



Visual International Holdings Limited
(Registration number 2006/030975/06)

**Consolidated and Separate Annual Financial Statements
for the year ended 29 February 2024**

These consolidated and separate annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa No. 71 of 2008, as amended.

Visual International Holdings Limited

(Registration number 2006/030975/06)

Consolidated And Separate Annual Financial Statements for the year ended 29 February 2024

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Property holding, services and development
Directors	CK Robertson R Kadalie RR Richards CT Vorster LT Matlholwa ZM Mbokazi-Nkambule
Registered office and business address	23 Kleinplaas Hohenhort Street Stellenberg Western Cape 7550
Postal address	PO Box 3163 Tyger Valley Western Cape 7536
Bankers	Bidvest Bank Limited
Auditors	LDP Chartered Accountants and Auditors Incorporated Chartered Accountants (SA)
Secretary	Light Consulting Proprietary Limited
Company registration number	2006/030975/06
Tax reference number	9235390169
Level of assurance	These consolidated and separate annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa No. 71 of 2008, as amended.
Preparer	The consolidated and separate annual financial statements were independently compiled by: T Kritsiotis Chartered Accountant (SA) Fourteen94 Accounting and Business Services Proprietary Limited
Issued	26 June 2024

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Report of the Combined Audit and Risk Committee

Introduction

The Board of Directors (“the Board”) has a combined audit and risk committee (“the Audit Committee” or “the Committee”) due to the nature and current size of the Company. The report of the Audit Committee is presented as required by section 94(7)(f) of the Companies Act, No. 71 of 2008 (“the Act”).

The Audit Committee is constituted as a statutory committee of Visual International Holdings Limited (“Visual” or “the Company”) in respect of its statutory duties in terms of Section 94(7) of the Act and a committee of the Board in regard to all other duties assigned to it by the Board of the Company.

Composition

The Audit Committee consisted of the following non-executive directors for the year ended 29 February 2024:

Member	Date of appointment	Attendance for the year under review
CT Vorster (Chairman)#	21 January 2014	100%
LT Matlholwa#	1 March 2017	100%
Dr RR Richards#	20 January 2014	100%

- Independent

The Chairman of the Board, Dr RR Richards, is a member of the Audit Committee but does not chair the Audit Committee. A representative of the designated advisor attends all Audit Committee meetings.

Visual has considered the composition of the Audit Committee in terms of King IV, which recommends that all members are independent. The Audit Committee has considered this recommendation and notes that all the members are considered to be independent.

The Board has approved the Audit Committee terms of reference and is satisfied that Audit Committee members have recent and relevant financial experience to carry out their duties and responsibilities.

Statement of Audit Committee Responsibilities for the year ended 29 February 2024

Role and work of the Audit Committee

The role of the Audit Committee is to assist the Board by performing an objective and independent review of the functioning of the organisation’s finance and accounting control mechanisms. It exercises its functions through close liaison and communication with management and the external auditors.

The Committee met five times from 1 March 2023 to 29 February 2024 and a further two times to the date of this report. The meetings during the year under review and to the date of this report were held to closely monitor and guide the Company’s plans and progress in its turnaround strategy, to discuss potential transactions, development funding, the progress of the development project, as well as sustainable cash flow management.

The Audit Committee remained vigilant in this regard for the year under review and to the date of issue of this report, noting that the financial position of the Company continues to improve, following the continuation of development projects during the year under review and subsequent to the year end.

The Audit Committee offered to meet with both the external auditor and advisors in private sessions, without executive management being present. The Chief Executive Officer, Financial Director, management and the outsourced IFRS advisor attend Audit Committee meetings as necessary, at the invitation of the Chairman of the Audit Committee. In addition, other non-executive directors are extended an invitation to attend the Audit Committee meetings.

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Report of the Combined Audit and Risk Committee

Audit Committee Terms of Reference

The Committee is guided by its terms of reference, dealing with membership, structure and levels of authority and has the following responsibilities:

- ensuring compliance with applicable legislation and the requirements of regulatory authorities;
- nominating for appointment a registered auditor who, in the opinion of the Audit Committee, is independent of the Company;
- review of matters relating to financial accounting, accounting policies, reporting and disclosure;
- review/approval of external audit plans, findings, reports, fees and determination and approval of any non-audit services that the auditor may provide to the Company and the group;
- review/consideration of expertise and experience of the financial director and the finance team;
- compliance with the charter; and
- compliance with the Company's code of ethics.

Responsibilities and independence of the external auditor

The Audit Committee addressed its responsibilities properly in terms of the charter during the 2024 financial period. One of these responsibilities was the assessment of the independence of the auditor.

During the year under review, the JSE changed its policy wherein audit firms appointed to a listed firm no longer need to be JSE accredited. In view of this change and considering that the Company is a small company, the Audit Committee took a decision to put the audit out to tender. Following this process and consideration of the relevant information as still required by the JSE relating to auditor appointments, the decision was taken to change auditors to a smaller firm. Accordingly, Moore Infinity Incorporated ("Moore Infinity") resigned on 16 April 2024 and LDP Chartered Accountants and Auditors Incorporated ("LDP Group") was appointed on 13 May 2024.

The Audit Committee has satisfied itself that the auditor, LDP Group and designated auditor, Willene van Zyl is independent of the Company. The Audit Committee has also reviewed the relevant documentation to consider the suitability of the audit firm and designated auditor as stipulated in paragraph 3.84(g) of the JSE Listings Requirements and the guidance letters issued by the JSE.

Non-audit services policy

The Audit Committee has an established non-audit services policy as well as an approval process for non-audit services, where utilised. During the year under review, Moore Infinity did not perform any non-audit services. LDP Group has also not performed any non-audit services up to the date of this report.

Internal financial controls and internal auditor

The Committee is of the opinion that, whilst very basic, Visual's system of internal financial controls and financial reporting procedures are functioning effectively and form a basis for the preparation of reliable financial statements. The services of an outsourced IFRS advisor were again used during the year under review.

The Company has not appointed an internal auditor based on various considerations, including the nature of the business, the size of the business and the simple accounting and control environment. The Committee continues to consider the requirement for internal audit as a standing agenda item. The Committee is satisfied that it has complied with its legal, regulatory and other responsibilities

Expertise and experience of the financial function

Due to the limited operations, Mr R Kadalie was appointed as the Financial Director in February 2019. Ms. Lee-Anne Schreuder continues in the accounting function and the services of Ms. Tandi Kritsotis from Fourteen94 Accounting and Business Services Proprietary Limited were again used to assist with the preparation of the Annual Financial Statements for the year ended 29 February 2024. The Company will appoint a new Financial Director once operations and activities increase substantially.

In terms of section 3.84(g)(i) of the JSE Listing Requirements, the Committee has considered, and is satisfied with, the experience and expertise of Mr R Kadalie as the Financial Director, as supported by Ms. Lee-Anne Schreuder as well as the outsource services of Ms. Tandi Kritsotis.

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Consolidated And Separate Annual Financial Statements for the year ended 29 February 2024

Report of the Combined Audit and Risk Committee

Review of financial statements

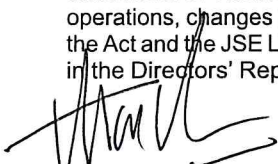
Management has reviewed the financial statements with the Audit Committee, and the Audit Committee has reviewed them without management or external auditors being present. The quality of the accounting policies was discussed with the external auditors.

Approval of report

The Audit Committee confirms that, for the 2024 financial year, it has functioned in accordance with its terms of reference and as required by the Act and that this report has been approved by the Board.

Approval of Financial statements

The Audit Committee reviewed and recommended the financial statements for approval by the Board and considers the financial statements of Visual and its subsidiaries to be a fair presentation of its financial position on 29 February 2024 and of the results of the operations, changes in equity and cash flows for the period then ended, in accordance with International Financial Reporting Standards, the Act and the JSE Listings Requirements. The Audit Committee refers shareholders to the going concern statements that are included in the Directors' Report.



VCT VORSTER
CHAIRMAN

Visual International Holdings Limited

(Registration number 2006/030975/06)

Consolidated And Separate Annual Financial Statements for the year ended 29 February 2024

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of South Africa No. 71 of 2008, as amended to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate annual financial statements fairly present the state of affairs of the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with IFRS Accounting Standards. The external auditors are engaged to express an independent opinion on the consolidated and separate annual financial statements.

The consolidated and separate annual financial statements are prepared in accordance with IFRS Accounting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the group's cash flow forecast for the following twelve months and, in light of this review and the current financial position, they are satisfied that the group has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the group's consolidated and separate annual financial statements. The consolidated and separate annual financial statements have been examined by the group's external auditors and their report is presented on pages 15 to 19.

The consolidated and separate annual financial statements set out on pages 3 to 60, which have been prepared on the going concern basis, were approved by the board on 26 June 2024 and were signed on their behalf by:

Approval of financial statements



CK Robertson

Visual International Holdings Limited

(Registration number 2006/030975/06)

Consolidated And Separate Annual Financial Statements for the year ended 29 February 2024

CEO and CFO Responsibility Statement on Internal Financial Controls

The directors, whose names are stated below, hereby confirm that:

(a) the consolidated and separate annual financial statements set out on pages 20 to 60, fairly present in all material respects the financial position, financial performance and cash flows of the group in terms of IFRS Accounting Standards;

(b) no facts have been omitted or untrue statements made that would make the consolidated and separate annual financial statements false or misleading;

(c) internal financial controls have been put in place to ensure that material information relating to the group and its subsidiaries have been provided to effectively prepare the consolidated and separate annual financial statements of the group; and

(d) the internal financial controls are adequate and effective and can be relied upon in compiling the consolidated and separate annual financial statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of the King Code. Where we are not satisfied, we have disclosed to the audit committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action.



CK Robertson
Chief executive officer

26 June 2024



R Kadalie
Chief financial officer

26 June 2024

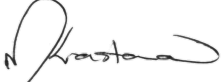
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Group Secretary's Certification

In terms of Section 88(2)(e) of the Companies Act of South Africa No. 71 of 2008, as amended, we certify that, to the best of our knowledge and belief, the group has lodged with the Companies and Intellectual Property Commission ("CIPC") all such returns as are required of a public company in terms of the Act and that all such returns are true, correct and up to date.



Light Consulting Proprietary Limited
Company Secretary
26 June 2024

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Directors' Report

Background, Incorporation and Nature of Business

Visual International Holdings Limited ("Visual" or "the Company" or "the Group") was incorporated as a private company on 5 October 2006 under the name Presto Financing Proprietary Limited. The Company's name was changed, and it was converted to a public company 23 December 2013. Visual then acquired the controlling interest in Visual International Proprietary Limited ("Visual International") from CKR Investment Trust with effect from 1 March 2012 and became the holding company of the various subsidiaries of Visual. Thus Visual, with its wholly owned subsidiary Visual International, commenced operating as a group for the year ended 28 February 2013.

During the formation of the Visual group, loans receivable and loans payable arose from RAL Trust and CKR Investment Trust respectively. Visual listed on the JSE on 23 May 2014.

Visual 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 nodes and 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, more than 750 homes and apartments have been developed by Visual and related parties at Stellendale with the completion of The Knysna construction at Stellendale Junction during the year.

After a long hiatus, development is again commencing at Stellendale, and shareholders are referred to Subsequent Events later in this report.

IFRS Accounting Standards and Basis of Preparation

The consolidated annual financial statements have been prepared in accordance with the requirements of the South African Companies Act, No. 71 of 2008, as amended ("the Act"), the JSE Listings Requirements, as well as the framework concepts and the recognition and measurement requirements of IFRS Accounting Standards as issued by the International Accounting Standards Board.

