

+THIS SUMMARY CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

The definitions and interpretations commencing on page 7 of this Circular apply *mutatis mutandis* to this cover.

ACTION REQUIRED BY SHAREHOLDERS

- This entire Circular is important and should be read with particular attention to the section titled "Action required by Shareholders" on page 5 of this Circular. If you are in any doubt as to what action you should take, you should consult your CSDP, Broker, banker, legal advisor, accountant or other professional advisor immediately.
- If you have disposed of all of your Shares, please forward this Circular, together with the attached form of proxy, to the purchaser to whom, or the CSDP, Broker or other agent through whom, the disposal was effected.
- **Visual International does not accept responsibility and will not be held liable for any failure on the part of the CSDP or Broker of any holder of Dematerialised Shares to notify such Shareholder of the transaction and actions set out in this Circular.**



VISUAL INTERNATIONAL HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2006/030975/06)
("Visual International" or "the Company")
ISIN code: ZAE000187407 Share code: VIS

SUMMARY CIRCULAR TO SHAREHOLDERS

relating to:

- **the disposal by Visual of the property described as Erf 25312 (being the consolidation of erf 18363 with Portion 1 of the Remainder of Portion 4 of Farm 438) Kuils River to Makoro Property Developers Proprietary Limited;**

and incorporating

- **a notice convening the General Meeting; and**
- **a form of proxy (for use by Certificated Shareholders and Dematerialised Shareholders with "own name" registration only).**

Designated Advisor	Reporting Accountant	Independent Property Valuer
Arbor Capital Sponsors Proprietary Limited 	BDO Cape Incorporated 	Adval Valuation Centre CC 

Date of issue: Thursday, 16 May 2019

Copies of this Circular are available in English only and may be obtained from the registered office of Visual International, the Designated Advisor or the Transfer Secretaries during normal business hours at the addresses set out in the "Corporate Information and Advisors" section on page 3 of this Circular from Thursday, 16 May 2019 until Thursday, 13 June 2019 (both days inclusive). A copy of this Circular will also be available on Visual's website (www.visualinternational.co.za).

CORPORATE INFORMATION AND ADVISORS

Registered office of the Company

Visual International Holdings Limited

23 Kleinplass
Hohenhort Street
Stellenberg
Western Cape, 7550
(PO Box 3163, Tyger Valley, 7536)

Place and date of incorporation

Incorporated on 5 October 2006 in Pretoria in the Republic of South Africa

Company Secretary

Arbor Capital Company Secretarial Proprietary Limited

(Registration number 1998/025284/07)
20 Stirrup Lane
Woodmead Office Park
Corner Woodmead Drive & Van Reenens Avenue
Woodmead, 2191
(Suite #439, Private Bag X29, Gallo Manor, 2052)

Independent Property Valuer

Adval Valuation Centre CC

(Registration number CK1989/003217/23)
Mountain View Office Park,
Unit 8, 28 Bella Rosa Street,
Rosenpark,
Bellville,
7530
(P O Box 5339, Tygervalley, 7536)

Designated Advisor

Arbor Capital Sponsors Proprietary Limited

(Registration number 2006/033725/06)
20 Stirrup Lane
Woodmead Office Park
Corner Woodmead Drive & Van Reenens Avenue
Woodmead, 2191
(Suite #439, Private Bag X29, Gallo Manor, 2052)

Independent Reporting Accountants

BDO Cape Incorporated

(Registration number: 2010/016204/21)
Practise number: 970879
106 Park Drive
St George's
Port Elizabeth, 6001
(P.O. Box 63814, Greenacres, 6057)

Transfer Secretaries

Link Market Services South Africa Proprietary Limited

(Registration number 2000/007239/07)
13th Floor,
19 Ameshoff Street
Johannesburg, 2001
(PO Box 4844, Johannesburg, 2000)

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ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 4 of this Circular apply, *mutatis mutandis*, to this section.

Please take careful note of the following provisions regarding the action required by Shareholders.

1. If you are in any doubt as to what action to take, please consult your CSDP, Broker, banker, attorney, accountant or other professional advisor immediately.
2. If you have disposed of all your Shares, please forward this Circular to the purchaser of such Shares or to the CSDP, Broker, banker or other agent through whom the disposal was effected.
3. The General Meeting, convened in terms of the notice incorporated in this Circular, will be held at 10:00 at 23 Kleinplaas, Hohenhort, Street, Stellenberg, Cape Town, 7550, on Thursday, 13 June 2019.

1. IF YOU HAVE DEMATERIALIZED YOUR SHARES WITHOUT "OWN NAME" REGISTRATION:

1.1. Voting at the General Meeting

- 1.1.1. You should contact your CSDP or Broker in accordance with their cut off time, prior to the date of the General Meeting and instruct them as to how you wish to cast your vote at the General Meeting and to cast your vote in accordance with your instructions.
- 1.1.2. If your CSDP or Broker does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the agreement concluded between you and your CSDP or Broker.
- 1.1.3. You must **NOT** complete the attached form of proxy.

1.2. Attendance at the General Meeting

In accordance with the agreement between you and your CSDP or Broker, you must advise your CSDP or Broker if you wish to attend the General Meeting in person, or if you wish to send a proxy to represent you at the General Meeting, and your CSDP or Broker will issue the necessary letter of representation for you or your proxy to attend the General Meeting.

2. IF YOU HAVE NOT DEMATERIALIZED YOUR SHARES OR YOU HAVE DEMATERIALIZED YOUR SHARES WITH "OWN NAME" REGISTRATION:

2.1. Voting, attendance and representation at the General Meeting

- 2.1.1. You may attend and vote at the General Meeting in person.
- 2.1.2. Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached form of proxy in accordance with the instructions it contains and returning it to the Transfer Secretaries to be received by no later than 10:00 on Tuesday, 11 June 2019 or alternatively handing your proxy form to the Chairman of the General Meeting at any time prior to the commencement of the General Meeting.

2.2. If you wish to dematerialise your Shares, please contact your CSDP or Broker.

3. IF YOU HAVE DISPOSED OF YOUR SHARES

If you have disposed of your Shares, this Circular, together with the attached form of proxy, should be handed to the purchaser of such Shares or the Broker or other agent who disposed of your Shares for you.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless the context indicates otherwise, references to the singular include the plural and vice versa, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and vice versa and words in the first column have the meanings stated opposite them in the second column as follows:

“AltX”	Alternative Exchange of the JSE;
“the Board”	the board of directors of Visual International constituted from time to time;
“Broker”	stockbroker” as defined in the Financial Markets Act, or its nominee;
“Business Day”	any day other than a Saturday, Sunday or a South African public holiday;
“Certificated Shares”	shares which have not yet been dematerialised, title to which is represented by a share certificate or other document of title;
“Certificated Shareholders”	shareholders who have not dematerialised their Visual International share certificates in terms of Strate;
“Charles Robertson Jnr”	the major son of Charles Robertson, the CEO of Visual International and is not a related party to Visual International according to a ruling received from the JSE. Charles Robertson Jnr is a trustee of the Charson Share 3 Trust which is a 50% shareholder of Makoro;
“The Charson Share 3 Trust”	The Charson Share 3 Trust, (Registration number 11943/04), whose trustees are Charles Roberson Jnr and Galeleo Advisory Services represented by George Frederick Robertson whose beneficiaries are Charles Henry Robertson, Berna Robertson, Caleb Charles Robertson and Joel Rynhard Robertson as well as the future children born out of the marriage between Charles Robertson Jnr and Berna Robertson and their descendants. The Charson Share 3 Trust is a holder of 50% of Makoro;
“Circular”	all the documents contained in this bound document dated Thursday, 16 May 2019, including the Circular to Shareholders and the annexures thereto, a notice of General Meeting and a form of proxy;
“The CKR Trust”	the CKR Investment Trust (Registration number T380/86), is a discretionary family trust of which Charles Robertson is a beneficiary, with trustees being HM Robertson (of 1 Kleinplaas Hohenhort Street, Stellenberg, 7550) and Eugne Groenewald (of 2nd Floor, 34 Oxford Street, Durbanville, 7550), which trust is incorporated under the laws of South Africa, having its registered address at 23 Kleinplaas Hohenhort Street, Stellenberg, 7550 and being a trustee of the My Place Trust;
“Companies Act”	the South African Companies Act, 71 of 2008, as amended;
“CSDP”	a Central Securities Depository Participant, as defined and accepted as a participant in terms of the Financial Markets Act;
“Custody Agreement”	the agreement which regulates the relationship between the CSDP or Broker and each beneficial holder of Dematerialised Shares;
“Dematerialisation”	the process by which Certificated Shares are converted to an electronic form as uncertificated Shares and recorded in the sub-register of Shareholders maintained by a CSDP;

“Development Management Agreement”	Agreement signed between the Company and Makoro, in terms of which Makoro will appoint the Company to manage and co-ordinate the implementation of the development of Stellendale Junction over a number of years on its behalf and the Company, and which is detailed in paragraph 4 of the Circular;
“Disposal”	the disposal by Visual of Stellendale Junction in terms of the Disposal Agreement;
“Disposal Agreement”	disposal of land agreement signed between Visual and Makoro, in respect of Stellendale Junction, which is the subject of this Circular;
“Disposal Proceeds”	the disposal proceeds for the Disposal, being the cash amount of R10 million, payable as set out in paragraph 2.1 of this Circular;
“Dematerialised Shares”	Shares which have been incorporated into the Strate system and which are no longer evidenced by certificates or other physical documents of title;
“Dematerialised Shareholders”	Shareholders holding Dematerialised Shares;
“the Directors”	the directors of Visual International at the Last Practicable Date, as listed on page 13 of this Circular;
“Effective Date”	the effective date of the Disposal, being the date of transfer of the property;
“Financial Markets Act”	the South African Financial Markets Act, 19 of 2012, as amended or replaced from time to time;
“General Meeting”	the general meeting of Shareholders to be held at 10:00 on Thursday, 13 June 2019 at 23 Kleinplass Hohenhort Street Stellenberg Western Cape, 7550, to consider, and if deemed fit, approve the resolutions contained in the Notice of General Meeting;
“IFRS”	International Financial Reporting Standards;
“Independent Reporting Accountants”	BDO Cape Incorporated (Registration number 2010/016204/21, Practice number 970879), the auditor and independent reporting accountants to Visual International;
“Independent Property Valuer”	Adval Valuation Centre CC (Registration number CK1989/003217/23), being the JSE approved independent property valuer in respect of Stellendale Junction, registered with the South African Council for the Property Valuers Profession;
“the JSE”	JSE Limited (Registration number 2005/022939/06), a public company duly incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;
“the Last Practicable Date”	Friday, 10 May 2019, being the last practicable date prior to the finalisation of this Circular;
“Listings Requirements”	the Listings Requirements of the JSE;
“Loan Agreement”	the loan agreement signed between Makoro, Visual International, Visual, and My Place Trust the terms of which are set out in paragraph 3 of the Circular;

