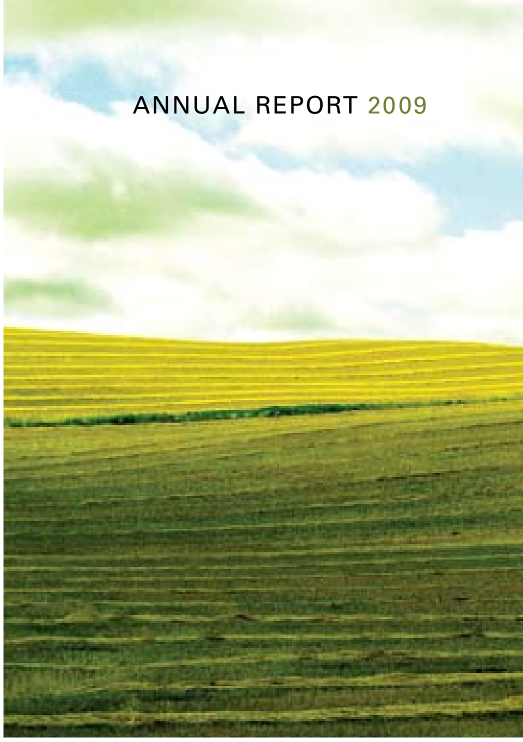
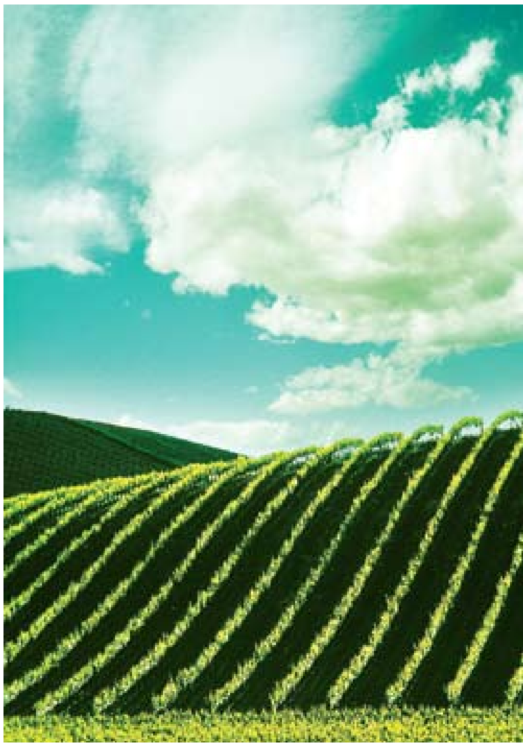
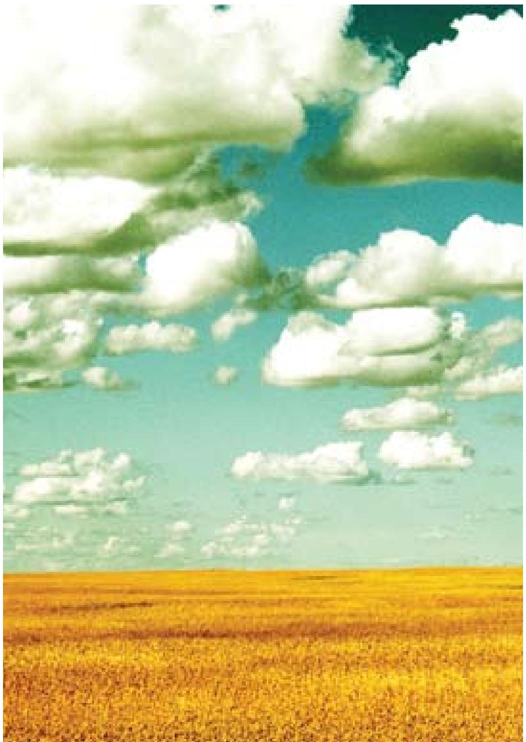



ANNUAL REPORT 2009



ZEDER
INVESTMENTS LIMITED




Contents

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

The investment approach is value-oriented, which is considered vital for generating attractive long-term investment returns in these cyclical and neglected sectors.

Directors and group structure

Johannes Fredericus Mouton
(62), BCom (Hons), CA(SA), AEP

CHAIRMAN

Directorships: Executive chairman of PSG Group Limited, non-executive director of Steinhoff International Holdings Limited, KWV Limited and Kaap Agri Limited.

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

Antonie Egbert Jacobs
(44), BAcc, BCompt (Hons), CA(SA), MCom (Tax), LLB

CHIEF EXECUTIVE OFFICER

Directorships: Non-executive director of KWV Limited, Pioneer Food Group Limited and MGK Business Investments Limited.

Summary of curriculum vitae
Mr Jacobs is a qualified chartered accountant with many years experience in an investment management capacity in the agricultural sector. He was the managing director of KLK Landbou Limited and financial director of the Winecorp Limited and Spier Holdings.

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Chris Adriaan Otto
(59), BCom, LLB

NON-EXECUTIVE DIRECTOR

Directorships: Non-executive director of PSG Group Limited, Capitec Bank Holdings Limited and Kaap Agri Limited.

Summary of curriculum vitae
Mr Otto has been an executive director of PSG Group since 1996 until March 2009. 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.

Michiel Scholtz du Pré le Roux
(59), BCom, LLB

NON-EXECUTIVE DIRECTOR

Directorships: Non-executive chairman of Capitec Bank Holdings Limited.

Summary of curriculum vitae
Mr Le Roux was managing director of Distillers Corporation (SA) Limited from 1979 to 1993, and from 1995 to 1998 managing director of Boland Bank Limited, NBS Boland Limited and BoE Bank Limited. He is one of the founding members of Capitec Bank.

Lambert Phillips Retief
(56), BCom (Hons), CA(SA), OPM (HBS)

NON-EXECUTIVE DIRECTOR

Directorships: Non-executive chairman of Paarl Media Holdings (Proprietary) Limited, non-executive director of Media24 Limited.

Summary of curriculum vitae
Mr Retief is a qualified chartered accountant and has been involved in the printing and publishing business since 1978. He is a past chairman of the Provincial Press Association and current president of the Printing Industry Federation of South Africa. He is also a director of various investment companies.

Zeder invests predominantly in equity instruments, usually in the form of ordinary shares, but alternative investment instruments are also considered where an attractive investment return is expected.

Kaap Agri Limited **34,3%**

KWV Limited **25,7%**

Capespan Group Limited **12,1%**

Suidwes Investments Limited **17,2%**

NWK Limited **5,9%**

MGK Business Investments Limited **26,7%**

OVK Operations Limited **9,0%**

Tuinroete Agri Limited **9,6%**

KLK Landbou Limited **10,0%**

BKB Limited **3,5%**

Agricol Holdings Limited **20,0%**


ZEDER
INVESTMENTS LIMITED

Chairman's letter

Money, like food, is a basic commodity. The past decade or two people globally lived in Utopia. However, cheap money in abundance caused consumers and corporates to overindulge in debt. The financial crisis followed and almost overnight a massive drought was threatening the global financial system. Significant amounts of capital were consequently withdrawn from equity markets and developing countries. Money has been in short supply since, with its owners commanding high prices. The culprits were sub-prime loans, credit derivatives and other dubious complex financial instruments.

At Zeder our model is however not complex. People must eat and drink, regardless of economic circumstances. We foresee that food and beverages will grow in prominence and thus have faith in our model of investing in simple understandable businesses that have tangible assets and track records across the agricultural, food and beverage industries. The companies usually have strong brands, loyal client bases and are often the sole suppliers or suppliers of choice.

We have been investing on attractive terms:

- Current weighted average price/earnings ratio of portfolio of 5,6
- Average weighted price-to-book ratio of 0,8
- Weighted average dividend yield of 4,3%
- Our underlying investments have continued to deliver pleasing results with headline earnings per share growth ranging from 10% to more than 100%

Fundamentals for the industry remain strong. The defensive characteristics of the asset class are evident:

- The global population continues to grow
- Urbanisation and development increase the protein intake of society
- The demand from the biofuels industry will in future provide additional growth
- Agriculture plays an important economic, social and rural development role. We expect government to increase its focus on this segment

It has taken time and effort to position Zeder in this sector. We have formed strong relationships and acquired significant stakes in a number of companies. Apart from regular interaction, we have over the past two years embarked on roadshows across the country to visit our investments. This gave us the opportunity to get to know the boards and management teams.

We are pleased that the businesses are run conservatively by quality people using appropriate systems and processes. We actively assist the companies in growing their businesses and to add value where possible. KWV has recently announced its firm intention to unbundle the KWV own operations, which will ultimately benefit shareholders. Over the coming years we should see industry consolidation, which in turn will lead to cost savings and improved operational efficiency.

We have invested the capital raised towards the end of 2006 in 11 investments. Significant stakes in five of these companies have enabled us to equity-account our portion of their profits. Our interests in Kaap Agri and KWV constitute approximately 80% of our investment portfolio. The landscape remains attractive, and we have consequently embarked on raising a further R500 million by means of a rights issue in June 2009. At the time of writing we have received irrevocable undertakings to subscribe approximately R200 million, as well as an underwriting commitment for an additional R100 million.

Sowing seeds at the opportune time in fertile soil is what we are doing. We are convinced that over time shareholders' investments will bear the fruits.

I thank my fellow Zeder board members and management team for their commitment. A special word of thanks to the portfolio of investee companies without which there would be no Zeder. Congratulations on commendable results achieved in the past year; you can count on our ongoing support in coming years. Lastly, to our shareholders – we appreciate your loyalty, even more so in times when Zeder's share price has been under pressure.

Jannie Mouton
Stellenbosch


ZEDER
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R168,6 million
Net profit after tax

R153,4 million
Headline earnings from investments

Chief executive officer's report

OVERALL REVIEW

At a time when much of the global economy is falling apart, the notoriously cyclical world of agriculture is holding up remarkably well. No matter how bad things get, people still have to drink and eat. There is a steady increase in the demand for food from poorer countries. People there eat more food – especially more protein. More people are better nourished thanks to a bit more grain, a lot more meat and much more milk.

In the past decade in China, the consumption of milk has grown sevenfold and that of olive oil, sixfold. China is consuming 60% more poultry, 30% more beef and 25% more wheat, and these are merely the obvious foods. Even with all this growth, people in China still, on average, consume only one-third as much milk and meat as people in wealthy countries. The gap is even larger in India which is also growing fast.

Li Edelkoort, the Dutch trend researcher who also publishes *Bloom* magazine, has for the last 20 years pointed companies and consumers towards the future. During her last seminar in South Africa relating to food and lifestyle, she reported that all signs indicate that the emphasis will fall squarely on farming as the way forward. Ninety percent of what we need, what we depend on, will be produced by farms. She pointed out that farmers will clothe us, house us, feed us, fuel us and hopefully heal us. The agricultural community will become the planet's new elite.