The accounting policies used in the preparation of the annual 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 28 February 2023, except for the adoption of new or revised accounting standards and interpretations that became effective during the year ended 29 February 2024.

During the year under review, the Group adopted all the standards and interpretations that were effective and deemed applicable to the Group. The adoption of these standards did not have an effect on the current or prior year results. Details of the new standards and interpretations are included in Note 3 – *New Standards and Interpretations* of the consolidated audited financial statements of the Group.

Financial Results

As previously advised, the Company was negatively impacted by the impact of the delay in the commencement of the further development of Stellendale due to a number of constraints, including the banking sector contracting its lending to property developers and potential homeowners in the middle-income segment. This situation has improved, and the group started earning revenue towards the end of FY2023 and again in the year ended 29 February 2024.

Furthermore, the Company's prospects have improved considerably with the commencement of construction of Phase 1, The Knysna, at Stellendale Junction during the year, which units are being transferred as detailed under the Events after the Year End and Prospects sections.

Chyng Finance funding

The Company reduced the Chyng Finance loan during the year under review and the loan was fully repaid during the year under review from proceeds from The Marine property development fees.

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Directors' Report

Board of Directors

The Board of Directors for the year under review, and to the date of this report, was as follows:

Executive

Charles Kenneth Robertson – CEO
Reuben Kadalie - Financial Director

Date appointed

1 March 2010
23 October 2013

Non-Executive

Ruben Robert Richards – Independent Chairman
Carl Theodorus Vorster – Independent
Lesedi Theophilus Matlholwa - Independent
Zanele Maria Mbokazi-Nkambule – Independent

Date appointed

20 January 2014
21 January 2014
1 March 2017
3 June 2021

Interests of Directors

At 29 February 2024, based on 410 265 547 shares in issue, the aggregate direct and indirect interests of the directors of Visual in the issued share capital of the Company are indicated below:

Director	Direct beneficial	Indirect beneficial	Total	Percentage of issued share capital
CK Robertson	-	158 530 220	158 530 220	38.64%
R Kadalie	200 000	-	200 000	0.05%
RR Richards	-	200 000	200 000	0.05%
CT Vorster	100 000	-	100 000	0.02%
LT Matlholwa	3 527 678	-	3 527 678	0.86%
ZM Mbokazi-Nkambule	-	-	-	0.00%
Total	3 827 678	158 730 220	162 557 898	39.62%

The CKR Investment Trust and RAL Trust are trusts associated with CK Robertson, which together held 38.64% of the issued shares in the Company at 28 February 2024 (2023: 39.51%). These shareholdings are reflected under the indirect beneficial shareholding of CK Robertson above. The shares held by RAL Trust have been pledged as security to Visual, for the RAL Trust loan receivable in addition to the property that is held as security therefor as discussed under note 7.

There has been no change in the above interests from the year-end until the date of approval of the annual financial statements.

Directors' Interests in Contracts

No director had any new interest in contracts of the Group during the current year other than Mr CK Robertson in relation to the acquisition of 20% in Tuin Huis for R1.00, which transaction was subsequently reversed *ab initio*. A permanent register of directors' interests in contracts is maintained by the Company Secretary.

Interest in Subsidiaries, Associates and Joint Arrangements

Details of material interests in subsidiary companies and joint arrangements are presented in the consolidated group financial statements in note 5.

During the year under review, Visual acquired a 20% shareholding in Tuin Huis for a nominal consideration of R1.00 with effect from 1 March 2023, being a related party transaction. Tuin Huis is a residential property development company, which has undertaken three trial Infill Housing Projects in the Durbanville area. The project has run at a loss to date and the Board of Directors resolved to unwind the acquisition *ab initio*.

There were no other acquisitions or disposals during the current year.

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Directors' Report

Borrowing Powers

Subject to the provisions of the Memorandum of Incorporation ("MOI") of the Company, the directors may from time to time:

- borrow for the purposes of the Company such sums as they think fit; and
- secure the payment or repayment of any such sums, or any other sum, as they think fit, whether by the creation and issue of securities, mortgage or charge upon all or any of the property or assets of the Company.

The directors shall procure (but as regards subsidiaries of the Company only insofar as by the exercise of voting and other rights or powers of control exercisable by the Company they can so procure) that the aggregate principal amount at any one time outstanding in respect of moneys so borrowed or raised by:

- the Company; and
- all the subsidiaries for the time being of the Company (excluding monies borrowed or raised by any of such companies from any other of such companies but including the principal amount secured by any outstanding guarantees or suretyships given by the Company or any of its subsidiaries for the time being for the indebtedness of any other company or companies whatsoever and not already included in the aggregate amount of the moneys so borrowed or raised), shall not exceed, to the extent applicable, the aggregate amount at that time authorised to be borrowed or secured by the Company or the subsidiaries for the time being of the Company (as the case may be).

Property, Plant and Equipment, Investment Properties and Inventories

There were no changes in the nature of the property, plant and equipment, investment properties and inventories of the group or in the policy regarding their use. There are currently no properties that are recognised as inventory.

At 29 February 2024, the Group's investment in property, plant and equipment amounted to R2 537 (2023: R6 884). There were no additions or disposal during the year under review.

Transfer Secretary

JSE Investor Services Proprietary Limited is appointed as the transfer secretary.

Auditors

At the AGM, the shareholders were requested to reappoint Moore Infinity Incorporated as the independent external auditors of the company and to confirm Mr Ettiene Rossouw as the designated lead audit partner for the 2024 financial year. However, following the recent changes in the JSE Listings Requirements, the Audit and Risk Committee obtained proposals from a broader group of audit firms in order to contain costs and LDP Chartered Accountants and Auditors Incorporated were appointed as auditors for the company and group for the year ended 29 February 2024.

Company Secretary

Light Consulting Proprietary Limited was appointed as company secretary with effect from 7 January 2014.

The directors all have unlimited access to the company secretary who, *inter alia*, advises the board and its committees on issues relating to compliance, the JSE Listings Requirements and the King IV report on corporate governance. Directors are furthermore, with the prior knowledge of the chief executive officer, entitled to ask any questions of any personnel and enjoy unrestricted access to all company documentation, information and property.

Share Capital

During the year under review, the Company issued 9 000 000 new ordinary shares at 4 cents per share under its General Authority to issue shares for cash. Refer to note 10 of the Group financial statements for details of the authorised and issued share capital.

The authorised and unissued shares are under the control of the directors of the Company, subject to the provisions of the MOI, the Act and the JSE Listings Requirements. There are no treasury shares held as at the last practicable date.

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Directors' Report

Special Resolutions, Share Capital and Issue/Repurchase of Shares

No special resolutions were passed during the year under review, other than the following special resolutions which were passed at the Annual General Meeting held on 18 August 2023:

- Approval of non-executive directors' fees;
- Approval of the general authority to enter into funding agreements, provide loans or other financial assistance;
- Approval of authority to issue shares, securities convertible into shares or rights that may exceed 30% of the voting power of the current issued share capital; and
- Approval of general authority to acquire (repurchase) shares.

No special resolutions were passed at a subsidiary level during the year under review.

Dividend

The Company has not declared a dividend for the year ended 29 February 2024 (2023: Nil).

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.

However, during the year under review, SARS has claimed that RAL Trust owe taxation arising from the 2013/2014 restructure to form the group ahead of the listing on the JSE. Professional advice was obtained from a recognised audit firm at the time of the formation of the group and substantial taxation was paid at the time of the establishment of the Visual group. RAL Trust is defending this matter. It is not known whether there will be any impact on the Visual group or the RAL Trust at this point in time although no impact is expected.

In addition, as previously reported in FY2023, previous auditors had launched an action against the Company, which is being defended by the Company and a counterclaim is under consideration related to events associated with COVID-19. The obligations are fully provided for by Visual and accordingly, are not expected to have a material impact on the group's financial position.

Reportable Irregularities

There were no Reportable Irregularities during the year under review.

Commitments

The Group has entered into an agreement before listing on the JSE, in terms of which it is required to purchase a property, consisting of Erf 18362 from the RAL Trust, subject to the rezoning of Erf 18362 from agricultural to general. As agreed prior to the listing, the purchase price will be equal to the fair value of Erf 18362 on the date that it is rezoned 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. The property will be subject to an independent property valuation at that point in time. The property has recently achieved General Business 6 rezoning. Whilst an independent valuation was obtained for purposes of the audit, a separate independent property valuation will have to be obtained from a JSE approved independent registered property valuer for the purpose of determining the final valuation for the purpose of the acquisition. This will be attended to in due course.

Shareholders are referred to the commentary on the RAL Trust shareholder loan receivable below as well as the commentary under Litigation above.

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Directors' Report

RAL Trust shareholder loan receivable

The loan to the shareholder (RAL Trust) was provided against during the year ended 29 February 2020. Due to COVID-19 and the negative impact on the property market, the property sector had become a focus area for the previous auditors, as well as directors and shareholders. Two independent valuations were obtained for the entire property portfolio, including the property held by the shareholder (RAL Trust). These were performed by Adval Valuation Centre CC and DDP Valuation and Advisory Services Proprietary Limited ("DDP").

Adval Valuation Centre valued the vacant land held by the RAL Trust on both the agricultural basis, rendering a valuation of R3.5m and on the basis that the land will be rezoned to business use, rendering a valuation of R37m. It should be noted that the RAL Trust loan will only be settled on transfer of the vacant land post rezoning and independent valuation by a JSE approved property valuer.

DDP valued the land on the comparable sales basis, taking into account the current highest and best use, which they believed would be General Residential 2 to 4. This resulted in a value significantly lower than that calculated by Adval. The directors raised an allowance for expected credit losses against the shareholder loan, which was backed by the property Erf 18362, Kuils River.

A new independent valuation by Franci Malan Property Valuers was undertaken for the year ended 29 February 2024, following the rezoning, reporting a valuation of R26.0m.

As per the initial listing requirements, the property will be independently valued based on the applicable rezoning at the time of transfer from the RAL Trust to Visual International Proprietary Limited as determined by a JSE approved independent property valuer. RAL Trust is a related party to Visual and Mr CK Robertson will be precluded from briefing the property valuer. During the year under review, the disinterested Board members reduced the interest rate receivable on the RAL Trust loan to the rate allowed per SARS. Due to the essence of the loan being property in nature and not an advance of cash, consideration is being made to approach SARS to allow for no interest to be charged due to the unintended consequence of a potential tax liability, where the nature of the asset should in fact be property from inception. Shareholders will be kept apprised of any developments in this regard.

The higher valuation achieved following the rezoning has resulted in the reversal of a large portion of the initial provision for credit loss raised against the RAL Trust loan. Shareholders will be informed in due course once the independent valuation process by a JSE approved valuer has been undertaken, which will be a more detailed valuation process in accordance with the JSE Listings Requirements. Refer to note 7 for more detail in this regard.

Events after the Reporting Period

The following events occurred after the reporting date:

- The Company's growth and improvement partner with the development of Stellendale Junction, Makoro Property Development (Pty) Ltd, has started passing transfer of units sold for Phase 1 of Stellendale Junction, known as The Knysna (comprising 56 units). Stellendale Junction was previously sold out when it initially launched but due to the substantial delays of the building plan approval by the City of Cape Town, several sales were cancelled. However, demand in the area is good, with units now selling at a higher price than the initial launch. Visual earns a development fee of 50% of the net profits. Some of the units are being rented by families or converted to student accommodation.
- The building plans for Phase 2, known as The Glentana are being finalised for lodging at the town council, with construction expected to commence soon. The apartment block will be designed with a bigger focus on student housing, with good support from the surrounding universities, who have visited the site.

