

“Grain of Fortune” Capital Market Awareness Workbook



Can my money grow ten times overnight?

If any investment sounds too good to be true, it probably is. Consider your investment objectives and risk tolerance before you start investing. Typically, the longer money is tied up the greater the return expected. Visit a licensed stock broker or a financial advisor to learn more about investing on the capital markets so you can invest wisely.



Part 1

A Grain of Fortune video series

For more information visit: www.seczim.co.zw

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Grain of Fortune workbook



Welcome to the Securities and Exchange Commission of Zimbabwe(SECZim) consumer protection investor awareness module.

Purpose

It is designed for you to become an informed and astute investor using the watch-as-you-learn video and workbook format.

Instructions

Watch the video in full

Watch the video again and answer the questions



Brought to you by the Securities and Exchange
Commission of Zimbabwe (SECZ)
in partnership with the Investor Protection Fund (IPF)

Who made this video and what is it called?



Who are the main characters?





Define opportunity?

Define dream?

Define ambition?

What does recapitalize mean?

In your words, describe what has gone wrong with the business?





What does Gazaland Millers need to meet customer needs?



Who does Mr Shumba go to see and why?



What assistance does Mr Gava provide?

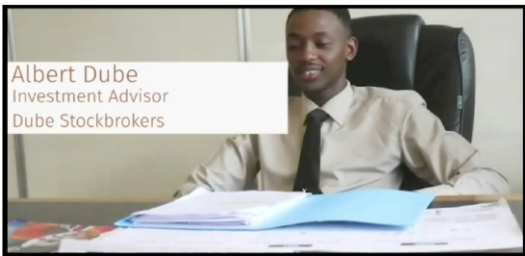




Why do you think Mr Shumba went to Mr Gava for advice?



What is an investment advisor?



What is Mr Dube's job?





What are the steps that Mr Shumba needs to follow?







Part 2

A Grain of Fortune video series

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In collaboration with:





Based on the valuation done by the Investment advisor, how much is Gaza Millers worth?

How much does Mr. Shumba need to expand his business?

What is Sweat Equity





How many investors bought Gazaland Millers Shares?

What is recapitalisation?

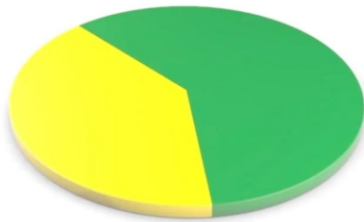
How many shares did Mr. Shumba need to sell to recapitalise his business?

400,000
USD Raised

For Recapitalisation

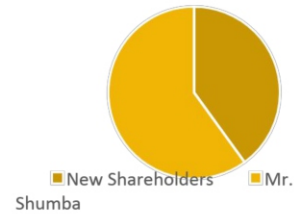


OWNERSHIP STRUCTURE AFTER 5 SHAREHOLDERS
BUY 400,000 SHARES

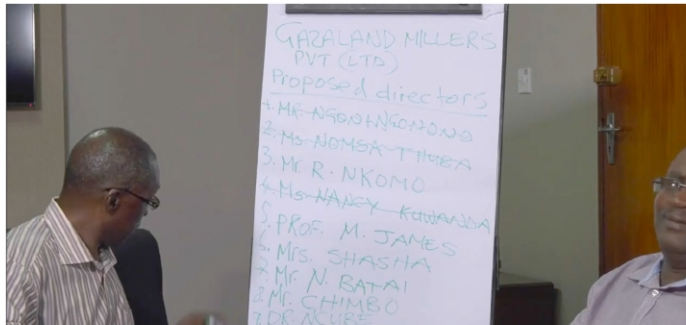


What is the share ownership of Gazaland Millers?

Share Ownership



	A	B	C
New shareholders	30%	35%	40%
Mr. Shumba	70%	65%	60%



What was the purpose of the first shareholders meeting?

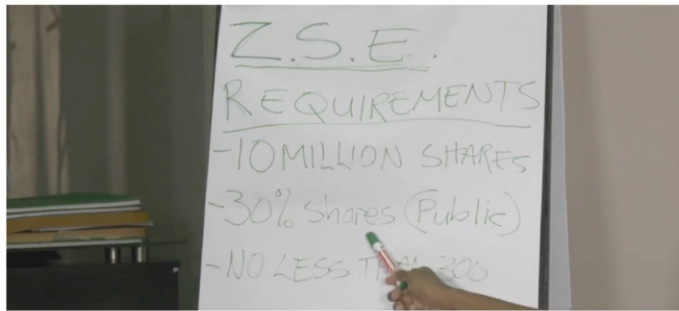




After gaining more confidence, Mr. Shumba decided to grow the business even bigger. How much did he need?

What do you understand by the term “going public”?

What are the listing requirements mentioned in this episode?





What is the role of SECZim and ZSE as outlined in this episode?

Out of the 9 million shares to be issued by Gazaland Millers how many would be sold to the public to raise the requested \$2million?

How would the remainder of the shares be distributed?



Part 3

A Grain of Fortune video series

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REQUIRED DOCUMENTS

- ✓ Certificate from the company's attorneys
- ✓ Accountants Report.
- ✓ Underwriting Agreement.
- ✓ Memorandum and Articles of Association.
- ✓ Audited financial information.
- ✓ Pre Listing Statement/Prospectus.
- ✓ Formal application (Schedule1)



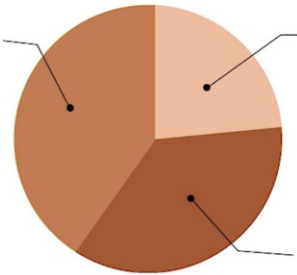
What documents are required in the listing proposal?

How long did it take for the listing process to be completed?

After Listing was approved, what was the new name for Gazaland Millers (Pvt) Ltd?



MARKETING SHARES
Media Coverage i.e.
the press
Highlighting prospects
and benefits
Initial Public Offer
(I.P.O.)



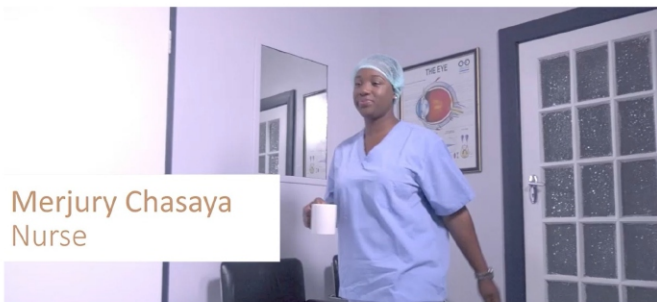
UNDERSUBSCRIBED

What happened during the offer period?

What was the new shareholding structure?

What is the role of the underwriter?





Merjury Chasaya
Nurse

How many shares did the nurse subscribe for?

What happened after shareholders had received their shares?



Knox Mwase
Farmer
(Buying Shares)

Which platform did the farmer use to buy Gazaland Millers Ltd shares?





But remember, future investor
There is a RISK as well as an ADVANTAGE
in owning any kind of investment

So **GET THE FACTS**
before you put your money to work

Define Risk

There is no risk-free investment.

- True
- Fales

What should one do before investing?



Thank you for participating in the Grain of Fortune Q & A. We hope you enjoyed the video drama. We value your feedback, please evaluate the video drama by completing the section below:

The drama was

- Very good
- Good
- Poor

Would you share the video drama with your contacts

- Yes
- No

How would you describe the listing journey for Mr. Shumba

- Difficult
- Easy and orderly
- Long

Would you consider listing your business on the licensed stock exchanges?

- Yes
- Maybe
- No



