



MEDIA RELEASE

CAPITAL APPRECIATION CONCLUDES ACQUISITION OF SOFTWARE GROUP, DARIEL SOLUTIONS

FinTech group Capital Appreciation Limited announced today that it has completed the R131.2 million acquisition of Dariel Solutions Proprietary Limited, the parent company of Dariel Software Proprietary Limited, a South African IT software services provider. Capital Appreciation is a market leader in offering technology-based goods and services to businesses in a variety of industries, with a particular emphasis on the financial services industry. Dariel is an engineering-focused IT architecture and software development company focused on large, mission-critical and complex business applications. With a 22-year track record of building well-architected systems, Dariel has amassed clients in FinTech, banking and insurance, healthcare, telecommunications, hospitality, mining and manufacturing. Its client solutions include, among others, FX platforms, hospital administration systems, Know-your-client (KYC) and single-customer-view systems for some of South Africa's foremost enterprises, as well as South Africa's largest hotel management platform. Dariel's solutions are strongly cloud-based, with over 80% of its revenue related to the cloud in some form and with more than 110 certifications in AWS and Azure to match.

Dariel will form part of Capital Appreciation's Software division. Malcolm Rabson, Gregory Vercellotti and Wayne Yan, the three founders of Dariel, will remain in the business and will continue to steer the Dariel team. *"Being part of a listed company with a strong balance sheet will provide growth capital and the financial firepower to pursue much larger projects, as well as exciting opportunities to access international markets",* said the Dariel founders. *"It will also grant Dariel ready access to Capital Appreciation's specialised cloud, AI, ML and expert UX/UI capabilities, opening the scope for continued innovation and expansion of Dariel's products and services".*

Michael Shapiro, Executive Director and Head of Capital Appreciation Software Division said: *"Capital Appreciation is delighted to welcome the talented team from Dariel to our Software group as we join forces to innovate in the software development arena. Collectively, we share a passion for problem-solving and emerging technology, and we are confident that we will create significant value for our customers, employees, partners, investors and other stakeholders".*

The addition of a complementary skill set of 180 talented and experienced staff with a highly experienced and entrepreneurial management team, will allow Capital Appreciation to accelerate its participation in the considerable growth opportunities available to the Group. Substantial synergistic and collaboration opportunities also exist among the businesses, which the Group will begin to explore immediately following the conclusion of the acquisition.

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ABOUT CAPITAL APPRECIATION

Capital Appreciation is a FinTech enterprise with three business segments – Payments, Software, and an International division.

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, Australia 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 content management solution.

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