

# AWA : WILDLIFE INDUSTRY TRENDS AND ANALYSIS FOR 2021



### ❖ Key Industry News

- The 2021 year has seen unprecedented activity in the wildlife market.
- The activity in auctions in the wildlife industry have not seen this buoyancy since the peak periods of the industry during 2014 to 2017.
- We have seen an abnormal increase in enquiries and requests for game since March 2021 through to October 2021 and double-digit revenue growth in our bi-monthly auctions against 2019/2020.
- We have noticed some interesting trends in prices of certain species, increasing at a higher rate of inflation this past year.
- These price increases are mainly due to the demand of certain species exceeding the supply.
- There is a noticeable shortfall in supply of several species in the market which will continue to impact positively on the pricing of these species for the foreseeable future.
- Prices of certain game species, like Zebra and Giraffe, which have been flat for the last ten years, has now seen a substantial upward trend this year.
- This trend boasts positively for the future market growth of the industry.



### ❖ Specific Market Trends related to clients

- AWA over the past three years has projected certain changes to the industry in our Annual Game Price Industry Report.
- Those projections and estimates are starting to realise this year and has an impact on market pricing.
- The dominance of major industry players (and breeders) in the game industry, relative to auctions, have substantially reduced in the past two years.
- The impact of this change can clearly be seen in the profile of current active buyers registering for auctions.
- Pre-2020 auctions were dominated by these major players, but the last two years have seen a complete realignment of the market to hunting, small and medium game farmers and breeders.
- The industry was dominated by these large and consortium game breeders during the periods 2014 to 2018, hosting major auctions and controlling the market spend for up to 75% of the annual revenue of the auction industry.



### ❖ Specific Market Trends related to clients (Continued)

- We have seen a major change to this trend during 2020 and even more prevalent in 2021.
- The major players are no longer investing as much in the game industry to the extent that they participated pre-2020.
- Latest estimates and analysis of buyers on auctions indicate that the market percentage spent of these major players have reduced drastically in context to the overall market.
- The market spent is now dominated by hunting and small to medium game farm owners.
- These farmers contribute close to 80% of the current industry spend and continue to grow monthly.
- Very interesting is the growth of a new market segment driven by farmers investing in rare game due to the affordability of the current rare game prices.
- It is currently, for example, more affordable to buy a Sable cow on auction than a Kudu cow.
- The lower prices allowed this market segment to actively participate, acquire and invest in the rare species market segment, which they previously could not participate in.



### ❖ Specific Market Trends related to clients(Continued)

- Drastic reductions in the rare game prices since 2017, created and established a new market segment for the industry.
- Most of these species are now affordable for this segment and the entry of these players created a huge market potential for the future of these species. Important to note that several new players have now entered this market segment.
- These players are all new entries to the market and have no history or recollection of the collapsed prices of the rare game market in 2017 to 2019.
- They see massive growth opportunities at these reset, lower prices and therefore new investments are starting to materialize again in the game industry.
- Their input base for acquiring rare game is substantially lower , thereby creating the possibility of materializing reasonable long-term returns on their investments.



## ❖ Key statistical data for 2021

### ➤ Summary of specific specie price increases

- Certain specie prices have been impacted more than others due to the shortages of supply in the market.
- The “Bread and Butter” lines for local and corporate hunting , are currently experiencing the highest demand, therefore also seeing the biggest percentage increase in prices.
- The demand for venison in the market has also increased the pressure on game prices.
- The venison prices have continued to increase month to month , due to the shortfall of game in the industry.
- Prices continued to rise on most species since March 2021. We have seen some of the highest prices for certain species during August and October 2021.
- We believe it is important to highlight the following specific species:



## **Wildlife Industry Trends and Analysis**

- The Wildlife Industry has seen some unprecedented changes in the past few years with the biggest impact in 2020 due to COVID-19.
- From the boom days in the industry in 2015 and 2016 to a complete change and reset in the market in 2017 with the downward trends continuing in 2018, 2019 and 2020.
- For the first time in six years (since 2016), we have seen positive growth in the wildlife Industry.
- Due to the proliferation of auction houses, it has become more and more difficult to obtain data from certain auction houses and specific auctions. The data we compiled and present in this document , we however believe is a fair indication of the market trends in the South African wildlife industry.
- Although certain outside factors contributed to the drastic reduction in prices of, for example colour variances, we believe the main reason for the price reset was the huge increase in supply of these species without an equal increase in demand.
- The industry needs to ensure that it creates a demand for these species, or we will continue to see a decline in certain specie prices. This will stabilize once the supply and demand ratio has been restored.



# Wildlife Industry Trends and Analysis: TOTAL WILDLIFE INDUSTRY



## Wildlife Industry Trends and Analysis

- Current market indicators and trends, for all 2021 game auctions, indicate that the market has , for the first time in six years improved and growth has been prevalent in both Rare Game and Plains Game markets
- Total revenue of game sale from auctions were as follow:
  - - 2018 declined by 37% to R598m;
  - - 2019 declined by 21% to 472m;
  - - 2020 declined by 59% to R196m;
  - - 2021 increased by 59% to R311m
  - Plains Game market grew by a staggering 94% during 2021 and rare game market by 44%. The Plains game growth was attributable to a growth in prices of 55% and price increases of 29%. The Rare Game market growth was mainly due to growth in numbers of 56% and an average reduction on rare game prices by 8% .

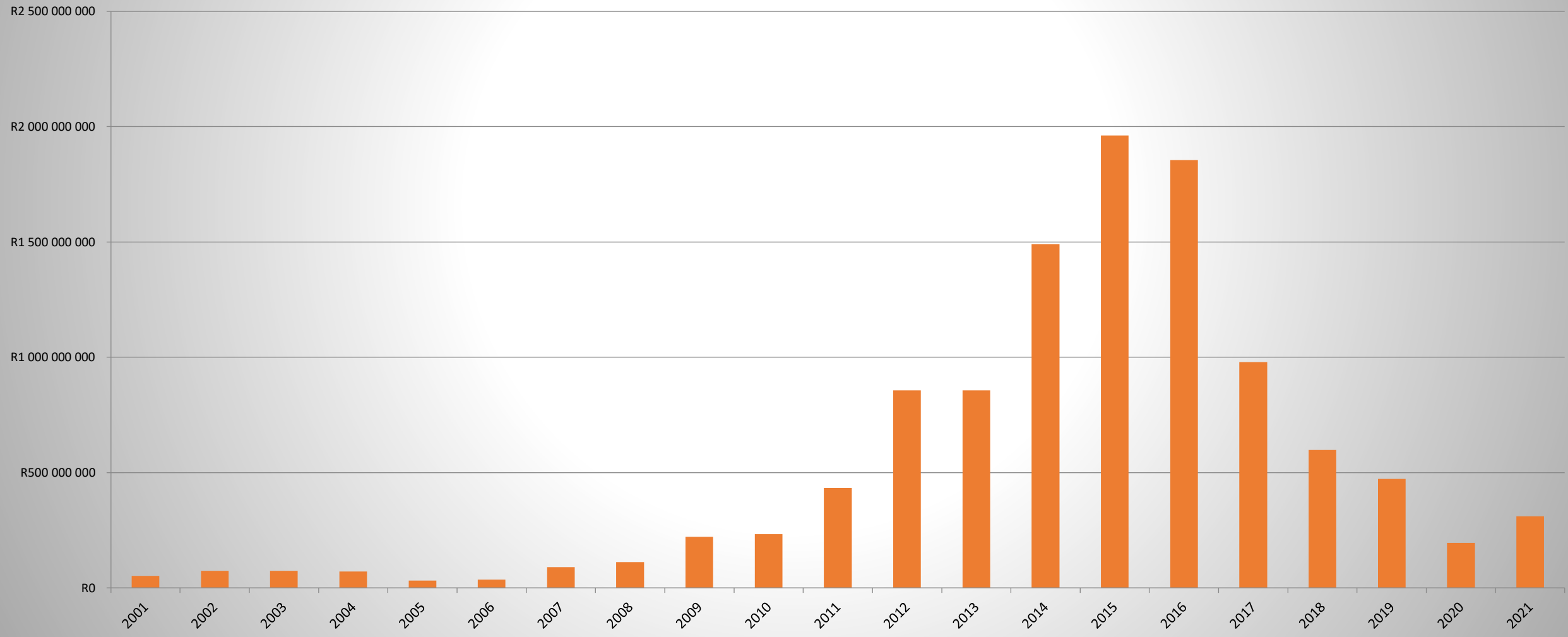


## 1. Summary of revenue Wildlife Industry

<u>Year</u>	<u>Value</u>	<u>Quantity</u>	<u>Average</u>	<u>Quantity %</u>	<u>Pricing %</u>
2001	R52 857 575	8 972	R5 891		
2002	R74 144 021	12 220	R6 067	36,20%	2,99%
2003	R74 090 642	12 179	R6 083	-0,34%	0,26%
2004	R71 894 834	15 014	R4 789	23,28%	-21,29%
2005	R32 505 415	7 833	R4 150	-47,83%	-13,34%
2006	R36 881 835	8 662	R4 258	10,58%	2,60%
2007	R89 544 195	9 485	R9 441	9,50%	121,72%
2008	R111 478 250	9 139	R12 198	-3,65%	29,21%
2009	R220 937 162	9 598	R23 019	5,02%	88,71%
2010	R232 657 655	8 300	R28 031	-13,52%	21,77%
2011	R433 337 065	10 077	R43 003	21,41%	53,41%
2012	R856 712 460	11 556	R74 136	14,68%	72,40%
2013	R857 391 169	17 407	R49 256	50,63%	-33,56%
2014	R1 489 783 755	25 277	R58 938	45,21%	19,66%
2015	R1 961 279 908	38 226	R51 307	51,23%	-12,95%
2016	R1 854 892 218	36 533	R50 773	-4,43%	-1,04%
2017	R978 997 842	37 710	R25 961	3,22%	-48,87%
2018	R598 580 160	30 114	R19 877	-20,14%	-23,44%
2019	R472 433 825	31 518	R14 989	4,66%	-24,59%
2020	R195 604 520	19 799	R9 880	-37,18%	-34,09%
2021	R310 807 930	30 831	R10 081	55,72%	2,04%