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

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Directors' Report

Going Concern and Future Prospects

The Group annual financial statements 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. It is noted that the current liabilities exceed the current assets by 168 times, however the history and forward-looking information below sets out the reasons why Visual remains a going concern.

- During the year ended 28 February 2019, Visual International agreed terms for the disposal of land with Makoro Property Developers Proprietary Limited ("Makoro"). Simultaneously with the sale agreement, a property development management agreement in respect of Stellendale Junction was concluded by Visual International with Makoro in terms of which Visual International will receive 50% of the net profit for the development of each phase ("Property Development Management Agreement"). The Company manages the development processes, and Makoro pays for all development expenses and for securing the development funding for Stellendale Junction. The loan amount owing to Makoro (refer note 12) will be repaid through the completion of the development of the initial two buildings under the development project.
- The remaining development potential in respect of the Stellendale Junction land (i.e. after the already completed development, The Knysna) is approximately 444 apartments on the site. The sale and development of these apartment buildings will bring revenue and additional cash flow to the Group over the next two to three years, with Phase 1 comprising 56 apartments launched in September 2021 and construction completed during the beginning of calendar year 2024.
- Phase 1 was fully sold out in 2021, with construction of the apartments originally expected in June 2022 and expected completion by December 2022. Due to delays with the building plan approval through the City of Cape Town, the approval was only received during the year under review and construction was completed, with the transfers now being passed in the Deeds office after year end. Certain pre-sales were cancelled but some new sales are being realised at slightly higher selling prices, with other apartments securing rental tenants.
- The Group's prospects also improved during the year under review with the balance of the revenue being received from The Marine, Strand development and the final repayment of the loan with Chynge Finance during the year under review (refer note 12).

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 as well as the expected proceeds from the Property Development Agreement mentioned above, which revenues will commence from July/August 2024 onwards and the directors believe the company has adequate financial resources to continue as a going concern. Visual is now actively seeking development funding or partners in order to continue with the development of the rest of Stellendale, particularly Stellendale Gardens.

The directors believe that due to the Stellendale Junction property development fees and profit share, the Company will have adequate financial resources to continue as a going concern. In addition, the remaining creditors are those that are close to the Company and continue to support the turnaround initiatives of the Company. Accordingly, the directors have adopted the going concern basis in the preparation of the annual financial statements and there is no material uncertainty with regard to these matters.

The Company has commenced with projects and expects to secure access to funding resources to grow the Group's property assets.

Independent Auditor's Report

To the Shareholders of Visual International Holdings Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Visual International Holdings Limited (the Company) and its subsidiaries (the Group) set out on pages 20 to 60, which comprise the consolidated and separate statement of financial position as at 29 February 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Visual International Holdings Limited and its subsidiaries as at 29 February 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa No. 71 of 2008, as amended.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in *the Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group and Company in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 30 to the financial statements, which indicates that the Group had accumulated losses of R85 192 141 (2023: R98 837 159) and the Company accumulated losses of R85 935 147 (2023: R96 350 855). The Group's total liabilities exceed total assets by R5 703 116 (2023: R19 708 134) and the Company's current liabilities exceeded its total assets by R6 446 122 (2023: R17 221 830). The note states that these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements for the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit matter	How our audit addressed the key audit matter
<p>Valuation of Investment Property (note 4 - Investment Properties)</p> <p>The carrying value of investment property amounted to R13 420 000 at year end. As per the accounting policy, investment property is initially recognised at cost. Subsequent to initial measurement investment property is measured at fair value.</p> <p>In order to assess the fair value for inclusion in the 2024 annual financial statements, management made use of independent valuation estimates from estate agents utilising the comparable sales method. The comparable sales method uses the recent selling values of properties in a similar location, condition and size adjusted in certain instances for unit density, usability and access.</p> <p>Independent external valuations were performed during the prior year, by management experts, to determine the fair values of the properties included in the 2023 financial statements.</p> <p>The inputs with the most significant impact on these valuations are disclosed in Note 4; Details of valuations in the financial statements.</p> <p>As a result of the significance of the balance to assets, significant judgement and estimates required by the directors in determining the fair value of investment property, we have identified this as a key audit matter.</p>	<p>Our audit procedures included, amongst others, the following:</p> <ul style="list-style-type: none"> • We assessed the competence, capabilities and objectivity of management's independent valuers performing the valuations. • In addition, we discussed the scope of the valuers' work with management and reviewed their terms of engagement to determine that there were no matters that affected their independence and objectivity or imposed scope limitations upon them. • We satisfied ourselves that the techniques used by the valuers are appropriate in the circumstances, in terms of International Financial Reporting Standards and have been applied consistently. • We evaluated the reasonableness of the judgement of the independent valuer, in particular the basis used in the valuations and the significant assumptions which also included the planned rezoning of one of the properties. This was performed by completing the following procedures: <ul style="list-style-type: none"> ○ Significant inputs were compared to market data to confirm the appropriateness of these judgements and estimates. ○ The data provided to the valuer was assessed for accuracy by comparing it to the source documents. ○ We compared recent sales of similar properties to the value provided by the valuer. • We evaluated that the presentation and disclosure of the investment property in the consolidated financial statements is complete and adequate in accordance with International Financial Reporting Standards.

Key Audit matter	How our audit addressed the key audit matter
<p>Loan to shareholders - Impairment assessment in terms of IFRS 9 (Note 7 - Loan to shareholder)</p> <p>The value of the shareholder loan amounted to R26 000 000 in the Group financial statements after an Expected Credit Loss Allowance of R28 682 622 was recorded in the current year.</p> <p>The underlying asset owned by the shareholder, which was the subject matter as part of the impairment assessment, is vacant land. Visual International Proprietary Limited entered into an agreement in terms of which it will acquire the said property once it has been rezoned for its intended use. The timing of cashflow is dependent on the sale of the land, which increases the default risk of the expected credit loss. The value of the shares the trust holds in Visual International Holdings Limited as security also make up the value of the loan receivable.</p> <p>Due to the significance of the balance and a significant degree of estimation uncertainty in relation to the expected credit loss assessment, significant judgement is required by the directors in determining the estimated recoverable amount of the shareholders loan, as a result we have identified the impairment assessment of the shareholders loan as a key audit matter.</p>	<p>Our audit procedures included, amongst others, the following:</p> <ul style="list-style-type: none"> • We assessed the Expected Credit Loss Allowance by critically evaluating management's definition of default and expected loss rates. • We assessed the forward-looking assumptions applied by management in their expected credit loss assessment calculation and assessed the recoverability of the shareholder's loan through consideration of the requirements of IFRS 9: Financial Instruments: Recognition and Measurement. • We inspected the title deed to confirm that the related party does have ownership of the property. We obtained management's expert valuation of the property and compared the value with recent sales of similar properties within the region. • We evaluated that the presentation and disclosure of the shareholder's loan in the consolidated financial statements is complete and adequate in accordance with International Financial Reporting Standards.
<p>Loans to group companies - Impairment in terms of IFRS 9 (Note 6 - Loans to group companies)</p> <p>An amount of R 33 090 079 (2023: R 44 338 492) is being owed to the company by two of the subsidiaries, Visual International Proprietary Limited and Visual Reit Number 1 Limited. This is before an Expected Credit Loss Allowance of R 33 090 079 (2023: R 44 338 492) in the current financial year, which reduced the carrying value to Rnil. In turn, Visual International Proprietary Limited is owed R 26 000 000 by RAL Trust. At Group level, this amount is linked to the shareholder loan included in note 7, as identified in the key audit matter above.</p> <p>Due to the significance of the balance and the extent of judgement required by the directors in determining the estimated recoverable amount of the group loan, we have identified the impairment assessment of the group loan as a key audit matter.</p>	<p>Our audit procedures included, amongst others, the following:</p> <ul style="list-style-type: none"> • We assessed the Expected Credit Loss Allowance by critically evaluating management's assumptions about the risk of default and expected loss rates. • We critically evaluated management's calculations and assessed the recoverability of the group company loan through consideration of the requirements of IFRS 9: Financial Instruments: Recognition and Measurement. • We inspected the financial statements of Visual International Proprietary Limited and the related party to determine the underlying assets, which consisted primarily of property and the shares held in Visual International Holdings Limited. We reviewed the valuation performed by management's independent experts on the property and compared these with recent sales of similar properties within the region. • We evaluated that the presentation and disclosure of the loans to group companies in the company's financial statements is complete and adequate in accordance with International Financial Reporting Standards.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Visual International Holdings Limited and its subsidiaries Consolidated and Separate Annual Financial Statements for the year ended 29 February 2024", which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa No. 71 of 2008, as amended, which we obtained prior to the date of this report. The other information does not include the consolidated or separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa No. 71 of 2008, as amended, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or Company or to cease operations or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that LDP Chartered Accountants and Auditors Incorporated has been the auditor of Visual International Holdings Limited for one year.

LDP Inc.

LDP Chartered Accountants and Auditors Incorporated
Registered Auditor
W van Zyl
Director

Date: 26/06/2024

10 Helderberg Street
Stellenbosch
7600

Visual International Holdings Limited

(Registration number 2006/030975/06)

Consolidated And Separate Annual Financial Statements for the year ended 29 February 2024

Statement of Financial Position as at 29 February 2024

Figures in Rand	Note(s)	Group		Company	
		2024	2023	2024	2023
Assets					
Non-Current Assets					
Property, plant and equipment		2,537	6,884	-	-
Investment property	4	13,420,000	13,420,000	-	-
Loan to shareholder	7	26,000,000	6,500,000	-	-
		39,422,537	19,926,884	-	-
Current Assets					
Trade and other receivables	8	152,548	317,963	-	-
Current tax receivable		1,686	1,686	-	-
Cash and cash equivalents	9	999	3,739	-	-
		155,233	323,388	-	-
Total Assets		39,577,770	20,250,272	-	-
Equity and Liabilities					
Equity					
Share capital	10	79,489,025	79,129,025	79,489,025	79,129,025
Accumulated loss		(85,192,141)	(98,837,159)	(85,935,147)	(96,350,855)
		(5,703,116)	(19,708,134)	(6,446,122)	(17,221,830)
Liabilities					
Non-Current Liabilities					
Loan from shareholder	11	13,163,465	11,495,708	-	11,495,708
Borrowings	12	5,655,662	2,481,992	-	-
Deferred tax	13	300,502	704,451	-	-
		19,119,629	14,682,151	-	11,495,708
Current Liabilities					
Trade and other payables	14	16,647,352	13,949,307	6,028,479	5,308,479
Loan from group company	15	-	-	417,643	417,643
Borrowings	12	3,072,105	6,319,148	-	-
Current tax payable		52,016	52,016	-	-
Provisions	16	6,389,784	4,955,784	-	-
		26,161,257	25,276,255	6,446,122	5,726,122
Total Liabilities		45,280,886	39,958,406	6,446,122	17,221,830
Total Equity and Liabilities		39,577,770	20,250,272	-	-

Visual International Holdings Limited

(Registration number 2006/030975/06)

Consolidated And Separate Annual Financial Statements for the year ended 29 February 2024

Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Note(s)	Group		Company	
		2024	2023	2024	2023
Revenue	17	1,108,751	1,115,347	960,000	720,000
Other operating income	18	112,200	423,839	-	-
Movement in credit loss allowances	19	15,505,140	(3,245,392)	11,248,413	(15,095)
Other operating expenses		(4,892,858)	(4,872,498)	(1,792,705)	(1,784,906)
Operating profit (loss)	19	11,833,233	(6,578,704)	10,415,708	(1,080,001)
Investment income	20	3,994,999	3,440,221	-	-
Finance costs	21	(2,587,167)	(2,086,223)	-	(1,203,081)
Profit (loss) before taxation		13,241,065	(5,224,706)	10,415,708	(2,283,082)
Taxation	22	403,949	83,231	-	-
Total comprehensive income (loss) for the year		13,645,014	(5,141,475)	10,415,708	(2,283,082)
Total comprehensive income (loss) attributable to:					
Owners of the parent		13,645,014	(7,128,100)	10,415,708	(2,283,082)
Non-controlling interest		-	1,986,625	-	-
		13,645,014	(5,141,475)	10,415,708	(2,283,082)
Earnings (loss) per share					
Basic and diluted earnings (loss) per share (c)	32	3.33	(1.78)	2.54	(0.57)

Visual International Holdings Limited

(Registration number 2006/030975/06)

Consolidated And Separate Annual Financial Statements for the year ended 29 February 2024

Statement of Changes in Equity

	Share capital	Accumulated loss	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
Figures in Rand					
Group					
Balance at 01 March 2022	79,129,025	(91,709,059)	(12,580,034)	(1,986,625)	(14,566,659)
Total comprehensive loss for the year	-	(7,128,100)	(7,128,100)	1,986,625	(5,141,475)
Balance at 01 March 2023	79,129,025	(98,837,155)	(19,708,130)	-	(19,708,130)
Total comprehensive income for the year	-	13,645,014	13,645,014	-	13,645,014
Issue of shares	360,000	-	360,000	-	360,000
Balance at 29 February 2024	79,489,025	(85,192,141)	(5,703,116)	-	(5,703,116)
Note	10				
Company					
Balance at 01 March 2022	79,129,025	(94,067,773)	(14,938,748)	-	(14,938,748)
Total comprehensive loss for the year	-	(2,283,082)	(2,283,082)	-	(2,283,082)
Balance at 01 March 2023	79,129,025	(96,350,855)	(17,221,830)	-	(17,221,830)
Total comprehensive loss for the year	-	10,415,708	10,415,708	-	10,415,708
Issue of shares	360,000	-	360,000	-	360,000
Balance at 29 February 2024	79,489,025	(85,935,147)	(6,446,122)	-	(6,446,122)
Note	10				

Visual International Holdings Limited

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Consolidated And Separate Annual Financial Statements for the year ended 29 February 2024

Statement of Cash Flows

Figures in Rand	Note(s)	Group		Company	
		2024	2023	2024	2023
Cash flows from operating activities					
Cash generated from operations	23	984,580	177,420	-	-
Interest income		139	3,751	-	-
Finance costs		(8,139)	(7,315)	-	-
Net cash from operating activities		976,580	173,856	-	-
Cash flows from financing activities					
Repayment of borrowings	24	(979,320)	(711,970)	-	-
Net cash from financing activities		(979,320)	(711,970)	-	-
Total cash movement for the year		(2,740)	(538,114)	-	-
Cash at the beginning of the year		3,739	541,853	-	-
Total cash at end of the year	9	999	3,739	-	-

Visual International Holdings Limited

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Consolidated And Separate Annual Financial Statements for the year ended 29 February 2024

Accounting Policies

1. Material accounting policies

Management has considered the amendments to IAS 1 and principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these financial statements.

1.1 Basis of preparation

The consolidated financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS Accounting Standards and IFRS Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these consolidated and separate annual financial statements, the JSE Listings Requirements and the Companies Act of South Africa No. 71 of 2008, as amended.

These consolidated and separate annual financial statements comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

The consolidated and separate annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Rands, which is the group and company's functional currency.

These accounting policies are consistent with the previous period, except for the changes set out in note 2.

1.2 Consolidation

Basis of consolidation

The consolidated and separate annual financial statements incorporate the annual financial statements of the company and all subsidiaries. Subsidiaries are entities which are controlled by the group.

The group has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and it has the ability to affect those returns through use its power over the entity.

The results of subsidiaries are included in the consolidated and separate annual financial statements from the effective date of acquisition to the effective date of disposal.

All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

Investments in subsidiaries in the separate financial statements

In the company's separate financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses.

1.3 Significant judgements and sources of estimation uncertainty

The preparation of consolidated and separate annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Visual International Holdings Limited

(Registration number 2006/030975/06)

Consolidated And Separate Annual Financial Statements for the year ended 29 February 2024

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

Expected manner of realisation for deferred tax

Management have reviewed the investment property portfolio of the group in order to determine the appropriate rate at which to measure deferred tax. Investment property is measured at fair value. The manner of recovery of the carrying amount, i.e. through use or sale, affects the determination of the deferred tax assets or liabilities. IFRS assumes that the carrying amount of investment property is recovered through sale rather than through continued use. Management considered the intended use of the properties and concluded that the assumption is not rebutted and that the deferred taxation should be measured on the sale basis. (Refer note 13.)

Key sources of estimation uncertainty

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

Fair value estimation

At each reporting date the group assesses whether there is any objective evidence that the carrying value of investment property has increased or decreased.

Independent valuations are obtained on a 3 yearly rotational basis for the purposes of determining the fair value of investment property, unless there are changes in the market indicating material changes in the fair value of the properties held by the group. If that is identified, management consider obtaining external valuations. The effective date of the last detailed valuation on all properties was 28 February 2022. The comparable sales valuation method was used to determine the fair value of the properties. This method uses the recent selling values of properties in a similar location, condition and size, adjusted in certain instances for unit density, usability and access. Refer to note 4 for further information.

1.4 Investment property

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Fair value

Subsequent to initial measurement investment property is measured at fair value.

A gain or loss arising from a change in fair value is included in net profit or loss for the period in which it arises.

Derecognition

An item of investment property is derecognised upon disposal. Any gain or loss arising from the derecognition of an item of investment property, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

Visual International Holdings Limited

(Registration number 2006/030975/06)

Consolidated And Separate Annual Financial Statements for the year ended 29 February 2024

Accounting Policies

1.5 Financial instruments

Financial instruments held by the group are classified in accordance with the provisions of IFRS 9 Financial Instrument and are recognised when the group becomes a party to the contractual provisions of the instruments.

Note 29 Financial instruments and risk management presents the financial instruments held by the group based on their specific classifications.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the group are presented below:

Financial assets at amortised cost

Classification

Trade and other receivables (note 8), loan to shareholder (note 7) and cash and cash equivalents (note 9) are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because the contractual terms of these financial assets give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the group's business model is to collect the contractual cash flows on these financial assets.

Recognition and measurement

Financial assets at amortised cost are measured, at initial recognition, at fair value plus transaction costs, if any. A trade receivable without a significant financing component is initially measured at the transaction price.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the financial assets initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Application of the effective interest method

For financial assets which contain a significant financing component, interest income is calculated using the effective interest method, and is included in profit or loss in investment income.

If a financial asset was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the financial asset in the determination of interest. If, in subsequent periods, the financial asset is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Visual International Holdings Limited

(Registration number 2006/030975/06)

Consolidated And Separate Annual Financial Statements for the year ended 29 February 2024

Accounting Policies

1.5 Financial instruments (continued)

Impairment

The group recognises a loss allowance for expected credit losses on all financial assets measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective amount.

The group measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables.

The group measures the loss allowance on loans to shareholders and cash and cash equivalents by following the general approach. The loss allowance is measured at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12 month expected credit losses (12 month ECL).

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial asset. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial asset that are possible within 12 months after the reporting date.

In order to assess whether to apply lifetime ECL or 12 month ECL, in other words, whether or not there has been a significant increase in credit risk since initial recognition, the group considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a loan being credit impaired at the reporting date or of an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the counterparties and the industries in which the counterparties operate, as well as consideration of various external sources of actual and forecast economic information.

Irrespective of the outcome of the above assessment, the credit risk on a financial asset is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the group has reasonable and supportable information that demonstrates otherwise.

The group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increases in credit risk before the amount becomes past due.

By contrast, if a financial asset is assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk on the financial asset has not increased significantly since initial recognition. A financial asset is considered to have a low credit risk if there is a low risk of default based on the following definition of default.

Definition of default

For purposes of internal credit risk management purposes, the group considers that a default event has occurred if there is either a breach of financial covenants by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account).

Irrespective of the above analysis, the group considers that default has occurred when a payment for a financial asset is more than 90 days past due unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

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Accounting Policies

1.5 Financial instruments (continued)

Write off policy

The group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default.

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as afore-mentioned described. The exposure at default is the gross carrying amount of the financial asset at the reporting date.

Lifetime ECL is measured on a collective basis in cases where evidence of significant increases in credit risk are not yet available at the individual instrument level. Financial assets are then grouped in such a manner that they share similar credit risk characteristics, such as nature of the loan, external credit ratings (if available), industry of counterparty, etc.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the group has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the group measures the loss allowance at an amount equal to 12 month ECL at the current reporting date, and vice versa.

The group makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

An impairment gain or loss is recognised for all receivables in profit or loss with a corresponding adjustment to their carrying amount through a loss allowance account. The impairment loss is included profit or loss as a movement in credit loss allowance.

Credit risk

Details of credit risk related to financial assets are included in the specific notes and the financial instruments and risk management (note 29).

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount, which is based on their amortised cost.

Financial liabilities at amortised cost

Classification

Trade and other payables (note 14), loan from shareholder (note 11), borrowings (note 12) and loan from group company (note 15) are classified as financial liabilities and subsequently measured at amortised cost, except for VAT and amounts received in advance included in trade and other payables, which are not financial liabilities and are measured at cost.

Recognition and measurement

Financial liabilities are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

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Accounting Policies

1.5 Financial instruments (continued)

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 21).

Financial liabilities expose the group to liquidity risk and interest rate risk. Refer to note 29 for details of risk exposure and management thereof.

Derecognition

Financial assets

The group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The group derecognises financial liabilities when, and only when, the group obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

1.6 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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Accounting Policies

1.6 Tax (continued)

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.7 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at no par value and classified as 'share capital' in equity.

1.8 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, are recognised in the period in which the service is rendered and are not discounted.

The group does not contribute to retirement benefit plans.

1.9 Provisions and contingencies

Provisions are recognised when:

- the group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Provisions are not recognised for future operating losses.

1.10 Revenue

Revenue from contracts with customers

The group recognised revenue for services related to the management of property development. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The consideration specified in the contract is the same as the transaction price. The performance obligation is met and the revenue recognised as the services are provided over time, in accordance with the agreement, as the development project is completed. There are no performance obligations outstanding at the end of year. Payment terms are within 30 days of invoice date.

The company recognises revenue from administration fees charged to group companies. These fees are earned for the administration of the property portfolio and operation of the business activities of the relevant company. The fees are recognised only a monthly basis as a cost recovery of operating expenses. The performance obligation is met and the revenue recognised as the services are provided over time throughout the year. The transaction price is agreed annually between the companies in accordance with the services provided. There are no performance obligations outstanding at year end.

Revenue other than from contracts with customers

The group recognises revenue from the rental income received from the letting of investment properties. Rental income in respect of operating leases with a fixed escalation clause is recognised on a straight-line basis over the lease term.

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Accounting Policies

1.11 Investment income

Interest is recognised, in profit or loss, using the effective interest rate method.

1.12 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.13 Earnings per share

The calculation of earnings per share (EPS) is based on the profit/(loss) for the period attributable to ordinary shareholders and the weighted average number of ordinary shares in issue during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares in issue for any dilutive potential ordinary shares. Headline earnings per share is calculated in accordance with circular 1/2023 issued by the South African Institute of Chartered Accountants.