Partner with ZEDER

We are looking for investment opportunities with the following characteristics:

- Companies operating in the agricultural, food, beverages and food processing sectors
- Management with a proven track record must be in place. Zeder is an investment company – we cannot and are not interested in getting involved with the day-to-day management of the business
- We would like to invest in an established company with an operating history. We do not provide seed or venture capital for start-ups or greenfield operations
- Companies where Zeder's share of the after-tax profit is in excess of R10 million
- Companies with a durable competitive advantage and high barriers to entry
- Strong underlying cash flows are important and a return on equity of 20% must be an objective and achievable

We are interested in becoming your business partner and believe that we can make the following contribution:

- Provide capital needed for expansion
- Provide strategic inputs on board level
- Play a facilitating role in industry consolidation

Why ZEDER ?

WE WOULD LIKE TO BE SEEN AS A SHAREHOLDER OF REFERENCE WHICH MEANS THAT WE:

- Through our listed status, have access to institutional capital that can be made available to our underlying investments, if and when necessary, to either grow internally or externally
- Be a soundboard for corporate decision-making
- Provide protection against outside threats like hostile actions
- Facilitate the exploration of synergies amongst our group of investments

We leave the running of the business to management. Their track record and our trust provide them with the freedom to do what they are best at – managing and growing their business

BLACK ECONOMIC EMPOWERMENT (BEE)

- We subscribe to the philosophy of BEE and encourage it at all of our investments
- Zeder has participated and facilitated similar transactions and has strategic and trusted BEE partners which it can introduce to its investment partners
- BEE is vital to ensure the success of our country's prosperity. We realise, though, that in many instances it will take time to implement BEE and care has to be taken to ensure the most efficient structure for all parties involved

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ZEDER
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9%
increase in net asset value per share

56%
increase in recurring headline earnings per share

FINANCIAL RESULTS

Highlights

Zeder's recurring headline earnings per share increased by 56% to 24,4 cents (2008: 15,6 cents) as a result of the equity-accounted earnings from its investment in associated companies, which were predominantly accounted for as marked-to-market profits in the income statement the previous year. The company's objective remains to equity-account all of its investments which will result in less volatile earnings.

Zeder's equity-accounted headline earnings from its investments in:

- Kaap Agri Limited ("Kaap Agri")
- KWV Limited ("KWV")
- MGK Business Investments Limited
- Agricol Holdings Limited and
- Thembeka Agri Holdings (Proprietary) Limited ("KLK Landbou Limited")

amounted to R159,8 million (2008: R71,6 million) for the year ended 28 February 2009.

Results

Zeder's investment portfolio increased by 24% to R1 694,5 million from R1 366,5 million as at 29 February 2008. Zeder's net profit after tax for the reporting period is R168,6 million (2008: R207,5 million) and headline earnings R153,4 million (2008: R206,5 million). The decrease is attributable to the fact that Zeder had significant marked-to-market profits in the previous period on certain investments which Zeder now equity-accounts. Zeder's net asset value per share increased by 9% to R2,82 on 28 February 2009 from R2,59 on 29 February 2008. The Zeder value per share is R1,92 calculated at unlisted market prices.

During the reporting period Kaap Agri and Pioneer Food Group Limited ("Pioneer") had rights offers of R100 million and R500 million respectively. Zeder followed its rights under the Kaap Agri offer and now has a 34,3% effective shareholding in this company. Zeder entered into an underwriting agreement with Pioneer whereby it underwrote R360 million of the rights issue. As a result, Zeder subscribed for 2,3 million shares in Pioneer for R57, 8 million. During the reporting period Zeder sold all its shares in Pioneer for a profit.

Where Zeder equity-accounts the investments, the book value of the investments are tested for potential impairment at each reporting period. The directors are satisfied that the fair value of Zeder's investments in its associated companies exceeds book value.

Rights issue

The board of Zeder has resolved to proceed with a rights issue in terms of which it is intended that Zeder will raise approximately R500 million from its shareholders. The rights issue is on the basis of 60 rights shares for every 100 Zeder shares held at an issue price of 135 cents per share.

The board is of the view that the proposed rights offer will provide Zeder with the necessary cash resources to pursue attractive identified investment opportunities.

Dividends

Zeder's dividend policy was to declare and pay dividends equal to the cash dividends received from its underlying investments during the reporting period. In future, Zeder intends to distribute 100% of free cash flow as dividends.

Prospects

We continue to acquire quality assets in the agricultural and related sectors at a discount to intrinsic value and, in so doing, will grow both Zeder's earnings and intrinsic value.

51% increase
in Kaap Agri's headline earnings from own operations

REVIEW OF INVESTMENTS

Kaap Agri Limited (34,3%)

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

Kaap Agri Limited

Year ended 30 September	2008	2007	2006
Revenue (Rm)	2 363,1	1 701,1	1 415,3
Net profit (Rm)	242,5	203,2	205,6
Headline earnings per share (cents)	102,7	100,6	93,1
Net asset value per share (cents)	803,0	747,0	586,0

Kaap Agri's success the last few years could partly be ascribed to the changed focus of its trading branches (the Agrimark stores) from purely farming-orientated to include the public at large. The 53 Agrimark stores are the major contributor to group revenue and profits (contributes 70% of operating profit). The company's footprint stretches through the Western and Northern Cape up into southern Namibia where it has recently acquired a number of trading branches. Apart from its own operations, Kaap Agri holds a 32% economic interest in Pioneer Foods, South Africa's second biggest food producers company.

Kaap Agri's own operations continued to perform very well and generated headline earnings of R92 million (51% higher than the previous year). The Retail division grew profits by 31% and contributed 69% of own operations' profit. The company benefited from the good yields and high commodity prices producers enjoyed during the year. Higher input costs (fertilizer, fuel, etc) will, to some extent, negatively affect producers' profitability which will lead to more modest returns during the next year. Zeder expects that the company's expansion strategy will make up for this.

Kaap Agri invested R130 million in Pioneer when it followed its rights during Pioneer's rights issue. Concurrently, shareholders of Kaap Agri showed their confidence in Kaap Agri by following 94% of their rights during Kaap Agri's own rights issue which raised R94 million.

It is pleasing to note that Kaap Agri has declared a dividend (23 cents) that is higher than the dividend it received from Pioneer. The dividend received from Pioneer equated to 20 cents per Kaap Agri share. Another 3 cents per share was added by Kaap Agri's own operations which indicates that these operations are an independent and healthy profit-generating business in its own right. Management deserve special mention because they make the necessary distinction between the Pioneer interest, as an investment, and the own operations where management influence performance.

Pioneer

Pioneer experienced a challenging year. Although revenue increased by 27% to R14,9 billion, headline earnings was down 7%. On a per share basis headline earnings was 11% lower, this difference being a result of the diluting effect of the newly issued shares.

Pioneer's rights issue generated R500 million. This was primarily used to fund capex of R648 million. The profit margins were lower as a result of the slower demand growth, higher input costs like fuel and energy, product mix and massive increases in costs of commodities.

Zeder remains confident and excited about Pioneer's future prospects. The high commodity prices have cooled off and, coupled with management's focus on increasing the share of the branded products in the product mix, we expect profit margins to increase. The increase in capacity will provide further support to the company's growth strategy.

KWV Limited			
Year ended 30 June	**2008**	2007	2006
Revenue (Rm)	**888,8**	818,2	1 185,6
Net profit (Rm)	**360,5**	217,8	191,3
Headline earnings per share (cents)	**47,3**	27,1	27,8
Net asset value per share (cents)	**379,5**	330,1	312,4

Capespan Group Limited			
Year ended 31 December	**2008**	2007	2006
Revenue (Rm)	**2 424,2**	2 143,7	1 795,8
Net profit (Rm)	**129,6**	50,9	88,6
Headline earnings per share (cents)	**32,8**	20,0	15,3
Net asset value per share (cents)	**252,9**	199,5	194,5

KWV Limited (25,7%)

Chairman: Danie de Wet
Managing director: Thys Loubser
Head office: Paarl, Western Cape

KWV is a global exporter and distributor of quality wines and spirits. Brands include Roodeberg, KWV Brandy, Cathedral Cellar and Laborie. Prior to 2004, KWV was not allowed to sell its products in the South African market due to historical government regulations. It has since been actively involved in growing its local presence. In addition to its own operations, it has a 51% interest in KWV Investments, a JSE-listed investment holding company that indirectly owns 29% of Distell.

KWV has simplified its group structure in the year under review and implemented a value enhancing five-pillar strategy. Although KWV faced difficult economic conditions both home and abroad it managed to perform well, with headline earnings from own operations increasing 227% for the year ended 30 June 2008.

A significant share of KWV's profit derives from this indirect interest in Distell. In spite of tough trading conditions, Distell continues to deliver excellent results because it has a diversified portfolio of products consisting of fine wines, spirits, ciders and ready-to-drinks (RTDs).

KWV has recently made a decision to split its own operations and the Distell interest held through KWV Investments. The proposed restructuring will allow management to focus its attention on adding value to its own operations, whilst also providing an opportunity for the market to fully appraise the value thereof. The most efficient mechanisms for implementing the proposed restructuring are currently being investigated by the KWV board.

Both the local and export market in which KWV operates will be under pressure in the foreseeable future as was evident in the interim results announcement for the period ended 31 December 2008. Declining consumer spending and the challenging economic climate will pose a big challenge to KWV in the next year. The weaker rand might help to offset weaker exports but only to a certain extent. Distell's management expects lower revenue and earnings growth for the remainder of the year, but its wide range of products and diversified market presence should, however, ensure the resilience of the business.

Capespan Group Limited (12,1%)

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

Capespan is the latest addition to our investment portfolio and has its origins in the late 1920s. Today it is the culmination of two companies that played a major role in developing the South African fruit industry. Capespan was established in 1999 by its two parent companies, Unifruco and Outspan. Unifruco was formed in 1989 as a follow-on of the co-operative-styled Deciduous Fruit Board (DFB), in existence since 1939. Outspan in turn was established in 1994 as the organisation replacing the South African Co-operative Citrus Exchange (SACCE), which controlled citrus exports since 1926.

The business has a diversified portfolio of activities and is a global leader in fruit marketing and supply chain service solutions. Capespan enables more than 1 300 producers to fulfil their global supply objectives by delivering close to 60 million cartons of fruit in 66 countries on six continents annually.

Capespan has recently concluded a shareholding simplification process whereby the two controlling shareholders, Unifruco and Outspan, unbundled Capespan shares to their underlying shareholders. Shareholders of Unifruco and Outspan were mainly growers of deciduous and citrus fruit respectively. This step will unlock value for these "farmer" shareholders because shares will now be able to trade freely and without restriction on an over-the-counter market. Zeder commends this move because control structures similar to these, that are still characteristic of a number of agri businesses, place a cap on the value of the shares.

Business at Capespan is conducted in three different divisions, namely, Fruit, Logistics and Investments. The Fruit and Logistics divisions were the major contributors to the excellent results delivered for the year under review. The improvement in the Fruit division was mainly as a result of higher export volumes that benefited from a weaker rand and the first-time inclusion of farm management activities. The Logistics division saw the port terminals significantly increasing the number of containers handled. The Investments division that includes the Hong Kong operations as well as farming and wine interests was also profitable.

