

FREQUENTLY ASKED QUESTIONS – SELECTIVE EMPOWERMENT INVESTMENTS 1 LIMITED

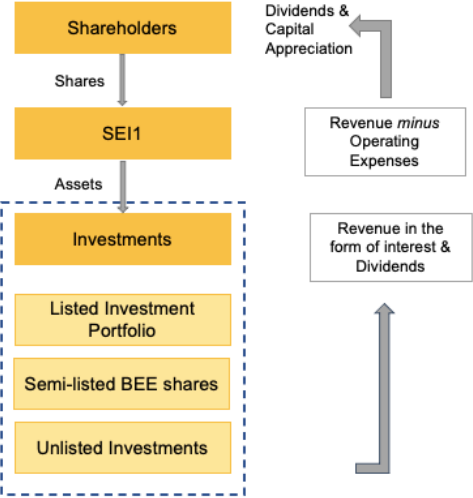
NO.	QUESTION	RESPONSE
HISTORICAL MATTERS RELATING TO SEI1 (2007 – 2018)		
1	What was Stratcorp Limited, and what happened to them?	<p>Stratcorp Limited was a financial services provider that offered a range of investment instruments and provided capital for qualified projects by creating multiple special purpose vehicles (SPV) for investments. The SPV's were funded through subscription of shares by investors, mostly who participated in the various Stratcorp schemes. It is through such models that SEI1 was established in 2007.</p> <p>Key subsidiaries under Stratcorp Limited included StratEquity (Virtus Financial Services) and ICI Marketing (Pty) Ltd (ICI), the marketing company of StratEquity (Virtus Financial Services). ICI would later be renamed to Wealthnet.</p> <p>Most of these companies under Stratcorp Limited have either been liquidated or are under curatorship.</p>
	What is the relationship between Virtus Financial Services (Virtus) and SEI1?	<p>There is no relationship between SEI1 and Virtus at present. Historically, SEI1 & Virtus had a management agreement in place where Virtus managed the investment portfolio of SEI1 and managed investor relations and also acted as the transfer secretaries of SEI1. This management agreement was cancelled in 2014, and there has not been a contractual agreement between the two companies since then.</p> <p>Virtus's FSCA license was suspended in 2016 and the company has been under curatorship since that time. <i>(Refer to contact list for Virtus Curators).</i></p>
3	What is the relationship between SEI1 & ICI & Stratcorp?	<p>There is no existing business relationship between SEI1, Stratcorp & ICI (Wealthnet). The only commonality is that there are shareholders of SEI1 that subscribed to products offered by these companies. However, no business or other relationship exists.</p> <p>Refer to the contact list for contact details for ICI (Wealthnet).</p>
4	Are there any other companies affiliated with SEI1?	SEI1 & SEI2 were previously affiliated due to the nature in which both companies were incorporated. Up until April 2018, the two companies were jointly managed and had the same board and management team. However, a decision by shareholders of SEI2 at an AGM resulted in the separation of the two entities in 2018. Thereon after, the two businesses were managed independently with separate management teams and boards.
5	Did SEI1 go through a name change?	Yes, Selective Empowerment Investments 1 Limited was previously known as StratEquity Empowerment Investments 1 Limited.

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6	Who manages insurance products issued by Wealthnet/Virtus	It is understood that Wealthnet has transferred some or portion of its insurance product book to a new company called My Strategic Portfolio Solutions. Therefore, if you had any insurance related policies e.g., life cover, funeral policies with Wealthnet/Virtus, please get in touch with My Strategic Portfolio Solutions on the following: <ul style="list-style-type: none"> ▪ Telephone: 012 001 6343 ▪ Email: info@mysps.co.za
7	What happened to my other shares in the other SPV's established by Stratcorp Limited?	Most of the SPV's under Stratcorp Limited have either liquidated or are under curatorship. Affected parties would need to get in touch with the curators of these businesses based on publicly available information.
8	Why am I still being debited monthly on my bank account for insurance products?	SEI1 does not provide insurance related products and does not debit shareholder bank accounts. Please contact Wealthnet/Virtus on contact details provided to enquire debit order transactions.
9	Have any dividends been declared historically by SEI1?	Previously, SEI1 could not declare dividend largely due to a series of non-compliance matters within the business. However, during the 2019/2020 financial year SEI1 declared the first dividend to its shareholders. Some of these dividends remain unclaimed by shareholders.
10	What was the period of non-compliance for SEI1?	2014 - 2018
11	What did the non-compliance matters relate to?	<p>The non-compliances during the period in question related to the following:</p> <ul style="list-style-type: none"> ▪ Lack of submission of annual financial statements as prescribed by the Companies Act ▪ Failure to hold an Annual General Meeting (AGM) as prescribed by the Companies Act ▪ Inability to maintain an updated share register ▪ Non-compliant board <p>The above non-compliances resulted in two cases opened by the CIPC for the following:</p> <ul style="list-style-type: none"> ▪ Director Delinquency for the period of non-compliance from 2014 – 2018 ▪ Liquidation of SEI1 due to historic non-compliances <p>Both cases remain ongoing.</p>
12	Have historical non-compliance matters been resolved?	Yes, the historical non-compliance matters have been resolved by the current board, whose members were appointed in November 2017 and remain on the current board of directors.
13	Who can affect shareholders contact with respect to the Virtus subscription of shares for SEI1 and affiliated company shares in 2014?	Affected shareholders can contact Virtus Curators, WJRV Law on the following: <ul style="list-style-type: none"> ▪ Telephone: 087 015 0237 ▪ Email: virtus@wjrslaw.co.za