1.14 Segmental reporting

IFRS 8 requires an entity to report financial and descriptive information about its reportable segments, which are operating segments or aggregations of operating segments that meet specific criteria. Operating segments are components of an entity about which separate financial information is available that is evaluated regularly by the chief operating decision maker.

Therefore the group determines and presents its operating segments based on the information that is internally provided to the Chief Executive Officer, who is the chief operating decision maker. Furthermore a segment is a distinguishable component of the group that is engaged either in providing related products or services (business segment), in providing products or services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of the other segments. The group does not have different operating segments. The business is conducted in South Africa and is managed at a central head office with no branches. The group is managed as one operating unit. The disclosures required have therefore been presented as applicable for a single reportable segment. The group does not hold any non-current assets in foreign countries.

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2. Changes in accounting policy

Disclosure of accounting policies: Amendments to IAS 1 and Practice Statement 2

The company adopted the amendments to IAS 1 and Practice Statement 2, which now require that only material accounting policy information shall be disclosed in the annual financial statements. The amendment did not result in changes to measurement or recognition of financial statement items, but management reviewed the accounting policies and made changes to ensure that only material accounting policy information is disclosed.

3. New Standards and Interpretations

3.1 Standards and interpretations effective and adopted in the current year

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations. There was no material impact on the implementation of these standards.

Standard/ Interpretation:	Effective date: Years beginning on or after
• Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	01 January 2023
• Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.	01 January 2023
• Definition of accounting estimates: Amendments to IAS 8	01 January 2023

3.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following applicable standards and interpretations, which have been published and may be relevant to the group. The standards and interpretations are mandatory for the group's accounting periods beginning on or after 01 March 2024 or later periods. These standards will be implemented in the applicable year for which they are mandatory.

There is unlikely to be a material impact on the future implementation of any of these standards.

Standard/ Interpretation:	Effective date: Years beginning on or after
• IFRS 19 Subsidiaries without Public Accountability: Disclosures	01 January 2027
• Presentation and Disclosure in Financial Statements - IFRS 18 to replace IAS 1	01 January 2027
• Lack of exchangeability - amendments to IAS 21	01 January 2025
• Supplier finance arrangements - amendments to IAS 7 and IFRS 7	01 January 2024
• Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	01 January 2024

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Figures in Rand	Group		Company	
	2024	2023	2024	2023

4. Investment property

Group	2024			2023		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Investment property	13,420,000	-	13,420,000	13,420,000	-	13,420,000

Reconciliation of investment property - Group - 2024

	Opening balance	Fair value adjustments	Total
Investment property	13,420,000	-	13,420,000

Reconciliation of investment property - Group - 2023

	Opening balance	Total
Investment property	13,420,000	13,420,000

Details of properties

Imperial Bank Terraces

Being Erf 38794 situated in the municipality of Bellville, Cape Town, held under Title Deed No's ST22609/2005, ST4408/2007 and SK4227/2015S.

The property is owned by Visual International Proprietary Limited. Imperial Bank Terraces are storerooms held to generate rental income and for capital appreciation.

- Purchase price	255,000	255,000	-	-
- Additions since purchase	146,972	146,972	-	-
- Fair value adjustments	198,028	198,028	-	-
	600,000	600,000	-	-

South Bank

Erf No 26103 situated in the municipality of Kuils River, Cape Town, held under Title Deed No T48379/2019.

The property is owned by Visual International Proprietary Limited and is held for capital appreciation

The property is encumbered as security for the loans owing to Makoro Property Developers and Chynge Finance Proprietary Limited (refer note 12).

- Purchase price	4,626,854	4,626,854	-	-
- Fair value adjustments	7,373,146	7,373,146	-	-
	12,000,000	12,000,000	-	-

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	2024	2023	2024	2023

4. Investment property (continued)

Machadodorp

Being Erf No's 197 and 238 situated in the Emakhazeni local municipality, held under Title Deed No T17083/2006.

The property is owned by Hoeksteen Projects Proprietary Limited. Machadodorp consists of vacant land that is held for capital appreciation.

The property is encumbered as security for the bond held by Standard Bank of South Africa Limited (refer note 12).

- Purchase price	1,000,000	1,000,000	-	-
- Additions since purchase	200,000	200,000	-	-
- Fair value adjustments	(380,000)	(380,000)	-	-
	820,000	820,000	-	-
Total	13,420,000	13,420,000	-	-

Details of valuation

Management considered the fair value of the properties and their carrying values, taking into account the prior year valuations as well as the nature and location of the properties.

In order to assess the fair value for inclusion in the 2023 annual financial statements, management made use of independent valuation estimates from estate agents utilising the comparable sales method. The comparable sales method uses the recent selling values of properties in a similar location, condition and size adjusted in certain instances for unit density, usability and access.

Based on these assessments and valuations, management were of the opinion that there was no material change in value and accordingly no fair value adjustment was raised in the current or prior year.

A detailed independent valuation will be obtained during the 2025 financial year.

A detailed valuation was performed for the 2022 financial year by an independent valuer, Laubser Property Valuers, for the purpose of measuring the properties at fair value. The valuer was not connected to the group and had recent experience in the location and the category of the investment properties being valued. The comparable sales method was used to determine the fair value of the majority of the properties, which consist of vacant land. The comparable sales method for South Bank was determined as R3 900 000 per hectare. The income method was used for 2022 financial year for the Imperial Bank Terraces property valued at R600 000. The income method is based on contractual and estimated rental values, future rental income, anticipated maintenance costs and appropriate capitalization rates. A capitalization rate of 12.5% was used to arrive at the value.

The valuation method used is consistent with IFRS 13 and reflects the fair value of the properties based on its highest and best use, at the current zoning.

The measurement of the fair value was categorised in terms of IFRS 13 as a level 3 in that there were no observable inputs.

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	2024	2023	2024	2023

4. Investment property (continued)

Amounts recognised in profit and loss for the year

Rental income from investment property	25,273	23,173	-	-
Direct operating expenses from rental generating property	(132,554)	(123,363)	-	-
	(107,281)	(100,190)	-	-

Refer to note 25 for details of the contractual obligation of the company to acquire an investment property.

5. Interests in subsidiaries

The following table lists the entities which are controlled by the group, either directly or indirectly through subsidiaries.

Group

Name of company	% Voting power 2024/2023	% Holding 2024/2023
Hoeksteen Projects Proprietary Limited *	100.00 %	100.00 %
Richland Proprietary Limited *	100.00 %	100.00 %
Stellendale Village Proprietary Limited *	100.00 %	100.00 %
Mystic-Pearl 129 Proprietary Limited *	66.67 %	50.00 %
Visual Reit Number 1 Limited *	100.00 %	100.00 %
Visual International Proprietary Limited **	100.00 %	100.00 %

* Held by Visual International Proprietary Limited

** Held by Visual International Holdings Limited

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Figures in Rand	Group		Company	
	2024	2023	2024	2023

5. Interests in subsidiaries (continued)

The following table lists the entities which are controlled directly by the company, and the carrying amounts of the investments in the company's separate financial statements.

Company

Name of company	% Voting power	% Holding	Carrying amount	Carrying amount
	2024/2023	2024/2023	2024	2023
Visual International Proprietary Limited	100.00 %	100.00 %	10,614,471	10,614,471
Impairment of investment in subsidiary			10,614,471 (10,614,471)	10,614,471 (10,614,471)
			-	-

Visual International Holdings Limited is an investment company and holds investments in companies that hold properties. The recoverability of the investment was therefore assessed by comparison to the recoverable amount of the underlying properties of Visual International Holdings Limited and its subsidiaries as at 29 February 2024. The recoverable amount was calculated by reference to the fair value less costs of disposal of the underlying properties, as well as the fair value of other assets and liabilities of the subsidiaries, which amounted to nil.

The fair value less costs of disposal of the underlying properties included in Visual International Holdings Limited and its subsidiaries was determined by the independent valuer referred to in note 4 and was largely based on market related comparable sales of similar properties sold in the same area as the underlying properties of Visual International Holdings Limited and its subsidiaries.

Details of subsidiaries operations

Visual International Proprietary Limited is engaged in providing services related to the development of properties and investment in property. The company also renders property letting services.

Richland Proprietary Limited is engaged in the acquisition, development and selling of immovable property.

Stellendale Village Proprietary Limited is engaged in property holding and development. The company does not currently own any properties.

Hoeksteen Projects Proprietary Limited is engaged in services related to the development of properties and investment in property.

Visual Reit Number 1 Limited was dormant during the year under review.

Mystic-Pearl 129 Proprietary Limited is in the process of being wound-down. Visual International Proprietary Limited has the right to appoint the majority of directors in terms of the shareholding agreement, and as such the company has been classified as a subsidiary. The material change in the non-controlling interest in the prior year relates to the loan between Mystic-Pearl 129 Proprietary Limited and Visual International Proprietary Limited being written off.

All subsidiaries are incorporated in South Africa and have the same year end as Visual International Holdings Limited.

Restrictions relating to subsidiaries

Other than the encumbered properties outlined in note 4, there are no other significant restrictions to the group in respect of the ability to access assets and liabilities of the subsidiaries.

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	2024	2023	2024	2023
6. Loans to group companies				
Subsidiaries				
Visual International Proprietary Limited	-	-	32,090,079	43,338,492
Visual Reit Number 1 Limited	-	-	1,000,000	1,000,000
	-	-	33,090,079	44,338,492
Impairments	-	-	(33,090,079)	(44,338,492)
	-	-	-	-

The loans are unsecured and interest free. The loan to Visual Reit Number 1 Limited is repayable on demand. The loan to Visual International Proprietary Limited has been subordinated in favour of third party creditors until such time as the assets of the company, fairly valued, exceed the liabilities. The loans have been classified as current.

Exposure to credit risk

The credit quality of loans to group companies is assessed with reference to the financial position and forecast performance of the relevant company. The loans to these group companies were accordingly assessed to be of a low quality as the relevant companies have accumulated losses, and as a result an expected credit loss has been raised based on lifetime expected credit loss.

Reconciliation of loss allowances

Opening balance	-	-	(44,338,492)	(44,323,996)
Decrease (increase) in lifetime loss recognised arising from change in loan	-	-	11,248,413	(14,496)
Closing balance	-	-	(33,090,079)	(44,338,492)

The significant changes in the gross carrying amount are further explained below:

Gross carrying amount at beginning of reporting period	-	-	44,338,492	44,323,996
Transfer of loan from CKR Investment Trust	-	-	(11,495,708)	-
Additional loan advanced for management fees payable	-	-	960,000	720,000
Loan repaid	-	-	(712,705)	(705,504)
Gross carrying amount at end of reporting period	-	-	33,090,079	44,338,492

Transfer of CKR Investment Trust loan

The board resolved, in agreement with all parties, that the CKR Investment Trust loan payable by Visual Holdings Limited be transferred to Visual International Proprietary Limited through the loan account between the company and Visual International Proprietary Limited. The effective date was 1 March 2023, on which date the loan amount owing was R11 495 708. A cession agreement was signed in the 2019 financial year whereby the CKR Investment Trust loan could be offset against the RAL Trust loan (refer note 7) which is owing to Visual International Proprietary Limited. The two loans arose as a result of the group restructure ahead of the listing of the company on the JSE. The transfer of the loan is to realign the unintended mismatch of the interest receivable and interest payable accruing in two separate group entities.

Fair value of group loans receivable

The fair value of group loans receivable approximates their carrying amounts due to the short term nature thereof.