Suidwes Investments Limited			
Year ended 30 April	**2008**	2007	2006
Revenue (Rm)	**3 428,7**	1 542,9	1 204,2
Net profit (Rm)	**67,9**	47,2	34,0
Headline earnings per share (cents)	**59,7**	36,8	27,5
Net asset value per share (cents)	**256,1**	210,1	173,7

NWK has a long-term strategy to **diversify its income** stream which will make it less dependent on grain activities.

Suidwes Investments Limited (17,2%)

Chairman: Fanie van Zyl
Managing director: Schalk Pienaar
Head office: Leeudoringstad, North West

Suidwes operates in a maize-producing area of the North West province and is involved in all aspects of meeting the needs of grain and other farmers, from supplying inputs and requisites to grain handling, storage and marketing, selling insurance and providing financing.

Suidwes delivered excellent results for the year under review. The good performance by the company was mainly as a result of the combined effect of good rainfalls, relatively low input costs and high commodity prices. The low input costs have changed dramatically subsequent to year-end, and the current season is characterised by substantially higher costs.

The Grain Handling and Marketing division and the company's financing operations constitute the bulk of the profits generated. The success of the Grain division is directly dependent on the size of the grain harvest, and the bumper crop that farmers experienced last year improved profit. The company's financing operations did not perform as well as the other divisions, because farmers were able to repay their loans much quicker due to their higher profitability. Farmers' improving financial position have many other benefits, among them increases in retail spending. In spite of demanding working capital levels and input price increases, the retail business, conducted through 17 retail outlets, has shown a handsome increase in profit, although not yet a significant contributor to the total bottom line.

Suidwes managed to deliver very good interim results – in line with the performance of all the northern agri businesses in Zeder's portfolio. The same factors led to the good results: a big maize harvest leading to good utilisation of their storage capacity, increased plantings, increasing demand for inputs and a healthy debtors book and demand for production loans. Management is optimistic that the second half of the financial year will show an improvement on last year's results. Coming from a high base, this will be a first-class achievement because of an environment of high input costs and lower commodity prices.

NWK Limited			
Year ended 29/28 February	**2008**	2007	2006
Revenue (Rm)	**3 163,1**	2 868,3	2 384,8
Net profit (Rm)	**106,8**	71,7	95,5
Headline earnings per share (cents)	**74,7**	50,1	66,7
Net asset value per share (cents)	**633,9**	586,1	572,9

NWK Limited (5,9%)

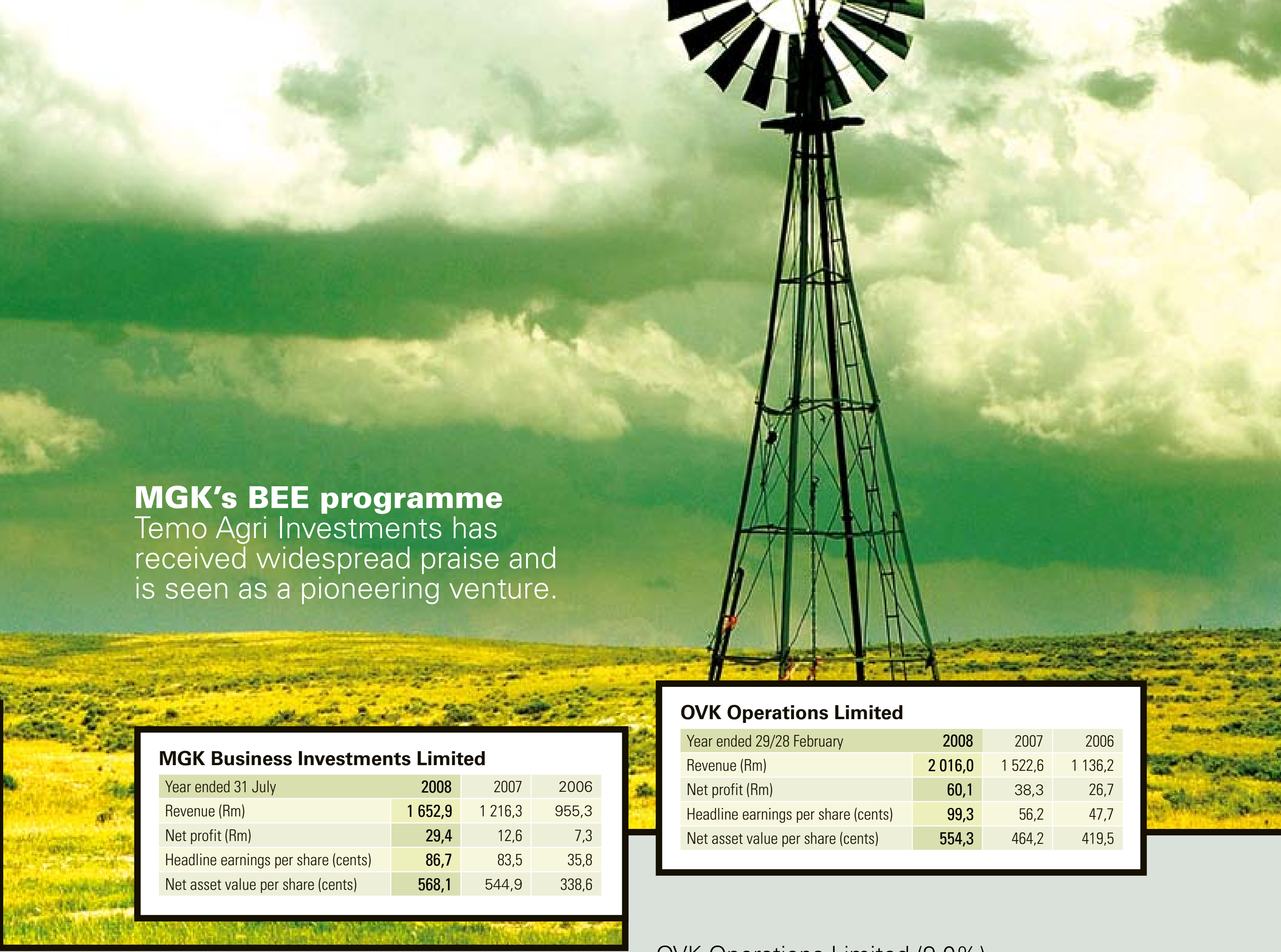
Chairman: Heinrich Krüger
Managing director: Danie Marais
Head office: Lichtenburg, North West

NWK is a leading provider of agricultural services and inputs, primarily in the North West province. NWK controls a significant part of the national grain storage capacity. The company's clients are agricultural producers and buyers of a wide range of agricultural inputs.

NWK has proved itself to be a conservatively run company that has managed to show profits in all phases of the agricultural cycle. The company is conservatively financed with a very liquid balance sheet and has historically paid out attractive dividends. It seems as if the transition of the old to the new management team has been implemented effortlessly (a new chairman and MD were appointed 18 months ago).

NWK has a long-term strategy to diversify its income stream which will make it less dependent on grain activities. The strategy has started to pay off, with the Industries division making a significant contribution to profits in 2008. NWK's product offering consists mainly of retail, grain and industry segments and provides a sufficient hedge against the traditional maize-dependent business. These industry operations include an oilseed-crushing business, an animal feeds factory and a broiler project.

High commodity prices worldwide, coupled with good harvests, resulted in NWK achieving very good results for the latest interim period. The three divisions contributed handsomely to profits, with the Grain and the Retail divisions doing exceptionally well because of the good harvests and attractive farming conditions experienced in the area. Rising input costs and lower commodity prices will place pressure on profitability levels of farmers in the year ahead.



MGK's BEE programme
Temo Agri Investments has received widespread praise and is seen as a pioneering venture.

MGK Business Investments Limited

Year ended 31 July	2008	2007	2006
Revenue (Rm)	1 652,9	1 216,3	955,3
Net profit (Rm)	29,4	12,6	7,3
Headline earnings per share (cents)	86,7	83,5	35,8
Net asset value per share (cents)	568,1	544,9	338,6

OVK Operations Limited

Year ended 29/28 February	2008	2007	2006
Revenue (Rm)	2 016,0	1 522,6	1 136,2
Net profit (Rm)	60,1	38,3	26,7
Headline earnings per share (cents)	99,3	56,2	47,7
Net asset value per share (cents)	554,3	464,2	419,5

MGK Business Investments Limited (26,7%)

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

MGK provides products and services to clients mainly in irrigation agriculture across the country. Main operating divisions are Obaro, Prodsure and All-gro. Obaro offers agricultural , gardening and pet services and products to the public from 17 retail outlets. Storage, handling and marketing services for soft commodities are provided through Prodsure. All-gro produces, markets, sells and distributes chemical and organic enriched fertilizers, bird seeds, scientifically formulated koi food and environmentally friendly insecticide.

MGK's BEE programme, Temo Agri Investments, to assist black farmers, has received widespread praise and is seen as a pioneering venture.

All the company's divisions were profitable in what was a very good year for most agri companies. In spite of an uncertain short-term outlook for the agri industry and because the company is not as exposed to adverse weather conditions as other agri businesses, we expect MGK to continue growing its profits, especially through further growth opportunities in the Retail division where MGK has proved to be very successful. The Retail division is MGK's stalwart. It contributes the bulk of the profit, and further growth opportunities will be pursued by MGK's energetic management team.

OVK Operations Limited (9,0%)

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

OVK is situated in an agricultural area that has a very moderate climate – good and stable rainfalls and moderate to cold day and night temperatures. This allows lower-risk farming in the area. The company has expanded its footprint during the last few years through mergers in order to diversify its operations. These new avenues of business have contributed favourably to the earnings growth that we have seen in the last few years. The bulk of OVK's profit, constituting 70% of the total, is made up of retail (primary inputs, fuel, vehicles, mechanisation) and financing. The Grain division contributes 20% of total profit. A continuing trend seems to be lower grain volumes handled as a result of farmers shifting operations from grain to livestock farming and because a greater part of OVK's clientele are livestock farmers that came on board as a result of the company's expansion programmes.

OVK continued to deliver exceptional earnings growth for the last financial year, and in the most recent six-month period earnings were 91% up compared to the corresponding period the previous year. The main contributors to this increase were the Retail and Grain divisions. The current economic challenges and agricultural business environment will place the profitability of farmers under pressure. Zeder expects OVK's clientele to be affected to a lesser extent and remains confident that the company will keep growing its profits albeit at a slower pace.

Tuinroete Agri supplies through

17 retail

trading branches

KLK Landbou Limited

Year ended 29/28 February	2008	2007	2006
Revenue (Rm)	1 185,9	954,8	769,0
Net profit (Rm)	11,0	9,2	7,3
Headline earnings per share (cents)	54,4	49,4	41,0
Net asset value per share (cents)	410,0	378,0	335,0

Tuinroete Agri Limited

Year ended 30 June	2008	2007 (16 months)	2006
Revenue (Rm)	468,0	432,0	270,8
Net profit (Rm)	21,0	83,3	9,5
Headline earnings per share (cents)	44,7	60,2	25,9
Net asset value per share (cents)	330,4	290,8	314,2

Tuinroete Agri Limited (9,6%)

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

Tuinroete Agri supplies an array of requisites to the farming community and building industry in the Southern Cape. This is done through its 17 retail trading branches spread across the area. Other operations that the company is involved in are the handling and storage of grain and the production of animal feeds. The retail branches comprise a very attractive property portfolio being situated in, amongst others, Plettenberg Bay, Knysna, George and Mossel Bay.

