

From: Media Profile <teammedia2016@gmail.com>
Sent time: 02-10-2016 09:03:40 AM
To: ashu@sahara.co.za
Subject: Fwd: Q&A
Attachments: Master Q&A - as at 6.20pm UK time - 9 February 2016.docx

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From: Nick Lambert <NLambert@bellpottinger.com>
Date: Tue, Feb 9, 2016 at 8:26 PM
Subject: Q&A
To: Media Profile <teammedia2016@gmail.com>
Cc: List-SouthAfrica <List-SouthAfrica@bellpottinger.com>

Santosh,

Please find attached a master Q&A document (as it currently stands) ahead of the media training session tomorrow.

This is designed to accompany the key messages/factsheet documents already circulated.

Best, Nick

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MASTER Q&A

General

1. What is Oakbay Investments?

- Oakbay Investments is the holding company for the Gupta family's businesses in South Africa
- The Group's owned companies currently employ more than 4,500 people in South Africa

2. Are the Guptas South African or Indian? How long have the Guptas been in South Africa?

- We are a proudly South African family and have been resident in South Africa since 1993
- We love this country and it is our home. Our family is South African including our 21 children [all of whom were born here]
- All our businesses have been born and grown in South Africa
- We remain committed to South Africa and will continue to invest here, grow our businesses, and create jobs for South Africans

3. How much is the family worth?

- TBC

4. How much tax does the family pay? Does the family pay the correct amount of tax?

- We have invested [R10 billion] in South Africa and paid [x] in corporate taxes
- We are 100% transparent - all these numbers have been verified by KPMG, one of the world's most respected accountancy firms

Business interests

5. How many companies are owned by the Guptas in South Africa?

- There are 15 companies owned by Oakbay Investments. All are based in South Africa
- The companies operate in the mining, engineering, ICT, media and property sectors
- The companies are:
 - Mining
 - Oakbay Resources & Energy Ltd (JSE listed company)
 - Shiva Uranium Mine (Pty) Ltd
 - Black Edge Exploration (Pty) Ltd
 - Westdawn Investments (Pty) Ltd t/a JIC Mining Services – JIC
 - Aforika Borwa Mining Solutions (Pty) Ltd – ABMS
 - Tageta Exploration & Resources (Pty) Ltd
 - Engineering
 - VR Laser Services (Pty) Ltd
 - ICT
 - Sahara Computers (Pty) Ltd
 - Sahara Systems (Pty) Ltd
 - Sahara Consumables (Pty) Ltd
 - Annex Distribution (Pty) Ltd
 - Media
 - TNA Media (Pty) Ltd – The New Age Newspaper
 - Infinity Media Networks (Pty) Ltd – ANN7
 - Investments / Property
 - Islandsite Investment 180 (Pty) Ltd
 - Confident Concepts (Pty) Ltd

6. How many people do the Guptas employ in South Africa?

- Across all Group companies we employ more than 4,500 people in South Africa

7. Do the Guptas only employ Indian workers? How many South Africans do the Guptas employ?

- More than 90% of our 4,500 employees in South Africa are African and more than 70% are South African
- Less than 2% of our workforce is Indian

8. Julius Malema and the EFF have accused the Guptas of 'colonising' South Africa and amassing its resources. Is this true? Are profits from the Guptas interests in South Africa sent to India?

- All our businesses have been born and grown in South Africa
 - We have a 23 year track record of strong business performance and turnaround skills in South Africa
 - We have consistently created more jobs for South Africans and reinvested all profits in the country
 - No profits have ever been sent to India

9. There have been a large number of layoffs in the mining sector. Are the Guptas' mining businesses making redundancies?

- Between 2012 and 2015, 47,000 jobs have been lost in South Africa's mining sector
- In fact, since 2015 the top three mining companies in South Africa have made more than 10,000 people redundant
- In contrast, we have created 3,500 jobs in mining
- Our acquisition of Optimum from Glencore has also saved the jobs of 3,000 South African miners

Relationship with government / President Zuma

10. How many members of President Jacob Zuma's family do the Gupta's employ? Do they help secure government contracts for the Guptas?