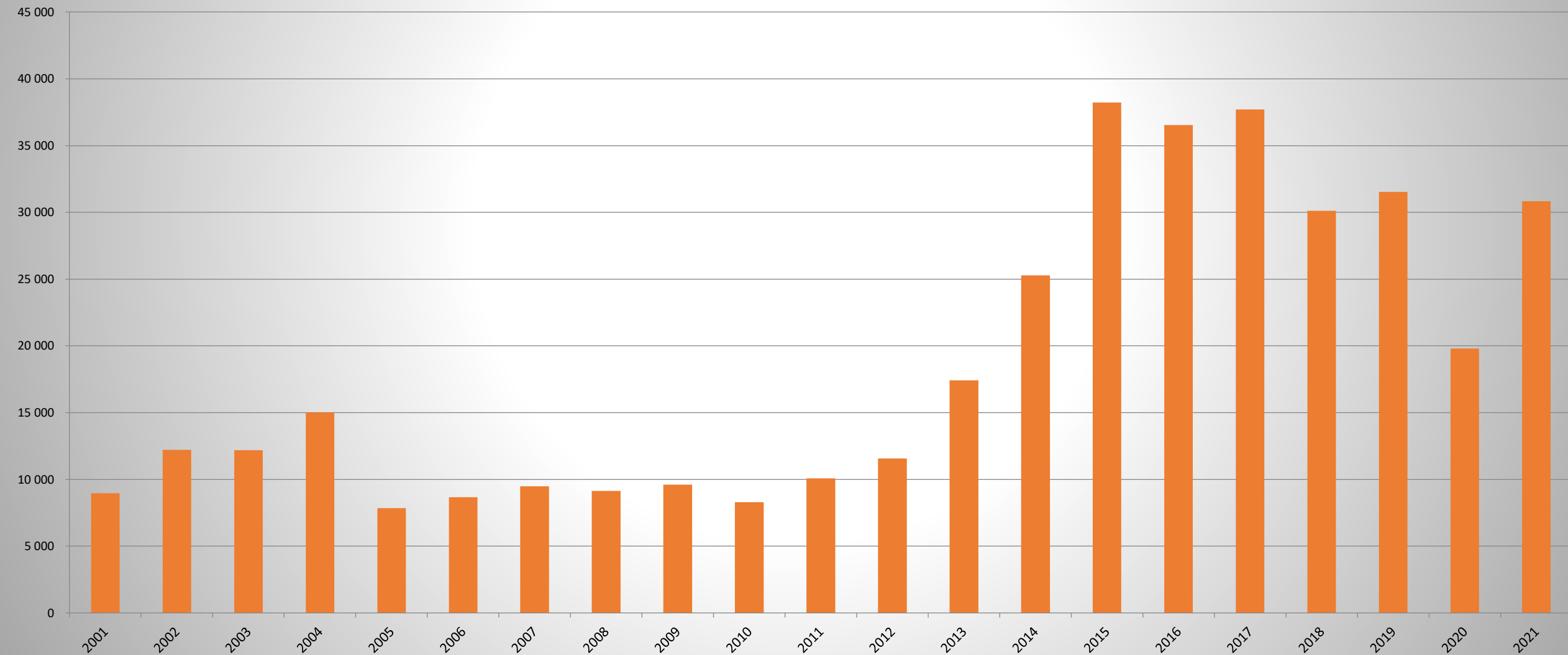


## Total Revenue for the year



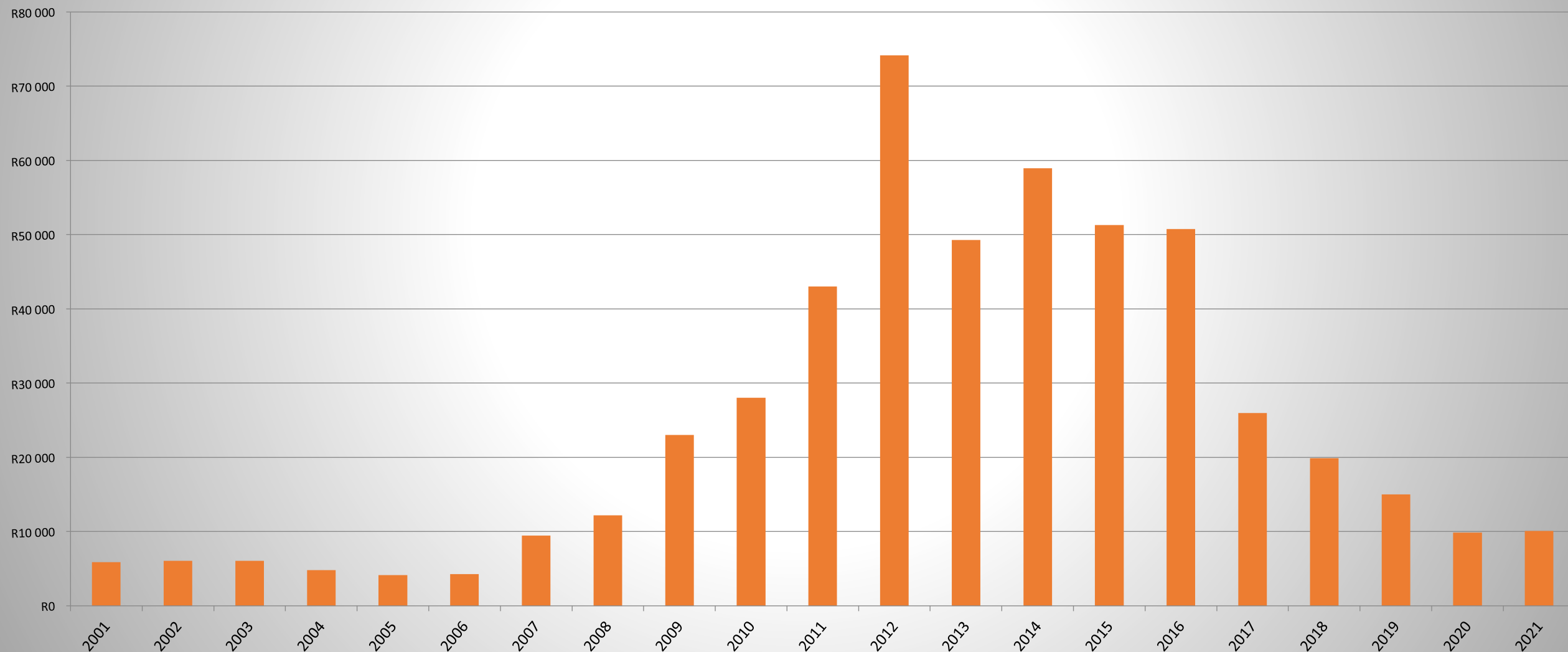


## Total Quantity of animals sold per year





## Total Average pricing per animal





Total Market Growth/Decline analysis			Value %	Quantity %	Pricing %
2001	52 857 575				
2002	74 144 021	21 286 446	40,27%	36,20%	2,99%
2003	74 090 642	-53 379	-0,07%	-0,34%	0,26%
2004	71 894 834	-2 195 808	-2,96%	23,28%	-21,29%
2005	32 505 415	-39 389 419	-54,79%	-47,83%	-13,34%
2006	36 881 835	4 376 420	13,46%	10,58%	2,60%
2007	89 544 195	52 662 360	142,79%	9,50%	121,72%
2008	111 478 250	21 934 055	24,50%	-3,65%	29,21%
2009	220 937 162	109 458 912	98,19%	5,02%	88,71%
2010	232 657 655	11 720 493	5,30%	-13,52%	21,77%
2011	433 337 065	200 679 410	86,26%	21,41%	53,41%
2012	856 712 460	423 375 395	97,70%	14,68%	72,40%
2013	857 391 169	678 709	0,08%	50,63%	-33,56%
2014	1 489 783 755	632 392 586	73,76%	45,21%	19,66%
2015	1 961 279 908	471 496 153	31,65%	51,23%	-12,95%
2016	1 854 892 218	-106 387 690	-5,42%	-4,43%	-1,04%
2017	978 978 842	-875 913 376	-47,22%	3,22%	-48,87%
2018	598 580 160	-380 398 682	-38,86%	-20,14%	-23,44%
2019	472 433 825	-126 146 335	-21,07%	4,66%	-24,59%
2020	195 604 520	-276 829 305	-58,60%	-37,18%	-34,09%
2021	310 807 930	115 203 410	58,90%	55,72%	2,04%



## ➤ TOTAL AUCTION INDUSTRY(Rare and Plains Game)

### ➤ Total revenue generated from game sales:

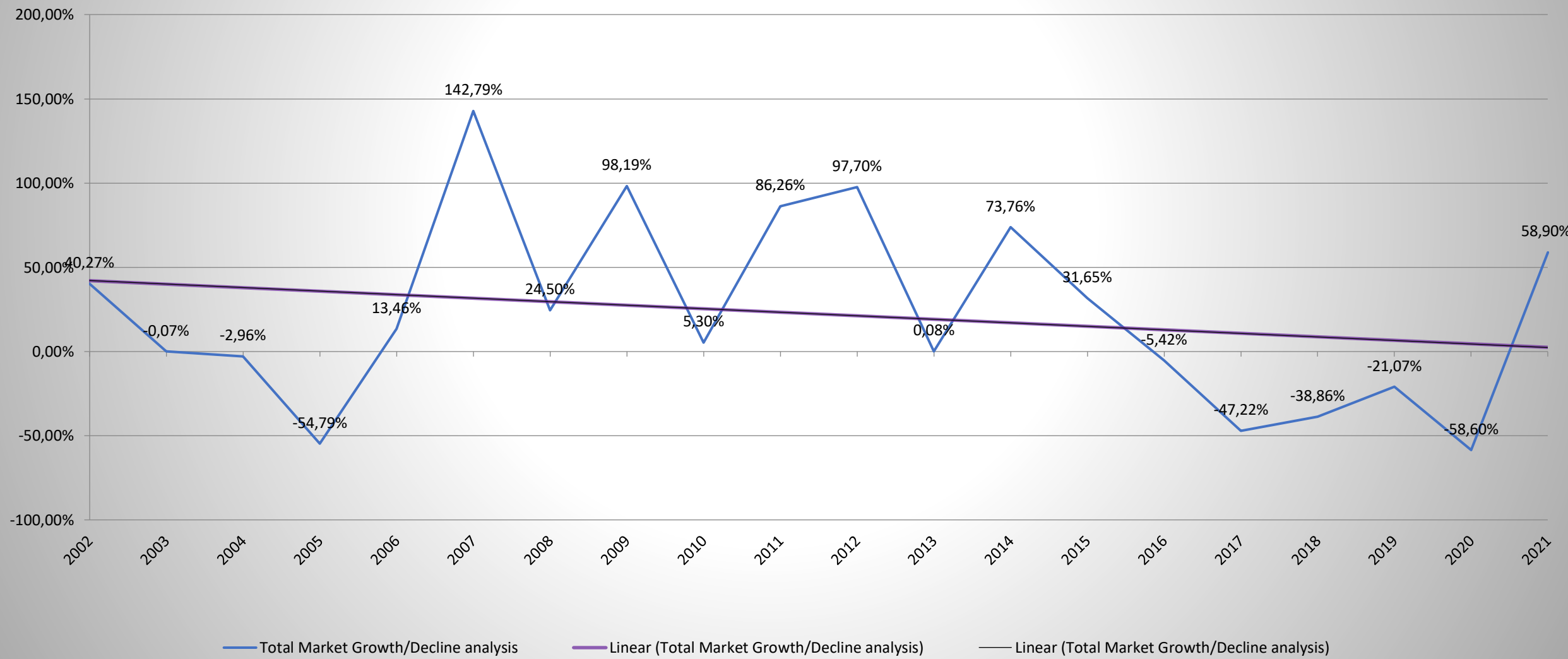
- 2017 revenue declined by 47%.
- 2018 revenue declined by 39%.
- 2019 revenue declined by 21%.
- 2020 revenue declined by 58,6%.
- 2021 revenue increased by 58.9% reversing the decline of 2020,

### ➤ Total number of animals sold on auction:

- 2017 quantities increased by 3%.
- 2018 quantities declined by 20%.
- 2019 quantities increased by 5%.
- 2020 quantities declined by 37%.
- 2021 quantities increased by 56%



## Total Market Growth/Decline analysis





# Wildlife Industry Trends and

## Analysis:

### RARE GAME



## Pricing Trends of game on auction - Rare Game

- Detailed analysis of the rare game prices over the past four years indicated that the trends in the colour variance market are different from the rest of the rare game market.
- Statistical data were analysed in detail per specie, per category for colour variances and rare game species.
- Interesting trends emerged out of these analysis.
- We believe these trends and analysis can assist the game farmers with their planning and marketing of their game in 2021 and in the future.



## Colour Variance Market Analysis (Golden Wildebeest, Black Impala etc.)

- Pricing of most colour variance species in 2021 are now at an average of between 1% to 2 % of the value received for the same species in 2015/2016.
- These trends are specific to those colour variances that have a growing market for the hunting industry.
- Certain other colour variance species like Saddleback Impala and Kings Wildebeest have a very limited demand in the hunting industry and therefore we have seen much higher reduction in prices for these species.
- Currently these species are only achieving 1% and less of their market prices achieved in 2015/2016.
- This analyses is measured by taking a specific animal's credentials in 2015/2016 and compare those prices to current prices in the market to similar credentials in 2021.



## Non Colour Variance Analysis (Buffalo, Sable, Roan etc.)

- Analysis performed with data available indicated that the Sable, Roan and Buffalo species prices have also materially been affected the past few years, although not to the extent we have seen in the colour variant market reductions.
- These species on average are now selling at 5% to 10% of value achieved during the peak of 2015/2016. The price of Sable and Roan species seem to have stabilised during 2021.
- Prices in the Buffalo sales vary substantially from week to week in 2021, which is a clear indication that the stability in the Buffalo market has not yet settled and will continue to be volatile in 2022.
- These analyses are measured by taking a specific animal's credentials in 2015/2016 and compare those pricing to current prices in the market to similar or same credentials as were achieved in 2021.
- The top end of the market in these species showed a similar trend current to the lower end of the market for these specific species.