Profit margins of agricultural products decreased in the year under review but this was offset by Tuinroete's increasing share of non-agri income. The company's success in the last few years can be ascribed to the boom experienced in the region's property market. Tuinroete is the main supplier of building materials in the area and benefits handsomely from the building activities in the southern Cape. Indications are that new property developments and discretionary spending on renovations will decline. In spite of this, we expect earnings to grow with the successful integration of Langkloof Koöperasie with which Tuinroete has merged during the year.

KLK Landbou Limited (10,0%)

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

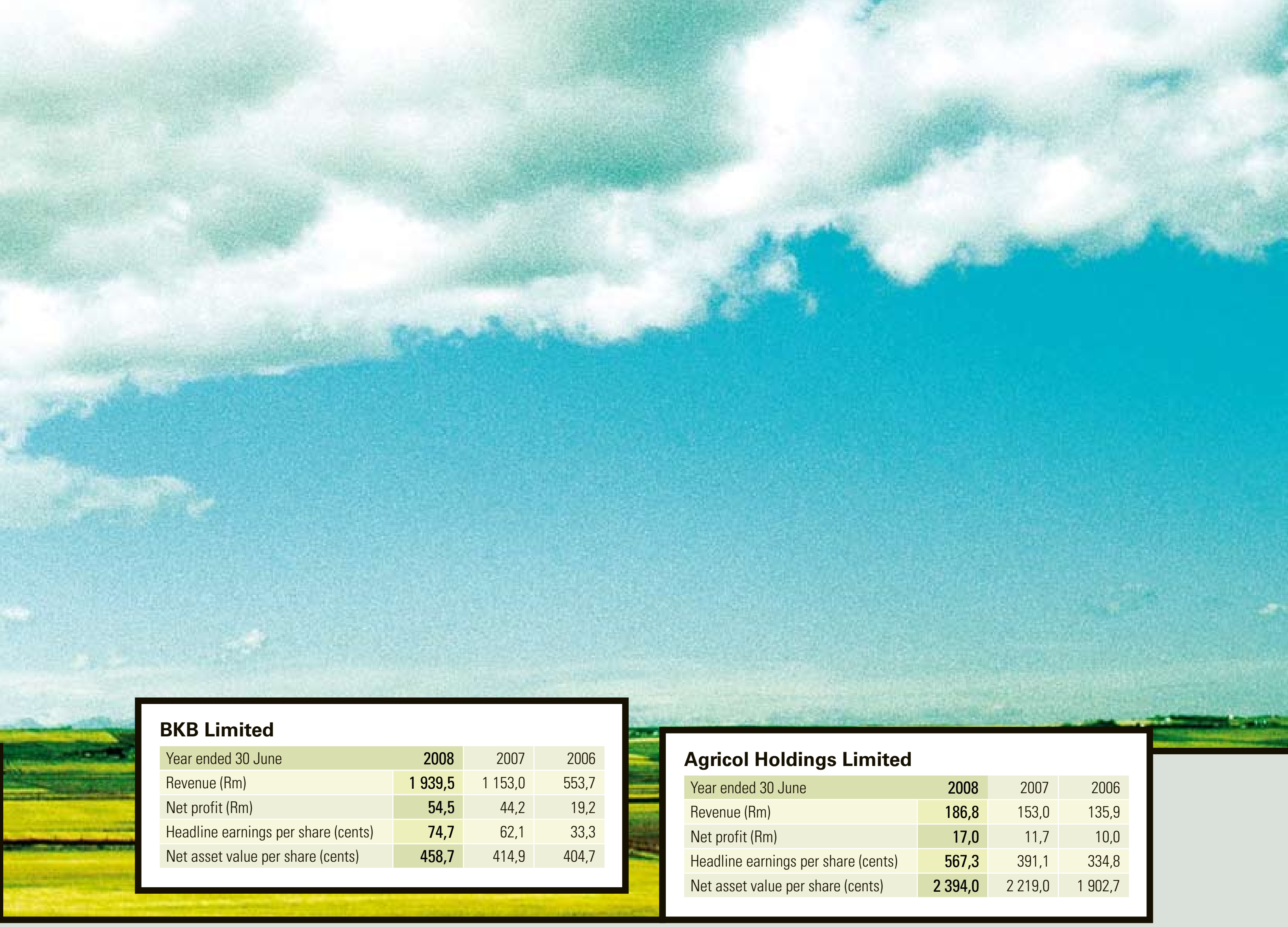
KLK serves the sheep farmers in the Kalahari and Northern Cape, but the company is also involved in a diverse range of businesses comprising mainly procurement and supply of agricultural requisites; procurement and marketing of livestock through the hosting of auctions and operating feedlots; slaughtering, processing and marketing of livestock; distribution and retail sales of BP fuels and related products; and the operation of various motor dealerships.

Zeder has a 49% interest in Thembeka Agri Holdings, the holding company that holds a 20% interest in KLK. Thembeka Capital, a broad-based BEE company, holds the other 51%. This allows Zeder to equity-account KLK's earnings.

In the year under review the retail outlets, fuel distribution and hide business performed satisfactorily. The meat chain business, the core of KLK, experienced a number of problems – lower slaughter numbers being the most important obstacle.

During the latest six-month period the abattoirs and meat business again proved to be problematic – slaughter volumes (down 38%) and industrial action resulted in a 43% decrease in the turnover of this division. The filling stations and fuel business constituted 40% of turnover and 70% of operating profit in the six-month reporting period.

The company should have no problem at least maintaining historical levels of profitability. A key factor for KLK going forward in unlocking value is the success of its meat supply chain business. We expect the company to continue delivering stable profits, with the filling stations and fuel distribution a catalyst for the rest of the business's performance.



BKB Limited

Year ended 30 June	2008	2007	2006
Revenue (Rm)	**1 939,5**	1 153,0	553,7
Net profit (Rm)	**54,5**	44,2	19,2
Headline earnings per share (cents)	**74,7**	62,1	33,3
Net asset value per share (cents)	**458,7**	414,9	404,7

Agricol Holdings Limited

Year ended 30 June	2008	2007	2006
Revenue (Rm)	**186,8**	153,0	135,9
Net profit (Rm)	**17,0**	11,7	10,0
Headline earnings per share (cents)	**567,3**	391,1	334,8
Net asset value per share (cents)	**2 394,0**	2 219,0	1 902,7

BKB Limited (3,5%)

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

BKB has a national footprint and its core business entails the handling and marketing of agricultural products, wool, mohair and livestock on behalf of its clients and the provision of farming requisites.

The results under review show good improvement in comparison to those of the previous year. Management has focused successfully on diversifying its income streams. The Livestock Trading division, in which BKB is one of the major national role players after its acquisition of two auctioneering businesses, came under pressure because of pressure on prices and demand. BKB Properties saw good growth in the value of business conducted. The company opened its 40th retail outlet in the year and has experienced increases in turnover, mainly as a result of sales of grain input requisites. Recently acquired Grainco experienced tough trading conditions with lower than expected grain volumes and high fuel costs for its grain storage and logistics businesses respectively. BKB's merger with Grainco has proved to be earnings enhancing. Grainco specialises in the storage, handling and collateral management of grain and offers grain producers an integrated product solution of which alternative storage methods play a part. BKB's national infrastructure provides Grainco with a much needed foothold into the various grain-producing areas in the country.

Agricol Holdings Limited (20,0%)

Chairman: Walter Andrag
Managing director: Paul Marais
Head office: Brackenfell, Western Cape

Agricol is a seed company with a national presence through an extended network of branches and agents all over South Africa. The company's activities include alternative crops like forage seed and agronomy crops like cereals, canola and hybrid sunflowers. One of Agricol's growing divisions is Turf Grass where it is on the forefront of the latest technology. All the main stadia in South Africa use Agricol's grass. It is also the supplier of grass to most of the country's golf courses. The other divisions are Birdseed and Seed for the Confectionery Trade.

In the year under review the company proved again to be very profitable while maintaining a very conservative balance sheet and delivering attractive returns on equity. The company is constantly expanding its product offering and as a result growing its business and market share. Agricol is set to benefit from the drive towards food security and the role Africa will play in meeting this global need.

We are optimistic about the prospects of Agricol. The business strongly focusses on research and development and constantly presents new products to the market. Cyclicality of farming and climate risk will continue to be a challenge to the farming side of the business. We expect the non-farming side to be key to sustainable and strong profit growth in the years ahead. A healthy balance between the two is already being maintained.

Financial statements
for the year ended 28 February 2009

Contents

Report of the audit committee in terms of section 270A(1)(f) of the Companies Act (61 of 1973), as amended

The audit committee considered the matters set out in section 270A(5) of the Companies Act, as amended by the Corporate Laws Amendment Act, and is satisfied with the independence and objectivity of the external auditors.

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

The audit committee has perused the financial statements of Zeder Investments Limited and the group for the year ended 28 February 2009 and, based on the information provided to the audit committee, the committee considers that Zeder Investments Limited has complied in all material respects, with the requirements of the Companies Act (61 of 1973), as amended, and International Financial Reporting Standards (IFRS).

MS du Pré le Roux
Chairman

6 April 2009
Stellenbosch

Approval of financial statements

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

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

The financial statements set out on pages 19 to 42 were approved by the board of directors of Zeder Investments Limited and are signed on its behalf by:

AE Jacobs
Director

CA Otto
Director

6 April 2009
Stellenbosch

Independent auditor's report

to the members of Zeder Investments Limited

We have audited the annual financial statements and group annual financial statements of Zeder Investments Limited, which comprise the directors' report, the separate balance sheet and the consolidated balance sheet as at 28 February 2009, the separate income statement and the consolidated income statement, the separate statement of changes in equity and the consolidated statement of changes in equity, the separate cash flow statement and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 19 to 42.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

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

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

OPINION

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company and the group as of 28 February 2009, and of their financial performance and their cash flows for the period then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa.

PricewaterhouseCoopers Inc

PricewaterhouseCoopers Inc
Director: HD Nel
Registered auditor

Cape Town
6 April 2009

Declaration by the company secretary

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

PSG Corporate Services (Pty) Limited
Per WL Greeff
Company secretary

6 April 2009
Stellenbosch

The directors are pleased to submit their report for the reporting period ended 28 February 2009.

NATURE OF BUSINESS

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

OVERVIEW

Zeder equity-accounts its investments in:

- Kaap Agri Limited ("Kaap Agri")
- KWV Limited
- MGK Business Investments Limited ("MGK")
- KLK Landbou Limited
- Agricol Holdings Limited ("Agricol")

Kaap Agri and Pioneer Food Group Limited ("Pioneer") both had rights offers during the year. The company followed its rights under the Kaap Agri rights offer effectively increasing its shareholding in Kaap Agri from 33,6% to 34,3% and underwrote R360 million of the Pioneer rights offer. As a result 2,3 million shares were taken up by the company but were disposed of before year-end, at a profit. Underwriting commission of R7,2 million was earned.

