



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

SPECIFIC ISSUE OF SHARES FOR CASH

Introduction, rationale and financial effects

Shareholders are advised that Visual will be entering into share subscription agreements with related and non-related parties. The shares will be issued at a price of 4 cents per share. Further details of the various parties will be announced in due course.

The rationale for the specific issue is to restore the strength of the balance sheet in order for the company to be able to engage with banks and funders to develop its other property development projects. The subscription consideration will result in the extinguishing of liabilities in the company and there will be no cash injection. The share subscription will increase the share capital of the Company, thereby restoring the positive net asset value of the Company.

One of the loans that will be capitalised is interest-bearing and the Company will benefit from a lower finance cost going forward.

Related parties

The majority of the creditors are considered to be related parties to Visual in terms section 2 of the Companies Act, 71 of 2008 ('Companies Act') and Section 10 of the JSE Listings Requirements.

As the subscription price is at a premium of 9.53% to the weighted average traded price of the Company's ordinary shares over the 30 business days prior to the date on which the subscription price was agreed by the Visual Board, a fairness opinion on the issue of the subscription shares to the related party subscribers will not be required. The parties are now being approached to sign subscription agreements and the final quantum and parties will be published in due course.

Non-related parties

Certain creditors that are not related parties to Visual may also elect to capitalise certain amounts due to them and share subscription agreements will be concluded and details published in due course.

Suspensive conditions

The specific issue will be subject to the following suspensive conditions:

- the approval by Visual shareholders of the specific issue;
- resolutions of the board of directors and shareholders of the parties required in order to authorise the specific issue, where applicable;
- and the implementation thereof, being validly adopted.

Circular to shareholders

In terms of section 41(1) of the Companies Act, an issue of shares to a related, or an inter-related, party must be approved by a special resolution of the shareholders of a company and in terms of paragraph 5.51(g) of the JSE Listings Requirements, the specific issue requires the approval by way of an ordinary resolution (requiring at least a 75% majority of the votes cast in favour of such resolution) by all Visual shareholders present or represented by proxy at a general meeting. The related parties, and their associates, will be precluded from voting on the relevant resolution.

In addition, the above issue of shares to Non-Related parties will be approved by an ordinary resolution with a 75% voting requirement in terms of the JSE Listings Requirements.

A circular containing full details of the specific issue and a notice convening a general meeting at which shareholders will be requested to approve the specific issue and accompanying resolutions, will be distributed in due course. A further announcement detailing the various subscribers and more specific financial information will be published in due course.

8 October 2024

Designated Advisor
AcaciaCap Advisors Proprietary Limited

