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

AUDITED CONDENSED CONSOLIDATED RESULTS FOR THE YEAR ENDED 28 FEBRUARY 2021

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	28 February Audited 2021 R	29 February Audited 2020 R
Revenue	**23 173**	**423 173**
Other operating income	-	6 441 914
Movement in credit loss allowances	(2 303 833)	(33 711 636)
Other operating expenses	(4 731 771)	(5 058 945)
Operating loss	**(7 012 431)**	**(31 905 494)**
Investment income	2 202 200	3 537 224
Finance costs	(1 312 085)	(2 434 946)
Fair value adjustment	-	6 173 146
Loss before taxation	**(6 122 316)**	**(24 630 070)**
Taxation	482 604	(1 596 301)
Loss for the year	**(5 639 712)**	**(26 226 371)**
		-
Total comprehensive loss for the year	**(5 639 712)**	**(26 226 371)**
Total comprehensive loss attributable to:		
Owners of the parent	(5 488 589)	(26 138 349)
Non-controlling interest	(151 123)	(88 022)
	(5 639 712)	**(26 226 371)**
Loss per share		
Per share information		
Weighted average shares in issue	268 265 546	268 265 546
Loss per share (cents)	(2.05)	(9.74)
Net asset value per share (cents)	(4.35)	(3.16)
Net tangible asset value per share (cents)	(4.35)	(3.16)

CONDENSED STATEMENT OF FINANCIAL POSITION

Rand	28 February 2021 Audited	29 February 2020 Audited
Assets		
Non-Current Assets		
Investment property	12 720 000	12 720 000
Property, plant and equipment	2 009	9 075
Loans to shareholders	6 500 000	6 499 800
	19 222 009	**19 228 875**
Current Assets		
Current tax receivable	1 686	1 686
Trade and other receivables	325 502	129 504
Cash and cash equivalents	20 609	372 617
	347 797	**503 807**
Total Assets	**19 569 806**	**19 732 682**
Equity and Liabilities		
Equity		
Equity Attributable to Equity Holders of Parent		
Share capital	76 259 025	73 809 205
Accumulated loss	**(86 072 506)**	**(80 583 921)**
	(9 813 481)	(6 774 896)
Non-controlling interest	(1 853 319)	(1 702 196)
	(11 666 800)	**(8 477 092)**
Liabilities		
Non-Current Liabilities		
Loans from shareholders	9 394 362	8 547 657
Borrowings	4 658 514	4 436 969
Deferred tax	1 113 697	1 596 301
	15 166 573	**14 580 927**
Current Liabilities		
Loans from group companies	-	-
Borrowings	4 442 522	4 113 537
Trade and other payables	11 627 511	9 515 310
	16 070 033	**13 628 847**
Total Liabilities	**31 236 606**	**28 209 774**
Total Equity and Liabilities	**19 569 806**	**19 732 682**

CONDENSED STATEMENT OF CHANGES IN EQUITY

	Total Stated capital R	Shares to be issued R	Total Share Capital R	Accumulated loss R	Total Attributable to equity holders of the Group R	Non-controlling interest R	Total equity R
Group							
Balance at 01 March 2019	**73 809 025**	**-**	**73 809 025**	**(54 445 572)**	**19 363 453**	**(1 614 174)**	**17 749 279**
Loss for the year	-	-	-	(26 138 349)	(26 138 349)	(88 022)	(26 226 371)
Total comprehensive Loss for the year	**-**	**-**	**-**	**(26 138 349)**	**(26 138 349)**	**(88 022)**	**(26 226 371)**
Balance at 29 February 2020	**73 809 025**	**-**	**73 809 025**	**(80 583 917)**	**(6 774 892)**	**(1 702 196)**	**(8 477 088)**
Loss for the year	-	-	-	(5 488 589)	(5 488 589)	(151 123)	(5 639 712)
Total comprehensive Loss for the year	**-**	**-**	**-**	**(5 488 589)**	**(5 488 589)**	**(151 123)**	**(5 639 712)**
Proceeds relating to shares to be issued	-	2 450 000	2 450 000	-	2 450 000	-	2 450 000
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**2 450 000**	**2 450 000**	**-**	**2 450 000**	**-**	**2 450 000**
Balance at 28 February 2021	**73 809 025**	**2 450 000**	**76 259 025**	**(86 072 506)**	**(9 813 481)**	**(1 853 319)**	**(11 666 800)**