- President Zuma's son, Duduzane Zuma, is a Non-Executive Director of Shiva Uranium Pty Ltd., one of our Group companies
- Shiva Uranium does not have any contracts with the South African government
- Less than one 1% of our Group's business is either directly, or indirectly, with the South African government

11. Did the Guptas help President Jacob Zuma's wife, Bongki Ngema-Zuma, pay off her R3.8 million home loan?

- No. This story is completely false. The Gupta family has not assisted Bongki Ngema-Zuma in any way

12. Is it true that the Gupta family requested diplomatic passports from the government? Do the Guptas hold diplomatic passports?

- [NAME], a member of the Gupta family, was a special advisor to former President Mbeki
- In his capacity as a special advisor [x] was awarded a diplomatic passport, in keeping with other similar advisors
- This passport was revoked when the advisory role came to its natural end
- No other member of the Gupta family has ever had the right to carry a diplomatic passport, and no request for a diplomatic passport has ever been made by any member of the Gupta family

13. Do the Guptas make regular donations to the ANC or any other political parties? What is the total value of donations made to the ANC and other parties?

- TBC

14. Why were the Guptas permitted to land a private jet carrying wedding guests at the Waterkloof Air Base near Pretoria in 2013, known as the 'Guptagate' scandal?

- We requested permission to land a large privately chartered aircraft at the Waterkloof Air Base in August 2013
- This permission was granted
- We understand that we should not have been granted this permission and it is absolutely right that the press and the public questioned this use of a military facility

- No such requests have or will be made again

15. Do the Guptas use their media companies, The New Age and ANN7, to support the government by pushing out positive messages?

- No. Our journalists are independent and free to report the news as they see appropriate
- We believe in freedom of speech and of the press
- The New Age and ANN7 are often critical of government, as well as providing platforms where our journalists and members of the public can pose difficult questions to ministers, such as our regular breakfast panel sessions co-hosted with and aired live on SABC

Benefiting from government contracts

16. Does Oakbay Investments benefit from lucrative government contracts thanks to the Gupta family's close relationship with President Jacob Zuma?

- No. Less than 1% of our Group's business is either directly, or indirectly, with the South African government

17. Is Tageta one of the primary providers of coal to Eskom? Is the Gupta family holding the country to ransom?

- Tageta supplies just 1.3% of the total supply of coal to Eskom

18. Is it true that Optimum is selling coal to the government at a higher price than when the mine was owned by Glencore?

- This is incorrect. Optimum was acquired by Tageta Exploration and Resources for R2.5 billion (US\$137 million) in December 2015
- We are currently selling coal to Eskom at a price of R470 per metric ton
- Immediately prior to our acquisition of the business from Glencore, Optimum was selling coal to Eskom at a price of R1,036 per metric ton

19. South Africa is considering removing a ban on coal exports to India. Will the Guptas benefit from this move? Have the Guptas acquired Optimum from Glencore with a view to exporting coal to India? Were the Guptas tipped off by the government about a possible removal of the ban?

- All coal produced by Optimum is sold to the following customers: TBC
- We have no [current] plans to sell coal to India and we were not informed by the government that the ban might be removed

20. Has the Gupta family entered into a joint venture with Denel in Asia? How much of Denel Asia do the Gupta family own? Is this vital state asset vulnerable in the hands of the Guptas?

- The Gupta family has no shareholding in Denel Asia, 51% of which is owned by Denel and 49% owned by VR Laser Asia
- VR Laser Asia is a distinct entity from the South African based VR Laser in which Oakbay Investments has a minority shareholding
- The South African entity has entered a strategic alliance with Denel Asia in which it will handle some of the manufacturing for some of the business generated by the new entity, based on Denel's evaluation on whether to outsource or handle the manufacturing themselves

21. How often does the government of South Africa lease private planes owned by the Gupta family? How much money have the Guptas made from leasing planes to the government?

- Oakbay Investments own a number of private aircraft which are leased to a variety of clients, including, on occasion, the South African government
- It is not unusual for governments around the world that do not maintain a fleet of state-owned aircraft to lease planes from airlines or businesses like ours
- This is often more cost effective than aircraft ownership
- **More details TBC**