The company's shareholding in MGK diluted marginally from 29,8% at the end of the prior year to 26,7% in the current year due to a BEE restructuring of MGK, although the company followed its rights under MGK's rights offer in October 2008.

In addition, the company increased its effective shareholding in KWV Limited to 25,7% during the year.

The aforementioned equity-accounted earnings for the period under review amounted to R175,0 million (2008: R72,7 million). The investments in the associated companies were equity-accounted for 12 months in the current year compared to seven months in the prior year.

RESULTS

Zeder's investment portfolio increased by 24% to R1 694,5 million from R1 366,5 million as at 29 February 2008. The company made cash investments of R259,9 million since 29 February 2008.

Zeder's net profit after tax for the reporting period is R168,6 million, a decrease of R39,0 million from the prior year, mainly due to the decrease in fair value gains on financial instruments.

A restructuring took place between Capespan Group Holdings Limited, Outspan International Limited and Unifruco Limited which resulted in the company obtaining a 12,1% effective holding in the newly formed holding company of the Capespan Group. Fair value gains to the amount of R7,7 million were realised as a result of the restructuring.

Zeder's net asset value per share increased by 9% from R2,59 on 29 February 2008 to R2,82 on 28 February 2009. The Zeder value per share is R1,92 calculated on the basis of the unlisted market prices of its investments at 28 February 2009.

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

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

SHARE CAPITAL

Details of the authorised and issued share capital appear in note 7 to the financial statements.

During the periods under review, the number of shares in issue changed as follows:

	Number of shares
Net shares in issue at 28 February 2007	571 312 808
Issued to a private investor on 1 March 2007	1 449
Issued in terms of a share swap on 18 October 2007	28 920 348
Issued in terms of a share swap on 21 December 2007	4 822 602
Net shares in issue at 29 February 2008	605 057 207
Additional shares issued	30 000
Issued in terms of a share swap in August 2008	6 218 116
Net shares in issue at 28 February 2009	611 305 323

DIVIDENDS

A dividend of 7,0 cents per share for the year has been declared by the directors on 6 April 2009. The 2008 dividend of 5,0 cents per share was declared on 9 April 2008 and paid on 12 May 2008.

DIRECTORS

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

JG Carinus (resigned 9 April 2008)
AE Jacobs
MS du Pré le Roux
JF Mouton
CA Otto
LP Retief

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

CASH-BASED REMUNERATION (R000)	Basic salaries	Company contributions	Performance-related	Fees	**Total 2009**	Total 2008
Executive						
AE Jacobs	830	70	209		**1 109**	917
Non-executive						
MS du Pré le Roux				90	**90**	73
LP Retief				93	**93**	65
JG Carinus				30	**30**	73
	830	70	209	213	**1 322**	1 128

SHAREHOLDING OF DIRECTORS

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

	Beneficial		Non-beneficial		**Total shareholding**	
Name	Direct	Indirect	Direct	Indirect	**Number**	**%**
28 February 2009						
AE Jacobs		50 000			**50 000**	**0,008**
JF Mouton				50 000	**50 000**	**0,008**
CA Otto				50 000	**50 000**	**0,008**
MS du Pré le Roux				250 000	**250 000**	**0,041**
	–	50 000	–	350 000	**400 000**	**0,065**
29 February 2008						
AE Jacobs		50 000			50 000	0,008
JF Mouton				50 000	50 000	0,008
CA Otto				50 000	50 000	0,008
MS du Pré le Roux				250 000	250 000	0,041
LP Retief				1 199 500	1 199 500	0,198
	–	50 000	–	1 549 500	1 599 500	0,263

INDIVIDUAL SHAREHOLDERS HOLDING 5% OR MORE OF THE ISSUED SHARE CAPITAL AS AT 28 FEBRUARY 2009

	Number of shares	**%**
PSG Financial Services Limited	**234 464 488**	**38,36**

SECRETARY

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

Ou Kollege Building
35 Kerk Street
Stellenbosch 7600

PO Box 7403
Stellenbosch 7599

Balance sheets
at 28 February 2009

		GROUP		COMPANY	
					Restated
		2009	2008	**2009**	2008
	Notes	**R000**	R000	**R000**	R000
ASSETS					
Investment in associated companies	1	**1 445 340**	1 152 093	**1 088 450**	940 086
Financial assets					
Equity securities	2	**249 187**	214 408	**249 187**	214 408
Loans and advances	3	**38 709**	72 539	**38 709**	72 539
Deferred income tax	4	**131**		**131**	
Income tax receivable		**2 754**	961	**2 754**	961
Receivables	5	**585**	18	**585**	18
Cash and cash equivalents	6	**27 923**	164 506	**27 923**	164 506
Total assets		**1 764 629**	1 604 525	**1 407 739**	1 392 518
CAPITAL AND RESERVES ATTRIBUTABLE TO THE COMPANY'S EQUITY HOLDERS					
Share capital	7	**6 113**	6 051	**6 113**	6 051
Share premium		**1 242 264**	1 227 714	**1 242 264**	1 227 714
Other reserves		**6 076**			
Retained earnings		**470 984**	332 616	**120 170**	120 609
Ordinary shareholders' funds		**1 725 437**	1 566 381	**1 368 547**	1 354 374
Total equity		**1 725 437**	1 566 381	**1 368 547**	1 354 374
LIABILITIES					
Deferred income tax	4		2 890		2 890
Trade and other payables	8	**39 192**	35 254	**39 192**	35 254
Total liabilities		**39 192**	38 144	**39 192**	38 144
Total liabilities and shareholders' funds		**1 764 629**	1 604 525	**1 407 739**	1 392 518

Income statements
for the year ended 28 February 2009

		GROUP		COMPANY	
		2009	2008	**2009**	2008
	Notes	**R000**	R000	**R000**	R000
Income					
Investment income	9	**24 852**	47 705	**61 065**	65 184
Fair value gains and losses on financial instruments	10	**20 515**	154 826	**20 515**	154 826
Other operating income	11	**7 370**	479	**7 370**	479
Total income		**52 737**	203 010	**88 950**	220 489
Expenses					
Management fee		**(35 594)**	(25 704)	**(35 594)**	(25 704)
Performance fee		**(19 939)**	(20 608)	**(19 939)**	(20 608)
Other		**(2 266)**	(7)	**(2 266)**	(7)
Total expenses		**(57 799)**	(46 319)	**(57 799)**	(46 319)
Results of operating activities		**(5 062)**	156 691	**31 151**	174 170
Finance costs	12	**(3 627)**		**(3 627)**	
Share of profits of associated companies	1	**175 020**	72 650		
Profit before taxation		**166 331**	229 341	**27 524**	174 170
Taxation	13	**2 290**	(21 824)	**2 290**	(21 824)
Net profit for the year		**168 621**	207 517	**29 814**	152 346
Attributable to:					
– equity holders of the company		**168 621**	207 517	**29 814**	152 346
Earnings per share (cents)	14				
Basic		**27,7**	35,6		
Dividend per share (cents)	15				
Final		**7,0**	5,0		

Statements of changes in equity
for the year ended 28 February 2009

GROUP	Share capital R000	Share premium R000	Other R000	Retained earnings R000	Total R000
Balance at 28 February 2007	5 713	1 140 620		136 525	1 282 858
Issue of share capital	338	87 156			87 494
Share issue costs		(62)			(62)
Net income for the year				207 517	207 517
Step acquisition from equity securities to investment in associated companies					
Reversal of previous fair value gains after taxation on equity securities				(156 836)	(156 836)
Revaluation of assets and liabilities of associated companies				156 836	156 836
Dividend paid				(11 426)	(11 426)
Balance at 29 February 2008	6 051	1 227 714		332 616	1 566 381
Issue of share capital	**62**	**14 550**			**14 612**
Net income for the year				**168 621**	**168 621**
Dividend paid				**(30 253)**	**(30 253)**
Share of movement in reserves of associated companies			**6 076**		**6 076**
Balance at 28 February 2009	**6 113**	**1 242 264**	**6 076**	**470 984**	**1 725 437**
COMPANY					
Balance at 28 February 2007	5 713	1 140 620		136 525	1 282 858
Issue of share capital	338	87 156			87 494
Share issue costs		(62)			(62)
Net income for the year				152 346	152 346
Step acquisition from equity securities to investment in associated companies *					
Reversal of previous fair value gains after taxation on equity securities				(156 836)	(156 836)
Dividend paid				(11 426)	(11 426)
Restated balance at 29 February 2008	6 051	1 227 714		120 609	1 354 374
Issue of share capital	**62**	**14 550**			**14 612**
Net income for the year				**29 814**	**29 814**
Dividend paid				**(30 253)**	**(30 253)**
Balance at 28 February 2009	**6 113**	**1 242 264**	**–**	**120 170**	**1 368 547**

** The 2008 revaluation of assets and liabilities of associated companies were restated, refer note 22.*

ZEDER
INVESTMENTS LIMITED

Cash flow statements
for the year ended 28 February 2009

		GROUP		COMPANY	
		2009	2008	**2009**	2008
	Notes	**R000**	R000	**R000**	R000
Cash retained from operating activities					
Cash generated by operating activities	19.1	**16 083**	46 831	**16 083**	46 831
Taxation paid	19.2	**(1 814)**	(8 467)	**(1 814)**	(8 467)
Net cash flow from operating activities		**14 269**	38 364	**14 269**	38 364
Cash utilised in investing activities					
Acquisition of equity securities	2	**(127 429)**	(208 054)	**(127 429)**	(208 054)
Acquisition of associated companies	1	**(132 477)**	(113 572)	**(132 477)**	(113 572)
Proceeds from disposal of investments		**105 477**	2 508	**105 477**	2 508
Loan advanced to associated company			(8 103)		(8 103)
Net loans repaid/(advanced)		**33 830**	(72 514)	**33 830**	(72 514)
Net cash flow from investment activities		**(120 599)**	(399 735)	**(120 599)**	(399 735)
Cash flows from financing activities					
Dividend paid		**(30 253)**	(11 426)	**(30 253)**	(11 426)
Placement cost			(62)		(62)
Proceeds from issue of ordinary shares			3		3
Net cash flow from financing activities		**(30 253)**	(11 485)	**(30 253)**	(11 485)
Net decrease in cash and cash equivalents		**(136 583)**	(372 856)	**(136 583)**	(372 856)
Cash and cash equivalents at beginning of period		**164 506**	537 362	**164 506**	537 362
Cash and cash equivalents at end of period	19.3	**27 923**	164 506	**27 923**	164 506