CONDENSED STATEMENT OF CASH FLOWS

Rand	28 February 2021 Audited	29 February 2020 Audited
Cash flows from operating activities		
(Loss)/Profit before taxation	(6 122 316)	(24 630 070)
Adjustments for:		
Depreciation	7 066	98 404
Interest received	(2 202 200)	(3 537 224)
Finance costs	1 312 085	2 434 946
Fair value gains	-	(6 173 146)
Impairment losses	2 303 633	33 711 636
Other operating expenses	-	-
Administration fees	-	-
SARS compromise	-	(4 908 621)
Gain on release of loan obligation	-	(1 297 669)
Changes in working capital:		
Trade and other receivables	(195 998)	79 679
Trade and other payables	4 084 305	1 458 309
Cash used in operations	**(813 425)**	**(2 763 756)**
Interest income	4 050	3 590
Finance costs	(7 876)	(28 431)
Net cash from operating activities	**(817 251)**	**(2 788 597)**
Cash flows from investing activities		
Purchase of investment property	-	(4 376 854)
Proceeds on disposal of non-current assets held for sale	-	10 000 000
Net cash from financing activities		**5 623 146**
Cash flows from financing activities		
Proceeds on share issue	477 900	-
Proceeds from borrowings	-	796 339
Repayment of borrowings	(12 657)	(3 542 452)
Net cash from financial activities	**465 243**	**(2 746 113)**
Total cash movement for the year	**(352 008)**	**88 436**
Cash at the beginning of the year	372 617	284 181
Total cash at end of the year	**20 609**	**372 617**

BASIS OF PREPARATION

The Board of Directors of Visual ("**the Board**") presents the audited condensed consolidated results for the year ended 28 February 2021. The results have been prepared in accordance with the requirements of the South African Companies Act, 71 of 2008, as amended, the JSE Listings Requirements, as well as the framework concepts and the recognition and measurement principles of International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board, including IAS 34 *Interim Financial Reporting.* The accounting policies used in preparation of the year end results are in terms of IFRS and are consistent with those applied in the preparation of the annual financial statements of the Group for the year ended 29 February 2020.

These condensed audited consolidated financial statements were compiled by Mr S Weldon CA(SA), and were audited by Visual's external auditor, BDO Cape Incorporated. These audited 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 settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

These abridged consolidated financial statements have been extracted from the audited consolidated annual financial statements. The results have been audited by the Group's external auditors, BDO South Africa Incorporated. A copy of the audited financial statements and the auditor's unqualified, unmodified audit report is available for inspection at the Company's registered office. The audit report contained a paragraph on material uncertainty related to going concern as detailed below:

"We draw attention to Note 31 in the Annual Financial Statements, which indicates that the Group had accumulated losses of R(86 072 506) (2020: R80 583 921) and the Company accumulated losses of R(88 859 508) (2020: R84 782 803). The current liabilities exceed the current assets by R11 666 800 (2020: R8 477 092) on a Group level. As stated in Note 31, these events or conditions, along with other matters as set forth in Note 31, 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."

The directors take full responsibility for the preparation of the abridged financial statements and confirm that the financial information has been correctly extracted from the underlying consolidated annual financial statements. The auditors' report does not necessarily cover all of the information contained in this financial report. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditors' work, they should obtain a copy of that report together with the accompanying financial information from the Company's registered office.

NATURE OF BUSINESS

Visual International Holdings Limited ("**Visual**" or "**the Company**" or "**the Group**") is essentially a property developer that acquires land, rezones the land, installs the relevant services and then constructs houses and apartments on the land for sale to homeowners or investors. Visual focuses on the development of entire suburbs which comprise houses, apartments, lifestyle and retirement accommodation, retail facilities, schools, offices, and recreation as well as other related facilities. With this focus, Visual is able to ensure the overall quality and integrity of the suburb. It enables Visual to supply quality residences and other facilities at affordable prices. Furthermore, providing these combinations in a single suburb leads to job creation, which is important to the owners and occupants. To date, close to 500 homes and apartments have been developed by Visual at Stellendale. However, further development has been frustrated by the lack of funding for property development over the past few years.