“Makoro”	being the Purchaser;
“MOI”	the Memorandum of Incorporation of Visual International and its subsidiaries, as amended from time to time;
“My Place Trust”	The My Place Trust, (Reference Number IT3034/2007), is a discretionary family trust of which CK Robertson is a beneficiary, with trustees being Charles Kenneth Robertson (the Chief Executive Officer of Visual International of 1 Kleinplaas Hohenhort Street, Stellenberg, 7550) and Eugene Groenewald (of 2nd Floor, 34 Oxford Street, Durbanville, 7550), which trust is incorporated under the laws of South Africa, having its registered address at 23 Kleinplaas Hohenhort Street, Stellenberg, 7550; and whose beneficiaries are Visual and the CKR Investment Trust;
“Notice of General Meeting”	the notice of the General Meeting attached to and forming part of this Circular;
“the Property”	a piece of land owned by Visual International known as Stellendale Junction;
“the Purchaser”	Makoro Property Developers Proprietary Limited; (Registration number 2016/188799/07), a private company duly incorporated in accordance with the laws of South Africa, owned 50% by The Charson Share 3 Trust and 50% TLP Investments 154 (Pty) Ltd. Makoro is an unrelated party to Visual International as defined in the Listings Requirements;
“RAL Trust”	the RAL Trust (Registration number T1130/1992), is a discretionary family trust of which Charles Kenneth Robertson is a beneficiary, with trustees being HM Robertson (of 1 Kleinplaas Hohenhort Street, Stellenberg, 7550) and Eugene Groenewald (of 2nd Floor, 34 Oxford Street, Durbanville, 7550), which trust is incorporated under the laws of South Africa, having its registered address at 23 Kleinplaas Hohenhort Street, Stellenberg, 7550 and being one of the controlling shareholders of Visual International holding 77 328 209 shares (21.26%) of Visual International;
“SENS”	Stock Exchange News Service of the JSE;
“Shareholders”	holders of Shares;
“Shares”	ordinary shares of Visual International of no par value;
“South Africa”	the Republic of South Africa;
“Stellendale Junction”	the land described as Eft 25312 (being the consolidation of erf 18363 with Portion 1 of the Remainder of Portion 4 of Farm 438) Kuils River, situated in the registration division of Stellenbosch in extent 2,77179 hectares and being disposed of by Visual International to Makoro, as detailed in the Circular;

"Strate"	the settlement and clearing system utilised by the JSE for all share transactions concluded on the JSE, managed by Strate Proprietary Limited (Registration number 1998/022242/07), a private company duly incorporated in accordance with the laws of South Africa and a CSDP registered in terms of the Financial Markets Act;
"TLP Investments 154"	TLP Investments 154 Proprietary Limited (Registration number 2012/1127), a private company duly incorporated in accordance with the laws of Namibia and is the holder of 50% of the issued share capital of Makoro. TLP Investments 154 is owned by Namibian trusts related to Mr Jacobus Adriaan Nel whose beneficiaries are his minor children of Mr Nel. These trusts and TLP Investments 154 are not a related party to Visual International or any other shareholders of Visual International;
"Transfer Secretaries"	Link Market Services South Africa Proprietary Limited (Registration number 2000/007239/07), a private company duly incorporated in accordance with the laws of South Africa with its registered address at 19 Ameshoff Street, Johannesburg (PO Box 4844, Johannesburg, 2000);
"VAT"	Value-Added Taxation in terms of the Value-Added Tax Act, 89 of 1991.
"Visual"	Visual International Proprietary Limited (Registration number 1992/000824/07), a private company duly incorporated with the laws of South Africa on 3 April 1992, a wholly owned subsidiary of Visual International, and the company through which the main operations are conducted and which holds all the interests in subsidiaries and joint ventures of the Visual Group and is the Seller of Stellendale Junction;
"Visual International" or "the Company"	Visual International Holdings Limited (Registration number 2006/030975/06), a public company listed on the JSE and duly incorporated in accordance with the laws of South Africa on 5 October 2006;
"the Visual Group" or "the Group"	<p>Visual and its subsidiaries from time to time, the subsidiaries of which are as follows:</p> <ul style="list-style-type: none"> ➤ Hoeksteen Projects Proprietary Limited (Registration number 2003/025098/07), of which Visual has a 100% holding; ➤ Richland Proprietary Limited (Registration number 1983/005819/07), of which Visual holds 100%; ➤ Stellendale Village Proprietary Limited (Registration number 2002/008272/07), of which Visual holds 100%; ➤ Mystic Pearl 129 Proprietary Limited (Registration number 2007/00137/07), of which Visual holds 50%; and ➤ Visual Reit Number 1 Limited (Registration number 2007/033998/06), of which Visual holds 100%.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 4 of this Circular apply, *mutatis mutandis*, to this section.

2019

Record date to determine which Shareholders are eligible to receive this Circular	Friday, 10 May
Posting date of circular	Thursday, 16 May
Last date to trade in order to be eligible to vote at the General Meeting	Tuesday, 4 June
Record date to be able to vote at the General Meeting	Friday, 7 June
Last day to lodge forms of proxy for the General Meeting by 10:00	Tuesday, 11 June
General Meeting of Shareholders to be held at 10:00	Thursday, 13 June
Results of General Meeting published on SENS	Friday, 14 June

Notes:

1. All of the above dates and times are subject to change. Any changes will be released on SENS.
2. Shareholders should note that, as transactions in Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place 3 (three) Business Days after such trade. Therefore, persons who acquire Shares after the last day to trade as detailed in the table above, will not be able to vote at the General Meeting.
3. A Shareholder may submit the form of proxy at any time before the commencement of the General Meeting (or any adjournment of the General Meeting) or hand it to the chairperson of the General Meeting before the appointed proxy exercises any of the relevant Shareholder's rights at the General Meeting (or any adjournment of the General Meeting), provided that, should a Shareholder lodge the form of proxy with the Transfer Secretaries less than 48 (forty eight) hours before the General Meeting, a Shareholder will also be required to furnish a copy of such form of proxy to the chairperson of the General Meeting before the appointed proxy exercises any of such Shareholder's rights at the General Meeting (or any adjournment of the General Meeting).
4. If the General Meeting is adjourned or postponed, forms of proxy submitted for the initial General Meeting will remain valid in respect of any such adjournment or postponement.
5. All times given in this Circular are local times in South Africa.



VISUAL INTERNATIONAL HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2006/030975/06)
(**"Visual International"** or **"the Company"**)
ISIN code: ZAE000187407 Share code: VIS

Directors:

Executive

C Robertson (Chief Executive Officer)
R Kadalie (Financial Director)

Non-executive

RR Richards (Chairman)*
CT Vorster*
LT Matlholwa

**Independent*

CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION AND PURPOSE OF THIS CIRCULAR

- 1.1. It was announced on SENS on 28 December 2018 ("**SENS Announcement**") that Visual had entered into advanced negotiations regarding a disposal of land agreement and the Development Management Agreement with Makoro. The SENS Announcement also stated that, in terms of the same negotiations, it was intended that Makoro conclude the Loan Agreement with Visual International, Visual and My Place Trust.
- 1.2. As stated in the SENS Announcement, the Purchaser is not a related party to the Group. However, certain of the indirect shareholders of Makoro, being Charles Robertson Jnr who indirectly holds 50% of Makoro through the Charson Share 3 Trust, of which he is a trustee, , are shareholders in Visual International and will be precluded from voting on the Disposal. Charles Robertson Jnr and his associates are precluded from voting due to him having an interest in the transaction. In addition, Visual International is a property entity as defined in the JSE Listings Requirements.
- 1.3. Due to the consideration of the Disposal exceeding 50% of the market capitalisation of Visual International at the date of the announcement, the Disposal is classified as a Category 1 transaction, in terms of the Listings Requirements, and therefore shareholder approval is required.
- 1.4. The Disposal is not a disposal of the majority of Visual International's assets or business as per Section 112 of the Companies Act and only requires approval by more than 50% of the voting rights exercised at the General Meeting.
- 1.5. The Charson Family Trust and the Montana Trust, being associates of Charles Robertson Jnr. and which trusts hold 7 616 726 Visual shares and 1 000 000 Visual shares, respectively, will be precluded from voting on the resolution to approve the Disposal.

1.6. The purpose of this Circular is to:

- 1.6.1. provide Shareholders with the requisite information regarding the Disposal to enable them to make an informed decision in respect of the resolutions set out in the Notice of the General Meeting; and
- 1.6.2. convene the General Meeting in order to consider and, if deemed fit, approve the resolutions set out in the Notice of the General Meeting;

1.7. Visual International takes full responsibility for the contents of the Circular, the proposed resolutions and the accompanying explanatory material, opinions and information contained in the Circular.

2. TERMS OF THE DISPOSAL. DISPOSAL CONSIDERATION AND APPLICATION OF DISPOSAL PROCEEDS

2.1 The Disposal Proceeds of R10 million are payable to Visual International against transfer. Makoro will furnish Visual International with a guarantee of funds within seven calendar days after being requested to do so by the appointed conveyancer, subject to such request not being made prior to fulfilment of all the suspensive conditions.

2.2 The proceeds of the disposal, of which R2 million has already been advanced in terms of the Loan Agreement, will be utilised by the Company to settle its pre-existing obligations of approximately R4 million to the Provincial Government of the Western Cape for the acquisition of land (a portion of which land forms part of Stellendale Junction) and for working capital purposes.