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

GROUP FINANCIAL STATEMENTS

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

BASIS OF PREPARATION

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

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

STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED STANDARDS THAT ARE EFFECTIVE FOR THE FIRST TIME IN 2009

- Amendments to IAS 39 – Financial Instruments: Recognition and Measurement and IFRS 7 – Financial Instruments: Disclosures Reclassification of Financial Assets (effective July 2008)
- IFRIC 12 – Service Concession Arrangements (effective January 2008)
- IFRIC 14 IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (effective January 2008)

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

STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED STANDARDS THAT ARE NOT YET EFFECTIVE

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the group's accounting periods beginning on or after 1 March 2009 or later periods, but which the group has not early adopted are as follows:

- IFRS 8 – Operating Segments (effective January 2009)
  IFRS 8 requires an entity to adopt the 'management approach' to reporting on the financial performance of its operating segments. The Standard sets out requirements for disclosure of information about an entity's operating segments and also about the entity's products and services, the geographical areas in which it operates, and its major customers. The disclosure should enable users of its financial statements to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.
- IAS 1 Revised – Presentation of Financial Statements (effective January 2009)
  The changes made to IAS 1 are to require information in financial statements to be aggregated on the basis of shared characteristics and to introduce a statement of comprehensive income. This will enable readers to analyse changes in a company's equity resulting from transactions with owners in their capacity as owners separately from 'non-owner' changes. The revisions include changes in the titles of some of the financial statements to reflect their function more clearly. The new titles are not mandatory for use in financial statements.
- Amendment to IAS 32 – Financial Instruments – Presentation and IAS 1 – Presentation of financial statements – Puttable Financial Instruments and Obligations Arising on Liquidation (effective January 2009)
  The amendments require entities to classify the following types of financial instruments as equity, provided they have particular features and meet specific conditions: a) puttable financial instruments (for example, some shares issued by co-operative entities); b) instruments, or components of instruments, that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation (for example, some partnership interests and some shares issued by limited life entities). Additional disclosures are required about the instruments affected by the amendments.
- IFRS 3 Revised – Business Combinations (effective July 2009)
  The new standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with some contingent payments subsequently remeasured at fair value through income. Goodwill may be calculated based on the parent's share of net assets or it may include goodwill related to the minority interest. All transaction costs will be expensed.

- IAS 27 Revised – Consolidated and Separate Financial Statements (effective July 2009)
  IAS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control. They will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is remeasured to fair value and a gain or loss is recognised in profit or loss.
- Amendment to IFRS 1 – First-time Adoption of International Financial Reporting Standards and IAS 27 – Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Joint Controlled Entity or Associate (effective January 2009)
  The amendment allows first-time adopters to use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in the separate financial statements. The amendment also removed the definition of the cost method from IAS 27 and replaced it with a requirement to present dividends as income in the separate financial statements of the investor.
- IFRIC 17 – Distribution of Non-cash Assets to Owners (effective July 2009)
  IFRIC 17 applies to the accounting for distributions of non-cash assets (commonly referred to as *dividends in specie*) to the owners of the entity. The interpretation clarifies that: a dividend payable should be recognised when the dividend is appropriately authorised and is no longer at the discretion of the entity; an entity should measure the dividend payable at the fair value of the net assets to be distributed; and an entity should recognise the difference between the dividend paid and the carrying amount of the net assets distributed in profit or loss.
- Amendments to IFRS 7 – Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments (effective January 2009)
  The amendments require enhanced disclosures about fair value measurements and liquidity risk.

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

STANDARDS, AMENDMENTS AND INTERPRETATIONS TO EXISTING STANDARDS THAT ARE NOT YET EFFECTIVE OR NOT RELEVANT TO THE GROUP'S OPERATIONS, ARE AS FOLLOWS:

- IAS 23 Revised – Borrowing Costs (effective January 2009)
- Amendment to IFRS 2 – Share-based Payment Vesting Conditions and Cancellations (effective January 2009)
- IFRIC 13 – Customer Loyalty Programmes (effective July 2008)
- IFRIC 15 – Agreements for the Construction of Real Estate (effective January 2009)
- IFRIC 16 – Hedges of a Net Investment in Foreign Operations (effective October 2008)
- IFRIC 18 – Transfers of Assets from Customers (effective July 2009)
- AC 503 – Revised – Accounting for Black Economic Empowerment (BEE) Transactions
- AC 504 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction in the South African Environment

FINANCIAL INSTRUMENTS

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

OFFSETTING FINANCIAL INSTRUMENTS

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

INVESTMENT IN ASSOCIATED COMPANIES

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

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

Dilution gains and losses arising in investment in associated companies are recognised in equity.

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

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

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

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

FINANCIAL ASSETS

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

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

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

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

LOANS AND ADVANCES

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those that the group intends to sell in the short term.

Loans and advances are carried at amortised cost using the effective-interest method. Specific provisions are made against identified doubtful advances.

RECOGNITION AND MEASUREMENT OF FINANCIAL ASSETS

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

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

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

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

The group does not apply hedge accounting.

RECEIVABLES

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

CASH AND CASH EQUIVALENTS

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

SHARE CAPITAL

Ordinary shares are classified as equity.

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

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

FINANCIAL LIABILITIES

Borrowings

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

CURRENT AND DEFERRED INCOME TAX

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date.

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

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

Tax is recognised in the income statement, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised in equity.

PROVISIONS

Provisions are recognised when:

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

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

IMPAIRMENT OF INVESTMENTS IN ASSOCIATED COMPANIES

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

REVENUE RECOGNITION

Revenue is recognised as follows:

INTEREST INCOME

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

DIVIDEND INCOME

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

MANAGEMENT FEES

Management fees payable consist of a base fee and a performance fee element. The base fee is calculated at 2% p.a. (exclusive of VAT) on the net asset value of the group (excluding cash) at the end of every month and 0,15% p.a. (exclusive of VAT) on the daily average cash balances. The base fee is accrued at the end of every month. The performance fee is calculated on the last day of the financial year at 10% p.a. on the outperformance of the group's equity portfolio above the equally weighted FTSE-JSE Beverage Total Return Index (J353) and the FTSE-JSE Food Producers Total Return Index (J351) over any financial year. The performance fee is accrued at each year-end.

DIVIDEND DISTRIBUTIONS

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

SECONDARY TAX ON COMPANIES

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

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

CONTINGENCIES

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

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

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

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

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

FAIR VALUE OF UNQUOTED EQUITY SECURITIES

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

DIRECTORS' VALUATION OF UNLISTED ASSOCIATED COMPANIES

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

Assumptions	Range
Exit price/earnings ratio	7,9 – 9,2
Weighted average cost of capital	12,5% – 15,5%
Growth rate	12,5% – 20%
Beta	1,00

IMPAIRMENT OF INVESTMENTS

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

IMPAIRMENT OF INVESTMENTS IN ASSOCIATED COMPANIES

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

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

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

ACQUISITION OF ASSOCIATED COMPANIES

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

FINANCIAL RISK MANAGEMENT

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

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

MARKET RISK

Price risk

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

At 28 February 2009, if the closing market prices of the equity investments that the group holds had been 20% (2008: 10%) higher/lower, with all other variables held constant, the net profit after tax for the year would have been R42 860 000 (2008: R18 439 000) higher/lower.

Cash flow interest rate risk

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

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

At 28 February 2009, if interest rates at that date had been 300 (2008: 200) basis points higher/lower, with all other variables held constant for a 12-month period, the group's net post-tax profit for the year would have been R1 768 000 (2008: R3 366 000) higher/lower, arising as a result of changes in interest rate income on floating rate investments.

The group had no fixed interest rate investments at 28 February 2009 (2008: Rnil).

Foreign currency risk

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

CREDIT RISK

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

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

	Credit rating			Carrying
	A1-#	**A-2#**	**Not rated**	**value**
	R000	**R000**	**R000**	**R000**
28 February 2009				
Preference shares of associated companies			**15 193**	**15 193**
Unquoted equity securities			**78 466**	**78 466**
Loans and advances	**38 709**			**38 709**
Cash and cash equivalents		**8 819**	**19 104**	**27 923**
29 February 2008				
Preference shares of associated companies			13 211	13 211
Unquoted equity securities			58 345	58 345
Loans and advances	72 539			72 539
Cash and cash equivalents		20 341	144 165	164 506

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

The group's maximum exposure to credit risk at 28 February 2009 and 29 February 2008 is represented by the carrying amounts of preference shares of associated companies, unquoted equity securities, loans and advances, and cash and cash equivalents.

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

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

Impairment history
The group had no instances of impairment of financial assets due to credit risk during the reporting periods. At 28 February 2009 and 29 February 2008 the group had no financial assets that were past due.

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

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

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

CAPITAL RISK MANAGEMENT
The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders.

The group policy is to declare and pay dividends equal to the cash dividends received from its underlying investments.

The group's capital comprises total equity, as shown in the group balance sheet. When funding is required, the group will raise additional capital. Although there is no restriction on the level of gearing the group may employ, it is not expected that the group will utilise debt to a significant extent, and the level of gearing employed will be assessed continuously in the context of the level of liquidity within the group's portfolio.

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

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

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

29 February 2008	Fair value through profit or loss R000	Loans and receivables R000
Assets		
Equity securities	214 408	
Preference shares in associated company		13 211
Loans and advances		72 539
Receivables		18
Cash and cash equivalents		164 506
	214 408	250 274

	At amortised cost R000
Liabilities	
Trade and other payables	35 254
	35 254

		GROUP		COMPANY	
		2009	2008	**2009**	2008
		R000	R000	**R000**	R000
1.	**INVESTMENT IN ASSOCIATED COMPANIES**				
	Carrying value of shares				
	Unlisted	**1 430 147**	1 138 882	**1 073 257**	926 875
	Preference shares	**15 193**	13 211	**15 193**	13 211
		1 445 340	1 152 093	**1 088 450**	940 086
	Reconciliaton				
	Carrying value at beginning of year	**1 138 882**		**926 875**	
	Equity-accounted earnings				
	Share of profit after tax	**175 020**	72 650		
	Movement in investment value:				
	Dividends received	**(36 213)**	(17 479)		
	Acquisitions – cash	**132 477**	113 572	**132 477**	113 572
	Acquisitions – shares issued	**14 612**	87 490	**14 612**	87 490
	Acquisitions – shares swapped		370 572		370 572
	Other non-cash movements	**(707)**		**(707)**	
	Share of movement in reserves of associated companies	**6 076**			
	Transfer from equity securities at cost		355 241		355 241
	Revaluation of assets and liabilities of associated companies		156 836		
	Carrying value at end of year	**1 430 147**	1 138 882	**1 073 257**	926 875
	Market value of unlisted investments (based on published over-the-counter prices)	**890 510**	890 802	**890 510**	890 802
	Directors' valuation of unlisted investments	**1 430 147**	1 138 882	**1 430 147**	1 138 882
	Portion of the share in net profit retained by associated companies that has been accounted for from unaudited interim reports and management reports	**91 196**	60 856	**–**	–

The preference shares carry a dividend rate of prime plus 2% and the capital and accrued dividends are redeemable on 2 October 2010.

