*

the Board may only issue unissued Shares if such Shares have first been offered to existing ordinary Shareholders in proportion to their shareholding on such terms and in accordance with such procedures as the Board may determine.

6.10. *The Shareholders may at a general meeting authorise the Directors to issue Shares of the company at any time and/or grant options to subscribe for Shares as the Directors in their discretion think fit, provided that, to the extent applicable, such transaction(s) has/have been approved by the JSE and comply with the JSE Listings Requirements.*

6.11. *Notwithstanding anything to the contrary herein, any issue of Shares, Securities convertible into Shares, or rights exercisable for Shares in a transaction, or a series of integrated transactions shall, in accordance with the provisions of section 41(3), require the approval of the Shareholders by special resolution if the voting power of the class of Shares that are issued or are issuable as a result of the transaction or series of integrated transactions will be equal to or exceed 30% (thirty percent) of the voting power of all the Shares of that class held by Shareholders immediately before that transaction or series of integrated transactions.*

6.12. *Except to the extent that any such right is specifically included as one of the rights, preferences or other terms upon which any class of Shares is issued or as may otherwise be provided in this Memorandum of Incorporation, no Shareholder shall have any pre-emptive or other similar preferential right to be offered or to subscribe for any additional Shares issued by the company."*

The reason for special resolution number 4 is to obtain the required approval of shareholders to amend the memorandum of incorporation of the company in the manner that aligns the memorandum of incorporation with the provisions of the JSE Listings Requirements and the Companies Act, in relation to the issue of shares, as set out in the special resolution above.

The effect of special resolution number 4 is that the company will have the necessary authority to amend the memorandum of incorporation in the manner set out in the special resolution above, which amendments have also been approved by the JSE.

4. Other business

To transact such other business as may be transacted at an annual general meeting or raised by shareholders with or without advance notice to the company.

Information relating to the special resolutions

1. The directors of the company or its subsidiaries will only utilise the general authority to purchase shares of the company as set out in special resolution number 3 to the extent that the directors, after considering the maximum shares to be purchased, are of the opinion that the position of the company and its subsidiaries ("Zeder group") would not be compromised as to the following:

   – the Zeder group's ability in the ordinary course of business to pay its debts for a period of 12 months after the date of this AGM and for a period of 12 months after the purchase;

   – the consolidated assets of the Zeder group will at the time of the AGM and at the time of making such determination be in excess of the consolidated liabilities of the Zeder group. The assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited annual financial statements of the Zeder group;

   – the ordinary capital and reserves of the Zeder group after the purchase will remain adequate for the purpose of the business of the Zeder group for a period of 12 months after the AGM and after the date of the share purchase; and

   – the working capital available to the Zeder group after the purchase will be sufficient for the Zeder group's requirements for a period of 12 months after the date of the notice of the AGM, and the directors have passed a resolution authorising the repurchase, resolving that the company or the subsidiary, as the case may be, has satisfied the solvency and liquidity test as defined in the Companies Act and resolving that since the solvency and liquidity test had been applied, there have been no material changes to the financial position of the Zeder group.

General information in respect of directors, major shareholders, directors' interest in securities and material changes and the share capital of the company is contained in the annual report of which this notice forms part, as well as the full set of annual financial statements, being available on Zeder's website www.zeder.co.za or which may be requested and obtained in person, at no charge, at the registered office of Zeder during office hours.

2. Remuneration of directors

   In terms of the formal management agreement between Zeder and PSG Corporate Services (Pty) Ltd ("PSG"), all Zeder directors' fees are paid by PSG. In the interests of transparency, shareholders are advised that fees payable to directors in the financial year ahead will be as set out below:

   Per annum for serving as a director: R87 300

   Per annum for serving on the audit and risk committee: R31 200

   Note:
   Executive directors of the company are not personally remunerated for their services as directors of the company and/or its subsidiaries.

3. 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.

4. The directors, whose names appear on page 7 of the annual report of which this notice forms part, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts that have been made and that the notice contains all information required by the Listings Requirements of the JSE.

5. Special resolution numbers 1 to 3 (inclusive) are renewals of resolutions taken at the previous annual general meeting on 21 June 2013.