2.3 There will be no changes to the Board as a result of the Disposal.

3. TERMS OF THE LOAN AGREEMENT

3.1. Makoro concluded a loan agreement with Visual International, Visual (a subsidiary of Visual International) and My Place Trust in terms of which it has loaned the Company an amount of R2 million which incurs interest at 3% above the prime rate charged by ABSA Bank and is repayable on or before 31 January 2020. The agreement is not considered to be a related party transaction as Makoro is not a related party to the Company.

3.2. The proceeds of the loan have been utilised by the Company for working capital purposes.

4. RATIONALE FOR THE DISPOSAL

4.1. The rationale for the Disposal is to enable the development of Stellendale Junction ("the **Project**"). In terms of the Development Management Agreement, Makoro has appointed Visual International to manage and co-ordinate the implementation of the Project on its behalf and the Company will be remunerated by Makoro for its development management work on the Project as follows:

4.1.1. 50% of the profit share before tax (after the deduction of development costs, property recoupment and property interest) on apartments, units and/or erven that are sold to third party investors and owner-occupied buyers; and

4.1.2. in instances where Makoro or any fund, company or trust nominated by it, buys units or apartments:

4.1.2.1. If the Company has sold 40 or more apartments or units to third parties during the 12 months preceding the sale of any units to Makoro, the average unit selling price achieved minus agent commission (if applicable) and property recoupment and property interest; or

4.1.2.2. in instances where less than 40 apartments or units sold to third parties during the 12 months preceding the sale of any units to Makoro, a flat fee of R35 000 (thirty-five thousand Rand) per apartment or unit, which fee will escalate at 5% per annum from the effective date.

5. CONDITIONS PRECEDENT

The Disposal is subject to the approval of the shareholders of Visual International in General Meeting. All other conditions precedent as announced on SENS on 28 December 2018 have been met.

6. RESOLUTIVE CONDITIONS

6.1. The Disposal Agreement contains a resolutive condition in terms of which Visual is required to conclude an agreement with the Provincial Government of the Western Cape ("the Province") in its department of Human Settlement for the purchase of the Remainder Portion 4 of Farm 438 situated in the registration divisions of Stellenbosch for approximately R3 831 100 (three million eight hundred and thirty one thousand one hundred Rand) and transfer thereon of passing prior to the transfer within 9 (nine) months from the date of signature of the Disposal Agreement. The Company has concluded the agreement with the Province in terms of its pre-existing rights.

6.2. The Development Management Agreement contains the following resolutive conditions:

6.2.1. Transfer of the Property within 9 (nine) months from the date of signature of the Development Management Agreement; and

6.2.2. Approval of the site development plan by the City of Cape Town within 9 (nine) months of the date of Transfer.

Unlike a suspensive condition, if a resolutive condition is fulfilled, it would have the effect of terminating the contract with retrospect between the parties and the operation of the rights and obligations between the parties would immediately cease to exist.

7. EFFECTIVE DATE

7.1. The effective date of the Disposal is the date of transfer of the Property.

8. DESCRIPTION OF STELLENDALE JUNCTION

8.1. The Property, which is vacant, was initially acquired in approximately 2013 for a consideration of R34 million.

8.2. Additional information regarding Stellendale Junction is included below:

Property Name	Address	Location	Area
Stellendale Junction	Erf 25313 Kuils River	Stellenbosch	2.77179 hectares

8.3. Stellendale Junction has been independently valued at R34 million. A summary valuation report is set out in **Annexure 3** to this Circular. The full valuation report is available on Visual International's website (www.visualinternational.co.za).

8.4. The difference between the purchase price of R10 million and the independent valuation of R34 million is R24 million. The directors are of the opinion that the difference between the valuation and the consideration is acceptable due to the Disposal consideration firstly assisting the Company with settling existing obligations, facilitating the acquisition of additional land that is a key part of the longer-term development plans of Visual and lastly due to the fact that the Disposal will result in the Group earning future development fees. Management exhausted all other options and opportunities of finding a buyer for Stellendale Junction at a market related price in the short term. Due to the Company's cash flow challenges, the Board was compelled to accept the offer.

8.5. Per the Development Management Agreement, Visual will manage the development of Stellendale Junction for and on behalf of Makoro. Makoro in turn will provide all the necessary funding regarding the development of Stellendale Junction. Visual International will also be remunerated by Makoro with 50% of the profit share before tax made on the property developed on the land. The Board is therefore of the opinion that the actual longer term benefit of the disposal of Stellendale Junction will compensate for the initial loss of value.

9. IRREVOCABLE UNDERTAKINGS

9.1. Irrevocable undertakings to vote in favor of the Proposed Transaction were obtained from the following shareholders:

Shareholder	Shareholding	Percentage shareholding
RAL Trust	77 328 209	21.26%
CKR Investment Trust	81 202 011	22.33%
Woodcock, Alan John	10 385 718	2.86%
Thorvaldsen, Norman Michael	8 479 888	2.33%
Grobbelaar, Peter Evert	4 736 469	1.30%
Atlantic nom Pty Ltd- Des & Heidi RA	4 453 723	1.22%
Melvill, David Leonard Vincent	3 730 000	1.03%
Meadon, Leon	2 318 400	0.64%
The Gardner Trust	2 000 000	0.55%
Arbor Capital Sponsors (Pty) Ltd	1 907 705	0.52%
Melvill, Shirley	1 610 000	0.44%
SPP ILPP for IJ Kettlety	1 375 030	0.38%
Cockrane, Hylton W	600 000	0.16%
Beurlen, ME	1 157 451	0.32%
	201 284 604	55.35%

None of these shareholders are associates of Makoro.

10. SALIENT INFORMATION ON VISUAL INTERNATIONAL AND INCORPORATION OF INFORMATION BY REFERENCE

10.1. Visual International was incorporated as a private company on 5 October 2006 under the name of Presto Financing Proprietary Limited. The Company's name was changed, and it was converted to a public company, by way of special resolutions on 3 October 2013, which special resolutions were registered by the Companies and Intellectual Property Commission on 23 September 2013. Presto Financing Proprietary Limited was a dormant subsidiary of Visual International until it was decided to use this group company as the new holding company for the purposes of listing.

Visual International then acquired the controlling interest in Visual from CKR Investment Trust with effect from 1 March 2012 and became the holding company of the various subsidiaries of Visual.

Visual International is essentially a property developer that acquires land, rezones the land, installs the relevant services and then constructs houses, apartments, offices or retail centres on the land for sale to homeowners or investors.

Visual, the main subsidiary and previously held 100% directly by the CKR Investment Trust, was established more than 20 years ago and has been involved in a number of premier property development projects in South Africa over the past 16 years. In addition, a number of property developments were undertaken by entities associated with CK Robertson and Visual International, namely RAL Trust and My Place Trust, which properties which were subsequently acquired by the Visual Group.

10.2. The Audited Consolidated Annual Financial Statements of Visual International for the three years ended 28 February 2018, 28 February 2017 and 29 February 2016 as well as the Interim Results for the six months ended 31 August 2018, are incorporated by reference and can be inspected on the website of the Company at www.visualinternational.co.za.

10.3. **Prospects of Visual international**

The low economic growth rate and the tightening of monetary policy implemented by the Reserve Bank had, and continues to have, a big negative impact on the middle-income group in South Africa and on those who invest in this segment. Equally, these factors negatively impacted upon the Company, due to the fact that it focuses primarily on residential and other property development for this middle-income market segment.

The Visual International business model provides for the implementation of developments on a phased basis. This allows for improved cash flow management and the efficient allocation of resources to deliver higher quality developments to the Group's valued clients. With the restructuring of the financial position of Visual International over the past two to three years essentially complete, the Group will now focus on securing a strategic equity partner and/or securing development funding for its own property development projects.

Whilst growth in property prices in the primary residential market remains stable, the demand for quality, yet affordable homes continues to grow. The recent expansion by certain home loan providers of their offerings of end user finance also bodes well for Visual International and its middle-income target market.

11. **FINANCIAL INFORMATION**

11.1. The proposed disposal consideration of R10 million is below the value of R34 million attributed to the property as at 29 February 2019 by independent professional valuer, Mr JF Cilliers a professional valuer of Adval Valuation Centre. The land was previously classified partly as inventory and partly as investment property. As at 28 February 2018, the land recorded as inventory was written down to net realisable value of Rnil, as disclosed in note 23 of the Annual Financial Statements for the year ended 28 February 2018. The land recorded as investment property was then reclassified to non-current assets held for sale and assets of disposal groups. Accordingly, the main impact of the Disposal is already reflected in the Group's historical financial information.

12. **PRO FORMA FINANCIAL INFORMATION**

The *Pro Forma* Financial Effects detailed in this Circular are based on the published Unaudited Interim Condensed Consolidated Results for the Six Months Ended 31 August 2018, published on 4 March 2019.

The *Pro Forma* Financial Effects of the Disposal are the responsibility of the Directors and have been prepared for illustrative purposes only to provide information about how the Disposal may affect the consolidated financial position and consolidated financial performance of Visual International and, because of its nature, may not give a fair reflection of Visual International's financial performance and position, changes in equity, and results of operations and cash flows after the Disposal, and are based on the assumptions that:

- For the purpose of calculating basic and diluted earnings per share and basic and diluted headline earnings per share, the Disposal was implemented on 1 March 2018; and
- For the purpose of calculating net asset value per share and tangible net asset value per share, the Disposal was implemented on 31 August 2018.

The accounting policies of Visual International have been used in calculating the *Pro Forma* Financial Effects. The accounting policies used for the *Pro Forma* Financial Effects are consistent with previous accounting policies applied by Visual International as set out in the Unaudited Interim Condensed Consolidated Results for the Six Months Ended 31 August 2018.

The *Pro Forma* Financial Information has been prepared in terms of the JSE Listings Requirements and guidelines issued by the South African Institute of Chartered Accountants.

Shareholders' attention is drawn to the following details regarding the Unaudited Interim Condensed Consolidated Results for the Six Months Ended 31 August 2018 (the "Before" column below):

- Stellendale Junction has been accounted for as a non-current asset held for sale and assets of disposal groups in accordance with IFRS5: Non-current Assets Held for Sale and Discounted Operations.