During 2021, Visual has recommenced with its business of property development, having weathered a difficult four years, with its first projects being the development of Stellendale Junction and The Marine, Strand. Revenue will flow from these projects from mid-2021, subsequent to year end.

FINANCIAL RESULTS COMMENTARY

Visual adopted a strategy from 2017 onwards to reduce gearing in order to protect Visual's assets base, reduction of operating and financing costs, whilst seeking to secure development partners and potential investors in order to turn the Company around. Many of these objectives were achieved during 2017 through to 2019. In 2019, the Company entered into the sale of a property known as Stellendale Junction.

While almost no turnover was reported during 2020 and 2021, due to no units being developed or properties sold, the Group's primary focus was to decrease operating costs, position itself for future growth and to secure a strategic funding partner.

Operating expenses were again contained during the period under review, resulting in a reduction of 14.8% at 28 February 2021 compared to 29 February 2020.

The provision for credit losses of R2 3m arose on the RAL Trust loan and amounted to the corresponding interest receivable on the RAL Trust loan. Shareholders are reminded that although a large provision for credit loss of R33.7m was raised against the RAL Trust loan at the 29 February 2020 year end, the higher loan still attracts interest. The provision for credit losses in line with the interest receivable raised leads to a neutral effect on the Statement of Comprehensive Income.

Interest expense reduced substantially due to lower levels of gearing and the lower interest rate, other than loans from related parties and the partial off-set of loans mentioned above.

The taxation credit of R548 000 arose from the reversal of a portion of the Deferred Tax Liability during the period under review.

Investment properties and property held as inventories remained constant with the prior year.

Borrowings comprises amongst other loans, a loan from Chynge Finance Proprietary Limited ("**Chynge Finance**") and a loan from Makoro Property Developers Proprietary Limited ("**Makoro**", which will be settled from development profits on Stellendale Junction and The Marine, Strand.

Borrowings/Other financial liabilities increased slightly from the prior year.

Trade and other payables increased by R1.6m, primarily due to operational expenses and provisions, including audit fees and directors' salaries and fees, some of which have been settled subsequent to year end.

Share capital increased due to the Verityhurst loan of R2.45m at year end, related to the share subscription, which was equity settled subsequent to year end.

During the audit for the year ended 29 February 2020, the auditors were uncomfortable with the valuation of the property that is to be acquired by Visual in settlement of the RAL Trust loan (refer to the Commitments note above) due to the length of time that the company has taken to rezone the property and, following a second valuation on a different basis, requested that a provision for credit loss of R33 711 636 be raised against the RAL Trust loan at year end. The directors agreed to process the provision for credit loss at year end, which was non-cash flow in nature. During the year under review, the Company again raised a provision for credit loss against the interest receivable raised on the full RAL Trust loan amount of R37m.

The Board believes that the provision will be reversed, in whole or in part, if the property is been rezoned for Business Use and transferred to Visual. The process of rezoning was not pursued previously due to the Company being focussed on other projects and the saving in rates whilst the site is zoned as agricultural. A professional team had commenced work during 2020 but progress was slow. Shareholders are advised that during April 2021, the rezoning application to Business Use was submitted to the City of Cape Town.

HEADLINE LOSS INFORMATION

Headline loss reconciliation	**28 February 2021 Audited R**	**29 February 2020 Audited R**
Net loss for the period	**(5 488 589)**	**(26 138 349)**
Adjustments:		
Fair value adjustment for investment property	-	(4 790 361)
Headline loss for the period	**(5 488 589)**	**(30 928 710)**
Headline loss per share (cents)	**(2.05)**	**(11.53)**

SEGMENTAL REPORTING

The segmental information is set out below. The composition and measurement of reportable segments is consistent with the previous period.

