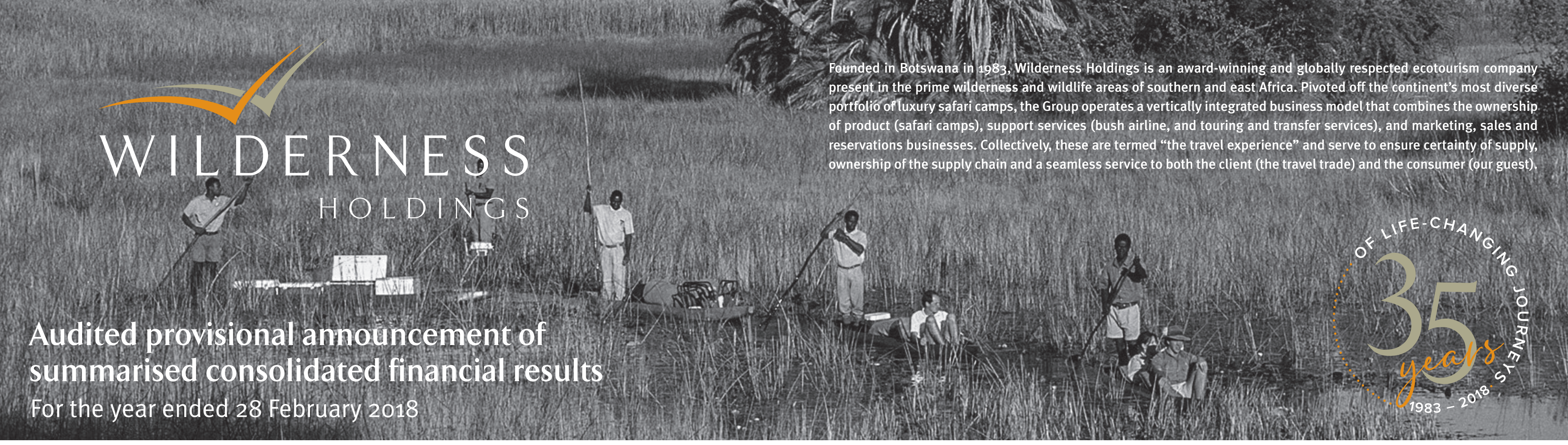

Founded in Botswana in 1983, Wilderness Holdings is an award-winning and globally respected ecotourism company present in the prime wilderness and wildlife areas of southern and east Africa. Pivoted off the continent's most diverse portfolio of luxury safari camps, the Group operates a vertically integrated business model that combines the ownership of product (safari camps), support services (bush airline, and touring and transfer services), and marketing, sales and reservations businesses. Collectively, these are termed "the travel experience" and serve to ensure certainty of supply, ownership of the supply chain and a seamless service to both the client (the travel trade) and the consumer (our guest).

Audited provisional announcement of summarised consolidated financial results

For the year ended 28 February 2018

Summarised consolidated statement of comprehensive income

P'000	Audited 28 Feb 2018	Change	Audited 28 Feb 2017
Revenue	**1 208 912**	9%	1 107 467
Cost of sales	**(372 839)**		(353 447)
Gross profit	**836 073**		754 020
Other gains	**970**		16 182
Operating expenses	**(599 871)**	9%	(550 018)
Foreign exchange losses	**(30 777)**		(11 317)
Operating profit for the year before items listed below (EBITDA)	**206 395**	(1%)	208 867
Impairment loss	**(9 566)**		(3 165)
Depreciation and amortisation	**(86 224)**		(76 927)
Operating profit	**110 605**	(14%)	128 775
Net finance costs	**(19 169)**		(9 195)
Unrealised foreign exchange gains/(losses) on loans	**17 381**		(20 806)
Share of associate company profit	**6 067**		2 600
Profit before taxation	**114 884**	13%	101 374
Taxation	**(27 580)**		(38 623)
Profit for the year	**87 304**	39%	62 751
Other comprehensive income/(loss)			
Items that may be subsequently reclassified to profit or loss			
Exchange differences on translating foreign operations	**7 723**		17 059
Equity holders of the Company	**9 807**		14 248
Non-controlling interest	**335**		(1 288)
Net investment in foreign operations	**(2 419)**		4 099
Total comprehensive income for the year	**95 027**		79 810
Profit attributable to:			
Owners of the Company	**76 658**		55 497
Non-controlling interest	**10 646**		7 254
	87 304		62 751
Total comprehensive income attributable to:			
Owners of the Company	**84 046**		73 844
Non-controlling interest	**10 981**		5 966
	95 027		79 810
Earnings per share (thebe)			
Basic	**32.32**	36%	23.74
Diluted	**32.03**	36%	23.59