The financial information in the table below is based on the most recent published consolidated interim financial results of Visual International for the six months ended 31 August 2018.

	Before (Note 1)	Pro forma after the Disposal (Note 2)
<u>Continuing and discontinued operations</u>		
Basic loss per share (cents)	(1.12)	(1.27)
Basic headline loss per share (cents)	(1.07)	(1.22)
<u>Discontinued operations</u>		
Basic loss per share (cents)	-	-
Basic headline loss per share (cents)	-	-
Total number of shares in issue*	268 265 547	268 265 547
Weighted average share in issue*	266 207 381	266 207 381
Net asset value per share (cents)	8.40	8.25
Tangible net asset value per share (cents)	8.40	8.25

*the shares in issue and weighted average shares exclude the 106 000 000 Mosegedi shares which are to be cancelled as previously announced.

Notes and assumptions:

1. The "Before" column has been extracted without adjustment from the published Unaudited interim condensed consolidated results for the 6 months ended 31 August 2018.
2. The "Pro forma after the Disposal" column reflects the impact of the *pro forma* adjustments on Visual International as a consequence of the Disposal.
3. The detailed notes and assumptions to the *Pro Forma* Financial Effects are presented with the *pro forma* consolidated statement of financial position and the *pro forma* consolidated statement of comprehensive income contained in **Annexure 1** to this Circular. The Independent Reporting Accountant's report on the *Pro Forma* Financial Information is included in **Annexure 2** to this Circular.

The *pro forma* financial effects set out above and in **Annexure 1** to this Circular are the responsibility of the Directors and have been prepared for illustrative purposes only and, due to their nature, may not fairly present the financial position, changes in equity, results of operations or cash flows of Visual International after the Disposal.

13. EXCHANGE CONTROL REGULATIONS

13.1. No Exchange Control approval is required in relation to the Disposal.

14. DIRECTORS

Name and age	<i>Dr Ruben Robert Richards (59)</i>
Nationality	South African
Business address	23 Belmont Road, Rondebosch, 7700
Qualifications	Phd, MTh, BD, B.Soc.Sc., NTC 5
Position	Independent Non-executive Chairman

Name and age	<i>Charles Kenneth Robertson (72)</i>
Nationality	South African
Business address	1 Kleinplaas, Hohenhort Street, Stellenberg, 7550
Qualifications	Phd in Education, MCom Economics (Stellenbosch University)
Position	Chief Executive Officer

Name and age	<i>Reuben Kadalie (64)</i>
Nationality	South African
Business address	7 Barkly Way, Edgemoed, 7441
Qualifications	Undergraduate and Postgraduate in Operations and Project Management, Business Administration, Financial Management, Strategic Leadership, Human Resources, Organisational Development, Marketing, Economics and Information Systems
Position	Interim Financial Director

Name and age	<i>Lesedi Matlholwa (46)</i>
Nationality	South African
Business address	86 Olievenhout Street, Golf View, Mafokeng, 2745
Qualifications	Masters in Business Administration, Bachelor in Accounting Science, Bachelor of Commerce
Position	Non-executive Director

Name and age	<i>Theo Vorster (56)</i>
Nationality	South African
Business address	Fountain Grove Office Park, Hyde Park, Johannesburg
Qualifications	B Comm (Hons) Investment Management
Position	Independent Non-executive Director

15. MAJOR BENEFICIAL SHAREHOLDERS

15.1. At the Last Practicable Date, Shareholders beneficially holding more than 5% (directly or indirectly) of the total issued share capital of Visual International (excluding shares held in treasury and directors interests) are as follows:

Shareholder	Number of Shares	Percentage Holding
CKR Investment Trust	81 202 011	23.32%
RAL Trust	77 328 209	22.21%
Pheelwane, Moloki Phinias	31 800 000	9.13%
Mokgatla, Thabo Vincent	31 800 000	9.13%
D'Oliveira, Duane (Lesedi Matlholwa)	31 800 000	9.13%
Total shareholders	158 530 220	45.54%

15.2. Change in controlling shareholder

There has been no change in the controlling shareholder(s) of Visual International over the past 5 years since the listing of Visual International.

16. DIRECTORS' INTERESTS

16.1. The directors' interests in Visual International's shares, as well as former directors in the past 18 months, as at the Last Practicable Date are as follows:

Director	Direct beneficial	Indirect beneficial	Total	Percentage of total issued share capital
CK Robertson	-	158 530 220	158 530 220	45.54%
P Grobbelaar [^]	4 736 469	-	4 736 469	1.36%
L Rauch [^]	-	-	-	-
R Kadalie	200 000	-	200 000	0.03%
RR Richards	-	200 000	200 000	0.09%
CT Vorster	100 000	-	100 000	0.03%
TV Mokgatlha [#] [^]	31 800 000	-	31 800 000	9.13%
L Matlholwa [#]	-	31 800 000	31 800 000	9.13%
D Genu [*]	-	-	-	-
E Gondongwana [*]	-	-	-	-
TOTAL	68 636 469	158 730 220	227 366 689	65.31%

- These shares are expected to be cancelled and returned to authorised share capital pursuant to the intention to unwind the Mosegedi Acquisition with effect from 1 March 2017.

[^] - Messrs P Grobbelaar, L Rauch and TV Mokgatlha resigned with effect from 1 February 2018, 31 May 2018 and 30 November 2017, respectively.

^{*} Ms Genu and Mr Gondongwana are no longer directors pursuant to the annual general meeting held on 24 April 2019.

16.2. Directors' dealings

As announced on SENS on 23 July 2018, Mr L Matlholwa had transferred his entire direct beneficial interest in the total issued share capital of Visual to D D'Olivera. Other than the above transfer, there were no directors' dealings in securities by any of the directors or the company secretary for the period from the last preceding financial year ended 28 February 2018 to the Last Practicable Date.

16.3. Directors' and management remuneration

The directors' remuneration for the financial year ended 28 February 2018 is disclosed in the Company's annual report which can be found on the Company's website at www.visualinternational.co.za.

No management, consulting, technical or other fees were paid to directors or through management companies during the above period. No other commissions, gains or profit sharing has accrued to directors during the above period.

There are no fixed period service contracts for the directors.

Service contracts with C Robertson, the Chief Executive Officer and R Kadalie the Interim Financial Director, of the Company, were concluded with terms and conditions that are standard for such appointments and contain normal terms of employment. There are available for inspection as detailed in paragraph 29 below.

16.4. Share based payment expenses relating to directors

There were no share-based payments relating to directors or employees.

17. DIRECTORS' INTEREST IN TRANSACTIONS

17.1. None of the directors, or any former director for the past 18 months, have any interest in the Disposal undertaken by Visual International.

17.2. There are no other directors' interests in transactions during the current or immediate preceding financial year or during an earlier financial year that remain in any respect, outstanding or unperformed.

18. SHARE CAPITAL OF THE COMPANY

18.1. The table below sets out the authorised and issued share capital of Visual International:

SHARE CAPITAL	R'000
Authorised	
1 000 000 000 no par value shares	-
Issued	
374 265 547 shares of no par value	73 809

18.2. There is only one class of shares in issue.

18.3. There are no treasury shares held in the Group.

19. LITIGATION STATEMENT

The directors, whose names appear under "Corporate Information", are not aware of any legal or arbitration proceedings, including any proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous twelve months, a material effect on the Visual International Group's financial position.

20. ADEQUACY OF WORKING CAPITAL

The Board is of the opinion that the working capital available to Visual International and its subsidiaries, after the Disposal, is sufficient for the Group's present requirements, those being for at least the next 12 months from the date of issue of this Circular.

21. DIRECTORS RESPONSIBILITY STATEMENT

The Directors, whose names are set out on page 10 of this Circular, collectively and individually accept full responsibility for the accuracy of the information contained in this Circular which relates to Visual International and, in this regard, certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by the Listings Requirements.

22. MATERIAL CHANGES

Other than the subject of the Circular, there have been no known material changes in the financial or trading position of Visual International and its subsidiaries, since the publication of the interim results for the six months ended 31 August 2018 up to and including the Last Practicable Date.

23. MATERIAL CONTRACTS

Other than the Disposal Agreement, the Development Management Agreement and the Loan Agreement, details of which are fully set out in this circular, Visual International has entered into the following material contracts during the two years preceding this Circular:

- As announced to shareholders on 12 March 2019, the Company entered into a subscription agreement with Zigzag SA Investments 1 Limited and AM Associates The Davidworth Group Proprietary Limited ('the Subscribers') in terms of which the Subscribers agreed to subscribe for 303 030 304 ordinary Visual shares for cash at an issue price of 3.63 cents per share for a consideration of R11 million.

24. MATERIAL BORROWINGS

The material borrowings of Visual International and Visual are set out in **Annexure 3** to this Circular.

25. EXPENSES RELATING TO THE DISPOSAL

The costs (exclusive of Value Added Tax) relating to the Disposal are estimated as follows:

Description	Name	R'000
Designated Advisor Fees	Arbor Capital Sponsors	250
Independent Reporting Accountants	BDO	25
Property Valuation Fees	Adval	25
Documentation Fees	JSE	67
Printing, publication and distribution of circular and general provision	Ince	33
Total		400

No payments have been made or are proposed to be paid to any promoter in relation to the Disposal nor in relation to any transaction undertaken by the Company during the past three years. No promoter had any interest in the disposal or any transaction undertaken by the Company during the past three years.

26. EXPERTS'S CONSENTS

26.1. Each of the parties listed in the "Corporate Information and Advisors" section on page 3 of this Circular has consented in writing to act in the capacities stated and to their names appearing in this Circular and have not withdrawn their consent prior to the publication of this Circular.

26.2. The Independent Reporting Accountants have consented in writing to have their report appear in this Circular in the form and context as it appears and have not withdrawn their approval prior to the publication of this Circular.

26.3. The Independent Property Valuer has consented in writing to have his summary report appear in this Circular in the form and context as it appears and has not withdrawn his approval prior to the publication of this Circular.