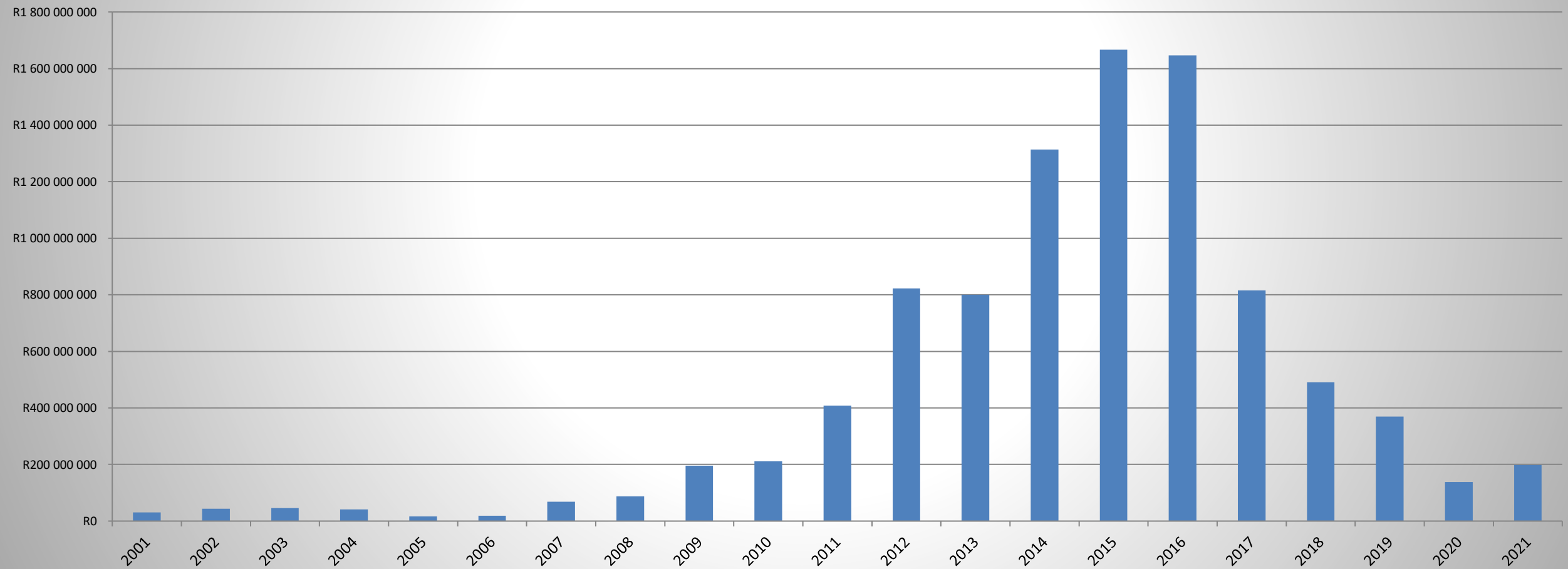


### 3. Summary of revenue Wildlife Industry - Rare Game

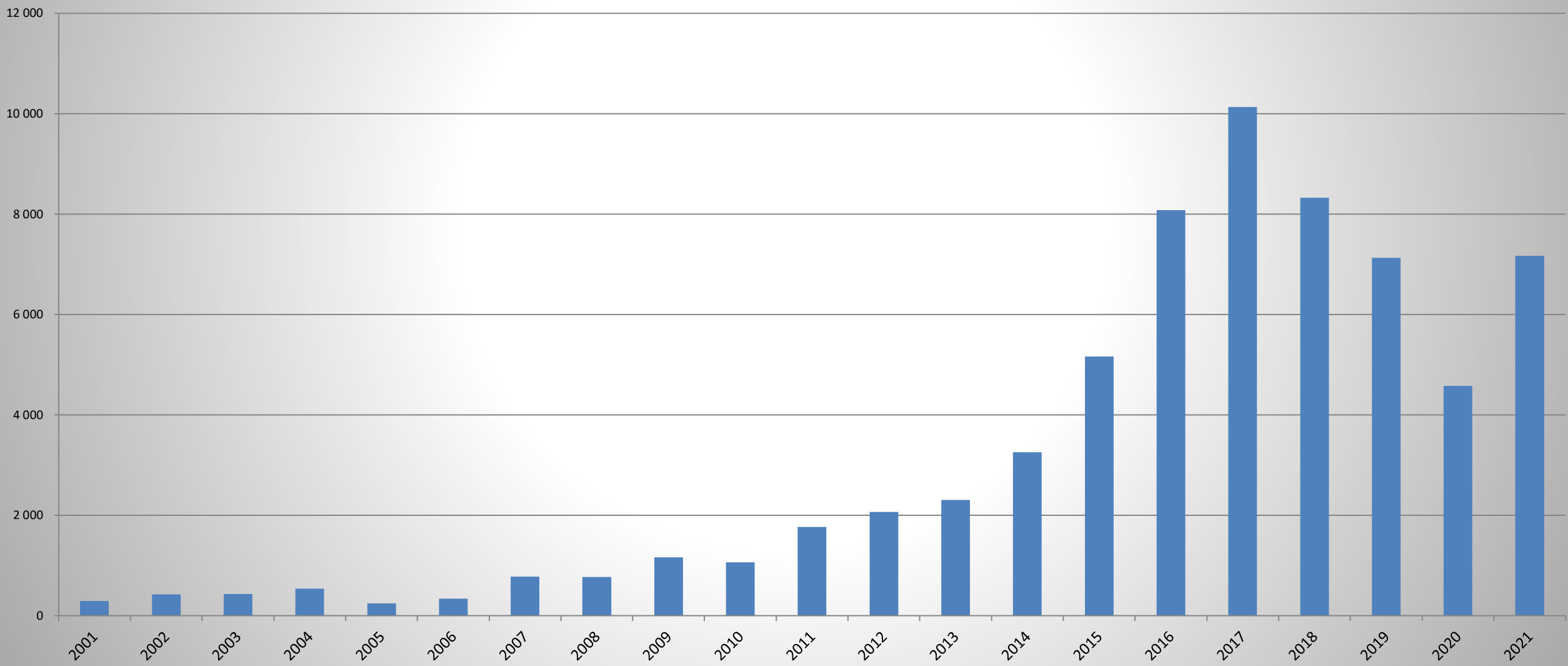
<u>Year</u>	<u>Value</u>	<u>Quantity</u>	<u>Average</u>	<u>Quantity %</u>	<u>Pricing %</u>
2000	R0	0	R0		
2001	R30 625 523	291	R105 242		
2002	R43 084 810	424	R101 615	45,70%	-3,45%
2003	R45 330 227	433	R104 689	2,12%	3,02%
2004	R40 624 000	537	R75 650	24,02%	-27,74%
2005	R15 861 000	244	R65 004	-54,56%	-14,07%
2006	R18 283 500	336	R54 415	37,70%	-16,29%
2007	R67 816 550	776	R87 392	130,95%	60,60%
2008	R87 327 500	768	R113 708	-1,03%	30,11%
2009	R195 624 252	1 165	R167 918	51,69%	47,67%
2010	R211 613 600	1 062	R199 260	-8,84%	18,66%
2011	R407 828 950	1 769	R230 542	66,57%	15,70%
2012	R822 529 500	2 064	R398 512	16,68%	72,86%
2013	R799 892 200	2 306	R346 874	11,72%	-12,96%
2014	R1 314 023 250	3 254	R403 818	41,11%	16,42%
2015	R1 667 331 472	5 161	R323 064	58,60%	-20,00%
2016	R1 646 247 658	8 077	R203 819	56,50%	-36,91%
2017	R815 403 881	10 131	R80 486	25,43%	-60,51%
2018	R491 263 425	8 326	R59 004	-17,82%	-26,69%
2019	R369 171 025	7 130	R51 777	-14,36%	-12,25%
2020	R137 800 030	4 580	R30 087	-35,76%	-41,89%
2021	R198 617 970	7 169	R27 705	56,53%	-7,92%



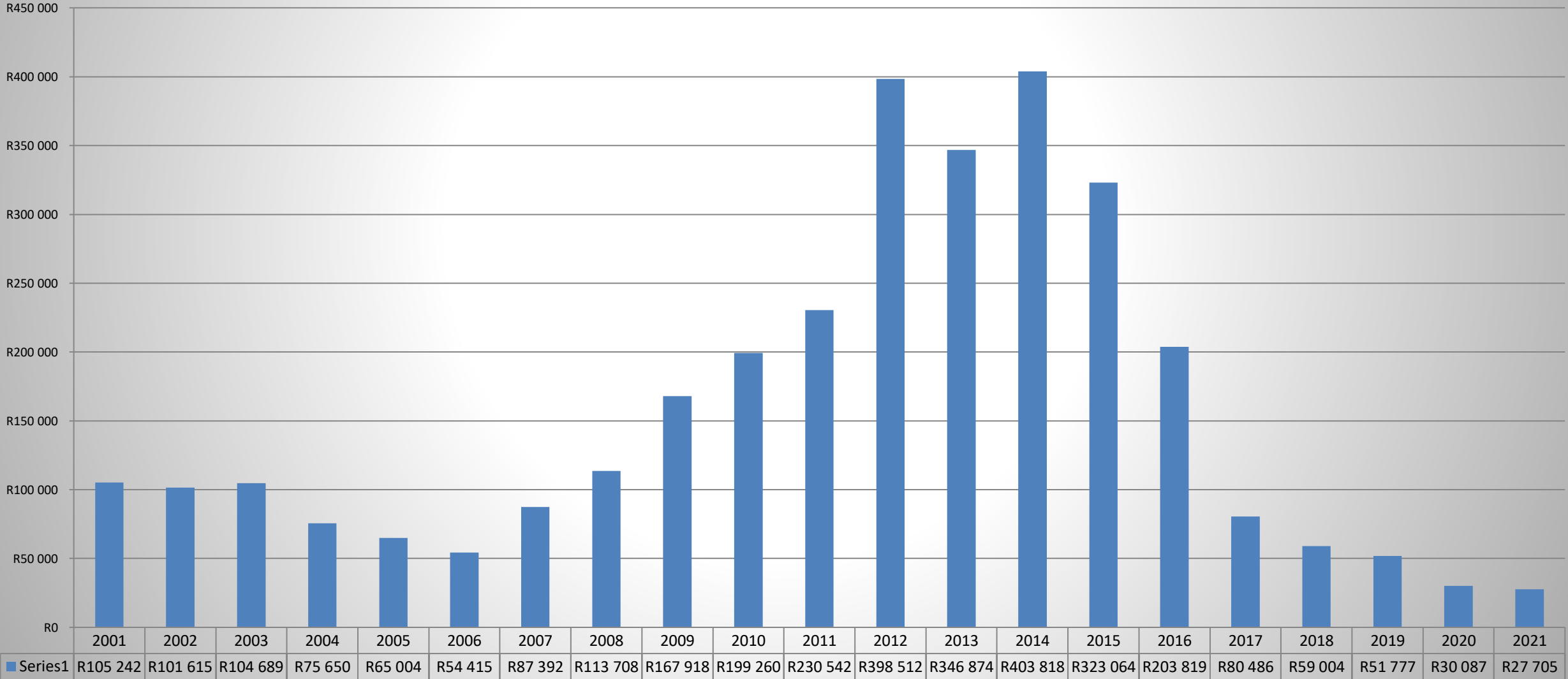
## Rare Game Auction Revenue per year



Rare Game quantity of animals sold auctions



Rare Game Average pricing per animal on auctions per year

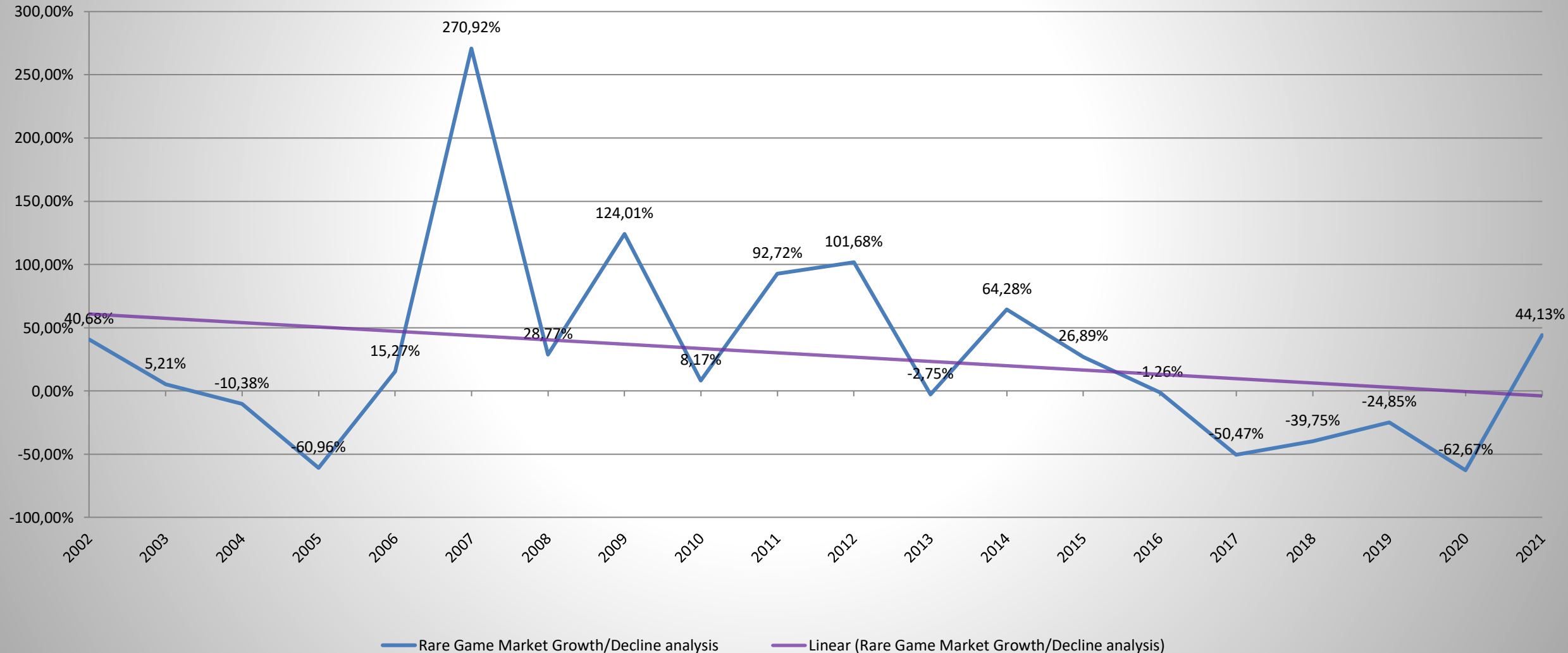




Rare Game Market Growth/Decline analysis			Value %	Quantity %	Pricing %
2001	30 625 523				
2002	43 084 810	12 459 287	40,68%	45,70%	-3,45%
2003	45 330 227	2 245 417	5,21%	2,12%	3,02%
2004	40 624 000	-4 706 227	-10,38%	24,02%	-27,74%
2005	15 861 000	-24 763 000	-60,96%	-54,56%	-14,07%
2006	18 283 500	2 422 500	15,27%	37,70%	-16,29%
2007	67 816 550	49 533 050	270,92%	130,95%	60,60%
2008	87 327 500	19 510 950	28,77%	-1,03%	30,11%
2009	195 624 252	108 296 752	124,01%	51,69%	47,67%
2010	211 613 600	15 989 348	8,17%	-8,84%	18,66%
2011	407 828 950	196 215 350	92,72%	66,57%	15,70%
2012	822 529 500	414 700 550	101,68%	16,68%	72,86%
2013	799 892 200	-22 637 300	-2,75%	11,72%	-12,96%
2014	1 314 023 250	514 131 050	64,28%	41,11%	16,42%
2015	1 667 331 472	353 308 222	26,89%	58,60%	-20,00%
2016	1 646 247 658	-21 083 814	-1,26%	56,50%	-36,91%
2017	815 403 881	-830 843 777	-50,47%	25,43%	-60,51%
2018	491 263 425	-324 140 456	-39,75%	-17,82%	-26,69%
2019	369 171 025	-122 092 400	-24,85%	-14,36%	-12,25%
2020	137 800 030	-231 370 995	-62,67%	-35,76%	-41,89%
2021	198 617 970	60 817 940	44,13%	56,53%	-7,92%