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SEI1 OPERATIONAL MODEL (2019 – DATE)

14	What is the SEI1 Business model?	<p>SEI1 is an investment holding company whose core business objectives is to make investments in equity or debt instruments for capital appreciation (positive fair value adjustments classified as other income) and return in the form of dividends and interest (classified as revenue).</p> <p>The business has operational costs that are deducted from returns received and where the net income received can be declared as dividend to shareholders subject to Companies Act liquidity and solvency requirements.</p>  <p>The diagram illustrates the operational model. At the top, 'Shareholders' provide 'Shares' to 'SEI1'. SEI1 then invests in 'Assets', which are categorized into 'Listed Investment Portfolio', 'Semi-listed BEE shares', and 'Unlisted Investments'. These investments generate 'Revenue in the form of interest & Dividends'. From this revenue, 'Revenue minus Operating Expenses' is calculated. The remaining amount is distributed as 'Dividends & Capital Appreciation' back to the 'Shareholders'.</p> <p>The value for shareholders lies in the capital appreciation of the share price and dividends declared. The share price is determined by taking the Net Asset Value of the business divided by the number of shares in issue. The aim of the management team is to ensure a growing asset base and liquidity for shareholders in line with best practice investment principles and the Companies Act.</p>
15.	What is a portfolio performance summary and where can I access this?	<p>This is a summary that provides an overview of the SEI1 investment portfolio and its related performance. A portfolio summary is included in the quarterly newsletters issued to all stakeholders and provides a highlight on how the investment portfolio has performed. A detailed portfolio performance report is included in the annual report available on www.seinvest.co.za/shareholders</p>
16.	When will dividends be paid and why were they not paid historically?	<p>A dividend is a distribution of a portion of a company's earnings, determined by the board of directors, to a class of its shareholders in line with the Companies Act Liquidity & Solvency Requirements.</p>

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		<p>At present, the board assesses the performance of the company and Companies Act requirements to determine if a dividend can be paid. Should a dividend declaration be made, this will be communicated to all shareholders.</p> <p>Historically, dividends were not paid due to non-compliance matters and not meeting the Companies Act liquidity and solvency requirements. However, SEI1 declared the first dividend in the 2019/2020 financial year. Some of these dividends remain unclaimed by shareholders.</p>
17	What is SEI1 doing to address the historical challenges of declining share value since inception, tradability of shares and lack of dividends?	<p>SEI1 has implemented the unlisted investment strategy that will see the cash generative assets being acquired to improve the company share value and to ensure that the SEI1 share price is attractive due to assets held to ensure tradability.</p> <p>Through the acquisition of cash generative assets and a reduction in costs, it is expected that the business would be able to declare dividends in the medium to long term in line with the Companies Act Liquidity & Solvency Requirements.</p>
SHARE TRADING AND GENERAL ADMINISTRATIVE QUESTIONS		
18	What is a trading platform?	A trading platform is a system that allows investors and traders to place trades and monitor accounts. Oftentimes, trading platforms will incorporate market analysis whereby traders and investors can chart the markets and assess stock performance. Refer to https://www.otcexpress.co.za/shareview.aspx?sharecode=SEI1 for SEI1 share price movements.
19	What are shares? What are the advantages and disadvantages of holding shares?	<p>Shares are units of ownership in a company.</p> <p><i>Advantages of holding shares:</i></p> <ul style="list-style-type: none"> ▪ Limited liability to amount invested ▪ Possibility of capital gains and dividends ▪ Voting rights <p><i>Disadvantages to holding shares:</i></p> <ul style="list-style-type: none"> ▪ Dividends are not fixed or controllable ▪ High risk as returns are not guaranteed ▪ Fluctuation in market price ▪ Residual claim after all creditors and preference shareholders
20	Are SEI1 shares tradeable on a trading platform?	Yes, SEI1 shares are tradeable on the OTC Express Platform managed by Singular Financial Systems (Pty) Ltd. Any investors wishing to trade SEI1 shares must be FICA compliant. For more information on trading SEI1 shares please click on the following link https://www.otcexpress.co.za/shareview.aspx?sharecode=SEI1
21	What is the current value of an SEI1 share?	<p>The share price is determined based on the Fair Value of the business and the supply and demand of the shares. The share price is determined at each year end based on audited financial results.</p> <p>The last confirmed share price of SEI1 was in September 2021 where the shares of SEI1 were valued at R0,79 per share based on an independent valuation.</p>