27. OPINIONS AND RECOMMENDATIONS

The Board is of the opinion that the terms and conditions of the Disposal are fair under the circumstances and that the implementation of the Disposal will be to the long-term benefit of Shareholders. Accordingly, the Board recommends that Shareholders vote in favour of the ordinary resolutions relating to the Disposal to be passed at the General Meeting and intend to vote in favour of the required resolutions. Other than the Purchaser and its associates, namely Charson Family Trust and Montana Trust, none of the Directors or Shareholders are precluded from voting on any of the resolutions included in the Notice of General Meeting.

28. GENERAL MEETING

28.1. The General Meeting will be held at 10:00 on Thursday, 13 June 2019 at 23 Kleinplaas, Hohenhort, Street, Stellenberg, Cape Town, 7550 to consider, and if deemed fit, to pass with or without modifications, the ordinary resolutions necessary to implement the Disposal.

28.2. The Notice of General Meeting is attached to, and forms part of, this Circular.

28.3. A form of proxy, for use by those Certificated Shareholders and Dematerialised Shareholders with "own name" registration who are unable to attend the General Meeting but wish to be represented thereat, is attached to, and forms part of, this Circular. Duly completed forms of proxy must be received by the Transfer Secretaries by no later than 10:00 on Tuesday, 11 June 2019.

28.4. A Dematerialised Shareholder who does not have "own name" registration, must arrange for his CSDP or Broker to furnish him with the necessary authority to attend the General Meeting or appoint a proxy in accordance with their cut off time prior to the General Meeting.

29. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the registered office of Visual International and at the offices of Arbor Capital Sponsors during normal office hours from Thursday, 16 May 2019 to Thursday, 13 June 2019:

- the memorandum of incorporation of Visual International and its major subsidiaries;
- audited annual financial statements of Visual International for the years ended 28 February 2018, 28 February 2017 and 29 February 2016 and the interim results for the six months ended 31 August 2018;
- material contracts referred to in paragraph 23, including the Disposal Agreement, the Development Management Agreement and the Loan Agreement;
- report of the Independent Reporting Accountant on the *Pro Forma* Financial information;
- the full valuation report on the Property;
- executive directors' service contracts;
- the signed consent letters of the parties referred to in paragraph 26; and
- a signed copy of this Circular.

SIGNED AT CAPE TOWN ON 10 MAY 2019 BY MR C ROBERTSON ON BEHALF OF ALL THE DIRECTORS OF VISUAL INTERNATIONAL, AS LISTED BELOW, IN TERMS OF POWERS OF ATTORNEY SIGNED BY SUCH DIRECTORS



C ROBERTSON
Chief Executive Officer

R Kadalie
RR Richards
CT Vorster
LT Matholwa

PRO FORMA FINANCIAL EFFECTS OF THE DISPOSAL

The *Pro Forma* Financial Effects of the Disposal on Visual International as detailed below are based on the Unaudited Interim Condensed Consolidated Results for the Six Months Ended 31 August 2018.

The *Pro Forma* Financial Information is the responsibility of the Directors and has been prepared for illustrative purposes only to provide information about how the Disposal may affect the financial position and results of Visual International and, because of its nature, may not give a fair reflection of Visual International's financial performance and position, changes in equity, and results of operations and cash flows after the Disposal, and are based on the assumptions that:

- a. For the purpose of calculating basic and diluted earnings per share and basic and diluted headline earnings per share, the Disposal was implemented from 1 March 2018; and
- b. For the purpose of calculating net asset value per share and net tangible asset value per share, the Disposal was implemented on 31 August 2018.

The accounting policies of Visual International, which are in compliance with IFRS, have been used in calculating the *Pro Forma* Financial Effects. The accounting policies used are consistent with previous accounting policies used by Visual International as set out in the Unaudited Interim Condensed Consolidated Results for the Six Months Ended 31 August 2018.

The *Pro Forma* Financial Information has been prepared in terms of the JSE Listings Requirements and guidelines issued by the South African Institute of Chartered Accountants and should be read in conjunction with the Independent Reporting Accountant's report thereon, as set out in **Annexure 2** to this Circular.

PRO FORMA CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF VISUAL INTERNATIONAL

The *pro forma* statement of comprehensive income set out below illustrates the *Pro Forma* Financial Effects of the Disposal on the consolidated statement of comprehensive income of Visual International for the six months ended 31 August 2018 assuming the Disposal was implemented on 1 March 2018.

	Column (i) Unaudited Interim AFS Aug 2018	Column (ii) Disposal of Stellendale Junction	Column (iii) Transaction Costs	Column (iv) TOTALS
	Note 1	Note 2	Note 3	Note 4
Assets				
Non-Current Assets				
Investment property	1 920 000			1 920 000
Property, plant and equipment	153 960			153 960
Finance lease receivables	2 456 247			2 456 247
Investment in joint ventures	60			60
Loans to shareholders	38 429 233			38 429 233
Other financial assets	201			201
Deferred tax	1 934 095			1 934 095
	44 893 796	-	-	44 893 796
Current Assets				
Finance lease receivable	1 202 462			1 202 462
Current tax receivable	1 686			1 686
Trade and other receivables	55 446			55 446
Cash and cash equivalents	442 805	10 000 000	-400 000	10 042 805
	1 702 399	10 000 000	-400 000	11 302 399
Non-current assets held for sale and assets of disposal groups	10 000 000	-10 000 000		
Total Assets	56 596 195	-	-400 000	56 196 195
Equity and Liabilities				
Equity				
Share capital	73 809 025		-	73 809 025
(Accumulated loss)	-49 641 605		-400 000	-50 041 605
Equity Attributable to Equity Holders of Parent	24 167 420	-	-400 000	23 767 420
Non-controlling interest	-1 627 603			-1 627 603
	22 539 817	-	-400 000	22 139 817
Liabilities				
Non-Current Liabilities				
Loans from shareholders	7 136 957			7 136 957
Other financial liabilities	11 279 722			11 279 722
Deferred tax	1 934 094			1 934 094
	20 350 773	-	-	20 350 773
Current Liabilities				
Loans from group companies	39 162			39 162
Other financial liabilities	1 193 260			1 193 260
Trade and other payables	12 473 183			12 473 183
	13 705 605	-	-	13 705 605

Total Liabilities	34 056 378	-	-	34 056 378
Total Equity and Liabilities	56 596 195	-	-400 000	56 196 195
Shares in issue	268 265 547			268 265 547
Net asset value per share (cents)	8.40			8.25
Tangible net asset value per share (cents)	8.40			8.25

Notes

1. The pro forma information as reflected in Column (i) has been extracted from the published, Unaudited Interim Condensed Consolidated Results for the Six Months Ended 31 August 2018. Stellendale Junction has been accounted for on the following basis:
 - a. Stellendale Junction was accounted for according to IFRS5: Noncurrent asset held for sale and assets of disposal groups.
 - b. The shares in issue are reflected net of the 106 000 000 shares to be cancelled as previously announced.
2. Column (ii) reflects the disposal of Stellendale Junction classified as Non-Current Assets Held For Sale and Assets of Disposal Groups for a consideration of R10 million. There is no profit or loss on the disposal of the land.
3. The transaction costs have been estimated at R400 000. There will be no tax impact as the company has an assessed loss and the deferred tax asset will only be realised to the extent that it will off-set any deferred tax liabilities.
4. Column (iv) reflects the impact of the pro forma adjustments as a consequence of the Disposal of Stellendale Junction and the associated Transaction Costs.

PRO FORMA STATEMENT OF FINANCIAL POSITION OF VISUAL INTERNATIONAL

The *pro forma* statement of financial position set out below illustrates the *Pro Forma* Financial Effects of the Proposed Transaction on the consolidated statement of financial position Visual International as at 31 August 2018 assuming the Disposal was implemented on 31 August 2018.

	Column (i) Interim results for the six months ended 31 August 2018 Note 1	Column (ii) Transaction Costs Note 2	Column (iii) TOTAL Note 3
Revenue	15 885		15 885
Cost of sales			
Gross profit	15 885		15 885
Other operating income	76 696		76 696
Operating expenses	-3 545 404	-400 000	-3 945 404
Operating loss	-3 452 823	-400 000	-3 852 823
Investment revenue	1 599 135	341 329	1 940 464
Finance costs	-1 173 594		-1 173 594
Loss before taxation	-3 027 282	-58 671	-3 085 953
Taxation			
Loss for the period	-3 027 282	-58 671	-3 085 953
Other comprehensive income			
Total comprehensive loss for the period	-3 027 282	-58 671	-3 085 953
Loss attributable to:			
Owners of the parent	-2 981 275	-58 671	-3 039 946
Non-controlling interest	-46 007		-46 007
	-3 027 282	-58 671	-3 085 953
Number of shares in issue	266 207 381		266 207 381
Basic earnings per share (cents)	-1.12		-1.14
Headline earnings per share (cents)	-1.07		-1.22

Notes:

- The *pro forma* information as reflected in Column (i) has been extracted from the published, Unaudited Interim Condensed Consolidated Results for the Six Months Ended 31 August 2018. Stellendale Junction has been accounted for on the following basis:
 - Stellendale Junction was accounted for according to IFRS5: Non-current asset held for sale and assets of disposal groups; and
 - The weighted average shares is net of the 106 000 000 shares to be cancelled as previously announced
- The information in column (ii) represents the assumed non-recurring costs of R400 000 expensed for the Proposed Transaction. No tax impact has been realised as the Company has an assessed loss and a deferred tax asset will only be realised to the extent that it off-sets deferred tax liabilities.
- Column (iii) reflects the adjustments after the transaction costs.

ANNEXURE 2

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE PRO FORMA FINANCIAL INFORMATION

“3 May 2019

The Directors
Visual International Holdings Limited
23 Kleinplaas
Hohenhort Street
Stellenberg
Western Cape
7550

Dear Sirs

INDEPENDENT ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF THE PRO FORMA FINANCIAL INFORMATION OF VISUAL INTERNATIONAL HOLDINGS LIMITED (“VISUAL INTERNATIONAL”)

Introduction

We have completed our assurance engagement to report on the compilation of the *pro forma* financial information of Visual International by the Directors. The *pro forma* financial information, as set out in **Annexure 1** of the circular to be issued by Visual International on or about Thursday, 16 May 2019 (“**the Circular**”), consists of the *pro forma* statement of financial position, the *pro forma* statement of comprehensive income and related notes. The *pro forma* financial information has been compiled on the basis of the applicable criteria specified in the JSE Listings Requirements.