Additional disclosure

P'000	Audited 28 Feb 2018	Audited 28 Feb 2017
Reconciliation between profit attributable to owners of the Company and headline earnings		
Profit attributable to owners of the Company	**76 658**	55 497
Adjustments		
IAS 16 – Gains and compensation on disposal and impairment of property, plant and equipment	**(873)**	(6 128)
IAS 27 – Gains on disposal of subsidiaries	**–**	(10 134)
IAS 36 – Impairment of assets	**9 549**	3 204
Tax effects of adjustments	**(2 231)**	2 841
Minority interest	**(93)**	(299)
Headline earnings	**83 010**	44 981
Number of shares issued (thousands)		
Issued	**237 437**	236 859
Weighted average	**237 203**	233 781
Diluted weighted average	**239 356**	235 246
Headline earnings per share (thebe)		
Basic	**35.00**	19.24
Diluted	**34.68**	19.12
Commitments		
Capital		
Authorised by directors and contracted for	**39 442**	110 006
Not yet contracted for but authorised by directors	**81 915**	129 381
	121 357	239 387
This expenditure will be incurred in the ensuing year and will be financed from existing cash resources and new borrowing facilities.		
Operating leases		
Minimum lease payments due		
– within one year	**23 914**	16 929
– in second to fifth year inclusive	**70 592**	39 557
– after fifth year	**128 877**	66 229
	223 383	122 715
Borrowings		
Non-current		
Interest bearing	**354 413**	157 661
Non-interest bearing	**10 969**	10 166
Less: Current portion of long-term liabilities	**(39 743)**	(7 210)
	325 639	160 617

Summarised consolidated statement of financial position

P'000	Audited 28 Feb 2018	Audited 28 Feb 2017
ASSETS		
Non-current assets	**986 295**	795 849
Property, plant and equipment	**734 927**	571 121
Goodwill	**68 976**	69 152
Intangible assets	**114 205**	119 694
Investments and loans in associates	**23 757**	12 700
Loans receivable	**18 710**	–
Deferred tax assets	**25 720**	23 182
Current assets	**538 077**	428 919
Inventories	**32 089**	31 952
Receivables and prepayments	**150 425**	140 968
Current tax receivable	**34 918**	23 818
Bank balances and cash	**320 645**	232 181
Total assets	**1 524 372**	1 224 768
EQUITY AND LIABILITIES		
Equity attributable to the owners of the company	**553 665**	507 985
Stated capital	**168 634**	167 291
Foreign currency translation reserve	**31 468**	24 080
Common control reserve	**(73 324)**	(73 324)
Other non-distributable reserves	**19 318**	19 318
Share-based payment reserve	**(1 145)**	(518)
Retained income	**408 714**	371 138
Non-controlling interest	**38 268**	28 586
Total equity	**591 933**	536 571
Non-current liabilities	**394 138**	226 759
Borrowings	**325 639**	160 617
Deferred tax liabilities	**68 499**	66 142
Current liabilities	**538 301**	461 438
Trade and other payables	**454 653**	385 923
Current portion of borrowings	**39 743**	7 210
Current tax liabilities	**1 830**	6 603
Bank overdrafts	**42 075**	61 702
Total liabilities	**932 439**	688 197
Total equity and liabilities	**1 524 372**	1 224 768
Net asset value per share (thebe)	**233**	214
Net tangible asset value per share (thebe)	**156**	135