## Rare Game Market Growth/Decline analysis



## Wildlife Industry Trends and Analysis – Rare Game

- TOTAL RARE GAME ON AUCTION
  - Total revenue generated from rare game sales:
    - 2017 revenue declined by 50%.
    - 2018 revenue declined by 40%.
    - 2019 revenue declined by 25%.
    - 2020 revenue declined by 63%.
    - 2021 revenue increased by 44%.
  - Total number of rare game animals sold on auction:
    - 2017 quantities increased by 25%.
    - 2018 quantities declined by 18%.
    - 2019 quantities declined by 14%.
    - 2020 quantities declined by 36%.
    - 2021 quantities increased by 56%.

## Wildlife Industry Trends and Analysis – Rare Game

➤ Price comparison: Rare Game	Price%	Quantity%
■ Golden Gnu	+ 77%	+ 97%
■ Black Impala	+ 57%	+ 40%
■ Golden Gemsbuck	+ 36%	+ 17%
■ Sables	+ 10%	+ 43%
■ Kings Wildebeest	+ 5%	+ 179%
■ Saddleback Impala	+ 2%	+ 135%
■ Tsessebe	- 1%	- 4%
■ Buffalo	- 1%	+ 43%
■ Roan	- 22%	+ 6%
■ Livingstone Eland	- 26%	+ 94%
■ Rhino	- 30%	- 67%
■ <b>TOTAL RARE GAME</b>	- 8%	+ 56%

Roan, Livingstone Eland and Rhino average prices were impacted the most during the 2021 calendar year. We believe Sable prices have stabilised but we still see some instability in Buffalo prices in the coming year. Colour Variances have shown an increase in price for the first time in many years.

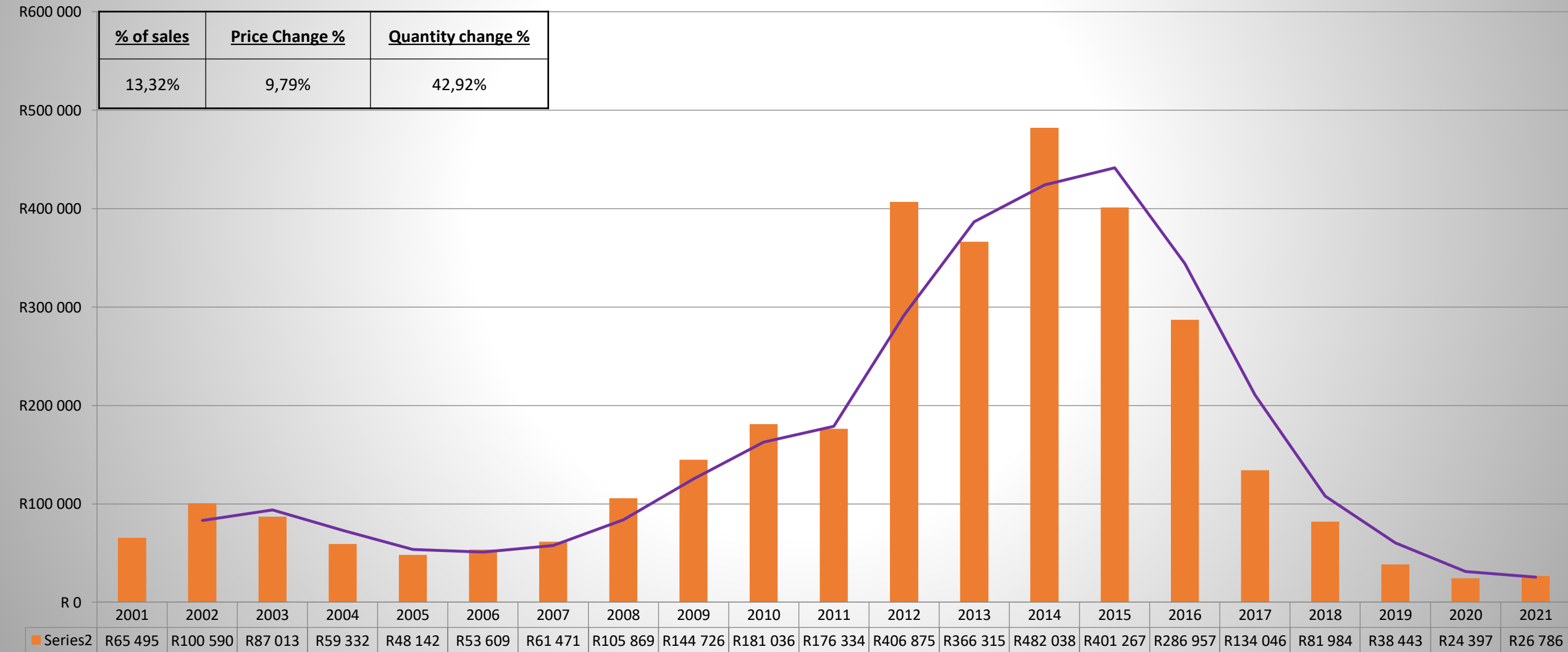


## ➤ Sable Information

- The price of Sable has stabilised during this year and started to increase again. The average prices of sables have increased by 10% during 2021.
- Females are currently selling between R8 000 to R15 000 per female depending on the genetics.
- We have seen an increase in Sable females from the R6 500 low in the beginning of the year to the current R10 000 on average per female.
- The increase in Sable female prices are directly related to the shortfall of all species in the industry. Farmers are buying Sable females as they are now cheaper than most large plains game females.
- Sable bulls prices have increased from R350 per inch to currently trading at R500 to R700 per inch.
- Sable bulls with horns of above 46 inches are currently getting a premium price and can be as high as R800 per inch.



## Sables Average price per animal



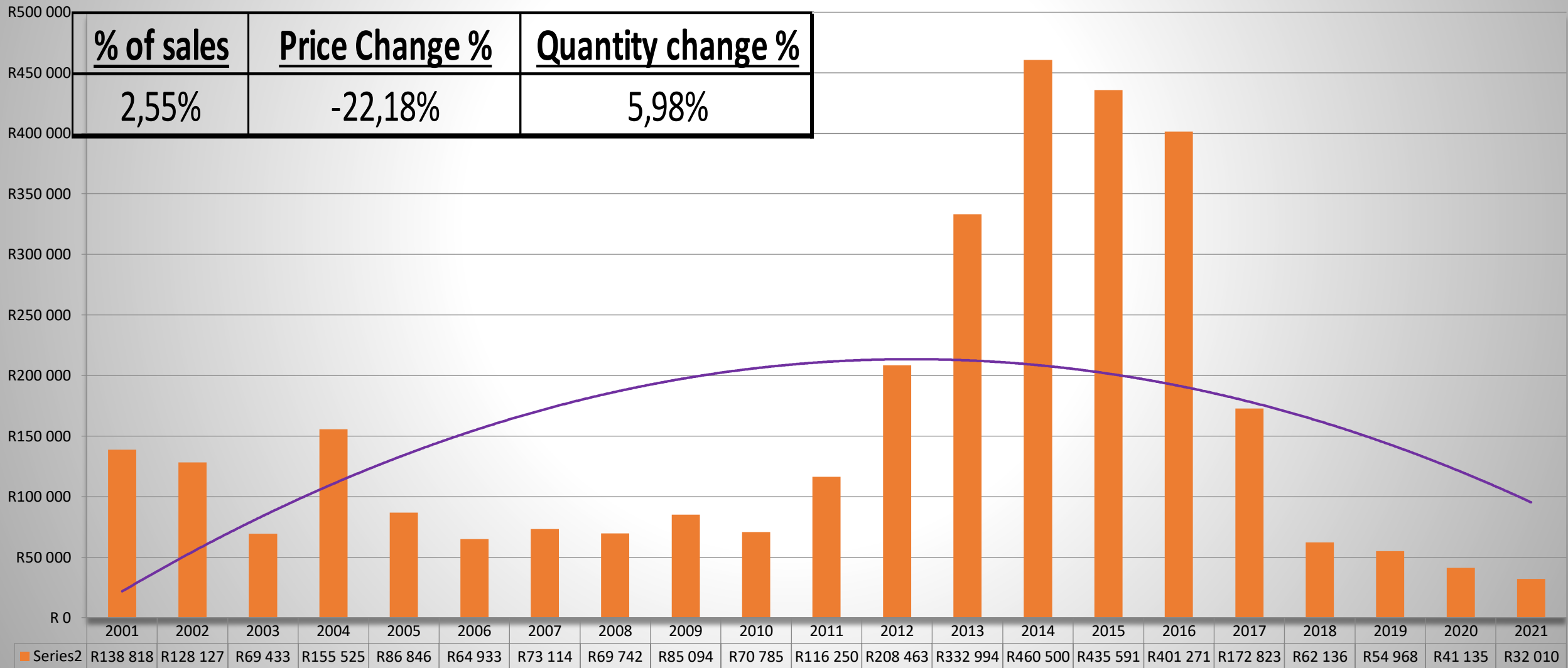


## ➤ Roan Antelope

- Roan prices continued to decline further during the year but stabilised by the end of the year.
- The male and female prices have stabilised during 2021 and we have seen moderate increases in Roan prices over the last 4 months of the year.
- We do believe the Roan prices will continue to increase above CPI for the next few years and not decrease any further.
- Currently, females are selling between R12.5k to R20k per female depending on the genetics of each animal.
- Exceptional females still get premium prices but not to the extent of the past.
- There is a moderate demand for Roan males/hunting animals. Of all males/hunting animals, the demand for Roans are the lowest of all species.
- Roan males are currently selling between R10k to R25k depending on the horn size and age of the animals.
- We do not see the same trends in Roans as we see in the Sable market currently.