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7. Loans to shareholders

RAL Trust

Gross carrying amount	54,682,622	50,687,762	-	-
Expected credit loss	(28,682,622)	(44,187,762)	-	-
Amortised cost	26,000,000	6,500,000	-	-

This loan bears interest at prime rate less 4% per annum (2023: prime less 2.5% per annum). The group has entered into an agreement in terms of which Erf 18362, Kuils River, will be acquired from RAL Trust at the fair value of the said property (refer to Commitments note 25). This transaction will result in the simultaneous settlement of the majority of the loan receivable from RAL Trust for the acquisition of the property on the transfer of the property to the group.

The RAL Trust has the right to defer payment by twelve months after year end and the group does expect payment earlier.

Exposure to credit risk

In order to assess the ability of the shareholder to repay its loan, the financial position of the shareholder and its ability to settle the loan was considered, as well as the fair value of the property that is pledged as security for the loan and the subordination agreement that was concluded between the group and CKR Investment Trust. The property was valued at R26 000 000 (R6 500 000). The increase in the valuation from the prior year is as a result of the rezoning of the property in the current year.

The remaining amount of the loan to shareholder in excess of the value of the property held, was accordingly assessed to be of a low quality and an impairment raised in the current and prior year based on lifetime expected credit loss.

In order to assess the value of the property pledged, management obtained a valuation from Franci Malan Property Valuers on 4 May 2024. Franci Malan valued the land on the comparable sales basis, taking into account the development rights, location and size. The value in the prior year was assessed by obtaining a valuation from an estate agent which was based on the comparable sales method.

Reconciliation of loss allowances

Opening balance	(44,187,762)	(40,942,370)	-	-
Increase in loss allowance due to increase in loan	(3,994,860)	(3,245,392)	-	-
Decrease in loss allowance due to change in valuation of property held by the RAL Trust	19,500,000	-	-	-
Closing balance	(28,682,622)	(44,187,762)	-	-

Reconciliation of gross carrying amount

Gross carrying amount at beginning of reporting period	50,687,762	47,442,370	-	-
Interest	3,994,860	3,245,392	-	-
Gross carrying amount at end of reporting period	54,682,622	50,687,762	-	-

Fair value of loans to shareholders

The fair value of loans to shareholders approximates their carrying amounts taking into account the fair market related interest rate.

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	2024	2023	2024	2023

8. Trade and other receivables

Financial instruments:

Trade receivables	38,970	22,069	-	-
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Non-financial instruments:

VAT	113,578	295,894	-	-
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Total trade and other receivables	152,548	317,963	-	-
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Financial instrument and non-financial instrument components of trade and other receivables

At amortised cost	38,970	22,069	-	-
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Non-financial instruments	113,578	295,894	-	-
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152,548	317,963	-	-
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Exposure to credit risk

Credit risk on trade and other receivables and deposits was not significant to the group in the current and prior year based on nature and amount of the receivable.

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts due to the short term nature thereof.

9. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	999	3,739	-	-
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Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

Credit rating

Bidvest Bank Limited: BB (2023: BB)	999	3,739	-	-
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Fair value of cash and cash equivalents

The fair value of cash and cash equivalents approximates their carrying amounts due to the short term nature thereof.

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Figures in Rand	Group		Company	
	2024	2023	2024	2023
10. Share capital				
Authorised				
1 000 000 000 Ordinary shares of no par value				
Reconciliation of number of shares issued:				
Reported as at 01 March 2023	401,265,547	401,265,547	401,265,547	401,265,547
Issue of shares – ordinary shares	9,000,000	-	9,000,000	-
	410,265,547	401,265,547	410,265,547	401,265,547
Issued				
410 265 547 (2022: 401 265 547) Ordinary shares of no par value	79,489,025	79,129,025	79,489,025	79,129,025

The company issued 9 000 000 shares on 31 March 2023 under the general authority to issue shares for cash at 4 cents per share, to extinguish a liability of R360,000 (refer note 14).

11. Loan from shareholder

CKR Investment Trust	13,163,465	11,495,708	-	11,495,708
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This loan bears interest at the prime rate plus 2.00% per annum (2023: prime rate plus 2.00% per annum).

The group entered into a subordination agreement where the loan has been ceded for the loan outstanding by the RAL Trust (refer note 7). The loan to the CKR Investment Trust will not be repaid until such time as the RAL Trust has settled the amount owing to the group. The RAL Trust has the right to defer payment by twelve months after year end.

Refer to note 6 for details of the transfer of the loan from CKR Investment Trust from the company to Visual International Proprietary Limited.

Refer to note 24 Changes in liabilities arising from financing activities for details of the movement in loans from shareholders during the reporting period.

Fair value of shareholder loans payable

The fair value of loans from shareholders approximates their carrying amounts due to the market related interest rates.

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	2024	2023	2024	2023
12. Borrowings				
Held at amortised cost				
My Place Trust	2,495,374	2,278,795	-	-
This loan bears interest at prime rate less 2.5% (2023: prime rate less 2.5%) per annum. The loan has been ceded in favour of the group for the loan outstanding by the RAL Trust. The loan to My Place Trust will not be repaid until such time as the RAL Trust has settled the amount owing to the group. The RAL Trust has the right to defer payment by twelve months after year end.				
Standard Bank of South Africa Limited	66,936	76,256	-	-
This loan bears interest at the prime rate less 0.20% per annum (2023: prime rate less 0.20% per annum). The loan is repayable in monthly installments of R1 594 (2023: R1 594) and is secured by investment property (Erf 197 and 238) with a carrying value of R820,000 (2023: R820,000) as further detailed in note 4.				
Transflora Properties Proprietary Limited	2,959,955	2,703,055	-	-
This unsecured loan bears interest at the prime rate less 2.5% per annum (2023: prime rate less 2.5%) and has no fixed terms of repayment. The group has the right to defer payment for a period of twelve months after year end.				
Diepwater Trust	145,357	126,941	-	-
This loan bears interest at prime rate plus 2.00% per annum (2023: prime rate plus 2.00%). The loan has been ceded in favour of the group for the loan outstanding by the RAL Trust. The loan to Diepwater Trust will not be repaid until such time as the RAL Trust has settled the amount owing to the group. The RAL Trust has the right to defer payment by twelve months after year end.				
Makoro Property Developers	3,060,145	2,646,093	-	-
This loan is secured by Erf 26103 and bears interest at prime rate plus 3% per annum (2023: prime rate plus 3.00% per annum). This amount will be repaid through the completion of the Stellendale Junction development of the initial two buildings under the development project.				
Chynge Finance Proprietary Limited	-	970,000	-	-
This loan was secured by Erf 26103 and bore interest at prime rate plus 3% per annum. The repayment of the loan was linked to the building project of the Marine, Strand. The loan was settled on completion of this project during the current year.				
	8,727,767	8,801,140	-	-

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	2024	2023	2024	2023

12. Borrowings (continued)

Split between non-current and current portions

Non-current liabilities	5,655,662	2,481,992	-	-
Current liabilities	3,072,105	6,319,148	-	-
	8,727,767	8,801,140	-	-

Refer to note 24 Changes in liabilities arising from financing activities for details of the movement in the borrowings during the reporting period.

Fair value of borrowings

The fair value of borrowings approximates their carrying amounts due to the market related interest rates.

13. Deferred tax

Deferred tax liability

Revaluation of investment properties	(2,042,513)	(2,042,513)	-	-
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Deferred tax asset

Provisions	1,725,242	1,338,062	-	-
Tax losses available for set off against future taxable income	16,769	-	-	-
Total deferred tax asset	1,742,011	1,338,062	-	-

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position on an entity basis as follows:

Deferred tax liability	(2,042,513)	(2,042,513)	-	-
Deferred tax asset	1,742,011	1,338,062	-	-
Total net deferred tax liability	(300,502)	(704,451)	-	-

Reconciliation of deferred tax asset / (liability)

At beginning of year	(704,451)	(839,697)	-	-
Increase (decrease) in tax loss available for set off against future taxable income	16,769	(292,442)	-	-
Taxable temporary difference movement on property, plant and equipment	-	78	-	-
Taxable temporary difference movement on investment property	-	75,648	-	-
Taxable temporary difference movement on provisions	387,180	351,962	-	-
	(300,502)	(704,451)	-	-

Unrecognised deferred tax asset

Unused tax losses not recognised as deferred tax assets	5,436,725	5,290,892	4,317,644	4,092,813
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Figures in Rand	Group		Company	
	2024	2023	2024	2023
14. Trade and other payables				
Financial instruments:				
Trade payables	7,519,711	6,682,431	-	-
Trade payables - related parties	2,442,330	1,156,889	-	-
Other payables	50,956	405,633	-	360,000
Accrual for non-executive directors' fees	6,028,479	4,948,479	6,028,479	4,948,479
Payroll related liabilities	605,876	605,875	-	-
Non-financial instruments:				
Amounts received in advance	-	150,000	-	-
	16,647,352	13,949,307	6,028,479	5,308,479

Financial instrument and non-financial instrument components of trade and other payables

At amortised cost	16,647,352	13,799,307	6,028,479	5,308,479
Non-financial instruments	-	150,000	-	-
	16,647,352	13,949,307	6,028,479	5,308,479

Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts due to the short term nature thereof.

15. Loans from group companies

Subsidiaries

Stellendale Village Proprietary Limited	-	-	417,643	417,643
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The loan is unsecured, interest free and repayable on demand. The loan has been subordinated until such time as the company's assets fairly valued exceed its liabilities.

Fair value of group loans payable

The fair value of group loans payable approximates their carrying amounts due to the short term nature thereof.

16. Provisions

Reconciliation of provisions - Group - 2024

	Opening balance	Additions	Total
Executive director salary	4,955,784	1,434,000	6,389,784

Reconciliation of provisions - Group - 2023

	Opening balance	Additions	Total
Executive director salary	3,521,784	1,434,000	4,955,784

The provision relates to the salary for the chief executive officer. The timing of when the salary will be paid and the final amount is uncertain; and is dependent on when the group will be in a financial position to do so. The discounting of the provision is not considered material to the group.

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Figures in Rand	Group		Company	
	2024	2023	2024	2023
17. Revenue				
Revenue from contracts with customers				
Rendering of services	1,083,478	1,092,174	960,000	720,000
Revenue other than from contracts with customers				
Rental Income	25,273	23,173	-	-
	1,108,751	1,115,347	960,000	720,000
Disaggregation and timing of revenue from contracts with customers				
Rendering of services				
Administration fees - over time	-	-	960,000	720,000
Development management fees - over time	1,083,478	1,092,174	-	-
	1,083,478	1,092,174	960,000	720,000
18. Other operating income				
Recovery of expenses	112,200	63,000	-	-
VAT compromise	-	360,839	-	-
	112,200	423,839	-	-
The VAT compromise related to Mystic-Pearl 129 Proprietary Limited.				
19. Operating profit (loss)				
Operating profit (loss) for the year is stated after charging (crediting) the following, amongst others:				
Remuneration, other than to employees				
Consulting and professional services	318,480	821,198	122,958	541,305
Secretarial services	17,250	-	3,450	-
	335,730	821,198	126,408	541,305
Employee costs				
Salaries, wages, bonuses and other benefits	1,546,355	1,497,630	-	-
Depreciation				
Depreciation of property, plant and equipment	4,347	4,626	-	-
Movement in credit loss allowances				
Loans to shareholders	(15,505,140)	3,245,392	-	-
Loans to group companies	-	-	(11,248,413)	15,095
	(15,505,140)	3,245,392	(11,248,413)	15,095

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Figures in Rand	Group		Company	
	2024	2023	2024	2023
20. Investment income				
Interest income				
Loans to:				
Shareholders	3,994,860	3,245,392	-	-
Investments in financial assets:				
Bank and other cash	139	3,751	-	-
Chynge Finance Proprietary Limited *	-	191,078	-	-
Total interest income	3,994,999	3,440,221	-	-

* Interest income on the loan related to interest payable waived by Chynge Finance Proprietary Limited.