Summarised consolidated statement of cash flows

P'000	Audited 28 Feb 2018	Audited 28 Feb 2017
Cash flow from operating activities		
Cash generated from operations	**280 725**	210 902
Net finance costs	**(19 169)**	(9 195)
Taxation paid	**(42 633)**	(45 839)
Net cash inflow from operating activities	**218 923**	155 868
Cash flow from investing activities		
Acquisition of subsidiary companies	**–**	(71 705)
Additions to property, plant and equipment and intangibles	**(266 049)**	(142 392)
Proceeds on disposal of property, plant and equipment	**4 189**	4 510
Acquisition of associate company	**(4 990)**	–
Long-term loans receivable advanced	**(18 710)**	–
Net cash outflow from investing activities	**(285 560)**	(209 587)
Cash flow from financing activities		
Non-controlling interests' share of dividends	**(1 299)**	(3 269)
Share-based payment – employee tax settlement	**–**	(14 908)
Dividends paid	**(39 082)**	(34 782)
Repayment of long-term liabilities	**(7 260)**	(58 037)
Long-term liabilities advanced	**233 828**	138 857
Net cash inflow from financing activities	**186 187**	27 861
Net increase/(decrease) in cash and cash equivalents	**119 550**	(25 858)
Unrealised exchange losses on foreign cash balances	**(11 459)**	(5 628)
Cash and cash equivalents at the beginning of the year	**170 479**	201 965
Cash and cash equivalents at the end of the year	**278 570**	170 479

Summarised consolidated statement of changes in equity

P'000	Audited 28 Feb 2018	Audited 28 Feb 2017
Opening balance	**536 571**	469 528
Share issue on settlement of share scheme	**1 343**	11 205
Minority portion of dividend paid	**(1 299)**	(3 269)
Dividends paid	**(39 082)**	(34 782)
Total comprehensive income for the year	**95 027**	79 810
Net share-based payment reserve	**(627)**	(23 569)
Acquisition of a subsidiary	**–**	27 100
Disposal of a subsidiary	**–**	10 548
Closing balance	**591 933**	536 571

Wilderness Holdings Limited: "Wilderness" or "the Company" or "the Group" **Share code:** WIL **ISIN:** BW0000000868 **Registration number:** 2004/2986 **Tax reference number:** C075372-01-01-7
Registered office (Botswana): Deloitte House, Plot 64518, Fairgrounds, Gaborone, Botswana **External company registration number:** 2009/022894/10
Registered office (South Africa): 373 Rivonia Boulevard, Rivonia, South Africa. PO Box 5219, Rivonia 2128, South Africa
BSE: Primary listing **JSE:** Secondary listing **BSE Sponsor:** Motswedi Securities (Pty) Ltd **JSE Sponsor:** Arbor Capital Sponsors Proprietary Limited **Transfer secretaries:** Corpserve Botswana – Computershare
Directors: BBP Tafa# *(Chairman)*, M Tollman* *(Deputy Chairman)*, KNW Vincent *(CEO)*, A Azoulay *(CFO)*, DA de la Harpe, JM Hunt*, RJ Marnitz*, MW McCulloch#, GB Tollman#, MPK ter Haar*, C Vinsonneau#, J Zeitz* *#non-executive director *independent non-executive director*
Group Company Secretary: L Alexander

Highlights

- ∧ Revenue up 9% to P1 209 million
- ∨ EBITDA down 1% to P206 million
- ∧ Adjusted EBITDA* up 11% to P222 million
- ∧ Total revenue per available room** up 2%
- ∧ Profit after tax up 39% to P87 million
- ∧ Cash generated by operations up 40% to P219 million
- = Cash dividend unchanged at 16.5 thebe per share
- ∧ Occupancy rate up 1% to 59%

* Adjusted EBITDA excludes the effects of the Governors' acquisition and foreign exchange (losses)/gains.
** Total revenue per available room (TRevPar) is calculated as total revenue from Travel Experience divided by total available rooms.

