

About Capital Appreciation

CAPPREC is an investment holding company focused on investing in and developing financial technology (“Fintech”) enterprises, their platforms, solutions, products and applications. CAPPREC presently has two divisions - “Payments & Payment Infrastructure” and “Software & Solutions”. The Payments businesses presently innovate, develop, manage

and promote payment product and payment infrastructure solutions for established and emerging institutional clients and other organisations that need to receive or make payments. The Software & Solutions business addresses the complex technology needs of Financial Institutions.



Michael Pimstein
Joint CEO - Executive Director

Former CEO Macsteel Service Centres South Africa



Bradley Sacks
Joint CEO - Executive Director

Former Managing Director, Global Head, TMT M&A, Bank of America



Alan Salomon
CFO - Executive Director

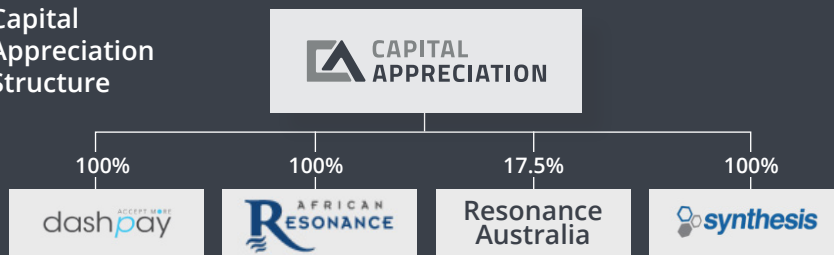
Former CEO of Bidvest Bank and Director of The Bidvest Group



Michael (Motty) Sachs
Non-Executive Chairman

Founder and Former Chairman of Netcare

Capital Appreciation Structure



Ownership



- Directors and Management c. 33%
- Together with the Founders, ownership increases to c. 60%
- BEE ownership certified at 39% (Voting Interest)

Anchor shareholders

- PIC
- Capital Appreciation Empowerment Trust
- Capital Appreciation 67 Scheme
- African Rainbow Capital



Capital Appreciation Strategy



Partner

- Piggy back on established brands . . .
 - Big Four have brand value exceeding R 70 billion
- B2B2C
- Enable others to deliver value
- Focus on infrastructure

Innovate

- State of the art proprietary technology
- Entrepreneurial culture
- Hardware agnostic
- Add value
- Grow market
 - Developed economies
 - Emerging economies / Financial Inclusion

Execute

- Service Excellence
- Alleviate pain points
- User experience
- Create eco-system
- Engender trust

Prospects



Capital Appreciation is well capitalised, with the management skills and technology to drive it's growth strategy

Organic Growth

Payments and payment infrastructure

- Continued and accelerated growth in terminal estate
 - Existing customers
 - New applications
 - Deployment of new platforms across estates
- Introduction of new products

Software and services

- Licensing of software applications for regulatory compliance
- Cloud migration opportunities continue to accelerate
- International expansion of service offerings

International

- Look forward to Australian launch in H1 of calendar 2018

Acquisitions

- Evaluating attractive acquisition opportunities in Payments & Payment Infrastructure sector in South Africa, Africa and other international markets
- Evaluating attractive acquisition opportunities in Software & Services sector in South Africa

Latest results – 6 months to 30 September 2017

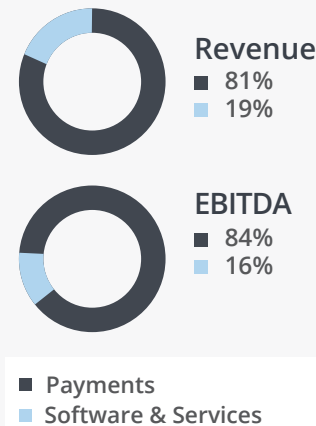


- Robust financial results
- Maiden dividend declared
- Strong cash flow from operations, with cash conversion of 100% of PAT
- Good expense management
- Positioned for growth with a strong net cash position

Maiden Dividend
2 cents per share

R 463,1 million cash available for reinvestment in growth, as well as further acquisitions

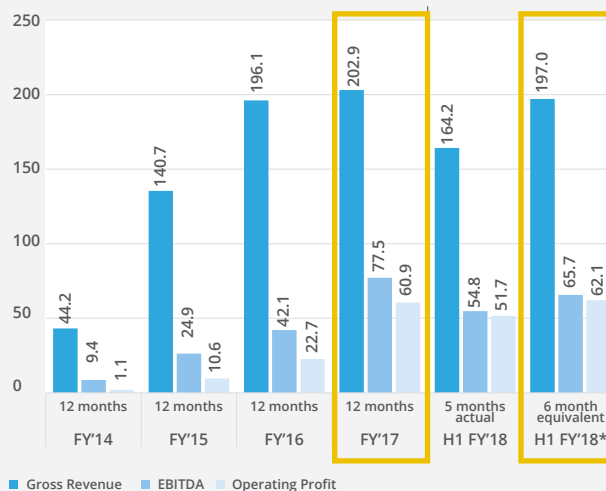
Relative Contribution



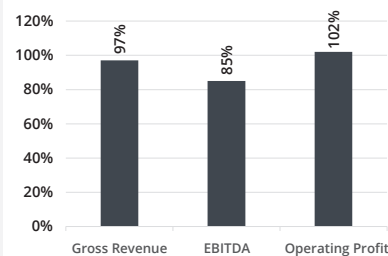
Financial performance



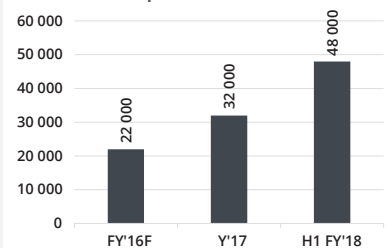
Payments and payment infrastructure division / year-end 28 Feb



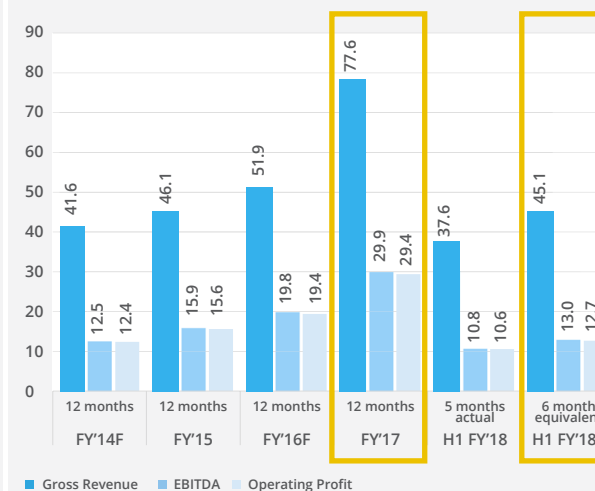
H1 6 months as a percentage of FY'17



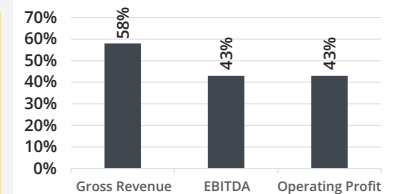
Terminals at period end



Software & services division / year-end 28 Feb



H1 6 months as a percentage of FY'17



H1 FY'18 results include exceptional recruiting costs related to AWS Cloud Migration projects, the benefits of which will be revealed in subsequent periods

3 yr CAGR Revenue 66% | EBITDA 102%

3 yr CAGR Revenue 23% | EBITDA 33%