The *pro forma* financial information has been compiled by the Directors to illustrate the impact of the Disposal of the property known as Stellendale Junction (“**Disposal**”) on the Group's financial position as at 31 August 2018, and the Group's financial performance for the period then ended, as if the transactions had taken place at 31 August 2018 for purposes of the *pro forma* statement of financial position and at 1 March 2018 for purposes of the *pro forma* statement of comprehensive income.

As part of this process, information about the Group's financial position and financial performance has been extracted by the Directors from the Group's audited results for the six-month period ended 31 August 2018.

Directors' Responsibility for the Pro Forma Financial Information

The Directors are responsible for compiling the *pro forma* financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and the SAICA Guide on Pro forma Financial Information (“Applicable Criteria”) described in **Annexure 1** of the Circular.

Reporting Accountant's Responsibility

Our responsibility is to express an opinion about whether the *pro forma* financial information has been compiled, in all material respects, by the Directors on the basis of the Applicable Criteria based on our procedures performed.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of *Pro Forma* Financial Information Included in a Prospectus, Prelisting Statement or Circular, issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the *pro forma* financial information has been compiled, in all material respects, on the basis of the Applicable Criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or

opinions on any historical financial information used in compiling the *pro forma* financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *pro forma* financial information.

As the purpose of *pro forma* financial information included in a circular is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the group as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used in the compilation of the *pro forma* financial information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- the related *pro forma* adjustments give appropriate effect to those criteria; and
- the *pro forma* financial information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of the Company, the corporate action or event in respect of which the *pro forma* financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *pro forma* financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listings Requirements and described in **Annexure 1** of the Circular.

Consent

This report on the *pro forma* financial information is included solely for the information of the Visual International shareholders. We consent to the inclusion of our report on the *pro forma* financial information, and the references thereto, in the form and context in which they appear in the Circular.

Yours faithfully

BDO Cape Incorporated

Chartered Accountants (SA)

Registered Auditors

Per Craig Kilian

Director

BDO Cape Incorporated,
106 Park Drive, St George's, Port Elizabeth, 6001

MATERIAL BORROWINGS

Visual International has the following material borrowings at 28 February 2019 being the most recent year end prior to the Disposal:

Lender	Description	Capital amount outstanding	Interest rate	Capital repayments	Security	Maturity date
Dream Weaver Trading 170 (Pty) Ltd	Related party loan	38 434	N/A	N/A	N/A	N/A
CKR Investment Trust	Shareholder loan	7 582 352	12.25%	No fixed terms of repayment	The group entered in to a subordination agreement whereby this loan has been ceded in favour of the group for the loan outstanding by the RAL Trust. This subordination agreement shall remain in place for as long as the RAL Trust is indebted to the group.	No fixed terms of repayment
Standard Bank (Kuils River – Stellendale House)	Bond	3 300 350	8.20%	127 477	(see note 1)	January 2022
Ouposie Trust	Unsecured loan	1 297 669	Interest free	No fixed term of repayments	Unsecured	No fixed terms of repayments
My Place Trust	Unsecured loan	1 760 296	7.75%	No capital payments are required within the next twelve months. This loan has been ceded in favour of the group for the loan outstanding by RAL Trust.	Unsecured	No fixed repayment

Standard Bank (Erf 197 and 238)	Bond	124 459	10.05%	1 779	Secured by investment property with a net book value of R1.1 million	November 2027
Transflora Properties (Pty) Ltd	Unsecured loan	2 132 160	7.75%	No fixed repayment terms	Unsecured	No fixed repayment terms
Chynge Finance (Pty) Ltd	Secured	3 280 667	13.25%	Repayment on maturity date	Secured by Stellendale Junction Erf 18363	<u>Repayable on 6 January 2020</u>
Makoro Property Developers (Pty) Ltd	Secured	2 045 267	13.25%	Repayment on maturity date	Secured by Erf 22887 owned by My Place Trust	Repayable 31 January 2020

Note 1: The group entered into finance leasing arrangements in the previous reporting period for certain of its land and buildings with The Marquez Trust over 20 units within the Stellendale Village.

Conversion or redemption rights

There are no conversion or redemptions rights in relation to the above loans as at the Last Practicable Date. Chynge Finance has a option to convert its loan at 3 cents per share, which would be subject to shareholder approval in general meeting. However, it is the intention of both parties that this option will be cancelled.

Debts repayable within 12 months

Other than the two bonds, which have a current portion due in the next 12 months and which will primarily be financed by the finance lease receivables, the only amount repayable is the R3 million to Chynge Finance. The terms will either be extended or the amount will be repaid through funds received from Makoro for property development fees or the specific issue of shares for cash.

SUMMARY OF INDEPENDENT VALUER'S REPORT

Copies of the full valuation report are available for inspection at the registered office of Visual International during normal business hours from Thursday, 16 May 2019 until Thursday, 13 June 2019 (both days inclusive). A copy of the full valuation report will also be available on Visual International's website (www.visualinternational.co.za).

The Directors
 Visual International Holdings Limited
 23 Kleinplaas
 Hohenhort Street
 Stellenberg
 Western Cape
 7550

3 May 2019

VALUATION REPORT
ERF 18363 KUILS RIVER, CITY OF CAPE TOWN, WESTERN CAPE PROVINCE
1. Request information

i)	Institution:	Visual International (Pty) Ltd
ii)	Area:	Cape Town
iii)	Contact person:	Mr. CK Robertson
iv)	Phone number:	(021) 919 8954
v)	E-mail address:	charles@visualinternational.co.za
vi)	Purpose of valuation:	Market related valuation as at 28 February 2019
vii)	Instruction received:	Mr Robertson
viii)	Payment:	As agreed
ix)	Inspection date of property	20 March 2019

2. Property – details
a) Deeds office information

i)	Legal description:	Erf 18363 Kuils River, City of Cape Town, Western Cape Province
ii)	Title deed number:	T14146/2014
iii)	Area of stand:	8 979 m ²
iv)	Purchase date:	18 October 2013
v)	Purchase price:	R38 760 000 (Incl 14 % VAT)
vi)	Address:	Erf 18363 Kuils River, City of Cape Town, Western Cape Province

b) Bond information

i)	B29192/2016	Chynge Finance (Pty) Ltd	R3 600 000
ii)	B5709/2019	Makoro Prop Developers (Pty) Ltd.	R5 000 000

c) Owner details - 2 stands

- i) Registered owner: Visual International (Pty) Ltd
- ii) Registration number: 1992/000824/07
- iii) Stands detail: Erf 18363 Kuils River, City of Cape Town, Western Cape Province

d) Location of properties

The subject property is situated close to the Stellenbosch Arterial Road at Kuils River. It is next to a developed service station site and the Stellandale residential development. Situated across the Stellenbosch Arterial Road is the Blackheath industrial area. East of the subject property on Van Riebeeck Road is the Zevenwacht shopping centre and Saxenburg Industrial Park.

The subject property has good road links via the R300 Freeway to both the N1 National Road and the N2 National Road.

3. Local authority information

a) Municipality

Subject property falls in area administered by Municipality of Cape Town.

b) Zoning/use

The subject property is freehold land and is 8 979 m² in extent. The land has a rectangular/triangular shape, with a fairly level to slightly low-lying gradient and sandy nature. It has good exposure and accessibility.

The property has a floor factor of 2,0 allowing a total bulk of 17 958 m²

c) Zoning control

Zoning	General Business GB2
Maximum Coverage	100%
Floor factor	2,0
Maximum Height	15 m
Minimum parking requirements	4 Bays per 100m ² GLA

No approved development yet

There has been no material contravention of statutory requirements, including town planning and title deed conditions and conditions of establishment of the property.

d) Municipal value

Township:	Municipality of Cape Town
Erf number:	18363
Municipal value:	R2 500 000
Rates category:	Commercial
Size:	8 979 m ²
Owners:	Visual International (Pty) Ltd

4. Improvements.

a) Description of improvements

Not applicable

b) Comments – amenities and others

i) Servitudes

Electric power line servitude on the south eastern corner of the subject property. Can be used as open space and/or parking in development.

ii) Mineral rights

There are no contracts registered over property, thus all mineral rights vests with the State.

iii) Lease

There are no leases on the land.

c) Social facilitation

i) Schools

None

ii) Medical facilities

None

iii) Retail centres

None.

iv) Police station

None

d) Soil conditions

Normal soil conditions.

e) Access to and from property

The subject property has good exposure on and accessibility from a busy road.

5. Valuation method/s used for valuation

The Comparable Sales method of valuation is applied.

i) Market value – definition - (International Valuation Standards – 7th Edition)

“Market value” is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

ii) Highest and best use - definition - (International Valuation Standards – 7th Edition)

“Highest and best can be defined as the most probable use of a property which is physically possible, appropriately justified, legally permissible, financially feasible and which results in the highest value of the property being valued.”

b) **Methods**

i) **Discounted cash flow method - (International Valuation Standards – 7th Edition)**

This property is valued by means of the m² method – discounted cash flow method/analysis on Township development land. Viewed, inspected and also valued after an investigation of development in progress in the surrounding areas.

“In Lochner vs Afdelingsraad van Stellenbosch the court quite correctly held that land which had been approved for township development purposes should be valued at the price that a developer would pay for the entire unit and such price would be influenced by the fact that the land had the potential to be sub divided into 14 erven. The court did not demonstrate how the price should be quantified. It would be reasonable to suggest that any prudent or informed purchaser should attend to a discounted cash flow analysis to determine what the land would be worth to him and it is obvious that an informed seller would also attend to such analysis”. (Property Valuation in South Africa – Jonker)

“In Virginia & Estate Company versus Virginia Valuation Court – This Judgment lends support to a discounted cash flow approach”. The case was the method that was used by Local Authority to value some 2250 stands.

ii) **Income capitalization method - (International Valuation Standards – 7th Edition)**

A property is being valued, by this method of valuation if it is an income producing property. This approach is based on the assumption that a purchaser will pay an amount equivalent to the total of all present values – of present and future income less expenses capitalized at suitable capitalization rate.

iii) **Depreciated replacement value - (International Valuation Standards – 7th Edition)**

Depreciated replacement cost is an application of the cost approach used in accessing the value of specialized assets for financial reporting purposes, where direct market evidence is limited or unavailable.

