



**MEDIA RELEASE**

## **CAPITAL APPRECIATION ANNOUNCES ACQUISITION OF SOFTWARE GROUP, DARIEL SOLUTIONS (including Dariel Software)**

FinTech group Capital Appreciation Limited said today that it has concluded agreements to acquire Dariel Solutions Proprietary Limited, the holding company of Dariel Software Proprietary Limited for a total consideration of R131.2 million, to be settled by a combination of cash and allotment of ordinary shares out of treasury shares.

Founded in 2001, Dariel is a South African IT software services provider involved in providing software, consulting, development, implementation, and integration services, as well as maintenance and support, to enterprises in the healthcare, telecommunications, hospitality, mining and manufacturing sectors, with a particular focus and expertise in the financial services, insurance and “Fintech” sectors. Dariel’s leadership position in the South African technology sector stems from its proven track record of over 22 years of helping to solve complex business problems and deliver digital transformation strategies through bespoke and highly engineered software applications and customized software integration services. It also provides cloud services, enabling customers to innovate and test new platforms on the Cloud across the major Cloud platforms including Microsoft Azure, AWS and Google Cloud Platform.

Capital Appreciation is a leading provider of technology-based products and solutions to enterprises across multiple sectors, with a strong focus on financial services. Capital Appreciation CEO, Bradley Sacks, said *“Dariel fits our model of investing in established, asset-light companies that deliver innovative and disruptive FinTech solutions to mainly institutional clients, with a culture and business ethos well-aligned with that of the Group. We have experienced significant growth in our businesses due to accelerating digital transformation and the robust demand for cloud services, online applications, data intelligence, electronic payments and other innovative software solutions. Dariel participates in many of these compelling areas of activity. In addition to its own growth prospects, we also see significant synergistic opportunities with our existing businesses”*.

Dariel will form part of Capital Appreciation’s Software division.

Dariel founders Malcolm Rabson, Gregory Vercellotti and Wayne Yan said that they are delighted with the transaction. *“By being part of a listed company with a proven growth strategy and the financial resources to support us, we will be able to expand our products and services and will be able to participate in projects for which we are sometimes overlooked. It also provides us with exciting opportunities to access international markets and gain access to a broad base of skills in cloud, Artificial Intelligence and Machine Learning, and specialist UX/UI capabilities”*.

The acquisitions remain subject to the fulfilment of suspensive conditions, including approval from the Competition Commission.

## **ABOUT CAPITAL APPRECIATION**

Capital Appreciation is a FinTech enterprise with three business segments – Payments, Software, and an international division in the Netherlands.

**Payments:** The Payments division comprises three businesses:

- African Resonance and Dashpay are leading direct and indirect providers of payment infrastructure, technical support, maintenance, bespoke software, payment services and payment technology solutions. Dashpay offers a multi-product, multi-party universal transacting platform, and value-added services solutions.
- LayUp Technologies, a recent start-up in which Capital Appreciation is a 27.4% shareholder, is Africa's first digital lay-by and recurring payments business with solutions for e-commerce and in-store purchases.

**Software:** The Software division comprises two businesses:

- Synthesis is a strategic technology partner and highly specialised software and systems developer, offering consulting, innovative solutions, and technology-based products. Synthesis is uniquely positioned in Africa as an Amazon Web Services (AWS) Advanced Consulting Partner with a broad range of specialist competencies.
- Responsive Group, acquired by Capital Appreciation in March 2022, designs and develops web and mobile digital applications with clients in South Africa, the USA, Europe, and the United Kingdom.

**International:** The International division is a Company located in the Netherlands, aimed at broadening the Group's geographic reach, expanding the Group's client base and increasing its exposure to new and emerging technologies and global best practice.

Capital Appreciation also owns 20% of Regal Digital B.V., located in the Netherlands, which comprises Firelava, a Web 3.0 consulting business and Flamelink, a SaaS solution for Google's Firebase.

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