## Roan Average price per animal





## ➤ Female Buffalo analysis

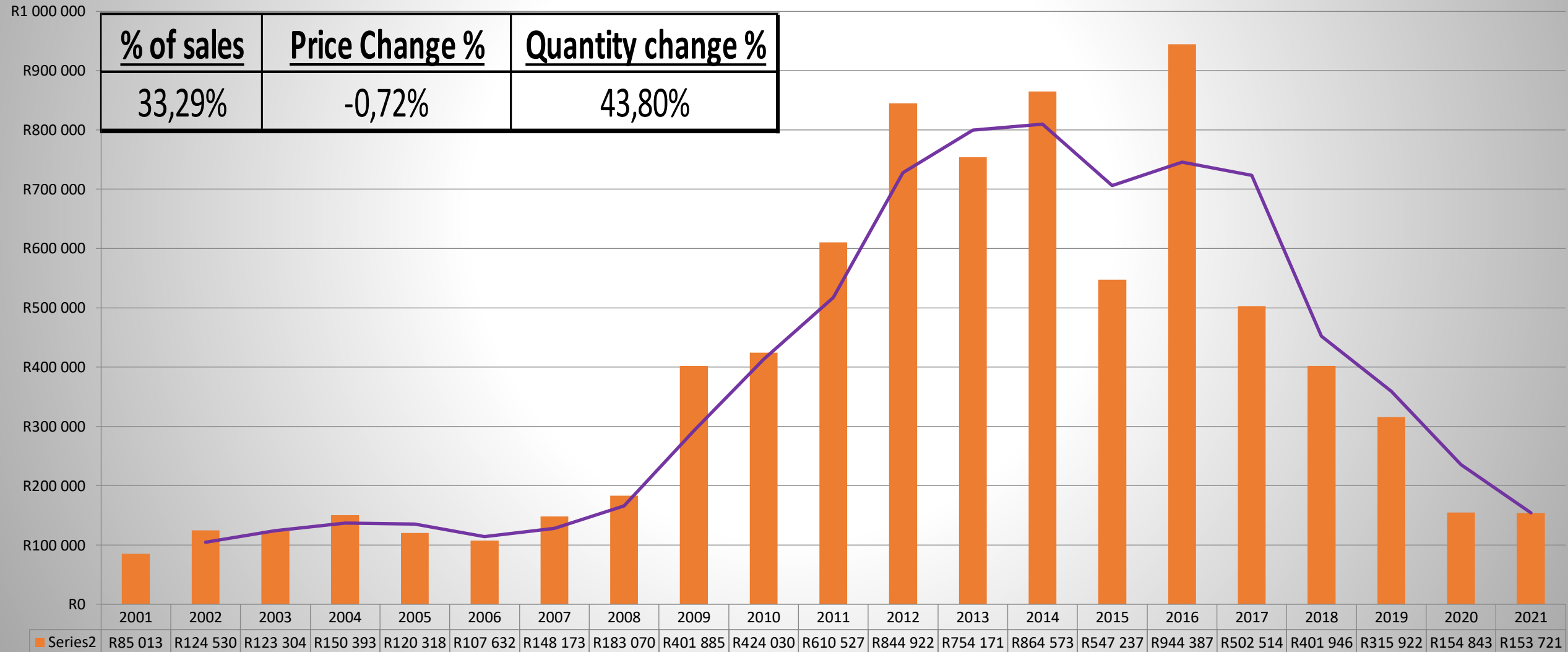
- The Buffalo market pricing has not yet stabilised.
- Prices can vary tremendously from week to week, auction to auction.
- In Buffalo females with similar genetics, prices can vary with so much as 50% per animal.
- We however , do see a trend developing in the market where Buffalo that are held in boma are achieving better prices than Buffalo sold on catalogue. We believe that buyers want to see the animals and want delivery much quicker than in the past. Buyers of Buffalo are sceptic about quality of animals on catalogue and want to view the Buffalo before committing.
- Buffalo cows, depending on genetics and horn size, are currently selling at R25k for young heifers and between R30k to R40k for adult females. These prices clearly exclude exceptional Buffalo cows on auction with horn sizes above 35 inches.
- With cost of bleeding/testing per animal of between R8k to R10k each, the profitability of Buffalo breeding and selling are very challenging.



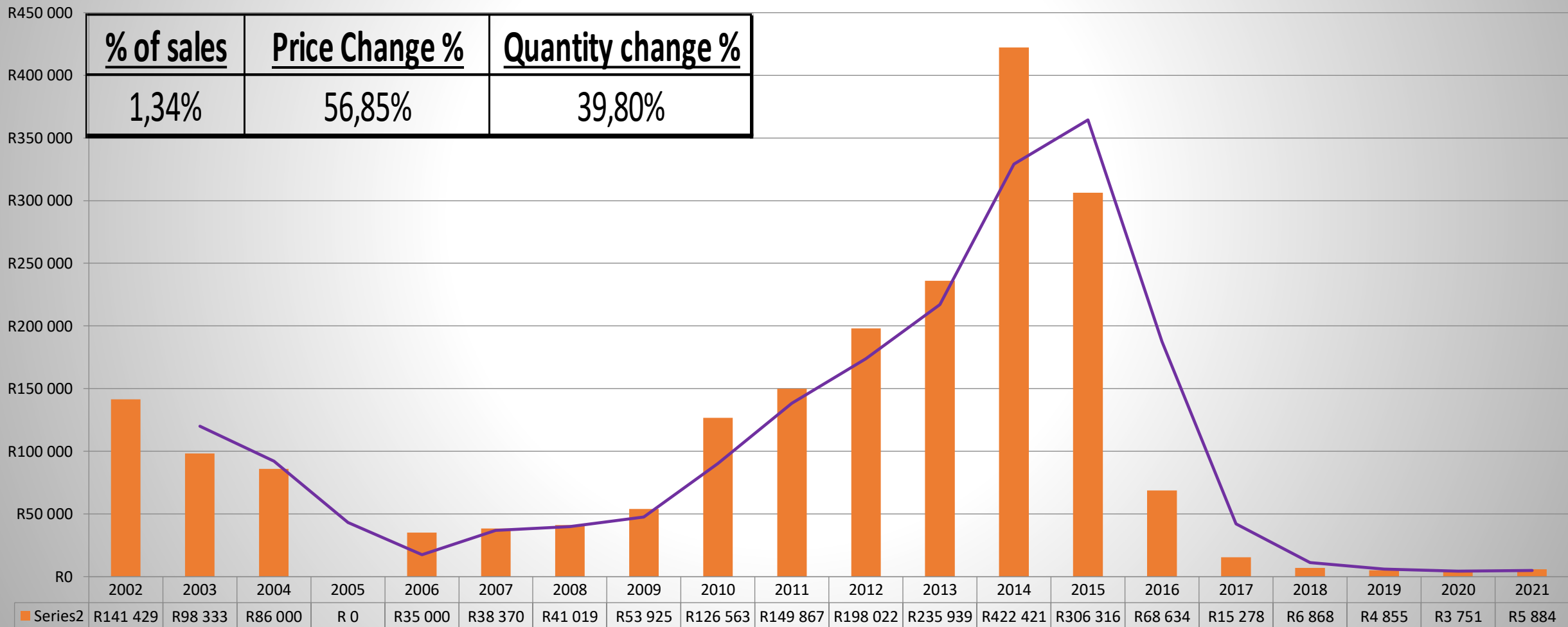
## ➤ Buffalo Bulls Analysis

- Buffalo bulls prices are slightly down from the last two years.
- Only Buffalo bulls older than 6 years with hard bosses are getting reasonable prices.
- Young bulls are battling to get prices in the current market. We believe that with so many bulls in the market, the international PH's and hunters can pick and choose from hunting bulls.
- Hard boss older hunting bulls still get reasonable prices. Bulls older than 6 years with hard bosses currently get prices between R65k and R85k per animal. The horns spread however must be bigger than 38 inches.
- Bulls with horn spread above 44 inches still get a premium price in the market and are currently selling between R100k to R165k.
- We do believe the prices for hunting bulls will increase next year due to international hunters returning to South Africa.
- We believe there is an over supply of Buffalo in the market currently.