This is the cost to replace the improvements over the property with comparable similar buildings, less the depreciation of the buildings, plus the current land value of subject property.

iv) **Comparable sales approach - (International Valuation Standards – 7th Edition)**

This comparative approach considers the sales of similar or substitute properties and related market data and a value estimate by processing involving comparison.

In general, a property being valued (a subject property) is compared with sales of similar properties that have been transacted in the market. Listings and offers may also be considered.

v) Profits method definition

This method is normally used in the absence of reliable comparative rental evidence or where the property is restricted in use by license, statutory control or legal constraints. In order to use this method, the property has to have an operational business currently running from within as the value is related to the earning capacity or potential of the business.

This method of valuation generally assumes the following:

- That there is a tenant in the property to be valued who will pay an affordable rent and a landlord who offers the property for rent (called "hypothetical tenancy");
- The hypothetical tenant could also be the actual owner;
- The property is valued "as it stands", assuming the same use for the property as that for which it is currently being used and that no structural alterations will be made to the property.

vi) Profits method

This method is normally used in the absence of reliable comparative rental evidence or where the property is restricted in use by license, statutory control or legal constraints. In order to use this method, the property has to have an operational business currently running from within as the value is related to the earning capacity or potential of the business.

6. Market conditions

In general, the demand for developable land in South Africa declined the last number of years due to the economic decline. This trend also applies to the Western Cape area. It however appears if property developers are starting to look again for land with development potential. Office rentals in the decentralised Cape Town area showed the highest growth in South Africa in the first quarter of 2013. This trend may inspire developers to look for commercial development opportunities.

7. Vacant land value

The following sales of business zoned erven in the wider subject area has been analysed and can be used as guideline: -

Sale 1

Erf no	20597 & 20598
Erf no	Goodwood
Erf no	3376
Erf no	R 5 300 000
Erf no	Jun-11
Zoning	Local Business 2
Floor factor	1
Total bulk m ²	3376
Rate/m ² bulk	R 1 570
Comments	Goodwood area

Sale 2

Town	Bellville
Erf extent m ²	4106
Purchase price	R 13 325 000
Purchase date	May-12
Zoning	Gen Business 3
Floor factor	2
Total bulk m ²	8212
Rate/m ² bulk	R 1 623
Comments	Tyger Valley area (Sold as developed site in November 2017 at R300 000 000)

Sale 3

Erf no	31292
Town	Bellville
Erf extent m ²	2437
Purchase price	R 6 090 000
Purchase date	May-10
Zoning	Local Business 2
Floor factor	1
Total bulk m ²	2437
Rate/m ² bulk	R 2 499
Comments	High Street area (Sold as developed site in February 2018 at R50 820 520)

Sale 4

Erf no	764, 765, 766
Town	Durbanville
Erf extent m ²	3708
Purchase price	R 13 500 000
Purchase date	Jun-11
Zoning	Gen Business GB 2
Floor factor	2
Total bulk m ²	7416
Rate/m ² bulk	R 1 820
Comments	Durbanville area

Sale 5

Erf no	18364
Town	Kuils River
Erf extent m ²	2732
Purchase price	R 5 000 000
Purchase date	Oct-09
Zoning	Gen Business 2
Floor factor	0,575
Total bulk m ²	1571
Rate/m ² bulk	R 3 183
Comments	Next to subject property. Slightly dated sale

Sale 6

Erf no	78977 and 78968
Town	Cape Town (at Diep River)
Erf extent m ²	2974
Purchase price	R 14 000 000
Purchase date	Oct-17
Zoning	Gen Business 1
Floor factor	1,500
Total bulk m ²	4461
Rate/m ² bulk	R 3 138
Comments	Recent sale in Diep River

8. CONCLUSION

The transactions indicate unit values ranging between R1 570 and R3 183 per bulk m².

The subject property has good exposure on and accessibility from a busy road. The allowable bulk amounts to 17 958 m².

In view of the market information I am of the opinion that a maximum unit value of R1 900 per bulk m² can be applied to the subject property.

There are no other matters known at the date of valuation that could materially affect the value.

9. VALUATION

17 958 m ² bulk @ R1 900 per m ² bulk	R34 120 200	Say	R34 000 000
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There are no other matters which could have a material effect on the value of the property.

10. Sources to compile valuation

Municipality of Cape Town
Deeds Office
Surveyor General's Office
Own data base

11. Caveats

Full Disclosure

This valuation has been prepared on the basis that full disclosure of all information and factors which may affect the valuation have been made to ourselves and we cannot accept any liability or responsibility whatsoever for the valuation, unless such full disclosure has been made.

Valuation Standard

This valuation has been prepared in accordance within the guidelines of the South African Institute of Valuers for valuation reports.

Third Party Involvement

In undertaking this valuation, we have relied on information supplied by third parties and have assumed such information to be substantially correct.

Title Deed

In the case of Freehold properties, we have not inspected the relevant Title Deed documents. We have assumed that good title can be shown and that the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings.

Mortgage Bonds, Loans or Other Charges

The property has been valued as if wholly owned with no account being taken of any outstanding monies due in respect of mortgage bonds, loans or other charges. No deductions have been made in our valuation for the cost of acquisition, such a legal or transfer fees, or disposal of the assets.

Statutory Notices and Unlawful Use

We have assumed that the property and its value are unaffected by any statutory notice or condition of Title where Title Deeds have not been inspected, and that neither the property nor its condition, nor its use, nor its intended use, is or will be unlawful.

Confidentiality

This valuation is produced exclusively for ***the instructing party*** and for the specific purposes to which it refers. It may be disclosed to your other professional advisers assisting you in respect of that purpose. We accept no responsibility whatsoever to any parties other than yourselves who make use of this valuation.

Non-Publication

Kindly note that neither the whole nor any part of this report, nor any reference thereto may be included in any published document, circular or statement, nor published in any way without our prior written approval as to the form or context in which it may appear.

Vacant Land

We have not carried out any soil or substratum tests on the property and we have assumed that the property is suitable for the purpose for which it would be put without having to provide excessive reinforcement to any structure built thereon.

Contamination

We have not inspected the woodwork or other parts of the structure which are covered, unexposed or inaccessible and we are therefore unable to Report that such parts of the property are free of rot, beetle or other defects.

Woodwork and Beetle

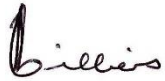
Our valuation assumes that a formal environmental assessment is not provided and further that the property is not environmentally impaired nor contaminated, unless otherwise stated in our report.

Value Added Tax

All figures quoted are exclusive of Value Added Tax

12. Valuation certificate

I hereby certify that, in my opinion, as an independent registered valuer R34 000 000 (Thirty-Four Million Rand) is the estimated maximum amount for which the abovementioned subject property could exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transactions after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.



J F CILLIERS

Professional Valuer (Act 47 of 2000)

Registration no. 1774

DATE: 29 March 2019

PLACE: Unit 8
Mountain View Office Park
28 Bella Rosa Street
Rosenpark, 7530



VISUAL INTERNATIONAL HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2006/030975/06)
("Visual International" or "the Company")
ISIN code: ZAE000187407 Share code: VIS

Directors:

Executive

C Robertson
R Kadalie

Non-executive

RR Richards*
CT Vorster*
LT Matholwa

* *Independent*

NOTICE OF GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that a general meeting of Visual International shareholders will be held at 23 Kleinplaas, Hohenhort, Street, Stellenberg, Cape Town, 7550 at 10:00 on Thursday, 13 June 2019 for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions set out below.

All terms defined in the Circular to which this Notice of General Meeting is attached shall bear the same meanings in this Notice of General Meeting.

ORDINARY RESOLUTION NUMBER 1

"RESOLVED THAT the Disposal by Visual International of Stellendale Junction for a consideration of R10 million in terms of the Disposal Agreement be and is hereby approved."

Explanatory note

In accordance with the Listings Requirements, shareholders must approve a Disposal that is categorised as a Category 1 Disposal, where the consideration exceeds 50% of the Company's market capitalisation. The transaction is not a related party Disposal at the time of signing of the Disposal Agreement.

Percentage of voting rights required

In terms of the Companies Act and the MOI, in order for Ordinary Resolution Number 1 to be approved by Shareholders, it must be supported by at least 50% plus one share of the voting rights exercised on the ordinary resolution.

ORDINARY RESOLUTION NUMBER 2

"RESOLVED THAT any Director be and hereby is authorised to do all such things and sign all such documents as may be necessary for, or incidental to, the implementation of Ordinary Resolution Number 1.

Explanatory note

This resolution is an enabling resolution that authorises the Directors to sign documentation and to implement the resolutions and the Disposal.

Percentage of voting rights required

In terms of the Companies Act and the MOI, in order for Ordinary Resolution Number 2 to be approved by Shareholders, it must be supported by at least 50% plus one share of the voting rights exercised on the ordinary resolution.

VOTING

All Shareholders will be entitled to attend and vote at the General Meeting, except where specifically precluded from voting. On a show of hands, every Shareholder who is present in person or by proxy, or, in the case of a company, the representative appointed in terms of Section 188 of the Companies Act, shall have one vote.

On a poll, the Shareholders present in person or by proxy, or, if a company, the representative appointed in terms of Section 188 of the Companies Act, shall be entitled to one vote for every Ordinary Share held. Charles Roberson Jnr will be precluded from voting.

Where Shareholders are required to vote in terms of the Listings Requirements, the votes of Shareholders of unlisted or treasury securities will not be taken into account in determining either a quorum or for approval of any resolution considered at the General Meeting.

PROXIES

Certificated Shareholders and Dematerialised Shareholders with 'own name' registration

If you are unable to attend the General Meeting to be held at 10:00 on Thursday, 13 June 2019 at 23 Kleinplaas, Hohenhort, Street, Stellenberg, Cape Town, 7550 and wish to be represented thereat, you should complete and return the attached form of proxy in accordance with the instructions contained therein and lodge it with, or post it to, the Transfer Secretaries.