Refer Annexure A

		GROUP		COMPANY	
2.	**EQUITY SECURITIES**				
	Quoted				
	Unlisted	**170 721**	156 063	**170 721**	156 063
	Unquoted	**78 466**	58 345	**78 466**	58 345
		249 187	214 408	**249 187**	214 408

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

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

	GROUP 2009 R000	GROUP 2008 R000	COMPANY 2009 R000	COMPANY 2008 R000
	Fair value through profit or loss			
2. EQUITY SECURITIES *continued*				
Reconciliation of movements				
Carrying amount at beginning of period	**214 408**	776 301	**214 408**	776 301
Additions – cash purchases	**127 429**	208 054	**127 429**	208 054
Transfer to investment in associated companies at cost		(355 241)		(355 241)
Reversal of previous fair value gains on equity securities transferred to investments in associated companies to equity		(192 176)		(192 176)
Disposals	**(103 524)**	(337 838)	**(103 524)**	(337 838)
Unrealised net fair value gains	**10 874**	115 308	**10 874**	115 308
Carrying amount at 28 February 2009	**249 187**	214 408	**249 187**	214 408
Current portion				
Non-current portion	**249 187**	214 408	**249 187**	214 408
	249 187	214 408	**249 187**	214 408

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

	GROUP 2009 R000	GROUP 2008 R000	COMPANY 2009 R000	COMPANY 2008 R000
3. LOANS AND ADVANCES				
Unsecured loans	**38 709**	72 539	**38 709**	72 539
	38 709	72 539	**38 709**	72 539
Current portion	**38 709**	72 539	**38 709**	72 539
Non-current portion				
Net loans and advances	**38 709**	72 539	**38 709**	72 539

The unsecured loan consists of cash advanced to PSG Corporate Services (Pty) Ltd. The unsecured loan carries interest at prime less 3% and is repayable on demand. PSG Group Ltd guaranteed the loan to PSG Corporate Services (Pty) Ltd.

	GROUP 2009 R000	GROUP 2008 R000	COMPANY 2009 R000	COMPANY 2008 R000
4. DEFERRED INCOME TAX				
Deferred income tax assets	**5 168**	3 020	**5 168**	3 020
To be recovered after more than 12 months				
To be recovered within 12 months	**5 168**	3 020	**5 168**	3 020
Deferred income tax liabilities	**(5 037)**	(5 910)	**(5 037)**	(5 910)
To be paid after more than 12 months	**(5 037)**	(5 910)	**(5 037)**	(5 910)
To be paid within 12 months				
Net deferred income tax asset/(liability)	**131**	(2 890)	**131**	(2 890)

	Tax loss R000	Unrealised profits R000	STC credits R000	Total R000
4. DEFERRED INCOME TAX *continued*				
The movement in the deferred tax balance during the period is as follows:				
At 28 February 2007		(19 876)	1 415	(18 461)
Reversal of deferred tax on previous fair value gains on equity securities transferred to investments in associated companies		35 340		35 340
(Charge)/credit to income statement		(21 374)	1 605	(19 769)
At 29 February 2008		(5 910)	3 020	(2 890)
Other		**516**		**516**
Credit to income statement	**560**	**357**	**1 588**	**2 505**
At 28 February 2009	**560**	**(5 037)**	**4 608**	**131**

The STC liability, should all retained earnings be paid out, amounts to R42 817 000 (2008: R30 137 000) at 28 February 2009.

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

	GROUP		COMPANY	
	2009 R000	2008 R000	**2009 R000**	2008 R000
5. RECEIVABLES				
Prepayments and sundry debtors	**585**	18	**585**	18
	585	18	**585**	18
Current portion	**585**	18	**585**	18
Non-current portion				
	585	18	**585**	18
6. CASH AND CASH EQUIVALENTS				
Cash at bank and in hand	**8 819**	20 341	**8 819**	20 341
Money market fund	**19 104**	144 165	**19 104**	144 165
	27 923	164 506	**27 923**	164 506

The money market fund earned interest at money market rates during the period under review. Money market funds are immediately available.

		GROUP		COMPANY	
		2009	2008	**2009**	2008
		R000	R000	**R000**	R000
7.	**SHARE CAPITAL**				
	Authorised				
	1 500 000 000 ordinary shares of 1 cent each	**15 000**	15 000	**15 000**	15 000
	250 000 000 cumulative, non-redeemable, non-participating preference shares of 1 cent each	**2 500**	2 500	**2 500**	2 500
	Issued				
	611 305 323 (2008: 605 057 207) ordinary shares of 1 cent each	**6 113**	6 051	**6 113**	6 051
		6 113	6 051	**6 113**	6 051
	Refer to the directors' report for details of shares issued during the period.				
8.	**TRADE AND OTHER PAYABLES**				
	Management and performance fees – PSG Group	**38 528**	35 049	**38 528**	35 049
	Other	**664**	205	**664**	205
		39 192	35 254	**39 192**	35 254
	Current portion	**39 192**	35 254	**39 192**	35 254
	Non-current portion				
		39 192	35 254	**39 192**	35 254
9.	**INVESTMENT INCOME**				
	Interest income				
	Loans and advances	**5 187**	5 452	**5 187**	5 452
	Cash and short-term funds	**7 382**	28 676	**7 382**	28 676
		12 569	34 128	**12 569**	34 128
	Dividend income				
	Equity securities – at fair value through profit or loss	**9 869**	12 719	**9 869**	12 719
	Associated companies			**36 213**	17 479
	Debt securities	**2 414**	858	**2 414**	858
		12 283	13 577	**48 496**	31 056
	Investment income	**24 852**	47 705	**61 065**	65 184
10.	**FAIR VALUE GAINS AND LOSSES ON FINANCIAL INSTRUMENTS**				
	Net fair value gains on financial instruments at fair value through profit or loss:				
	Realised fair value gains and losses	**9 641**	39 518	**9 641**	39 518
	Unrealised fair value gains and losses	**10 874**	115 308	**10 874**	115 308
		20 515	154 826	**20 515**	154 826

		GROUP		COMPANY	
		2009	2008	**2009**	2008
		R000	R000	**R000**	R000
11.	**OTHER OPERATING INCOME**				
	Rebate received on PSG Money Market funds invested	**84**	479	**84**	479
	Underwriting fee income – Pioneer and MGK rights issues	**7 286**		**7 286**	
		7 370	479	**7 370**	479
12.	**FINANCE COSTS**				
	Short-term facility	**3 627**		**3 627**	
		3 627	–	**3 627**	–
13.	**TAXATION**				
	Current taxation				
	Current period		3 170		3 170
	Prior year	**210**	(1 128)	**210**	(1 128)
		210	2 042	**210**	2 042
	Deferred taxation				
	Current period	**(917)**	21 374	**(917)**	21 374
		(917)	21 374	**(917)**	21 374
	Secondary tax on companies				
	Current taxation	**5**	13	**5**	13
	Deferred taxation	**(1 588)**	(1 605)	**(1 588)**	(1 605)
		(1 583)	(1 592)	**(1 583)**	(1 592)
		(2 290)	21 824	**(2 290)**	21 824
	Reconciliation of income tax charge:				
	Reconciliation of rate of taxation	**%**	%	**%**	%
	South African normal tax rate	**28,0**	29,0	**28,0**	29,0
	Adjusted for:				
	Prior year under/(over)provision	**0,1**	(0,5)	**0,8**	(0,6)
	Non-taxable income	**(2,1)**	(1,7)	**(49,3)**	(5,3)
	Non-deductible expenses	**5,5**	2,7	**32,3**	3,6
	Income from associated companies	**(29,5)**	(9,2)		
	Capital gains tax	**(2,4)**	(10,1)	**(14,3)**	(13,3)
	Secondary tax on companies	**(1,0)**	(0,7)	**(5,8)**	(0,9)
	Effective rate of tax	**(1,4)**	9,5	**(8,3)**	12,5

	GROUP 2009 R000	GROUP 2008 R000
14. EARNINGS PER SHARE		
The calculations of earnings per share are based on the following:		
Total earnings attributable to ordinary shareholders	**168 621**	207 517
Adjustments (net of tax and outside shareholders):		
Non-headline items of associated companies	**(15 218)**	(1 069)
Headline earnings	**153 403**	206 448
	Number of shares '000	Number of shares '000
The calculation of the weighted average number of shares is as follows:		
Number of shares at the beginning of the period	**605 057**	571 313
Weighted number of shares issued in the period	**3 914**	11 512
Weighted number of shares at the end of the period	**608 971**	582 825
Earnings per share (cents)	**27,69**	35,61
Headline earnings per share (cents)	**25,19**	35,42

	GROUP 2009 R000	GROUP 2008 R000	COMPANY 2009 R000	COMPANY 2008 R000
15. DIVIDEND PER SHARE				
Normal dividend	**30 253**	11 426	**30 253**	11 426

Final
7 cents per share (2008: 5 cents)

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

16. CAPITAL COMMITMENTS AND CONTINGENCIES

The group did not have any capital commitments and neither did they have any contingencies at 28 February 2009 (2008: Nil).

17. BORROWING POWERS

The borrowing powers of the company are unlimited.

18. RELATED-PARTY TRANSACTIONS

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

The management fee to PSG for providing all investment, administrative, advisory, financial and corporate services in terms of a management agreement amounted to R35 594 000 (2008: R25 704 000) for the year under review. The management agreement also provides for a performance fee to be paid to PSG should the group outperform the Food Producers and Beverages indices based on the growth in the group's net asset value for the year under review. A performance fee of R19 939 000 (2008: R20 608 000) is payble to PSG for the year under review. See note 8 for amounts due to PSG at year-end.

During the year a market-related fee of R2 160 000 was paid to PSG for sub-underwriting the Pioneer rights issue.

During the year the company invested in the PSG Money Market Fund and earned interest of R4 798 000 (2008: R26 738 000) for the year. The balance on the PSG Money Market Fund at 28 February 2009 was R19 104 000 (2008: R144 165 000). A rebate of R84 000 (2008: R479 000) was received from PSG Investments Services (Pty) Ltd for investing in the PSG Money Market Fund.

During the year the company advanced money to a subsidiary of PSG and earned interest at prime less 3% amounting to R5 187 000 (2008: R5 452 000) for the year. The amount due from the subsidiary at 28 February 2009 was R38 709 000 (2008: R72 539 000) (refer note 3).

Net interest of R60 000 (2008: R188 000) was earned on the company's account with PSG Online Services (Pty) Ltd.

