

Capital Appreciation

Capital Appreciation Limited
Incorporated in the Republic of South Africa
(Registration number 2014/253277/06)
Share code: CTA
ISIN: ZAE000208245
("CAPPREC")

TRADING STATEMENT

In terms of paragraph 3.4(b) of the Listings Requirements of the JSE Limited, a listed company is required to publish a trading statement once it is satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported on next will differ by at least 20% from those of the previous corresponding period.

Shareholders are reminded that for the financial year ended 31 March 2017 CAPPREC managed its affairs as a Special Purpose Acquisition Company (SPAC), its only asset being Investment Grade cash deposits earning interest and its only expenditure being the authorized costs in terms of the Pre-Listing Statement.

The results below relate solely to CAPPREC in its capacity as a SPAC for the 12 months ended 31 March 2017, compared to a five-and-a-half-month period in 2016 (being the date of listing on 16 October 2015 to 31 March 2016). The results do not in any way contemplate or take into account the results of African Resonance, Synthesis Software Technologies or Dashpay, the three companies CAPPREC acquired as approved by CAPPREC shareholders on 5 May 2017 (i.e. post CAPPREC's financial year end).

Shareholders are advised that CAPPREC expects its basic Earnings Per Share ("EPS") and Headline Earnings Per Share ("HEPS") for the year ended 31 March 2017 to be higher than the corresponding period by between 75% and 80%, or higher by between 1,33 cents and 1,42 cents, when compared to the reported EPS and HEPS of 1,77 cents for the year ended 31 March 2016.

A summary of the audited financial results of African Resonance and Synthesis for the 12 months ended 28 February, 2017 and unaudited management accounts of Dashpay for the nine months ended 31 March 2017 will be disclosed together with the release of the audited financial results of CAPPREC for the year ended 31 March 2017. This will enable CAPPREC shareholders to gain an understanding of the consolidated earnings potential of CAPPREC going forward.

However, shareholders are advised that, as compared to the audited financial results for fiscal year 2016 (disclosed in the CAPPREC circular to shareholders relating to the acquisitions), the audited African Resonance Total Comprehensive Income for fiscal year 2017 increased by 150,4% and the audited Synthesis Total Comprehensive Income for fiscal year 2017 increased by 46,8%.

The financial information on which this trading statement is based has not been reviewed or reported

on by the external auditors of CAPPREC.

CAPPREC's audited annual financial results for the period ended 31 March 2017 will be released on SENS on or about 20 June 2017.

DIRECTORS

M. Sacks* (Non-Executive Chairman), M. Pimstein (Joint Chief Executive Officer), B. Sacks (Joint Chief Executive Officer), A. Salomon (Chief Financial Officer), Ms. B. Bulo*, J.M. Kahn*, Dr. D. Matjila*, R. Morar*, V. Sekese*, C. Valkin*

* Non-Executive Directors

Sandhurst

9 June 2017

Sponsor: Investec Bank Limited