



## **Capital Appreciation Limited**

**Incorporated in the Republic of South Africa**

**(Registration number 2014/253277/06)**

**Share code: CTA ISIN: ZAE000208245**

**("CAPPREC", or the "Group")**

### **NOTIFICATION OF DISCLOSURE OF SYNTHESIS PROPIETARY LIMITED PROFIT WARRANTY**

Capital Appreciation Limited acquired the business, Synthesis Software Technologies (Proprietary) Limited (Synthesis), on 6 May 2017.

In terms of the Capprec and Synthesis agreement, dated 17 February 2017, and the circular issued to shareholders on 31 March 2017, Capprec undertook as part of the total purchase consideration of the business, a profit warranty consideration of 30,000,000 (thirty million) ordinary shares at a cost of 83 cents per ordinary share, being the share price at date of acquisition, and a cash payment of R10,000,000 (ten million Rand) to the vendors of Synthesis should Synthesis achieve certain minimum profits after tax for the period 1 March 2017 to 31 March 2020.

Capprec is pleased to advise shareholders that Synthesis has exceeded the profit warranty. Accordingly, Capprec has paid the cash consideration and allotted 30 million ordinary shares to the following four vendors of Synthesis:

Michael Brian Shapiro	9,152,970 ordinary shares
Jake Damon Shepherd	14,152,970 ordinary shares
Thomas James Wells	4,156,604 ordinary shares
Steyn Nel Basson	2,537,456 ordinary shares

The cash payment and allotment of the shares was approved by the Capprec Board on 29 June 2020

7 July 2020

Johannesburg

Sponsor

Investec Bank Limited