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CONVERGENCE PARTNERS INVESTS IN INTEGRAT

Convergence Partners Investments, a Black Economic Empowerment investment company focusing on the Technology, Media and Telecommunications sector, announced today that it had taken a stake in Integrat, a major South African Wireless Applications Service Provider (WASP) Aggregator with related interests in digital content, online platforms and other ancillary activities.

WASPs are companies that connect to the cellular operators to provide services to the networks' clients, usually in the form of premium-rated Short Message Services (SMS). As an Aggregator, Integrat supports its WASP customers with best-of-breed, locally developed, solutions offerings to seamlessly connect into SA's highly regulated mobile networks in a matter of days, rather than months. Integrat's offerings are globally competitive and have evolved over the years to include various Value Added Services, such as content manager, campaigns manager, mobile payment systems and other mobile handset-focused services. These products allow customers to deliver services within a very short time and without having to take responsibility for any development.

Andile Ngcaba, Convergence Partners' Chairman, said: ***"Aligned with the massive cellular phone uptake in South Africa, the mobile content market is a key growth area in the telecommunications sector, particularly as voice becomes increasingly commoditised and mobile operators focus on data offerings to grow revenues.***

"This investment is perfectly aligned with our belief that the digital media space is set to experience significant growth as content



quantity increases and the medium through which it is consumed evolves to include non-traditional devices such as mobile handsets, which are increasingly including non-voice related features and functions.”

When combined with Integrat’s internal employee’s trust, Convergence Partners’ investment will result in the company increasing its Black Economic Empowerment ownership to 24%. This acquisition is in line with Convergence Partners’ focus on companies with good growth potential, strong management and compelling intellectual property.

Commenting on the deal, Norman Parkin, MD of Integrat, said: ***“Being an entrepreneurial business, we were looking for a BEE investor that could support our growth development through strategic value-add and in-depth sector knowledge. We are delighted to have Convergence Partners onboard and look forward to a mutually beneficial relationship as we take full advantage of the growth opportunities in the digital content space and related areas.”***

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NOTES TO EDITORS

Convergence Partners

Convergence Partners is a BEE investment company focusing on the Telecommunications, Media and Technology (TMT) sector. It was created and led by Andile Ngcaba who has formed a team of varied skilled individuals within the business.

Convergence Partners' investment philosophy is to take meaningful equity stakes in quality companies within its chosen sector, and act as both a strategic, value-adding active investor as well as BEE partner over a long-term period.

Current direct investments include Telkom, Dimension Data Middle East and Africa, Britehouse (an investment holding company into Paracon, 3Fifteen, Pebble Tree and Auto-mate), Gemalto South Africa, Inala, Nedbank (Eyethu Scheme), Communications Solutions, SEACOM and Integrat.

Integrat

Integrat was established in 2002 and is one of the largest aggregators of WASP activity in the South African market. Examples of the types of GSM Value Added Services (VAS) activities Integrat is involved in include Bulk SMS, Premium SMS, Mobile Billing, Multimedia Messaging, Mobile Marketing, Mobile Tracking services and enables mobile content such as music, ringtones, wallpaper, pictures and mobile business applicators.



Integrat provides mobile integration and application development services to WASPs on all major South African cellular networks.

The company's products support VAS interfaces such as text, premium services, multimedia and online billing. It also provides a call centre solution, direct billing of mobile phone accounts and comprehensive statistics and reports, allowing companies to always have transparent visibility for all their services and optimal system usage levels.

Integrat's Higate Gateway and related Application Programming Interfaces (APIs) afford content providers and corporates a competitive advantage when developing mobile solutions as they are free to programme in their language of choice including HTTP (WEB Based), C++ and Java, as well as a full SMPP interface.

In addition to servicing third party clients, Integrat has interests in a user content generation business. For example, Integrat has developed a local music download and rating service – **MoCharts_** which effectively allows local artists (who are not signed up by the major music distributors) to distribute their product online through this mobile portal and earn income on a download basis.

Finally, Integrat has developed a payment system - **mDebit** - that enables mobile phone billings and payments of non cellphone related accounts. The mDebit system allows for monthly billing SMSs to be sent to the mDebit system registered customers who can instruct payment to be deducted for his or her bank account.