## Buffalo Average price per animal

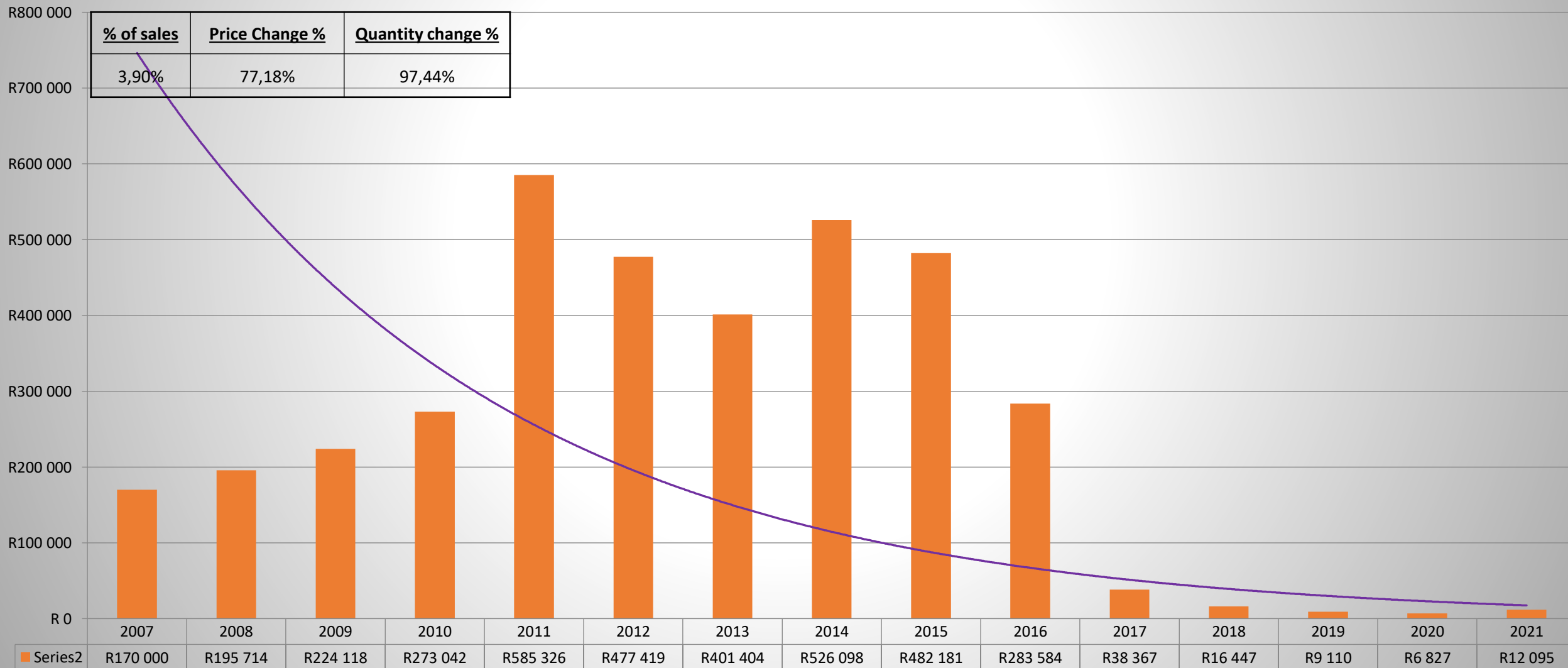


## Black Impala Average price per animal



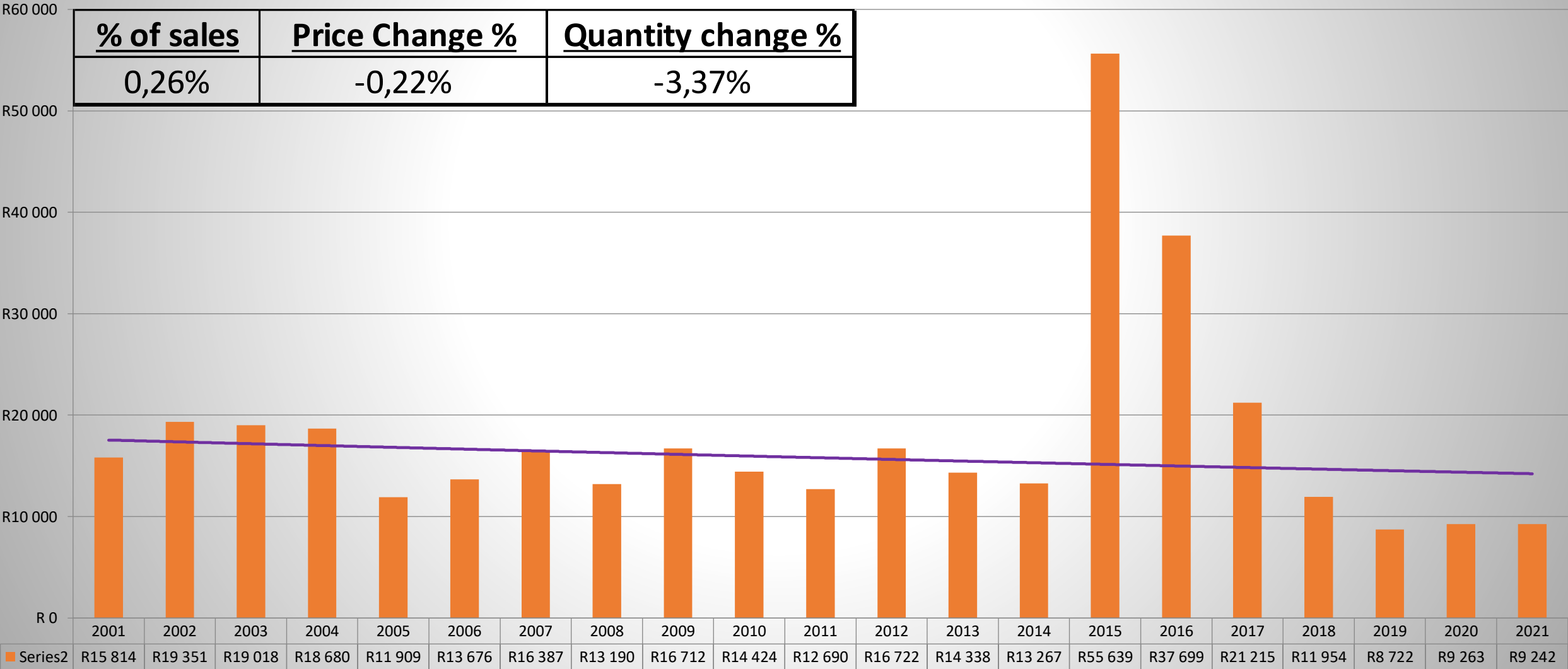


## Golden Gnu Average price per animal



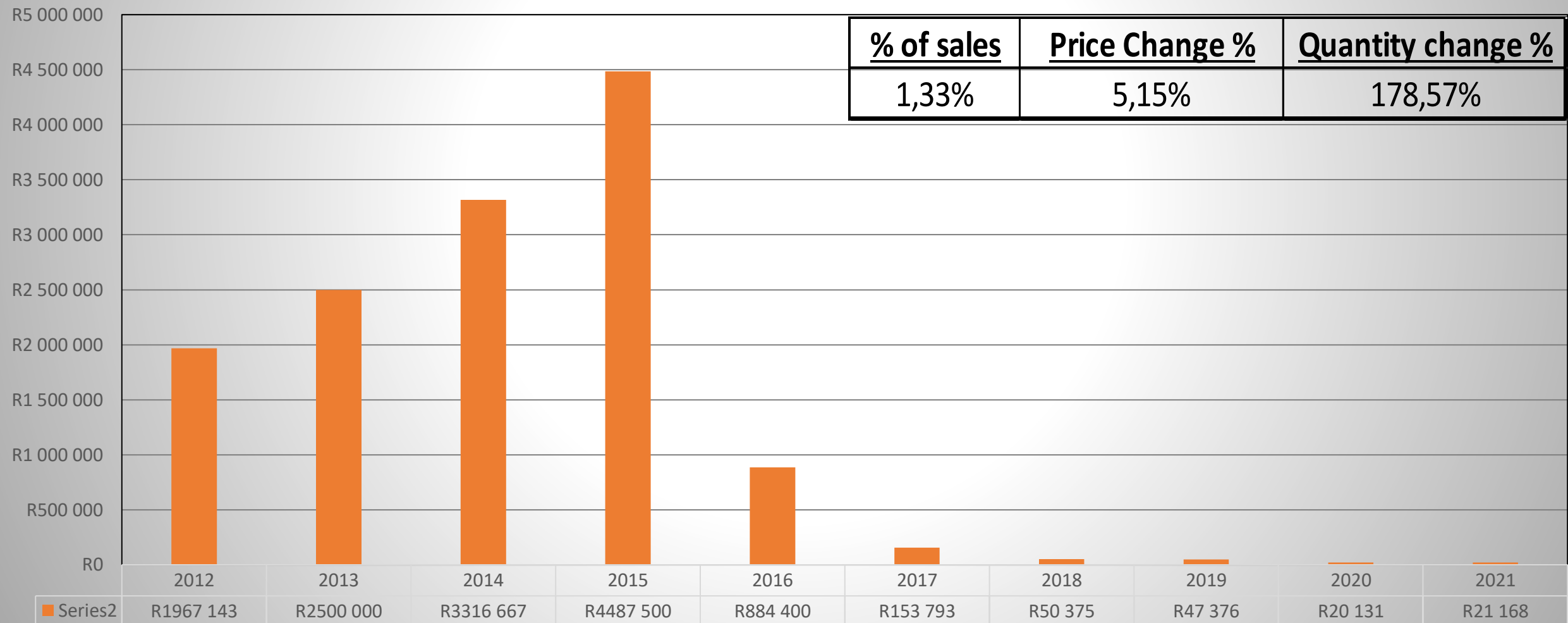


Tsessebe Average price per animal

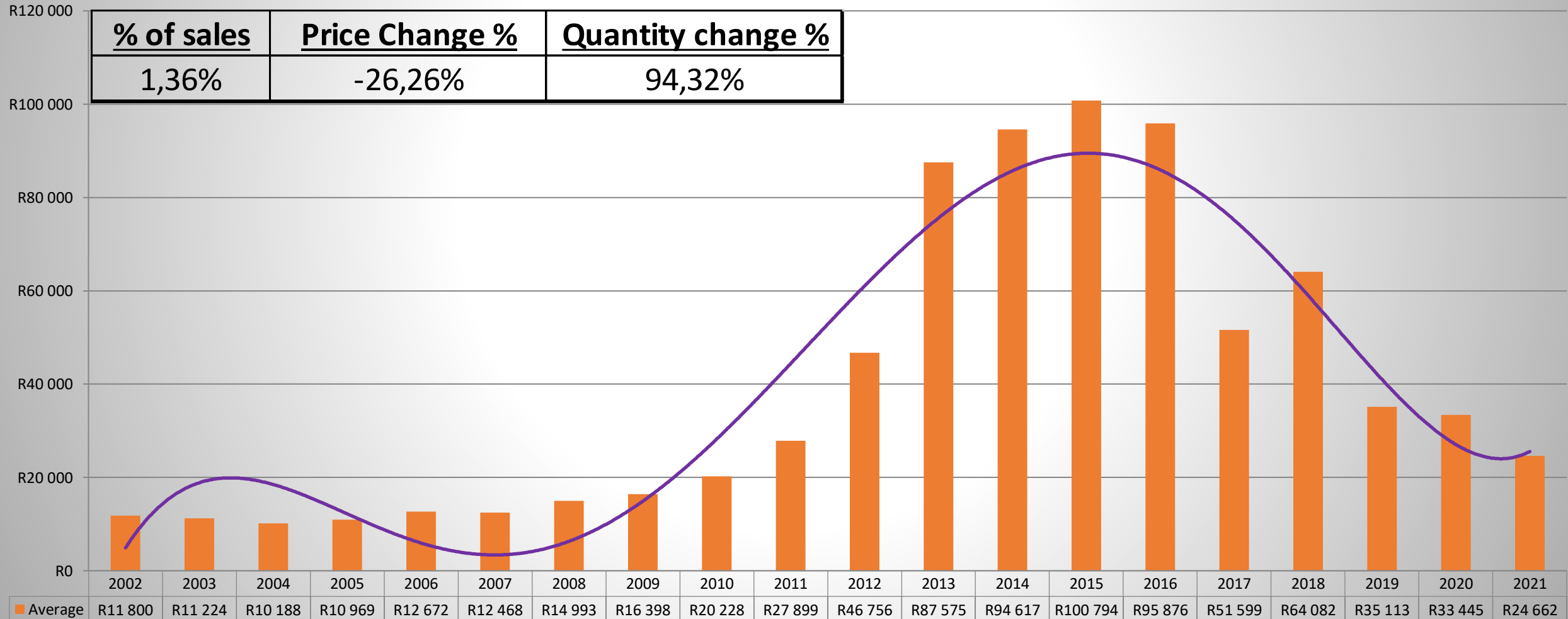




## Kings Wildebeest Average price per animal

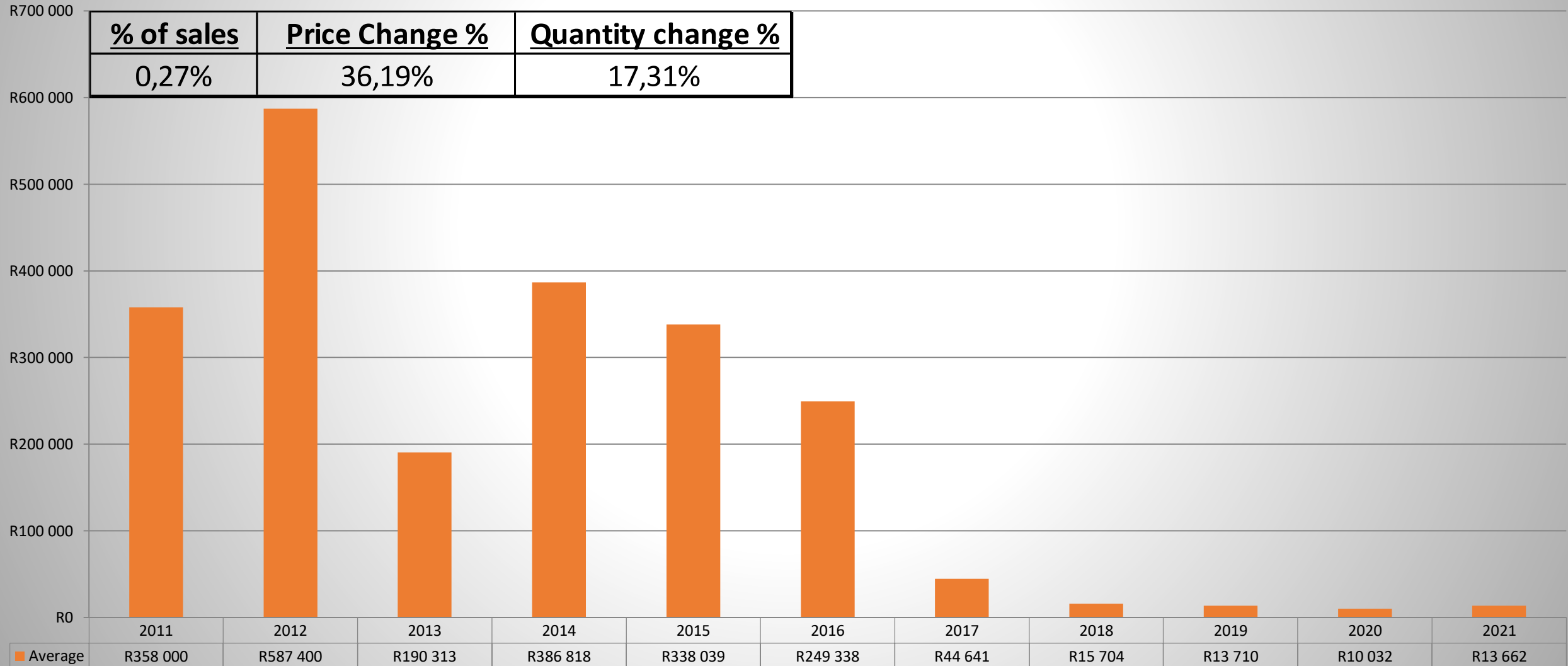


## Livingston Eland Average price per animal

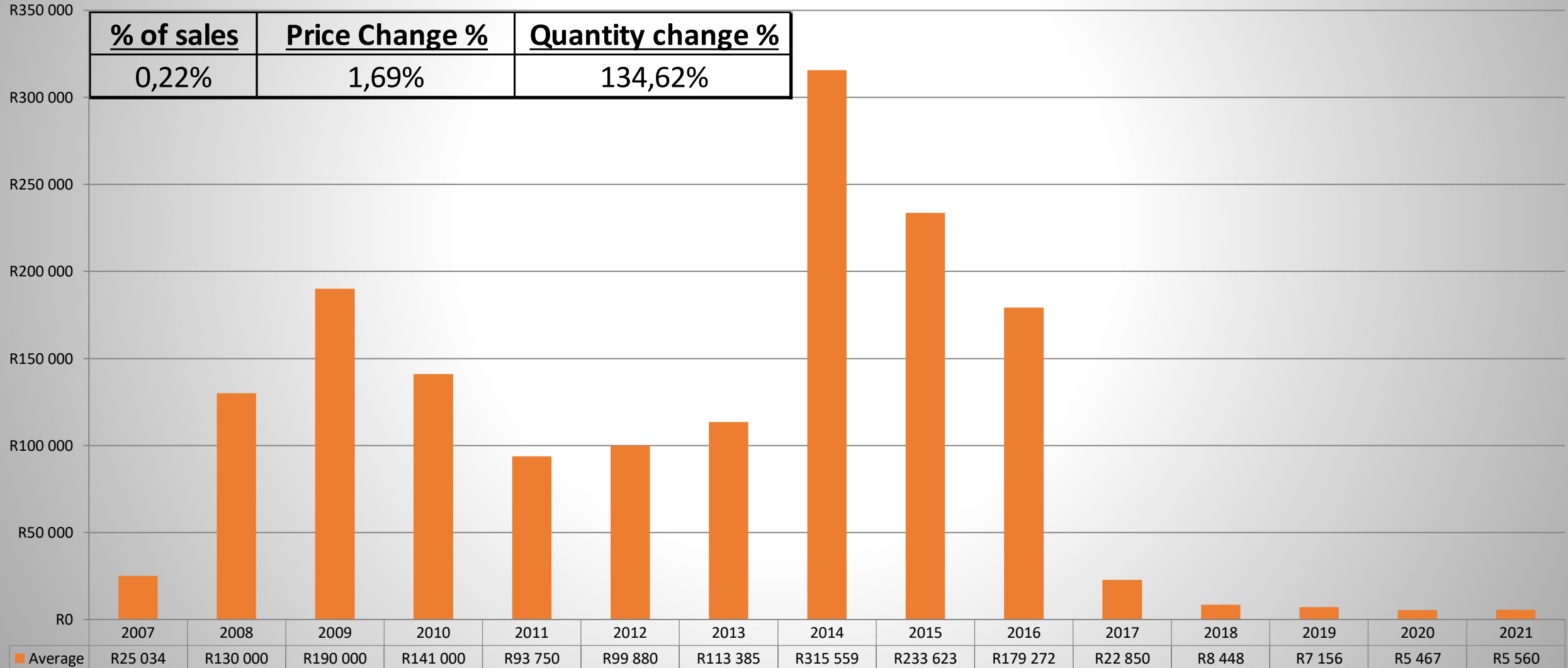




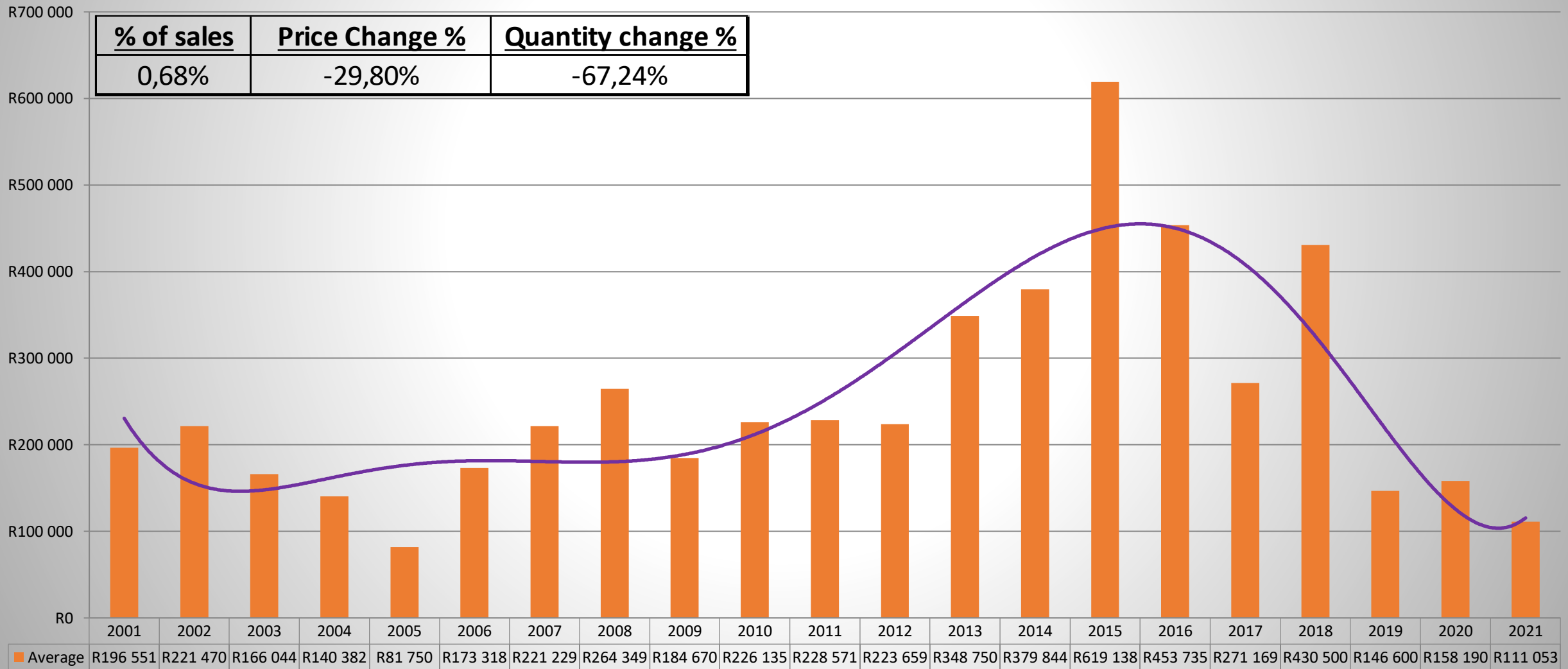
## Gemsbuck Golden Average price per animal



## Saddleback Impala Average price per animal



## Rhino Average price per animal





# Wildlife Industry Trends and

## Analysis:

### PLAINS GAME



## Pricing trends of game on auction – Plains Game

- Detailed analysis of the plains game prices over the past four years have indicated that the plains game prices were reasonably stable compared to the rare game market , with 2021 the exception, with phenomenal increase in prices.
- The plains game market on average shows a dramatic increase in game prices for certain species and above inflation increase in prices for the most sought after species in 2021. Average price increase for plains game were 25% in 2021.
- Quantities sold on auction increased substantially during the 2015 and 2016 peak but returned to normal quantities in 2017 and decreased by 21% in the 2018 season with an 11% increase in quantities in 2019 and a 40% decrease in 2020 quantities due to the impact of COVID-19. Quantities for 2021 increased by a staggering 54%.