Segmental information

P'000	Audited 28 Feb 2018	Audited 28 Feb 2017
Segmental profit		
Botswana	**118 760**	122 677
Kenya	**5 056**	9 523
Namibia	**33 024**	16 833
Rwanda	**15 263**	6 914
South Africa	**34 129**	39 173
Zambezi	**30 422**	8 959
Intergroup	**(452)**	(77)
Group	**236 202**	204 002
Depreciation and amortisation		
Botswana	**(39 722)**	(37 942)
Kenya	**(4 018)**	(2 737)
Namibia	**(12 213)**	(11 495)
Rwanda	**(4 211)**	(397)
South Africa	**(7 896)**	(6 408)
Zambezi	**(18 164)**	(17 948)
Group	**(86 224)**	(76 927)
Transactions unallocated to a segment		
Other gains	**970**	16 182
Foreign exchange losses	**(30 777)**	(11 317)
Impairment losses	**(9 566)**	(3 165)
Interest paid	**(23 202)**	(11 096)
Interest received	**4 033**	1 901
Unrealised forex gains/(losses) – loans	**17 381**	(20 806)
Associate earnings	**6 067**	2 600
Profit before taxation	**114 884**	101 374
Taxation	**(27 580)**	(38 623)
Profit after tax	**87 304**	62 751
Segmental assets		
Botswana	**871 711**	705 077
Kenya	**59 429**	48 314
Namibia	**164 249**	143 138
Rwanda	**72 748**	70 626
South Africa	**249 911**	199 714
Zambezi	**115 856**	122 019
Central financing activities and eliminations	**(9 532)**	(64 120)
Group	**1 524 372**	1 224 768

P'000	Audited 28 Feb 2018	Audited 28 Feb 2017
Revenue		
Revenues by type of service		
Travel experience	**1 071 835**	990 273
Service fees	**109 366**	87 645
Other	**27 711**	29 549
	1 208 912	1 107 467
Revenue by geographical regions		
Botswana	**481 249**	477 373
Kenya	**92 394**	73 021
Namibia	**196 877**	176 559
Rwanda	**44 221**	24 192
South Africa	**758 086**	731 983
Zambezi	**193 111**	162 432
Intergroup	**(557 026)**	(538 093)
	1 208 912	1 107 467
	%	%
Revenue by source market		
Africa and the Middle East	**35**	33
Americas	**40**	40
Australasia	**2**	2
Europe and Asia	**23**	25
	100	100

Commentary

Despite stronger local currencies and a discounted mobile Mombo Camp, the Group has proven its adaptability and delivered a solid set of results with 9% growth in revenue and a 1% decline in EBITDA. Adjusted EBITDA was up 11%, demonstrating the strength of the organic business. The opening of Bisate Lodge in Rwanda exceeded all expectations, achieving 72% occupancy rate from the official day of opening. The new Mombo Camp was completed ahead of time and opened at the end of January to rave reviews. Following the change in composition of the aircraft fleet in Namibia the air business achieved an exceptional turnaround from an EBITDA loss of P12 million to a profit of P2 million.

Financial review

The Group increased bednights sold by 8% and recorded an increase in headline earnings per share (HEPS) of 82%.

Governors' Camp Collection acquisition

The comparative results for Governors' include only eight months of trading following its consolidation from 1 July 2016. This equates to a contribution of P117 million (2017: P95 million) to revenue and P15 million (2017: P20 million) to EBITDA. Despite the volatile political environment in Kenya following the annulled election and the subsequent follow-up elections the decline was predominantly due to the inclusion of low season this year rather than the political unrest. The Group is optimistic about future prospects in Kenya and Governors' as a whole.