Geographic information

The Group's revenue is derived from operations and property holdings in South Africa.

Segment revenue and expenses

Revenue and expenses that are directly attributable to segments are allocated to those segments. Those that are not directly attributable to segments are allocated on a reasonable basis. Interest income on loans to shareholders are included in the property development segment as the recoverability of the loans to shareholders are based on the fair value of the shareholders underlying assets which included property held for development. Interest expenses on loans from shareholders and other related party loans are not directly or indirectly related to specific segments and income tax is not included in the results of the segments when reviewed by the CEO.

Segment assets and liabilities

Segment assets and liabilities comprise those operating assets and liabilities that are directly attributable to the segment or can be allocated to the segment on a reasonable basis.

Segment assets include loans to shareholders and these are allocated to the property development segment as the recoverability of the loans to shareholders are based on the fair value of the shareholders underlying assets which included property held for development.

Segment assets exclude other financial assets, deferred tax assets, tax assets, bank balances, deposits and cash.

Segment liabilities exclude certain loans from shareholders, bank overdraft and current and deferred tax liabilities.

Capital expenditure represents the local costs incurred during the period to acquire segment assets that are expected to be used during more than one period, namely, property, plant and equipment, investment property. During the financial year under review the capital expenditure amounted to R Nil (2019: R Nil).

The Group currently has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different services and are reviewed by management. For each of the strategic business units, the Group's CEO reviews internal management reports on at least a monthly basis.

The following summary describes the operations of each of the Group's reportable segments for the years ended 28 February 2021 and 29 February 2020:

- Property Services segment - Rendering of management, administration and consulting services on development projects;
- Property Investment segment - Letting of residential properties held by the Group; and
- Property Development segment – Development of residential properties held by the Group or sold to third parties.

The classification of revenue, expenses, assets and liabilities in each segment is based on the main activity of each segment.

No consulting fees were generated in the reporting period. Revenue from rentals were in line with the prior period at R23 173 (February 2020: R23 173), arising from services rendered by the Property Investment segment.

Primary segment report – 2021 SEGMENT RESULTS	Property Services	Property Investment	Property Development	Total
Figures in Rands				
Rental income	-	23,173	-	23,173
Rendering of services	-	-	720,000	720,000
Less: Intercompany elimination	-	-	(720,000)	(720,000)
Total external revenue	**-**	**23,173**	**-**	**23,173**
			-	
Depreciation	(7,066)	-		(7,066)
Other operating expenses	(3,557,932)	(50,973)	(1,114,374)	(4,723,279)
Investment income	4,050	-	2,198,150	2,202,200
Finance costs	(241,065)	-	(107,131)	(348,196)
Segment results before taxation	**(3,802,013)**	**(27,800)**	**976,645**	**(2,853,168)**
			-	
Impairment losses	-	-		(2,303,833)
Finance costs accrued on shareholder loans	-	-	-	(846,704)
Finance costs on related parties	-	-	-	(117,185)
Loss before taxation	**-**	**-**	**-**	**(6,120,890)**
Segment assets and liabilities				
Other reportable segment assets	6,510	9,906	19,531,095	19,547,511
Total reportable segment assets	**6,510**	**9,906**	**19,531,095**	**19,547,511**
Current tax	-	-		1,686
Cash and cash equivalents	-	-	-	20,609
Total assets per statement of financial position	**-**	**-**	**-**	**19,569,806**
Trade and other payables	3,149,418	-	8,443,775	11,593,193
Borrowings	-	102,072		102,072
Total reportable segment liabilities	**3,149,418**	**102,072**	**8,443,775**	**11,695,265**
			-	
Deferred tax	-	-		1,113,697
Loan from shareholder	-	-	-	9,394,362
Borrowings	-	-	-	8,998,965
Trade and other payables	-	-	-	32,891
Total liabilities per statement of financial position	**-**	**-**	**-**	**31,235,180**