- Statistical data were analysed in detail per specie per category for all plains game species.

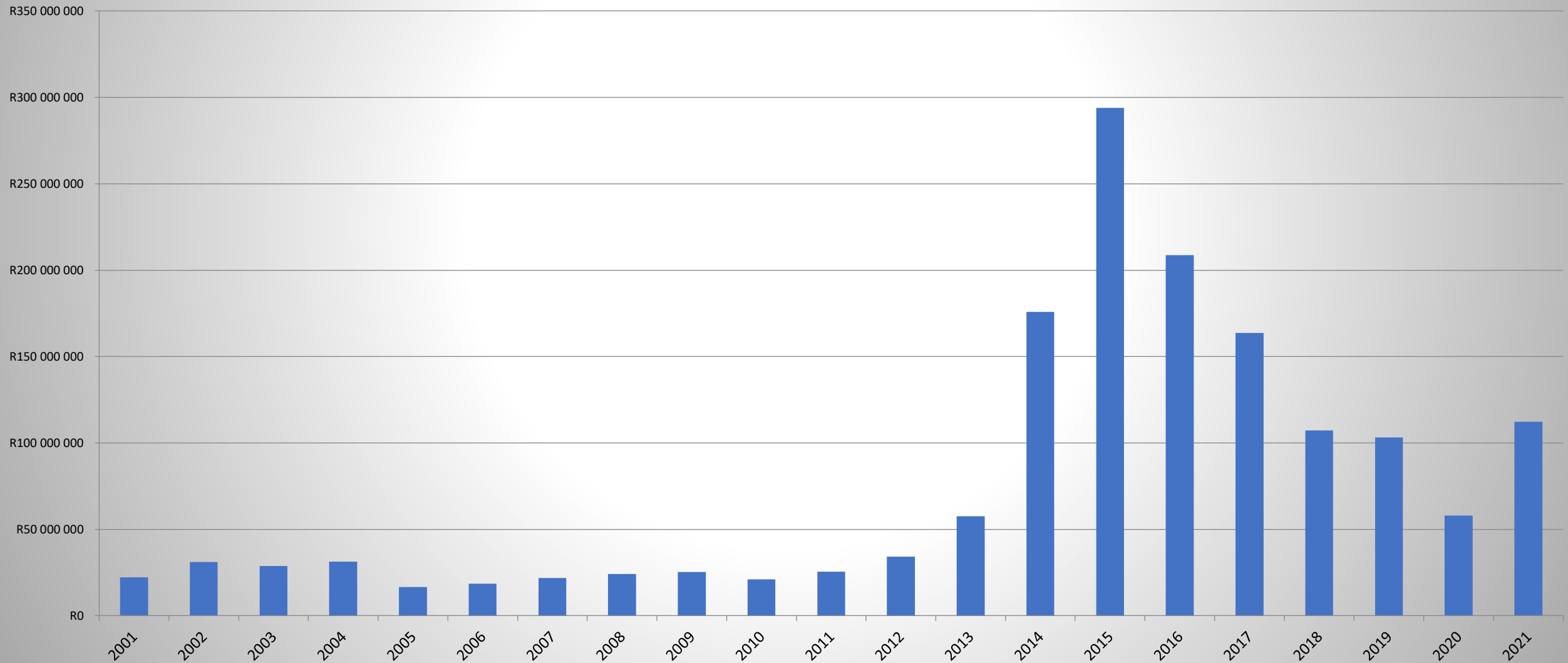


## 2. Summary of revenue Wildlife Industry - Plains Game

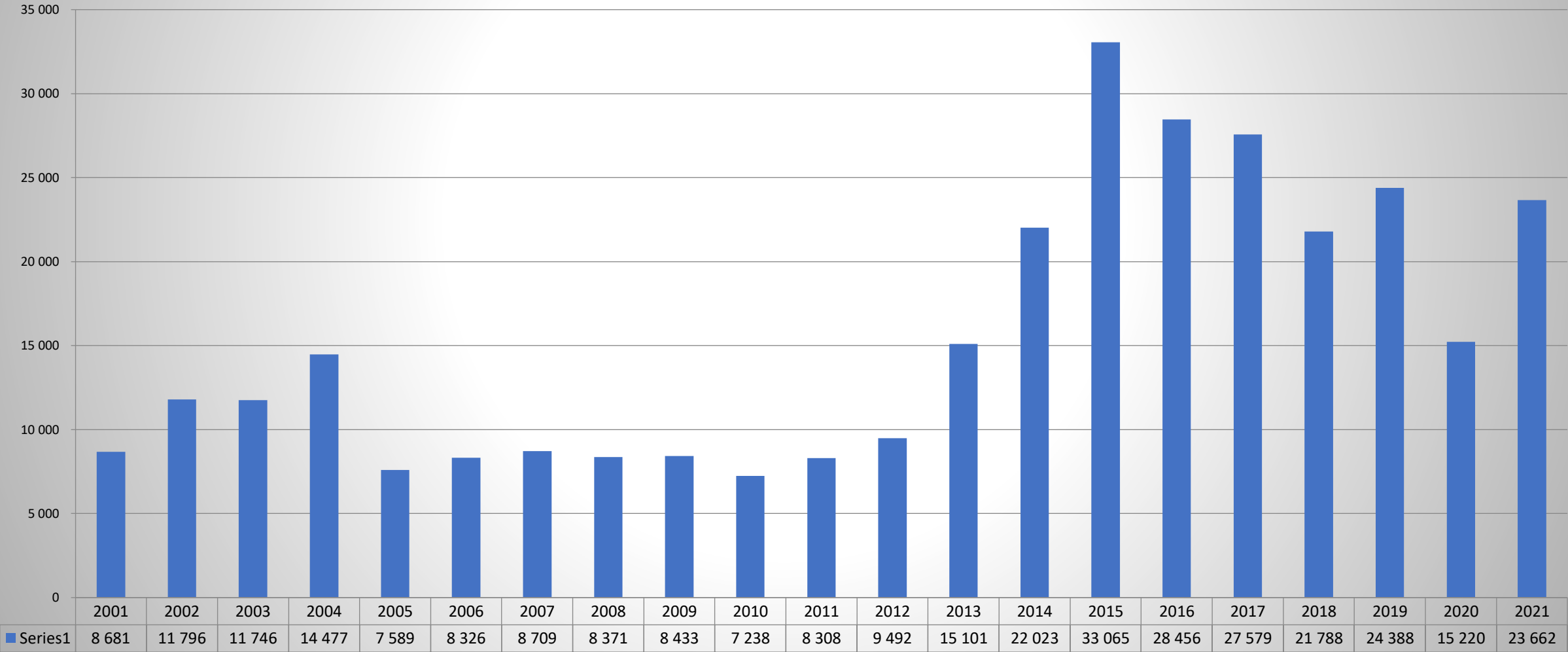
<u>Year</u>	<u>Value</u>	<u>Quantity</u>	<u>Average</u>	<u>Quantity %</u>	<u>Pricing %</u>
2000	R0	0	R0		
2001	R22 232 052	8 681	R2 561		
2002	R31 059 211	11 796	R2 633	35,88%	2,81%
2003	R28 760 415	11 746	R2 449	-0,42%	-7,01%
2004	R31 270 834	14 477	R2 160	23,25%	-11,78%
2005	R16 644 415	7 589	R2 193	-47,58%	1,54%
2006	R18 598 335	8 326	R2 234	9,71%	1,85%
2007	R21 727 645	8 709	R2 495	4,60%	11,69%
2008	R24 150 750	8 371	R2 885	-3,88%	15,64%
2009	R25 312 910	8 433	R3 002	0,74%	4,04%
2010	R21 044 055	7 238	R2 907	-14,17%	-3,14%
2011	R25 508 115	8 308	R3 070	14,78%	5,60%
2012	R34 182 960	9 492	R3 601	14,25%	17,29%
2013	R57 498 969	15 101	R3 808	59,09%	5,73%
2014	R175 760 505	22 023	R7 981	45,84%	109,60%
2015	R293 948 436	33 065	R8 890	50,14%	11,39%
2016	R208 644 560	28 456	R7 332	-13,94%	-17,52%
2017	R163 593 960	27 579	R5 932	-3,08%	-19,10%
2018	R107 316 735	21 788	R4 925	-21,00%	-16,96%
2019	R103 262 800	24 388	R4 234	11,93%	-14,04%
2020	R57 989 490	15 220	R3 810	-37,59%	-10,02%
2021	R112 189 960	23 662	R4 741	55,47%	24,44%