Financial performance

Revenue increased by 9% to P1 209 million (2017: P1 107 million) driven by the increase in bednights sold. Overall bednight sales increased by 8% to 178 347 (2017: 165 864); excluding Governors', bednight sales grew by 4%. The Governors' brand contributed 30 074 (2017: 22 946) or 17% in bednight sales. Available bednights have increased by 6% to 304 698 (2017: 286 350); excluding Governors', available bednights decreased by 2%. The Group's occupancy rate was up slightly to 59% (2017: 58%).

The Pula gained more than 5% against the US Dollar over the year impacting negatively on revenue, and this was also the cause of the large foreign exchange losses on conversion of the Group's foreign currency position.

EBITDA margin declined from 19% to 17%, primarily due to the higher foreign exchange losses as well as lower 'Other gains'. These gains primarily comprise insurance proceeds and net profit on disposal of assets, and have declined from P16 million to P1 million in the current year. Operating costs, on a like for like basis excluding Governors', have remained well contained and increased by less than 7% on prior year.

Impairment losses amounted to P9.6 million and relate to the impairment of decommissioned camp assets and camp assets damaged by flooding.

Net finance costs were 108% higher at P19.2 million (2017: P9.2 million), being a consequence of the inclusion of Governors' and the increased debt to finance capital investment and acquisitions.

The Group's effective tax rate has decreased from 38% to 24%. This is largely due to the recognition of P5 million of deferred tax asset in the Governors' businesses following their strong turnaround in performance and the decline in net foreign exchange losses. Excluding this, the tax rate is still higher than the nominal tax rate due to the higher tax rates applicable in other tax jurisdictions, losses incurred where deferred tax assets could not be recognised, as well as unrealised foreign exchange losses which are generally not claimable for tax purposes.

Geographical operations

Namibia, Rwanda and Zambezi regions all recorded exceptional growth as they contributed on a combined basis 33% (2017: 16%) of segmental profit and reflect 141% growth from P33 million to P79 million. Strong demand in Namibia, together with the improvement in the air business, contributed to the country's growth while Bisate Lodge and the demand for Tour Series business pushed up performance in Rwanda and Zambezi respectively. Botswana's performance was down 3% in segmental profit, a respectable result considering the impact of the Mombo rebuild and the exchange rate. South Africa declined 13% due to the strength of the Rand. Kenya recorded a decline of 47%, compared to the prior year, following the inclusion of a greater portion of low season.

Financial position and cash flow

Capital expenditure and commitments

Excluding acquisitions, capital expenditure for the year amounted to P271 million. Approximately P25 million was spent on new camp developments, P133 million on rebuilding existing camps and P27 million on two additional aircraft. The balance of P86 million is defensive or maintenance in nature. Capital expenditure is expected to taper off following the completion of Mombo and Bisate, but in line with the Group's philosophy to ensure our properties and assets remain in pristine condition, the Group will continue to spend material amounts on maintenance capital estimated at P100 million annually. The Board has approved P110 million in capital expenditure for the next year, comprising P81 million defensive capital and P29 million for new or strategic projects.

Shares in issue

During the year, the Company issued 578 500 ordinary shares of no par value (representing approximately 0.2% of the enlarged number of shares in issue) for no consideration to settle the share scheme obligations. At 28 February 2018, the number of ordinary shares in issue and the weighted average number of shares was 237 437 353 (2017: 236 858 853) and 237 203 013 (2017: 233 781 074), respectively.

Bank and cash

Cash balances, less overdrafts, have increased by 63% to P279 million following utilisation of our debt facilities with net drawdowns amounting to P227 million and cash generated from operations amounting to P281 million. The multi-currency facility of USD34 million obtained in the prior year has been fully utilised in the current year.

Loan advanced

As reported at half year, the Group continues to seek growth opportunities that promote sustainable tourism land use. Accordingly, the Group participated in the development of a camp in a new concession area and has advanced funds on loan account to a local investor. The funds have been utilised, under supervision by the Group, to develop a world-class camp which it supports through the provision of marketing and sales services. This transaction allows the Group to take a more direct interest in the camp at an opportune time in the future, should this be considered prudent for the Group and the local investor.