21. Finance costs

Shareholder loans	1,667,757	1,203,081	-	1,203,081
Borrowings from related entities	256,900	402,649	-	-
Other borrowings	638,770	308,275	-	-
Late payment of tax	5,324	12,995	-	-
Related party trusts	18,416	159,223	-	-
Total finance costs	2,587,167	2,086,223	-	1,203,081

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Figures in Rand	Group		Company	
	2024	2023	2024	2023
22. Taxation				
Major components of the tax income				
Current				
Local income tax - current period	-	4,869	-	-
Local income tax - prior period underprovision	-	47,147	-	-
	-	52,016	-	-
Deferred				
Originating and reversing temporary differences	(403,949)	(135,247)	-	-
	(403,949)	(83,231)	-	-
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense.				
Accounting (loss) profit	13,241,065	(5,224,706)	10,415,708	(2,283,082)
Tax at the applicable tax rate of 27% (2023: 28%)	3,575,088	(1,462,918)	2,812,241	(639,263)
Tax effect of adjustments on taxable income				
Underprovision in 2019	-	47,147	-	-
(Reversal of impairment) impairment on loans	(4,186,388)	943,329	(3,037,072)	4,227
Donations	338	-	-	-
Deferred tax asset not recognised	134,894	175,835	224,831	298,173
Effect of rate change	-	(26,091)	-	-
VAT compromise not taxable	-	(101,035)	-	-
S8F interest not deductible	-	336,863	-	336,863
SARS penalties and interest	72,119	3,639	-	-
	(403,949)	(83,231)	-	-
No provision has been made for 2024 tax as the group has no taxable income. The estimated tax losses available for set off against future taxable income are R 20,198,124 (2023: R 18,392,816). The prior year underprovision for tax relates to a final assessment for the 2019 tax year for Stellendale Village Proprietary Limited.				
23. Cash generated from operations				
Profit (loss) before taxation	13,241,065	(5,224,706)	10,415,708	(2,283,082)
Adjustments for:				
Depreciation	4,347	4,626	-	-
Interest income	(3,994,999)	(3,440,221)	-	-
Finance costs	2,587,167	2,086,223	-	1,203,081
Impairments and movements in credit loss allowances	(15,505,140)	3,245,392	(11,248,413)	15,095
Movements in provisions	1,434,000	1,434,000	-	-
Other non-cash items: administration fees	-	-	(960,000)	(720,000)
Other non-cash items: operating expenses	-	-	1,072,705	704,905
Changes in working capital:				
Trade and other receivables	165,415	(71,596)	-	-
Trade and other payables	2,698,045	2,433,702	720,000	1,080,001
Working capital changes included in loans	354,680	(290,000)	-	-
	984,580	177,420	-	-

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24. Changes in liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities - Group - 2024

	Opening balance	Interest accrued not paid	Total non-cash movements	Cash flows	Closing balance
Borrowings	8,801,140	905,947	905,947	(979,320)	8,727,767
Loan from shareholder	11,495,708	1,667,757	1,667,757	-	13,163,465
Total liabilities from financing activities	20,296,848	2,573,704	2,573,704	(979,320)	21,891,232

Reconciliation of liabilities arising from financing activities - Group - 2023

	Opening balance	Interest accrued not paid	Total non-cash movements	Cash flows	Closing balance
Borrowings	9,131,356	381,754	381,754	(711,970)	8,801,140
Loan from shareholder	10,292,627	1,203,081	1,203,081	-	11,495,708
Total liabilities from financing activities	19,423,983	1,584,835	1,584,835	(711,970)	20,296,848

Reconciliation of liabilities arising from financing activities - Company - 2024

	Opening balance	Transfer of loan*	Total non-cash movements	Closing balance
Loans from shareholders	11,495,708	(11,495,708)	(11,495,708)	-
Loans from group companies	417,643	-	-	417,643
Total liabilities from financing activities	11,913,351	(11,495,708)	(11,495,708)	417,643

* Refer to note 6 for the transfer of the loan.

Reconciliation of liabilities arising from financing activities - Company - 2023

	Opening balance	Interest accrued not paid	Total non-cash movements	Closing balance
Loans from shareholders	10,292,627	1,203,081	1,203,081	11,495,708
Loans from group companies	417,643	-	-	417,643
Total liabilities from financing activities	10,710,270	1,203,081	1,203,081	11,913,351

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25. Commitments

Authorised capital expenditure

There were no commitments for the purchase of property, plant and equipment at 29 February 2024 (2023: Rnil)

Investment properties

The group has entered into an agreement in terms of which it is required to purchase a property, consisting of Erf 18362 ('the property') from RAL Trust, following the successful rezoning of the property. The purchase price will be equal to the fair value of the property on the date that the property was rezoned and will be used to settle the loan receivable from the RAL Trust (refer note 7).

Should the value of the property not be sufficient to cover the outstanding loan, the loans from CKR Investment Trust, My Place Trust and Diepwater Trust will not be repaid. Refer to notes 11 and 12.

The property was rezoned in the current year and a valuation obtained in order to re-assess the impairment of the RAL Trust loan. As per the initial listings requirements, the property will need to still be independently valued by a JSE approved valuator based on the applicable rezoning at the time of transfer from the RAL Trust to Visual International Proprietary Limited.

Short term lease commitments

The group is committed to R117 600 (2023: R117 600) for short term lease for its office premises. The lease is negotiated on an annual basis resulting in the lease being considered a short-term lease as it is not fixed for a period longer than 12 months. No contingent rent is payable.

There are no leases committed to which have not yet commenced.

Operating leases – as lessor (income)

Lease income is earned from rental of investment property. Leases are negotiated for an average term of five years and rentals are fixed for this term. There are no contingent rents receivable.

26. Contingencies

There are no actual or pending legal or arbitration proceedings that the group is aware of (2023: none) that may have or have had in the last 12 months, a material effect on the company's or group's financial position.

SARS has claimed that RAL Trust owe taxation arising from the restructure to form the Visual group ahead of the listing on the JSE. Professional advice was obtained from a recognised audit firm around the formation of the group and substantial taxation was paid at the time of the establishment of the Visual group. RAL Trust is defending this matter. It is not known whether there will be any impact on the Visual group or the RAL Trust, although no impact is expected.

In addition, the former auditors have launched an action against the Company, which is being defended by the Company and a counterclaim is under consideration related to events associated with COVID-19. The obligations are fully provided for by Visual in trade payables (refer note 14) and accordingly, is not expected to have a material impact on the group financial position.

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Figures in Rand	Group		Company	
	2024	2023	2024	2023
27. Related parties				
Relationships				
Subsidiaries	Refer to note 5			
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 Diepwater Trust Charson Property Trust Poppie Trust			
Company controlled by close family member of director	Chynge Finance Proprietary Limited			
Related party balances				
Loan accounts owing (to) by related parties				
Transflora Properties Proprietary Limited	(2,959,955)	(2,703,055)	-	-
Stellendale Village Proprietary Limited	-	-	(417,643)	(417,643)
My Place Trust	(2,495,374)	(2,278,795)	-	-
CKR Investment Trust	(13,163,465)	(11,495,708)	-	(11,495,708)
Chynge Finance Proprietary Limited	-	(970,000)	-	-
RAL Trust	26,000,000	6,500,000	-	-
Diepwater Trust	(145,357)	(126,941)	-	-
Refer to note 6 for loans to group companies which have been impaired to R nil carrying value. Refer to note 7 for impairment of loan to RAL Trust.				
Amounts included in trade payables regarding related parties (refer note 14)				
Non-executive directors	(6,028,479)	(4,948,478)	(6,028,479)	(4,948,478)
CK Robertson	(1,900,580)	(643,410)	-	-
Diepwater Trust	(541,750)	(513,479)	-	-
Amounts included in provisions regarding related parties (refer note 16)				
Executive directors	(6,389,784)	(4,955,784)	-	-

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	2024	2023	2024	2023
27. Related parties (continued)				
Related party transactions				
Interest paid to related parties (refer note 21)				
Transflora Properties Proprietary Limited	256,900	173,069	-	-
CKR Investment Trust	1,667,757	1,203,081	-	1,203,081
Chynge Finance Proprietary Limited	-	229,580	-	-
Diepwater Trust	18,416	13,318	-	-
My Place Trust	216,579	145,905	-	-
Interest received from related parties (refer note 20)				
RAL Trust	(3,994,860)	(3,245,392)	-	-
Chynge Finance Proprietary Limited	-	(191,078)	-	-
Rent paid to related parties				
Diepwater Trust	117,600	117,600	-	-
Administration fees received from related parties				
Visual International Proprietary Limited	-	-	(960,000)	(720,000)
Project management fees received from related parties				
Joint fees: CHR Consulting Projects Proprietary Limited, Charson Property Trust and Chynge Finance Proprietary Limited	(1,083,478)	(1,092,474)	-	-
Costs recovered from related parties				
Poppie Trust	(112,200)	(63,000)	-	-

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Figures in Rand	Group		Company	
	2024	2023	2024	2023

28. Directors' emoluments

Executive

2024

Directors' emoluments	Basic salary	Travel allowance	Fees for services as director	Total
Services as director or prescribed officer				
CK Robertson	1,338,000	96,000	-	1,434,000
R Kadalie	-	-	240,000	240,000
	1,338,000	96,000	240,000	1,674,000

2023

Directors' emoluments	Basic salary	Travel allowance	Fees for services as director	Total
Services as director or prescribed officer				
CK Robertson	1,338,000	96,000	-	1,434,000
R Kadalie	-	-	230,000	230,000
	1,338,000	96,000	230,000	1,664,000

Non-executive

2024

Directors' emoluments	Fees for services as director	Total
Services as director or prescribed officer		
RR Richards	240,000	240,000
CT Vorster	240,000	240,000
LT Matlholwa	180,000	180,000
ZM Mbokazi-Nkambule	180,000	180,000
	840,000	840,000

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Figures in Rand	Group		Company	
	2024	2023	2024	2023

28. Directors' emoluments (continued)

2023

Directors' emoluments

	Fees for services as director	Total
Services as director or prescribed officer		
RR Richards	230,000	230,000
CT Vorster	230,000	230,000
LT Matlholwa	170,000	170,000
ZM Mbokazi-Nkambule	87,500	87,500
N Zuma	132,500	132,500
	850,000	850,000

29. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Group - 2024

	Note(s)	Amortised cost	Fair value
Loan to shareholder	7	26,000,000	26,000,000
Trade and other receivables	8	38,970	38,970
Cash and cash equivalents	9	999	999
		26,039,969	26,039,969

Group - 2023

	Note(s)	Amortised cost	Fair value
Loan to shareholder	7	6,500,000	6,500,000
Trade and other receivables	8	22,069	22,069
Cash and cash equivalents	9	3,739	3,739
		6,525,808	6,525,808

Categories of financial liabilities

Group - 2024

	Note(s)	Amortised cost	Fair value
Trade and other payables	14	16,647,352	16,647,352
Loan from shareholder	11	13,163,465	13,163,465
Borrowings	12	8,727,767	8,727,767
		38,538,584	38,538,584

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	2024	2023	2024	2023

29. Financial instruments and risk management (continued)

Group - 2023

	Note(s)	Amortised cost	Fair value
Trade and other payables	14	13,799,307	13,799,307
Loan from shareholder	11	11,495,708	11,495,708
Borrowings	12	8,801,140	8,801,140
		34,096,155	34,096,155

Company - 2024

	Note(s)	Amortised cost	Fair value
Trade and other payables	14	6,028,479	6,028,479
Loan from group company	15	417,643	417,643
		6,446,122	6,446,122

Company - 2023

	Note(s)	Amortised cost	Fair value
Trade and other payables	14	5,308,479	5,308,479
Loan from group company	15	417,643	417,643
Loan from shareholder	11	11,495,708	11,495,708
		17,221,830	17,221,830

Capital risk management

The group's objective when managing capital are to safeguard the group's ability to continue as a going concern, obtain new capital to continue with planned developments and to provide returns for shareholders.

