



Capital Appreciation Limited
Incorporated in the Republic of South Africa
(Registration number 2014/253277/06)
Share code: CTA ISIN: ZAE000208245
("Capital Appreciation" or the "Group" or "the Company")

TRADING STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

In terms of paragraph 3.4 (b) of the Listings Requirements of the JSE Limited, a listed company is required to publish a trading statement as soon as it is satisfied that a reasonable degree of certainty exists that its financial results for the period to be reported on next, will differ by at least 20% from those of the previous corresponding period.

Capital Appreciation is in the process of finalising its interim results for the six months ended 30 September 2023. While Group operations for the period under review were impacted by the challenging economic environment and other factors described in the Business Update published on SENS on 19 September 2023, operational efficiencies and company resilience nevertheless enabled the Group to deliver satisfactory trading results. The GovChat expected credit loss raised of R56.3 million in the prior period, compared to only R9.4 million in the current period, has contributed to the increase in comparable earnings.

As a result, the Group's Basic Earnings Per Share ("EPS") and Headline Earnings Per Share ("HEPS") for the six months ended 30 September 2023 will be as follows:

	September 2023	September 2022	Increase %
Basic Earnings per Share (cents)	6.42 - 6.54	3.13	105.1% - 108.9%
Headline Earnings per Share (cents)*	6.44 - 6.57	3.16*	103.8% - 107.9%

*HEPS for the six months to September 2022 has been restated given that the expected credit loss raised in the September 2022 results was treated as non-headline earnings, which was subsequently changed in the audited results for the year ended 31 March 2023.

Normalised Earnings Comparative Information

The Company has excluded the impact of the expected credit loss raised for Govchat in the normalised earnings comparative information recorded below, to illustrate more clearly the performance of the Group.

	September 2023	September 2022	Decrease %
Basic Earnings per Share (cents)	7.18 - 7.32	7.73	7.1% – 5.3%
Headline Earnings per Share (cents)*	7.19 – 7.33	7.76*	7.3% – 5.5%

Normalised earnings is considered to be pro forma information in terms of the JSE Listings Requirements and is the responsibility of the Directors.

The financial information on which this trading statement is based has not been reviewed or reported on by the external auditors.

The Group's financial results for the six months ended 30 September 2023 will be released on SENS on 4 December 2023.

Johannesburg
14 November 2023
Sponsor: Investec Bank Limited