Dividend declaration – number 8

An interim dividend for the year ended 28 February 2018 of 16.5 thebe per share (15.2625 thebe per share net of Botswana withholding tax) was declared on Saturday, 3 March 2018 and paid on Tuesday, 3 April 2018. The dividend was declared out of income reserves. As the interim dividend already paid represents 45% of profit after tax, being near the maximum of 50% of profit after tax in terms of our stated policy, and following an assessment of future cash requirements, the Board has decided to make no further dividend payments in respect of the financial year ended 28 February 2018.

Related party transactions

There were no transactions with related parties that would be material to an understanding of these results.

Subsequent events

On 23 April 2018 a subsidiary company was notified by the relevant tax authorities that it intends to issue revised Value Added Tax assessments. The quantum of the potential liability is unknown but management is of the view that its application and interpretation of the relevant rules and regulations is correct and will dispute any claims that may arise. No other material events have occurred between the reporting date and the date of this report.

Leases

The signed leases for a period of fifteen years for the concessions upon which Mombo, Little Mombo and Xigera camps are located have been received. The Group expects to receive imminently the lease for the concession upon which Vumbura Plains and Little Vumbura are situated.

Basis of preparation

The summarised consolidated financial statements have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards and the information as required by IAS 34 Interim Financial Reporting. The report has been prepared using accounting policies that comply with International Financial Reporting Standards, in a manner that is consistent with those applied in the prior year consolidated financial statements.

Changes in accounting policies and comparability

The Group has adopted certain new standards, amendments and interpretations to existing standards which are effective for the financial year beginning 1 March 2017. The adoption of amendments to these standards has not had any material impact on previously reported figures.

The IFRIC issued IFRIC 22 Foreign Currency Transaction and Advance Consideration in December 2016 clarifying the application of IAS 21 to advance consideration transactions. The IFRIC is applicable for all financial periods commencing on or after 1 January 2018, however, the Group has elected to early adopt the interpretation with effect from this current period. In addition, the Group has elected to apply this IFRIC on a prospective basis and as such no comparative information is restated as a result of the new requirements.

Independent auditor's opinion

The auditor, Deloitte & Touche, has issued its unmodified audit opinion on the Group's consolidated and summarised financial statements for the year ended 28 February 2018. These summarised consolidated financial statements have been derived from the audited Group consolidated financial statements and are consistent in all material respects thereof. Copies of their audit reports are available for inspection at the Company's registered office. The audit was conducted in accordance with International Standards on Auditing. Any reference to future financial performance included in this announcement has not been reviewed or reported on by the Group's auditors.

Outlook

The rebuilt Mombo Camp, together with a politically stable Kenya and Zimbabwe, bode well for the year ahead. Rwanda is also expected to increase its contribution both in occupancy and revenue. The exchange rate volatility remains a risk and if the recent strength of the local currencies continues, it will weigh down on performance. Ongoing rebuilding of Serra Cafema and Chitabe Camps is expected to be completed during the year with various refurbishments scheduled for camps in Zimbabwe and Kenya. Development of the new Magashi Camp in Akagera National Park in Rwanda is planned to commence later in the year.

The Group's strategic intent is to invest in African tourism markets which offer authentic wildlife and safari experiences and where we feel our specific ecotourism model can have positive conservation and community impacts.

Farewell Russel 'Vulcha' Friedman

On 4 February 2018, Wilderness lost one of its co-founders and a safari industry stalwart. Russel was instrumental in the development of Wilderness and a true bastion of its cause. Our thoughts and best wishes go out to Bonnie and Gabi. He will be sorely missed. RIP Russel.

By order of the Board

Keith Vincent
Chief Executive Officer

Ami Azoulay
Chief Financial Officer (Preparer)

29 May 2018

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