Dematerialised Shareholders, other than those with "own name registration"

If you hold Dematerialised Shares through a CSDP or Broker and do not have an "own name" registration, you must timeously advise your CSDP or Broker of your intention to attend and vote at the General Meeting or be represented by proxy thereat in order for your CSDP or Broker to provide you with the necessary letter of representation to do so, or should you not wish to attend the General Meeting in person, you must timeously provide your CSDP or Broker with your voting instruction in order for the CSDP or Broker to vote in accordance with your instruction at the General Meeting.

By order of the Board

C Robertson
Chief Executive Officer
VISUAL INTERNATIONAL HOLDINGS LIMITED
10 May 2019



VISUAL INTERNATIONAL HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2006/030975/06)
("Visual International" or "the Company")
ISIN code: ZAE000187407 Share code: VIS

FORM OF PROXY (for use by certificated and own name Dematerialised Shareholders only)

For use by certificated and own name registered Shareholders at the General Meeting to be held at 10:00 on Thursday, 13 June 2019 at 23 Kleinplaas, Hohenhort, Street, Stellenberg, Cape Town, 7550.

I/We: (names in full) _____

of (address): _____

and with contact details:

Telephone/work number: () _____ Cell phone number: _____

Email address: _____

being the holder/s of _____ Ordinary Shares of no par value Visual International (see note 1):

1. _____ or failing him,

2. _____ or failing him,

2. the chairperson of the General Meeting,
as my/our proxy to act for me/us and on my/our behalf at the General Meeting which will be held for the purpose of considering, and if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof and to vote for and/or against the resolutions and/or abstain from voting in respect of the Ordinary Shares registered in my/our name/s, in accordance with the following instructions (see note 3):

	Number of votes (one vote per share)		
	For	Against	Abstain
Ordinary Resolution Number 1: Approval of the Disposal			
Ordinary Resolution Number 2: Directors' authority to sign necessary documentation			

Signed at: _____ on _____ 2019

Signature: _____

Assisted by me (where applicable): _____

Name: _____ Capacity: _____ Signature: _____

Certificated Shareholders

If you are a Certificated Shareholder or have dematerialised your Shares with "own name" registration and you are unable to attend the General Meeting to be held at 10:00 on [Thursday, 13 June] 2019 at 23 Kleinplaas, Hohenhort, Street, Stellenberg, Cape Town, 7550 and wish to be represented thereat, you must complete and return this form of proxy in accordance with the instructions contained herein and lodge it with, or post it to, the Transfer Secretaries.

Dematerialised Shareholders other than those with "own name" registration

If you hold Dematerialised Shares through a CSDP or Broker other than with an "own name" registration, you must timeously advise your CSDP or Broker of your intention to attend and vote at the General Meeting or be represented by proxy thereat in order for your CSDP or Broker to provide you with the necessary authorisation to do so, or should you not wish to attend the General Meeting in person, you must timeously provide your CSDP or Broker with your voting instruction in order for the CSDP or Broker to vote in accordance with your instruction at the General Meeting.

NOTES TO THE FORM OF PROXY

1. This form is for use by Certificated Shareholders and Dematerialised Shareholders with "own-name" registrations whose Shares are registered in their own names on the record date and who wish to appoint another person to represent them at the General Meeting. If duly authorised companies and other corporate bodies who are Shareholders having Shares registered in their own names may appoint a proxy using this form, or may appoint a representative in accordance with the last paragraph below. Other Shareholders should not use this form. All beneficial holders who have dematerialised their Shares through a CSDP or Broker, and do not have their Shares registered in their own name, must provide the CSDP or Broker with their voting instructions. Alternatively, if they wish to attend the General Meeting in person, they should request the CSDP or Broker to provide them with a letter of representation in terms of the CSDP or Broker.
2. This proxy form will not be effective at the General Meeting unless received by the Transfer Secretaries of the Company at 13th Floor, 19 Ameshoff Street, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000), not later than 10:00 on Tuesday, 11 June 2019.
3. This proxy shall apply to all the Ordinary Shares registered in the name of Shareholders at the record date for voting unless a lesser number of Shares are inserted.
4. A Shareholder may appoint one person as his proxy by inserting the name of such proxy in the space provided. Any such proxy need not be a Shareholder. If the name of the proxy is not inserted, the chairman of the General Meeting will be appointed as proxy. If more than one name is inserted, then the person whose name appears first on the form of proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of any persons whose names follow. The proxy appointed in this proxy form may delegate the authority given to him in this proxy by delivering to the Company, in the manner required by these instructions, a further proxy form which has been completed in a manner consistent with the authority given to the proxy of this proxy form.
5. Unless revoked, the appointment of proxy in terms of this proxy form remains valid until the end of the General Meeting even if the General Meeting or a part thereof is postponed or adjourned.
6. If
 - 6.1 a Shareholder does not indicate on this instrument that the proxy is to vote in favour of or against or to abstain from voting on any resolution; or
 - 6.2 the Shareholder gives contrary instructions in relation to any matter; or
 - 6.3 any additional resolution/s which are properly put before the General Meeting; or
 - 6.4 any resolution listed in the proxy form is modified or amended, the proxy shall be entitled to vote or abstain from voting, as he thinks fit in relation to that resolution or matter. If, however, the Shareholder has provided further written instructions which accompany this form and which indicate how the proxy should vote or abstain from voting in any of the circumstances referred to in 6.1 to 6.4, then the proxy shall comply with those instructions.
7. If this proxy is signed by a person (signatory) on behalf of the Shareholder, whether in terms of a power of attorney or otherwise, then this proxy form will not be effective unless:

- 7.1 it is accompanied by a certificated copy of the authority given by the Shareholder or the Shareholder to the signatory; or
- 7.2 the Company has already received a certificated copy of that authority.
8. The chairman of the General Meeting may, at his discretion, accept or reject any proxy form or other written appointment of a proxy which is received by the chairman prior to the time when the General Meeting deals with a resolution or matter to which the appointment of the proxy relates, even if that appointment of a proxy has not been completed and/or received in accordance with these instructions. However, the chairman shall not accept any such appointment of a proxy unless the chairman is satisfied that it reflects the intention of the Shareholder appointing the proxy.
9. Any alterations made in this form of proxy must be initialled by the authorised signatory/ies.
10. This proxy form is revoked if the Shareholder who granted the proxy:
 - 10.1 delivers a copy of the revocation instrument to the Company and to the proxy or proxies concerned, so that it is received by the Company by not later than 10:00 on Tuesday, 11 June 2019; or
 - 10.2 appoints a later, inconsistent appointment of proxy for the General Meeting; or
 - 10.3 attends the General Meeting in person.
11. If duly authorised, companies and other corporate bodies who are Shareholders of the Company having Shares registered in their own name may, instead of completing this proxy form, appoint a representative to represent them and exercise all of their rights at the General Meeting by giving written notice of the appointment of that representative. This Notice of General Meeting will not be effective at the General Meeting unless it is accompanied by a duly certified copy of the resolution/s or other authorities in terms of which that representative is appointed and is received by the Transfer Secretaries of the Company at 13th Floor, 19 Ameshoff Street, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000), or at the Company's registered office at 23 Kleinplaas, Hohenhort, Street, Stellenberg, Cape Town, 7550 , not later than 10:00 on Tuesday, 11 June 2019.

Summary of rights established by Section 58 of the Companies Act, as required in terms of subsection 58(8)(b)(i)

1. A shareholder may at any time appoint any individual, including a non-shareholder of the Company, as a proxy to participate in, speak and vote at a shareholders' meeting on his or her behalf (Section 58(1)(a)), or to give or withhold consent on behalf of the shareholder to a decision in terms of section 60 (shareholders acting other than at a meeting) (Section 58(1)(b)).
2. A proxy appointment must be in writing, dated and signed by the shareholder, and remains valid for one year after the date on which it was signed or any longer or shorter period expressly set out in the appointment, unless it is revoked in terms of paragraph 6.3 or expires earlier in terms of paragraph 10.4 below (Section 58(2)).
3. A shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder (Section 58(3)(a)).
4. A proxy may delegate his or her authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy ("proxy instrument") (Section 58(3)(b)).
5. A copy of the proxy instrument must be delivered to the Company, or to any other person acting on behalf of the Company, before the proxy exercises any rights of the shareholder at a shareholders' meeting (Section 58(3)(c)) and in terms of the Memorandum of Incorporation at least 48 hours before the meeting commences.
6. Irrespective of the form of instrument used to appoint a proxy:
 - 6.1 the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder (Section 58)(4)(a));
 - 6.2 the appointment is revocable unless the proxy appointment expressly states otherwise (Section 58(4)(b)); and
 - 6.3 if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or by making a later, inconsistent appointment of a proxy, and

delivering a copy of the revocation instrument to the proxy and to the Company (Section 58(4)(c)).

7. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered as contemplated in paragraph 6.3 above (Section 58(5)).
8. If the proxy instrument has been delivered to a Company, as long as that appointment remains in effect, any notice required by the Companies Act or the Company's Memorandum of Incorporation to be delivered by the Company to the shareholder must be delivered by the Company to the shareholder (Section 58(6)(a)), or the proxy or proxies, if the shareholder has directed the Company to do so in writing and paid any reasonable fee charged by the Company for doing so (Section 58(6)(b)).
9. A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the Memorandum of Incorporation or proxy instrument provides otherwise (Section 58(7)).
10. If a Company issues an invitation to shareholders to appoint one or more persons named by the Company as a proxy, or supplies a form of proxy instrument:
 - 10.1 the invitation must be sent to every shareholder entitled to receive the Notice of General Meeting at which the proxy is intended to be exercised (Section 58(8)(a));
 - 10.2 the invitation or form of proxy instrument supplied by the Company must:
 - 10.2.1 bear a reasonably prominent summary of the rights established in Section 58 of the Companies Act (Section 58(8)(b)(i));
 - 10.2.2 contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a shareholder to write the name, and if desired, an alternative name of a proxy chosen by the shareholder (Section 58(8)(b)(ii)); and
 - 10.2.3 provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the meeting, or is to abstain from voting (Section 58(8)(b)(iii));
 - 10.3 the Company must not require that the proxy appointment be made irrevocable (Section 58(8)(c)); and
 - 10.4 the proxy appointment remains valid only until the end of the meeting at which it was intended to be used, subject to paragraph 7 above (Section 58(8)(d)).