The capital structure of the group consists of debt, which includes loan from shareholder and borrowings.

The group has not paid any dividends in order to retain capital for future development.

The directors review the management accounts of the group on a monthly basis and is actively working towards developing vacant land. There were no changes in the group's approach to capital management during the year.

There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital or the strategy for capital maintenance.

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	2024	2023	2024	2023

29. Financial instruments and risk management (continued)

Financial risk management

Overview

The group is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (interest rate risk).

Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The group is exposed to credit risk on loans receivable, trade and other receivables and cash and cash equivalents.

Loans to related parties and shareholders are actively reviewed and managed on a monthly basis through the review of forecasts and cash flow, to assess the recoverability of loans to related parties.

Furthermore, the group monitors changes in credit risk by tracking the financial statements of the related party and assessing liquidity and solvency of the respective entity. In certain instances, loans to related parties are subordinated until such time as the company's assets fairly valued exceed its liabilities fairly valued.

Credit risk exposure arising on cash and cash equivalents is managed by the group through dealing with well-established financial institutions with high credit ratings.

The maximum exposure to credit risk is presented in the table below:

Group		2024			2023		
		Gross carrying amount	Credit loss allowance	Amortised cost	Gross carrying amount	Credit loss allowance	Amortised cost
Loan to shareholder	7	54,682,622	(28,682,622)	26,000,000	50,687,762	(44,187,762)	6,500,000
Trade and other receivables	8	152,548	-	152,548	317,963	-	317,963
Cash and cash equivalents	9	999	-	999	3,739	-	3,739
		54,836,169	(28,682,622)	26,153,547	51,009,464	(44,187,762)	6,821,702

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	2024	2023	2024	2023

29. Financial instruments and risk management (continued)

Company		2024			2023		
		Gross carrying amount	Credit loss allowance	Amortised cost	Gross carrying amount	Credit loss allowance	Amortised cost
Loan to group company	6	33,090,079	(33,090,079)	-	44,338,492	(44,338,492)	-

Liquidity risk

The group is exposed to liquidity risk, which is the risk that the group will encounter difficulties in meeting its obligations as they become due. The financing requirements of the group are met through a mixture of cash generated from operations and long and short term borrowings.

The maturity profile of contractual cash flows are presented in the following table. The cash flows are undiscounted contractual amounts.

Group - 2024

		Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Non-current liabilities						
Loans from shareholders	11	-	15,086,365	-	15,086,365	13,163,465
Borrowings	12	-	6,296,603	47,636	6,344,239	5,655,662
Current liabilities						
Trade and other payables	14	16,647,352	-	-	16,647,352	16,647,352
Borrowings	12	3,631,544	-	-	3,631,544	3,072,105
		20,278,896	21,382,968	47,636	41,709,500	34,096,155

Group - 2023

		Less than 1 year	1 to 2 years	Total	Carrying amount
Non-current liabilities					
Loans from shareholders	11	-	13,050,170	13,050,170	11,495,708
Borrowings	12	-	2,716,979	2,716,979	2,481,992
Current liabilities					
Trade and other payables	14	13,799,307	-	13,799,307	13,799,307
Borrowings	12	6,938,444	-	6,938,444	6,319,148
		20,737,751	15,767,149	36,504,900	34,096,155

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	2024	2023	2024	2023

29. Financial instruments and risk management (continued)

Company - 2024

		Less than 1 year	Total	Carrying amount
Current liabilities				
Trade and other payables	14	6,028,479	6,028,479	6,028,479
Loans from group companies	15	417,643	417,643	417,643

Company - 2023

		Less than 1 year	1 to 2 years	Total	Carrying amount
Non-current liabilities					
Loans from shareholders	11	-	13,050,170	13,050,170	11,495,708
Current liabilities					
Trade and other payables	14	5,308,479	-	5,308,479	5,308,479
Loans from group companies	15	417,643	-	417,643	417,643
		5,726,122	13,050,170	18,776,292	17,221,830

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Figures in Rand	Group		Company	
	2024	2023	2024	2023

29. Financial instruments and risk management (continued)

Interest rate risk

The group's interest rate risk arises from long and short-term borrowings, cash and cash equivalents. Borrowings issued at variable rates expose the group to cash flow interest rate risk. Borrowings issued at fixed rates expose the group to fair value interest rate risk.

The group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the group calculates the impact on profit or loss of a defined interest rate movement. Interest rate risk is higher for long-term borrowings. There is no significant exposure to variations in interest rates for cash and cash equivalents.

Interest rate sensitivity analysis

The sensitivity analysis below presents the interest rate risks in accordance with IFRS 7. It has been determined based on the exposure to interest rates for financial instruments at the reporting date and shows the effects of changes in market interest rates on interest payments. For variable rate liabilities, the analysis is prepared assuming the closing liability was outstanding for the whole year. A 150 basis point (2023: 150 basis point) increase or decrease represents management's assessment of the reasonable possible change in interest rate for 2024 and 2023.

No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Group

At 29 February 2024, if interest rates on cash and cash equivalents, borrowings and loans had been 1.50% higher/lower (2023: 1.50%) with all other variables held constant, post-tax profit for the year would have been R239 709 (2023: R219 206) lower/higher.

Company

The company is not exposed to interest rate risk at 29 February 2024. If interest rates on borrowings and loans had been 1.50% higher/lower at 28 February 2023 with all other variables held constant, post-tax profit for the 2023 year would have been R124 154 lower/higher.

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30. Going concern

The Group annual financial statements 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. It is noted that the current liabilities exceed the current assets by 168 times, however the history and forward-looking information below sets out the reasons why Visual remains a going concern.

- During the year ended 28 February 2019, Visual International agreed terms for the disposal of land with Makoro Property Developers Proprietary Limited ("Makoro"). Simultaneously with the sale agreement, a property development management agreement in respect of Stellendale Junction was concluded by Visual International with Makoro in terms of which Visual International will receive 50% of the net profit for the development of each phase ("Property Development Management Agreement"). The Company manages the development processes, and Makoro pays for all development expenses and for securing the development funding for Stellendale Junction. The loan amount owing to Makoro (refer note 12) will be repaid through the completion of the development of the initial two buildings under the development project.
- The remaining development potential in respect of the Stellendale Junction land (i.e. after the already completed development, The Knysna) is approximately 444 apartments on the site. The sale and development of these apartment buildings will bring revenue and additional cash flow to the Group over the next two to three years, with Phase 1 comprising 56 apartments launched in September 2021 and construction completed during the beginning of calendar year 2024.
- Phase 1 was fully sold out in 2021, with construction of the apartments originally expected in June 2022 and expected completion by December 2022. Due to delays with the building plan approval through the City of Cape Town, the approval was only received during the year under review and construction was completed, with the transfers now being passed in the Deeds office after year end. Certain pre-sales were cancelled but some new sales are being realised at slightly higher selling prices, with other apartments securing rental tenants.
- The Group's prospects also improved during the year under review with the balance of the revenue being received from The Marine, Strand development and the final repayment of the loan with Chynge Finance during the year under review (refer note 12).

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 as well as the expected proceeds from the Property Development Agreement mentioned above, which revenues will commence from July/August 2024 onwards and the directors believe the company has adequate financial resources to continue as a going concern. Visual is now actively seeking development funding or partners in order to continue with the development of the rest of Stellendale, particularly Stellendale Gardens.

The directors believe that due to the Stellendale Junction property development fees and profit share, the Company will have adequate financial resources to continue as a going concern. In addition, the remaining creditors are those that are close to the Company and continue to support the turnaround initiatives of the Company. Accordingly, the directors have adopted the going concern basis in the preparation of the annual financial statements and there is no material uncertainty with regard to these matters.

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31. Events after the reporting period

The following events occurred after the reporting date:

- The Company's partner with the development of Stellendale Junction, Makoro Property Development (Pty) Ltd, has started passing transfer of units sold for Phase 1 of Stellendale Junction, known as The Knysna (comprising 56 units). Stellendale Junction was previously sold out when it initially launched but due to the substantial delays of the building plan approval by the City of Cape Town, several sales were cancelled. However, demand in the area is good, with units now selling at a higher price than the initial launch. Visual earns a development fee of 50% of the net profits. Some of the units are being rented by families or converted to student accommodation.
- The building plans for Phase 2, known as The Gientana are being finalised for lodging at the town council, with construction expected to commence soon. The apartment block will be designed with a bigger focus on student housing, with good support from the surrounding universities and Technikons, who have visited the site.

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

32. Earnings and headline earnings per share

Headline earnings reconciliation

Profit (loss) attributable to ordinary shareholders	13,645,014	(7,128,100)	10,415,708	(2,283,082)
Basic earnings (loss)	13,645,014	(7,128,100)	10,415,708	(2,283,082)

Headline earnings reconciliation

Profit (loss) attributable to ordinary shareholders	13,645,014	(7,128,100)	10,415,708	(2,283,082)
Headline earnings (loss)	13,645,014	(7,128,100)	10,415,708	(2,283,082)

Shares in issue	410,265,547	401,265,547	410,265,547	401,265,547
Weighted average shares in issue	409,527,842	401,265,547	409,527,842	401,265,547

Basic and diluted basic earnings (loss) per share (cents)	3.33	(1.78)	2.54	(0.57)
Headline and diluted headline earnings (loss) per share (cents)	3.33	(1.78)	2.54	(0.57)

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33. Shareholder analysis

Shareholders holding more than 5%

Shareholder	Number of Shares	Percentage Holding
Shareholders holding more than 5% of total issued capital		
CKR Investment Trust	81 202 011	19.79%
RAL Trust	77 328 209	18.85%
Total shareholders	158 530 220	38.64%

Categories of shareholders

	Number of Shareholders 29 February 2024	Number of Shares 29 February 2024	Number of Shareholders 28 February 2023	Number of Shares 28 February 2023
Public	7 046	247 707 649	7 036	242 235 327
Non-public				
Shareholders holding more than 10% of total issued capital	2	158 530 220	2	158 530 220
Directors	6	4 027 678	5	500 000
Total shareholders	7 054	410 265 547	7 043	401 265 547

Shareholders analysis and information

	Number of Shareholders	Number of Shares	Percentage Holding
Individuals	6 981	203 387 853	49.57%
Nominees and trusts	38	174 033 746	42.42%
Close Corporations	7	229 400	0.06%
Companies, Financial Institutions, Others	28	32 614 548	7.95%
Total Shareholders	7 054	410 265 547	100.00%

	Number of Shareholders	Number of Shares	Percentage Holding
1 – 10 000	5 996	10 384 963	2.53%
10 001 – 25 000	393	6 531 789	1.59%
25 001 – 100 000	373	19 791 797	4.82%
100 001 – 500 000	196	41 449 290	10.10%
500 001 and over	96	332 107 708	80.85%
Total Shareholders	7 054	410 265 547	100.00%