NOTICE OF ANNUAL GENERAL MEETING / CONTINUED

VOTING

1. The date on which shareholders must be recorded as such in the share register maintained by the transfer secretaries of the company ("the Share Register") for purposes of being entitled to receive this notice is Friday, 9 May 2014.
2. The date on which shareholders must be recorded in the Share Register for purposes of being entitled to attend and vote at this meeting is Friday, 13 June 2014, with the last day to trade being Friday, 6 June 2014.
3. Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the chairman of the AGM and must accordingly bring a copy of their identity document, passport or drivers' license to the AGM. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the transfer secretaries for guidance.
4. Shareholders entitled to attend and vote at the AGM 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 AGM.
5. 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 12:00 on Wednesday, 18 June 2014.
6. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who wish to attend the AGM 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.
7. 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.
8. Shareholders present in person, by proxy or by authorised representative shall, on a show of hands, have one vote each and, on a poll, will have one vote in respect of each share held.

By order of the board

PSG Corporate Services (Pty) Ltd
Company secretary

16 May 2014
Stellenbosch

Sponsor
PSG Capital (Pty) Ltd

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

CORPORATE ADVISOR AND SPONSOR
PSG Capital (Pty) Ltd

AUDITOR
PricewaterhouseCoopers Inc.

PRINCIPAL BANKER
FirstRand Ltd

WEBSITE ADDRESS
www.zeder.co.za

SHAREHOLDERS' DIARY

	2014
Financial year-end	28 February
Profit announcement	7 April
Annual general meeting	20 June
Interim profit announcement	6 October

ZEDER
INVESTMENTS LIMITED

(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 09:45 at Spier Wine Estate, on Friday, 20 June 2014 ("the AGM").

I/We (Full name in print) ____

of (address) ____

being the registered holder of ______________________ ordinary shares hereby appoint:

1. ____ or failing him/her,

2. ____ or failing him/her,

3. the chairman of the AGM,

as my proxy to vote for me/us at the AGM 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 accept the presentation of the audited annual financial statements			
2.1.1	Ordinary resolution number 1: To re-elect Mr GD Eksteen as director			
2.1.2	Ordinary resolution number 2: To re-elect Mr WA Hanekom as director			
2.1.3	Ordinary resolution number 3: To re-elect Mr MS du Pré le Roux as director			
2.1.4	Ordinary resolution number 4: To re-elect Mr PJ Mouton as director			
2.1.5	Ordinary resolution number 5: To re-elect Mr CA Otto as director			
2.2.1	Ordinary resolution number 6: To re-appoint Mr GD Eksteen as a member of the audit and risk committee			
2.2.2	Ordinary resolution number 7: To re-appoint Mr MS du Pré le Roux as a member of the audit and risk committee			
2.2.3	Ordinary resolution number 8: To re-appoint Mr CA Otto as a member of the audit and risk committee			
2.2.4	Ordinary resolution number 9: To re-appoint Mr LP Retief as a member of the audit and risk committee			
2.3	Ordinary resolution number 10: To re-appoint PricewaterhouseCoopers Inc. as the auditor			
2.4	Ordinary resolution number 11: General authority to issue ordinary shares for cash			
3.1.1	Special resolution number 1: Inter-company financing			
3.1.2	Special resolution number 2: Financial assistance for the acquisition of shares in a related or inter-related company			
3.2	Special resolution number 3: Share buy-back by Zeder and its subsidiaries			
3.3	Special resolution number 4: Amendment to the memorandum of incorporation of the company in relation to the issue of the company's shares			

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 ____________________ 2014.

Signature(s) ____

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

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

NOTES

1. A Zeder shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space(s) provided, with or without deleting "the chairman of the AGM". The person whose name appears first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
2. A Zeder shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the chairman of the AGM, if he/she is the authorised proxy, to vote in favour of the resolutions at the AGM, or any other proxy to vote or to abstain from voting at the AGM as he/she deems fit, in respect of all the shares concerned. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or his/her proxy, but the total of the votes cast and in respect whereof abstentions are recorded may not exceed the total of the votes exercisable by the shareholder or his/her proxy.
3. When there are joint registered holders of any shares, any one of such persons may vote at the AGM in respect of such shares as if he/she was solely entitled thereto, but, if more than one of such joint holders be present or represented at any AGM, that one of the said persons whose name stands first in the register in respect of such shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased 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 (Pty) Ltd (PO Box 61051, Marshalltown, 2107), by not later than 12:00 on Wednesday, 18 June 2014.
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 AGM.
7. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.

GREYMATTER & FINCH # 7991

WWW.ZEDER.CO.ZA