



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

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**SHORT FORM ANNOUNCEMENT**  
**AUDITED CONDENSED CONSOLIDATED RESULTS FOR THE YEAR ENDED 29 FEBRUARY 2020**

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**Salient Features**

Extracted from the audited condensed consolidated financial statements:

	<b>29 February 2020 Audited</b>	<b>28 February 2019 Audited</b>	<b>Percentage Change</b>	<b>Decline or Improvement</b>
Revenue	423 173	25 588	1 554%	Improvement
Operating loss	(31 905 494)	(8 399 345)	-280%	Decline
Headline loss per share	(11.53)	(2.86)	-303%	Decline
Loss per share	(9.74)	(2.90)	-236%	Decline
Dividend	-	-	-	-
Net asset value per share	(3.16)	6.62	-148%	Decline

**Short-Form Announcement**

The short-form announcement is the responsibility of the directors and is only a summary of information set out in the full announcement which is available on the Company's website ([www.visualinternational.co.za](http://www.visualinternational.co.za)). This announcement does not contain full or complete details and any investment decisions by investors and/or shareholders should be based on consideration of the published SENS announcement available on:

<https://senspdf.jse.co.za/documents/2021/JSE/ISSE/VIS/VISAR20.pdf>

The unqualified audit opinion, which includes communication on key audit matters, together with the annual financial statements, can be accessed by the following link:

<https://visualinternational.co.za/investorrelations/SENS>

The audit opinion contained an emphasis of matter and a reportable irregularity as detailed below:

"We draw attention to Note 32 in the Annual Financial Statements, which indicates that the Group had accumulated losses of R80 583 921 (2019: R54 445 571) and the Company accumulated losses of R84 782 803 (2019: R49 215 515). The current liabilities exceed the current assets by R13 125 040 (2019: R12 973 568) on a Group level. As stated in Note 32, these events or conditions, along with other matters as set forth in Note 32, indicate that a material uncertainty exists that may cast significant doubt on the Group and Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter."

"In accordance with our responsibilities in terms of section 44(2) and 44(3) of the Auditing Profession Act, we report that we have identified a reportable irregularity in terms of the Auditing Profession Act. We have reported such matter to the Independent Regulatory Board for Auditors. The matter pertaining to the Reportable Irregularity relates to the fact that the annual financial statements of the Company have not been issued within six months of the financial year end. This results in non-compliance with Section 30(1) of the Companies Act. The Company also did not prepare and issue annual financials within four months of their financial year end which resulted in non-compliance with paragraph 3.19 of the JSE's Listings Requirements. The Independent Regulatory Board for Auditors have notified the Companies and Intellectual Property Commission."

### **Going Concern**

As detailed in the announcement, the results have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and the settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Group's cash flow situation is improving due to the various agreements referred to below.

- a) The successful conclusion of the Stellendale Junction Disposal Agreement and associated Property Development Management Agreement, which transfer took place during October 2019 and has resulted in the company earning property development fees. The Company will also be entitled to a 50% profit share on the sale of around 500 units over the next two to three years, with a minimum of R35 000 per unit, as previously announced.
- b) As announced on SENS on 18 June 2020, the Company has entered into a subscription agreement with Verityhurst Proprietary Limited, in terms of which R3m of loan funding will be advanced to the Company ahead of the lifting of the suspension of the Company and R2.32m will follow thereafter. This will result in the issue of up to 133 000 000 new shares at 4 cents per Share. The loan funding was advanced to enable the Company to finalise its audits, repay Mosegedi and to ensure that the Company again becomes compliant with the JSE Listings Requirements and Companies Act.

The Company has not been negatively impacted by COVID-19 due to its limited operations at the time and the residential market segment not yet being impacted. Furthermore, the recent property valuations undertaken during August 2020 for the financial year ended 28 February 2019 indicated that no impairment of the property values was required. The property valuations subsequently undertaken by property valuers used by the auditors did not take into account the value of Stellendale Gardens based on the assumption that it was revalued to Business zoning at year end. The provision for credit loss is a non-cash flow item. The Board is comfortable that the rezoned value of the Stellendale Gardens property will be much higher than the current agricultural valuation and that the RAL Trust loan, currently impaired, will be recovered in part or in full. The Company's position and prospects are better than the past 4 years.

Copies of the full announcement may be requested from the Company (Lee-Anne Schreuder at leeanne@visualinternational.co.za) or inspected at the registered office of the Company and/or the Designated Advisors at no charge during office hours.

### **Cape Town**

25 March 2021

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#### **Designated Advisor**

AcaciaCap Advisors Proprietary Limited

