

Financial features

Revenue
R323.7 million
up 15.0%

EBITDA
R81.6 million
up 20.2%

Trading profit
R84.2 million
up 23.4%

Headline earnings
R54.2 million
up 7.8%

EPS
4.45 cents
up 12.9%

HEPS
4.45 cents
up 29.7%

Cash flow from operations of
R65.7 million
(September 2019: R20.1 million)

Interim dividend of
2.50 cents
per ordinary share
up 11.1%

R488 million
cash available for
reinvestment

CAPITAL APPRECIATION

Unaudited interim condensed consolidated financial results

For the six months ended 30 September 2020 and cash dividend declaration

Operational highlights

- Accelerating digitalisation and electronic payments generates strong demand for CAPPREC's services
- Payment terminal sales increased by 26.6% to R125.3 million
- The number of terminals sold period on period grew by 17.6%
- The number of terminals in the hands of customers now stands at 202 000 (September 2019: 154 000)
- Significant progress in Android platforms, certifications, and roll-out
- Annualised Gross Transaction Value (GTV) in Payments Services exceeding R5.6 billion, up 14% since March 2020
- Synthesis' Cloud offering and AWS partnership continue to strengthen
- Synthesis won the AWS' Sub-Saharan Africa Social Impact Partner of the Year Award for the development of GovChat
- Group investment to support growth continues

Current year performance

All of Capprec's business units performed well in this period of the most severe lockdown restrictions under the COVID-19 pandemic. Capprec continued to grow its client base of blue-chip, well-capitalised institutions in the financial, retail, and telecommunications sectors. Terminal growth continued and the introduction of Android-based terminals in the South African market progressed well. The escalating demand for digital, cloud-based and data services has led to a strong growth in fees and is creating numerous opportunities for Synthesis. The growth in annuity-based income and geographic diversification are progressing steadily. Cash generation remained strong.

Dividends

The Board has pleasure in announcing that an interim dividend of 2.50 cents per ordinary share has been declared for the six months ended 30 September 2020 (September 2019: 2.25 cents per ordinary share).

We note the following:

- Dividends are subject to dividends withholding tax.
- The payment date for the dividend is Monday, 28 December 2020.
- Dividends have been declared out of profits available for distribution.
- Local dividends withholding tax is 20%.
- Gross dividend amount is 2.50 cents per ordinary share, which is 2.00 cents per ordinary share net of withholding tax.
- CAPPREC has 1 310 000 000 ordinary shares in issue at the declaration date.
- CAPPREC's Income Tax Reference Number is 9591281176.

The salient dates relating to the dividend are as follows:

Last day of trade cum dividend	Monday, 21 December 2020
Shares commence trading ex-dividend	Tuesday, 22 December 2020
Dividend record date	Thursday, 24 December 2020
Dividend payment date	Monday, 28 December 2020

Share certificates for ordinary shares may not be dematerialised or rematerialised between Tuesday, 22 December 2020 and Thursday, 24 December 2020, both days inclusive.

Short-form notice

The contents of this short-form announcement are the responsibility of the Board of Directors of the Company. Shareholders are advised that this short-form announcement represents a brief summary of the information contained in the full announcement, published on <https://senspdf.jse.co.za/documents/2020/jse/isse/ctae/HY2021.pdf> and on CAPPREC's website www.capitalappreciation.co.za.

The full announcement is available for inspection at the registered office of the Company during business hours and at no charge. Investors and/or shareholders may request copies of the full announcement by contacting the Company Secretary, details of whom are set out below.

The directors of CAPPREC take full responsibility for the preparation of this short-form announcement and the financial information has been correctly extracted from the underlying unaudited interim financial statements.

Any investment decisions by investors and/or shareholders should be based on a consideration of the full announcement as a whole and shareholders are encouraged to review the full announcement as directed above.

For and on behalf of the Board.

Michael (Motty) Sacks
Chairman

Michael Pimstein
Joint Chief Executive Officer

Alan Salomon
Chief Financial Officer

Bradley Sacks
Joint Chief Executive Officer

Johannesburg
2 December 2020

For a more comprehensive analysis of CAPPREC's results and outlook, please refer to www.capitalappreciation.co.za

Capital Appreciation Limited

Incorporated in the Republic of South Africa
"CAPPREC" or "the Company"

Registration number: 2014/253277/06

Registered office: 1st Floor, 61 Katherine Street, Sandton, 2196

JSE share code: CTA

ISIN: ZAE000208245

Directors: MI Sacks* (Chairman),
MR Pimstein* (Joint Chief Executive),
BJ Sacks* (Joint Chief Executive),
AC Salomon* (Chief Financial Officer),
MB Shapiro*, B Bullo#, KD Dlamini#, JM Kahn#,
EM Kruger#, R Morar#, VM Sekese#, CL Valkin#

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Transfer secretaries: Computershare Investor Services
(Proprietary) Limited

Sponsor: Investec Bank Limited

Auditor: Ernst & Young Inc