Primary segment report – 2021				
SEGMENT RESULTS	Property Services	Property Investment	Property Development	Total
Figures in Rands				
Primary segment report - 2020				
Segment results				
Total revenue	-	23,173	-	23,173
Rendering of services	-	-	1,120,000	1,120,000
Less: Intercompany elimination	-	-	(720,000)	(720,000)
Total external revenue	**-**	**23,173**	**1,120,000**	**1,143,173**
Other operating income	5,124,343	-	1,297,669	6,422,012
Depreciation	(90,781)	-	(7,622)	(98,403)
Other operating expenses	(3,166,913)	(118,704)	(1,674,925)	(4,960,542)
Finance costs	(889,408)	-	(280,093)	(1,169,501)
Investment income	3,590	406,304	3,127,330	3,537,224
Segment results before taxation	**980,831**	**310,773**	**2,862,359**	**4,153,963**
Fair value gain on investment property	-	-	-	6,173,146
Other operating income	-	-	-	19,902
Impairment losses	-	-	-	(33,711,636)
Finance costs accrued to shareholder loans	-	-	-	(965,305)
Finance costs on loans from related parties	-	-	-	(300,140)
Loss before taxation	**-**	**-**	**-**	**(25,030,070)**
Segment assets and liabilities				
Other reportable segment assets	13,575	9,906	19,334,898	19,358,379
Total reportable segment assets	**13,575**	**9,906**	**19,334,898**	**19,358,379**
Current tax	-	-	-	1,686
Cash and cash equivalents	-	-	-	372,617
Total assets per statement of financial position				**19,732,682**
Trade and other payables	2,450,156	-	5,990,831	8,440,987
Borrowings	-	114,931	-	114,931
Total reportable segment liabilities	**2,450,156**	**114,931**	**5,990,831**	**8,555,918**
Trade and other payables	-	-	-	1,074,323
Deferred tax	-	-	-	1,596,301
Loan from shareholder	-	-	-	8,547,657
Borrowings	-	-	-	8,435,575
Total liabilities	**-**	**-**	**-**	**28,209,774**

ACQUSIITIONS AND DISPOSALS
There were no acquisitions or disposals during the period under review.

COMMITMENTS
Ahead of its listing, the Group had entered into an agreement in terms of which it is required to purchase a property, consisting of Erf 18362 from the RAL Trust, subject to the successful rezoning of Erf 18362 from agricultural. The purchase price will be equal to the fair value of Erf 18362 on the date that it is rezoned as determined by an independent valuer and will be used to settle all or part of the loan receivable from the RAL Trust, to the extent of the fair value after rezoning. Shareholders are referred to the Going Concern and Events after the reporting period note below.

SHARE CAPITAL AND ISSUE/REPURCHASE OF SHARES
During the period under review, the Company entered into a subscription agreement with Verityhurst Proprietary Limited, in terms of which R3m of loan funding was to be advanced to the Company ahead of the lifting of the suspension of the Company and R2.32m to follow after the lifting of the suspension. Of the R3m of loan funding, R2.45m was received during the year under review (reflected under equity as shares to be issued). The balance was received after year end. This resulted in the issue of 133 000 000 new shares at 4 cents per Share subsequent to year end.

During the period under review, the Company did not repurchase any shares. However, shareholders are reminded of the agreement to cancel the 106 000 000 shares issued to Mosegedi, which shares were cancelled in September 2020.

DIVIDENDS
The Company has not declared a dividend for the year ended 28 February 2021 (29 February 2020: RNil).

LITIGATION
There are no legal or arbitration proceedings, including any proceedings that are pending or threatened, of which the Company and the Group are aware that may have or have had in the last 12 months, a material effect on the Company's or the Group's financial position.

CONTINGENT LIABILITIES
At the reporting date the Group does not have any contingent liabilities (2020: RNil).

SUBSEQUENT EVENTS
The Group's cash flow constraints previously reported have improved from the prior year and will continue to improve due to the various agreements referred to below. The directors have considered the operational budget and cash flow forecasts for the ensuing year which are based on the current expected economic and market conditions and the following events or subsequent events:

a) The successful conclusion of the Stellendale Junction Disposal Agreement and associated Property Development Management Agreement.
b) The subscription agreement with Verityhurst Proprietary Limited for R5.32m, which resulted in the issue of 133 000 000 new shares at 4 cents per Share subsequent to year end.