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

		GROUP		COMPANY	
		2009	2008	**2009**	2008
		R000	R000	**R000**	R000
19.	**NOTES TO THE CASH FLOW STATEMENT**				
19.1	**Cash generated by operating activities**				
	Net income from normal operations before tax	**166 331**	229 341	**27 524**	174 170
		166 331	229 341	**27 524**	174 170
	Adjusted for:				
	Changes in working capital				
	Change in receivables	**(567)**	201	**(567)**	201
	Change in trade and other payables	**3 938**	28 144	**3 938**	28 144
	Change in financial instruments				
	Fair value changes in equity securities	**(12 827)**	(154 826)	**(12 827)**	(154 826)
	Non-cash income from associated companies	**(140 792)**	(56 029)	**(1 985)**	(858)
		16 083	46 831	**16 083**	46 831
19.2	**Taxation paid**				
	(Credit)/charge in income statement	**(2 290)**	21 824	**(2 290)**	21 824
	Deferred tax adjustment	**2 505**	(19 769)	**2 505**	(19 769)
	Movement in taxation receivable	**1 794**	6 376	**1 794**	6 376
	Other	**(195)**	36	**(195)**	36
		1 814	8 467	**1 814**	8 467
19.3	**Cash and equivalents at end of period**				
	Cash and short-term funds	**27 923**	164 506	**27 923**	164 506
		27 923	164 506	**27 923**	164 506
20.	**NET ASSET VALUE PER SHARE**				
	Net asset value per share	**2,82**	2,59	**2,24**	2,24
	Net tangible asset value per share	**2,82**	2,59	**2,24**	2,24

21. SEGMENTAL REPORTING

All investment activities are considered by the directors to be in the agricultural and related services sector of South Africa.

22. RESTATEMENT OF COMPARATIVES FOR THE COMPANY

The accounting policy of the company is to carry investment in associated companies at cost. In 2008 the company increased its stake in KWV and Kaap Agri and the existing equity investment became an investment in associated companies for the first time. The carrying value of the investment in associated companies was increased with the step-up of the previously owned share of net assets to fair value. The carrying value of investment in associated companies in 2008 was restated by reversing this revaluation of R156 836 000 with a corresponding decrease in equity.

The restatement had no impact on earnings or cash flows of the company and had no impact on the group reported numbers.

Annexure A – Investment in associated companies

Company	Nature of business	Proportion held directly or indirectly by holding companies 2009 %	2008 %
Unlisted			
Kaap Agri Limited	Agricultural	**34,30***	33,60
KWV Limited	Wine producing	**25,70***	20,68
MGK Business Investments Limited	Agricultural	**26,65**	29,77
Thembeka Agri Holdings (Pty) Ltd	Holding company of 20% in KLK	**49,99**	49,99
Agricol Holdings Limited	Agricultural	**20,00**	20,00

SUMMARISED FINANCIAL INFORMATION IN RESPECT OF PRINCIPAL ASSOCIATED COMPANIES

	R000	R000
Assets	**6 433 995**	5 971 991
Liabilities	**2 050 489**	2 111 638
Revenues	**5 092 074**	2 257 424
Profits	**647 165**	278 832

** The economic interest held amounted to 35,6% in Kaap Agri Limited and 27,7% in KWV Limited, respectively.*

Notice of annual general meeting

Notice is hereby given of the annual general meeting of shareholders of Zeder Investments Limited ("Zeder" or "the company") to be held at The Venue at Webersburg, Webersburg Wines, Annandale Road, Stellenbosch, on Friday, 19 June 2009, at 11:30.

AGENDA

1. To receive and consider the annual financial statements of the company and the reports of the directors and the auditor for the year ended 28 February 2009.

2. Re-election of directors:

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

   Summary curriculum vitae of Johannes Fredericus Mouton

   Mr Mouton, aged 62, obtained his BCom (Hons) degree from the University of Stellenbosch. He also qualified as Chartered Accountant (SA).

   He is executive chairman of PSG Group, chairman of Zeder Investments Limited, non-executive director of Steinhoff International Holdings Limited, KWV and Kaap Agri.

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

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

   Summary curriculum vitae of Chris Adriaan Otto

   Mr Otto, aged 59, obtained his BCom and LLB degrees from the University of Stellenbosch.

   He is a non-executive director of PSG Group, Capitec Bank, Zeder Investments and Kaap Agri.

   Mr Otto, an executive director of PSG Group since its formation, has recently become a non-executive of the Group. 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.

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

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

   4.1. Ordinary resolution number 1

   "Resolved that the unissued shares in the company, limited to 5% of the number of shares in issue at 28 February 2009, be and are hereby placed under the control of the directors until the next annual general meeting and that they be and are hereby authorised to issue any such shares as they may deem fit, subject to the Companies Act, 1973 (Act 61 of 1973), the articles of association of the company, and the provisions of the Listings Requirements of the JSE Limited, save to the extent that the shares to be issued in terms of the Zeder rights offer have not been issued on the date of the annual general meeting, then the 5% limitation set out in this resolution shall not apply to shares to be issued in terms of the Zeder rights offer."

4.2. Ordinary resolution number 2

"Resolved that the directors of the company be and are hereby authorised by way of a general authority, to allot and issue any of its unissued shares for cash placed under their control as they in their discretion may deem fit, without restriction, subject to the provisions of the Listings Requirements of the JSE Limited ("JSE"), and subject to the proviso that the aggregate number of ordinary shares able to be allotted and issued in terms of this resolution, shall be limited to 5% of the issued share capital at 28 February 2009, provided that:

- the approval shall be valid until the date of the next annual general meeting of the company, provided it shall not extend beyond fifteen months from the date of this resolution;
- a paid press announcement giving full details, including the impact on net asset value and earnings per share, will be published after any issue representing, on a cumulative basis within any one financial year, 5% or more of the number of shares in issue prior to such issue;
- the general issues of shares for cash in the aggregate in any one financial year may not exceed 5% of the applicant's issued share capital (number of securities) of that class. The securities of a particular class will be aggregated with the securities that are compulsorily convertible into securities of that class; and, in the case of the issue of compulsorily convertible securities, aggregated with the securities of that class into which they are compulsorily convertible. The number of securities of a class which may be issued shall be based on the number of securities of that class in issue at the date of such application less any securities of the class issued during the current financial year, provided that any securities of that class to be issued pursuant to a rights issue (announced and irrevocable and underwritten) or acquisition (concluded up to the date of application) may be included as though they were securities in issue at the date of application;
- in determining the price at which an issue of shares will be made in terms of this authority the maximum discount permitted will be 10% of the weighted average traded price of such shares, as determined over the 30 trading days prior to the date that the price of the issue is agreed between the issuer and the party subscribing for the securities. The JSE should be consulted for a ruling if the applicant's securities have not traded in such 30 business day period;
- any such issue will only be made to public shareholders as defined in paragraph 4.25 to 4.27 of the Listings Requirements of the JSE and not to related parties; and
- any such issue will only be securities of a class already in issue."

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

4.3. Special resolution number 1

"Resolved as a special resolution that the company be and is hereby authorised, as a general approval, to repurchase any of the shares issued by the company, upon such terms and conditions and in such amounts as the directors may from time to time determine, but subject to the provisions of section 85 to section 88 of the Companies Act, 1973 (Act 61 of 1973), the articles of association of the company, the Listings Requirements of the JSE Limited ("JSE") and the requirements of any other stock exchange on which the shares of the company may be quoted or listed, namely that:

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

4.4. Special resolution number 2

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

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

Reasons for and effects of the special resolutions

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

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

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

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

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

Information relating to the special resolutions

1. General information in respect of directors (page 2), major shareholders (page 20), directors' interest in securities and material changes (page 20) and the share capital of the company (page 19) is contained in the annual report to which this notice is attached.

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

3. The directors, whose names are on page 2 of the annual report to which this notice is attached, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts that have been made and that the notice contains all information required by the JSE Listings Requirements.

4. Special resolutions 1 and 2 are renewals of resolutions taken at the previous annual general meeting on 20 June 2008.

VOTING

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

The instrument appointing a proxy and the authority (if any) under which it is signed must reach the transfer secretaries of the company at the address given below by not later than 11:30 on Thursday, 18 June 2009.

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

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

By order of the board

PSG Corporate Services (Proprietary) Limited
Company secretary

Stellenbosch
6 April 2009

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

Transfer secretaries
Link Market Services South Africa (Pty) Limited
5th Floor
11 Diagonal Street
Johannesburg, 2001
(PO Box 4844, Johannesburg, 2000)

ZEDER
INVESTMENTS LIMITED

Zeder Investments Limited: Previously Friedshelf 766 (Pty) 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 Stellenbosch at 11:30 on Friday, 19 June 2009.

I/We (full name in print) ____

of (address) ____

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

1. ____ or failing him/her,

2. ____ or failing him/her,

3. the chairman of the meeting,

as my/our proxy to vote for me/us at the annual general meeting for purposes of considering and, if deemed fit, passing, with or without modification, the special resolutions and ordinary resolutions to be proposed thereat and at each adjournment thereof and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares registered in my/our name(s) in accordance with the following instructions (see Notes):

	Number of shares		
	In favour of	Against	Abstain
1. To adopt annual financial statements and reports			
2.1 To re-elect JF Mouton as director			
2.2 To re-elect CA Otto as director			
3. To confirm the reappointment of the auditor, PricewaterhouseCoopers Inc			
4.1 Ordinary resolution number 1 – unissued shares			
4.2 Ordinary resolution number 2 – authority to issue shares for cash			
4.3 Special resolution number 1 – share buyback by Zeder Investments Limited			
4.4 Special resolution number 2 – share buyback by subsidiaries of Zeder Investments Limited			

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 ______________________ 2009

Signature(s) ____

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

Notes

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

1. A Zeder shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space(s) provided, with or without deleting "the chairman of the annual general meeting". The person whose name appears first on the form of proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of those whose names follow.

2. A Zeder shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the chairman of the annual general meeting, if he/she is the authorised proxy, to vote in favour of the resolutions at the meeting, or any other proxy to vote or to abstain from voting at the meeting as he/she deems fit, in respect of all the shares concerned. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or his/her proxy, but the total of the votes cast and in respect whereof abstentions are recorded may not exceed the total of the votes exercisable by the shareholder or his/her proxy.

3. When there are joint registered holders of any shares, any one of such persons may vote at the meeting in respect of such shares as if he/she was solely entitled thereto, but, if more than one of such joint holders be present or represented at any meeting, that one of the said persons whose name stands first in the register in respect of such shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member, in whose name any shares stand, shall be deemed joint holders thereof.

4. Forms of proxy must be completed and returned to be received by the transfer secretaries of the company, Link Market Services South Africa (Proprietary) Limited, 11 Diagonal Street, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000), by not later than 11:30 on Thursday, 18 June 2009.

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

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

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

Administration

DETAILS OF ZEDER INVESTMENTS LIMITED

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

SECRETARY AND REGISTERED OFFICE

PSG Corporate Services (Pty) Limited
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

Link Market Services South Africa (Pty) Limited
11 Diagonal Street
Johannesburg 2001
PO Box 4844
Johannesburg 2000
Telephone +27 11 834 2266
Telefax +27 11 834 4398

CORPORATE ADVISOR AND SPONSOR

PSG Capital (Pty) Limited

BROKER

PSG Online Securities Limited

AUDITOR

PricewaterhouseCoopers Inc

PRINCIPAL BANKER

First National Bank – a division of FirstRand Bank Limited

WEBSITE ADDRESS

www.zeder.co.za

Shareholders' diary

	2009
Financial year-end	28 February
Profit announcement	6 April
Annual general meeting	19 June
Interim profit announcement	5 October

www.zeder.co.za

ZEDER
INVESTMENTS LIMITED