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22	How do I check how many shares I own?	<p>SEI1 shareholders can contact scheme administrators, Singular Financial Systems (Pty) Ltd on the contact details below to access their statements. Once shareholders are registered on the OTC Express Platform, they can download statements at any time through the web-based system. SEI1 shareholders can also call the Singular Financial Systems call centre to get details on their shares and value and place adverts to buy and sell shares.</p> <ul style="list-style-type: none"> ▪ Email: sei@singularservices.co.za; ▪ Phone: 010 271 3902 ▪ Post: PO Box 1266, Bramley, 2018; ▪ Walk-in centre: 25 Scott Street, Waverley, Johannesburg, 2090.
23	Does SEI1 issue out share certificates?	<p>All share certificates in respect of SEI1 shares are dematerialised. Shareholders can get confirmation of shares held within SEI1 from the scheme administrators, Singular Financial Services (Pty) Ltd.</p>
24	What documents are required for a prospective investor or existing shareholder to FICA?	<ul style="list-style-type: none"> ▪ Certified ID Copy ▪ Proof of bank account (Bank letter) ▪ Proof of residential address ▪ Contact number/email
25	What documents are required when reporting deceased estates?	<ul style="list-style-type: none"> ▪ Certified Copy of Letter of Authority (Letter from court appointing an executor/executrix) ▪ Certified Copy of Identity Document of the deceased member ▪ Certified Copy of Death Certificate ▪ Certified Copy of Identity Document of Beneficiary / appointed person by court of law ▪ Proof of Residential Address of Beneficiary
26	If a shareholder wanted to cancel subscription/debit order/membership mandates, what is the procedure?	<p>Investors in SEI1 hold shares that are traded on the OTC Express Platform and can sell their shares on the platform if they no longer wish to hold SEI1 shares. SEI1 does not run or manage memberships, debit orders and subscriptions to any products. Any enquiries for product related information such as short-term insurance products should be directed to Virtus and related companies whose contact details are provided in the contact list.</p>
27	Who are SEI1's Transfer Secretaries and how do I contact them?	<p>Singular Financial Systems (Pty) Ltd +27 (0) 10 271 3902 sei@singularservices.co.za</p>
28	How do I update my personal details?	<p>You can contact Singular Financial Systems (Pty) Ltd +27 (0) 10 271 3902 sei@singularservices.co.za or</p> <p>SEI1 +27 (0) 12 942 0038</p>

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		info@seinvest.co.za
29	Can I have my dividends paid directly into my bank account?	When dividends are declared, they will be paid into your bank account provided that your shareholder profile is FICA compliant.
30	Who should I speak to concerning advice on the tax on my shares or dividends?	Financial Advisor or tax consultant at a local South African Revenue Service office.
31	When is the Company's financial year end?	30 June
32	When are audited financial results announced?	Audited financial results are announced within the six months preceding financial year end as the Companies Act requires. The latest audited results for the 30 June 2021 financial year end were released in December 2021 and they are available on www.seinvest.co.za/shareholders
33	When was the last Annual General Meeting (AGM)? When is the next scheduled AGM?	The last AGM was held virtually on 26 March 2021 due to Covid-19 restrictions. The next AGM is scheduled for 22 March 2022.
	How can I register to vote at the next AGM?	In line with Companies Act requirement, a notice for the AGM will be sent out before the meeting and will provide instructions on how to vote. Shareholders can vote via the Singular Call centre telephonically, email the signed resolution forms that form part of the notice or post their results before the meeting. Alternatively, shareholders can attend the AGM and vote in this meeting, whether virtual or in person.
34	Where can I access a copy of SEI1's latest annual report?	All annual reports can be accessed via the company's website on www.seinvest.co.za/shareholders or on the OTC Express Platform. Hard copies of the annual reports can be posted to you on request.
35	How can I elect to receive hard copies of shareholder communications?	Contact the SEI1 office on 012 942 0038 or email: info@seinvest.co.za to update your communication preference.
36	What do I do if I receive an unsolicited or suspicious phone call from a purported 'broker'?	Get the broker's details, including their FSP number, and do not provide your personal details. Only Singular Financial Services staff are contracted to contact SEI1 shareholders on matters pertaining only to SEI1.
37	Can I donate my SEI1 shares to charity?	Yes, provided that this is in line with SEI1's MOI and related SARS provisions on donations tax. We encourage shareholders to sell shares on the OTC Express Platform to recoup monies that can be donated directly to the charities.

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38	Can I borrow money against my shares?	No, SE11 is not a registered financial lender and cannot offer loans to shareholders. Instead, monies are only transferred when shares are bought or sold.
39	How do I trade my shares on the OTC Express Platform?	This information has been loaded on the company website and shared via various social media platforms. The call centre staff can assist shareholders further.