The Company has not been negatively impacted by COVID-19 during the year under review nor subsequent to 28 February 2021 due to its limited operations at the time and the fact that the Company operates in the residential sector. The sale of Phase 1 of Stellendale Junction units, comprising 56 apartments, has also commenced subsequent to year end, with the first two units sold at the date of this announcement. This will result in Visual earning between R35 000 and R75 000 per unit.

There are no other material events that require reporting after the year end, other than in the normal course of business.

RELATED PARTIES

Related parties are the same as reported in the previous period. Transactions with related parties up until 29 February 2020 are detailed below:

Relationships

Subsidiaries	Refer to note 6 of the Annual Financial Statements
Companies controlled by directors	Transflora Proprietary Limited
	Transflora Properties Proprietary Limited
Trusts of close family member of director / shareholders	My Place Trust
	CKR Investment Trust
	RAL Trust

Related party balances	28 February 2021	29 February 2020
Loan accounts - Owing (to) by related parties		
Transflora Properties Proprietary Limited	(2 415 855)	(2 298 669)
My Place Trust	(2 037 721)	(1 936 535)
CKR Investment Trust	(9 394 362)	(8 547 657)
RAL Trust	6 500 000	(6 499 800)
Diepwater Trust	(103 267)	(98 168)
Amounts included in trade receivables (trade payables) regarding related parties		
Executive directors	(817 717)	(885 777)
Non-executive directors	(2 788 479)	(2 008 479)
Trusts of directors	(523 479)	(475 139)
Interest paid to (received from) related parties		
Transflora Properties Proprietary Limited	117 185	166 510
CKR Investment Trust	846 705	965 305
Trusts of close family member of director	-	133 630
RAL Trust	(2 198 150)	(3 127 330)
Diepwater Trust	-	(11 150)
Rent paid to (received from) related parties		
Trusts of directors	117 600	117 600
Salary paid to related party		
Close family members / companies controlled by close family members of director	-	91 040
Legal fees paid to related party		
Close family members / companies controlled by close family members of director	-	394 909
Expected credit loss movements		
RAL Trust	2 198 150	33 711 636

GOING CONCERN AND EVENTS AFTER THE REPORTING PERIOD

As noted above, the audited 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.

Based on the agreements signed prior to the year end, the commencement of the development of units at Stellendale Junction and the continued support of remaining creditors that are close to the Company, the directors are comfortable with the going concern of the Group.

CHANGES TO THE BOARD

There have been no changes to the Board during the year under review. Subsequent to the year end, Mr Nkosinathi Zuma was appointed as a non-executive director with effect from 20 May 2021.

PROSPECTS
Visual has eliminated the majority of its debt and creditors, has concluded the sale of Stellendale Junction during the year ended 29 February 2020, has secured the Property Development Management Agreement and has signed the subscription agreement with Verityhurst. Accordingly, the Company is in a much better position than over the past few years and has recommenced with its property development business, which is expected to bring in revenue during the year ending 28 February 2022.

The Board will be considering the size and nature of properties held in order to start its key development initiatives and ensure that it has sufficient cash and funding resources to grow the Group's property assets.

By order of the Board
Cape Town

31 May 2021

Directors: CK Robertson; R Kadalie; RR Richards*#; CT Vorster*#; LT Matholwa*# N Zuma*
(* non-executive # independent)
Registered Address: 23 Kleinplaas, Hohenort Street, Stellenberg, 7550 (P.O. Box 3163, Tyger Valley, 7536)
Company Secretary: Light Consulting Proprietary Limited
Auditors: BDO South Africa Incorporated, 106 Park Drive, Port Elizabeth Central, Port Elizabeth, 6001
Transfer Secretaries: JSE Investor Services Proprietary Limited, 13th Floor, 19 Ameshoff Street, Braamfontein, 2017
Designated Advisor: AcaciaCap Advisors Proprietary Limited
Website: www.visualinternational.co.za

Designated Advisor
AcaciaCap Advisors Proprietary Limited

AcaciaCap
ADVISORS