## Plains Game Auction Revenue per year

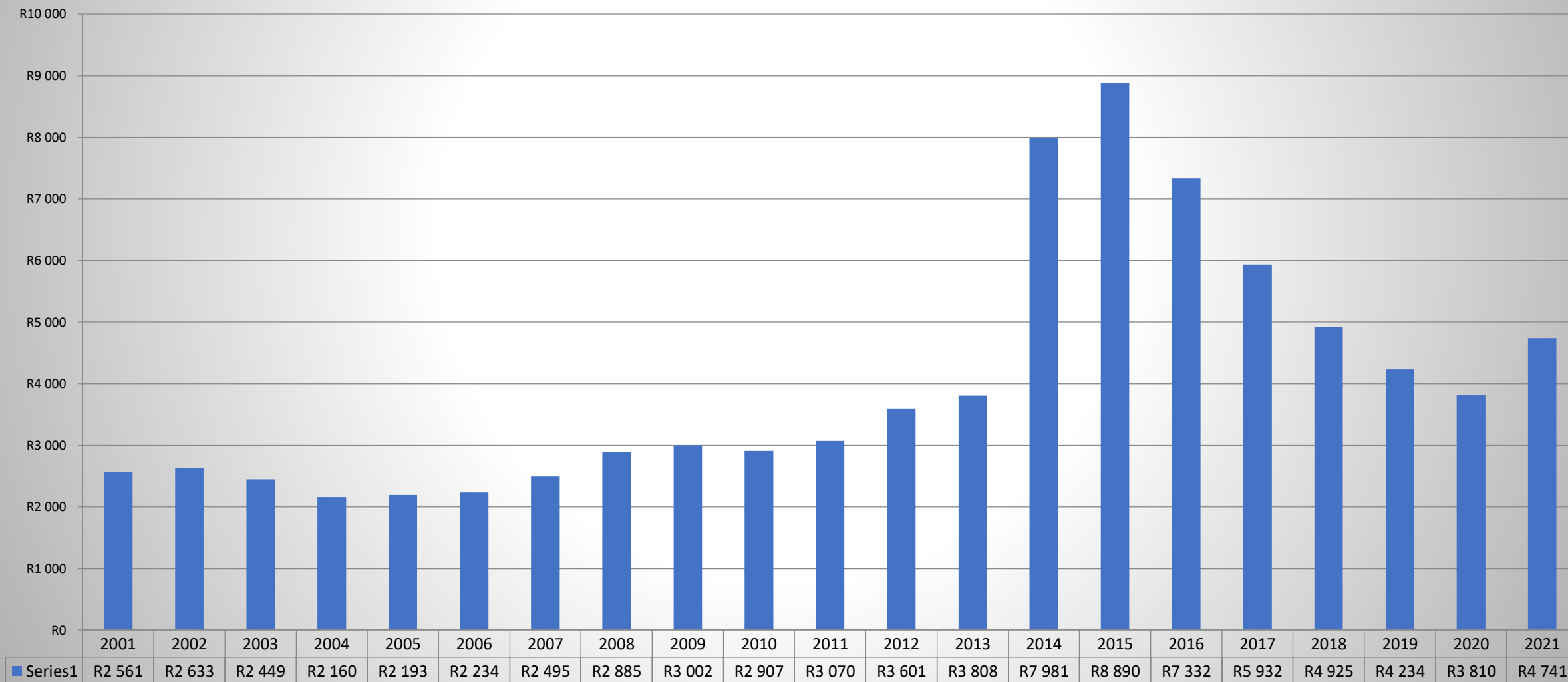


Plains Game quantities per year sold on auction





Average pricing per animal auctions per year for Plains Game

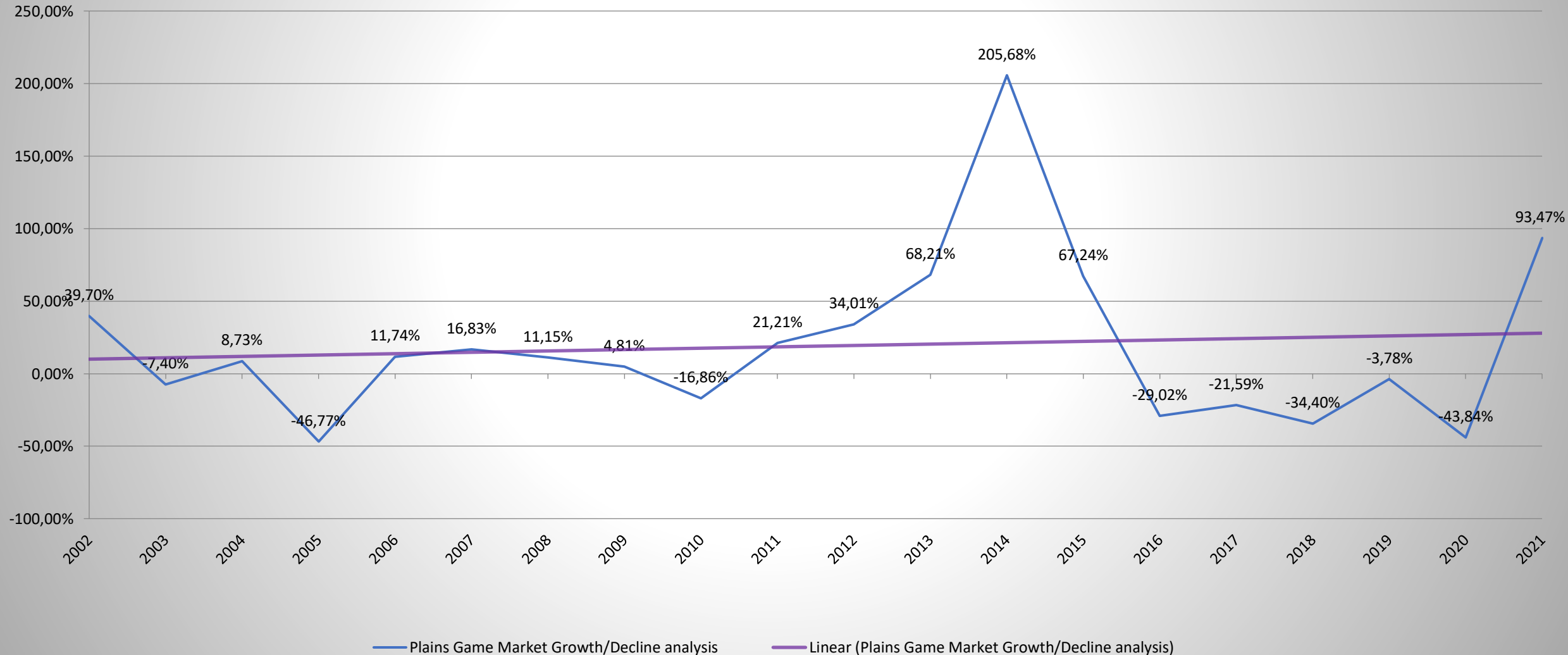




Plains Game Market Growth/Decline analysis			Value %	Quantity %	Pricing %
2001	22 232 052				
2002	31 059 211	8 827 159	39,70%	35,88%	2,81%
2003	28 760 415	-2 298 796	-7,40%	-0,42%	-7,01%
2004	31 270 834	2 510 419	8,73%	23,25%	-11,78%
2005	16 644 415	-14 626 419	-46,77%	-47,58%	1,54%
2006	18 598 335	1 953 920	11,74%	9,71%	1,85%
2007	21 727 645	3 129 310	16,83%	4,60%	11,69%
2008	24 150 750	2 423 105	11,15%	-3,88%	15,64%
2009	25 312 910	1 162 160	4,81%	0,74%	4,04%
2010	21 044 055	-4 268 855	-16,86%	-14,17%	-3,14%
2011	25 508 115	4 464 060	21,21%	14,78%	5,60%
2012	34 182 960	8 674 845	34,01%	14,25%	17,29%
2013	57 498 969	23 316 009	68,21%	59,09%	5,73%
2014	175 760 505	118 261 536	205,68%	45,84%	109,60%
2015	293 948 436	118 187 931	67,24%	50,14%	11,39%
2016	208 644 560	-85 303 876	-29,02%	-13,94%	-17,52%
2017	163 593 960	-45 050 600	-21,59%	-3,08%	-19,10%
2018	107 316 735	-56 277 225	-34,40%	-21,00%	-16,96%
2019	103 262 800	-4 053 935	-3,78%	11,93%	-14,04%
2020	57 989 490	-45 273 310	-43,84%	-37,59%	-10,02%
2021	112 189 960	54 200 470	93,47%	55,47%	24,44%



## Plains Game Market Growth/Decline analysis



## Pricing trends of game on auction – Plains Game

- TOTAL PLAINS GAME ON AUCTION
  - Total revenue generated from plains game sales:
    - 2017 revenue declined by 22%.
    - 2018 revenue declined by 34%.
    - 2019 revenue declined by 4%.
    - 2020 revenue declined by 47%
    - 2021 revenue increased by 93%
  - Total number of plains game animals sold on auction:
    - 2017 quantities declined by 3%.
    - 2018 quantities declined by 21%.
    - 2019 quantities increased by 11%.
    - 2020 quantities declined by 40%.
    - 2021 quantities increased by 56%

## Pricing trends of game on auction – Plains Game

➤ Price comparison: Plains Game	Price%	Quantity%
▪ Kudu	+ 51%	+ 41%
▪ Blue wildebeest	+ 41%	+ 62%
▪ Eland	+ 41%	+ 1%
▪ Impala	+ 34%	+ 59%
▪ Impala Females only	+ 32%	+ 57%
▪ Nyala	+ 28%	+ 34%
▪ Gemsbuck	+ 27%	+ 26%
▪ Waterbuck	+ 24%	+ 96%
▪ Giraffe	+ 22%	+119%
▪ Red hartebeest	+ 19%	+107%
▪ Blesbuck	+ 19%	+ 50%
▪ Kudu Bulls only	+ 18%	+159%
▪ Zebra	+ 10%	+ 77%
▪ <u>TOTAL PLAINS GAME</u>	+ 25%	+ 56%

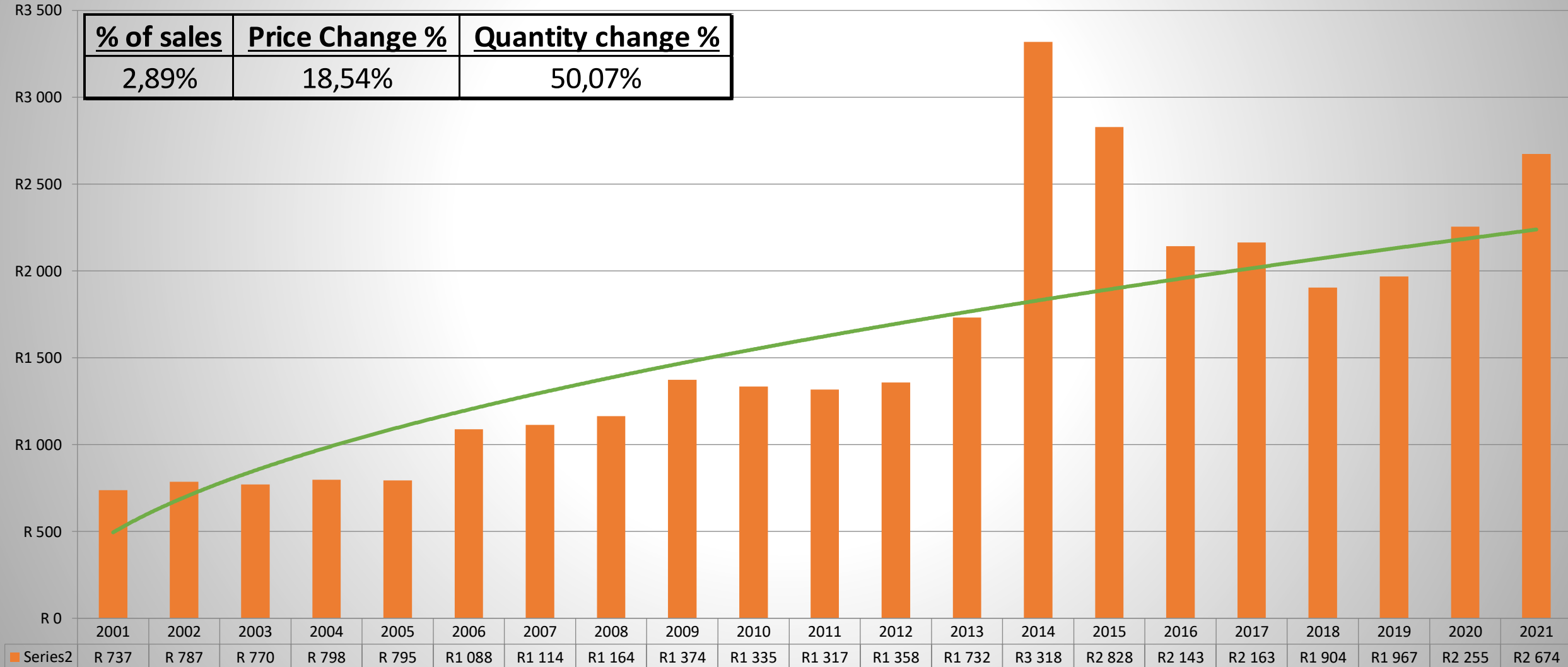


## Pricing trends of game on auction – Plains Game

- All plains game species shown an increase in average prices as well as quantities;
- Kudu and Blue wildebeest were the best performing game based on average prices.
- Kudu bulls prices were impacted by the low demand for international hunting bulls that limited the average prices for these species at 18%.
- Eland and gemsbuck prices continued to grow above inflation for the third year running.
- Giraffe and Zebra prices increased for the first time in a long time, indicating the meat market is starting to impact on the prices of these two species.
- Prices during the last 3 months of the year were on average 20% higher than the start of the year for all species.
- Plains game quantities increased drastically during the year and we estimate this will continue during 2022.
- We however do not believe the prices will continue to rise in 2022 at the rates we saw during 2021.

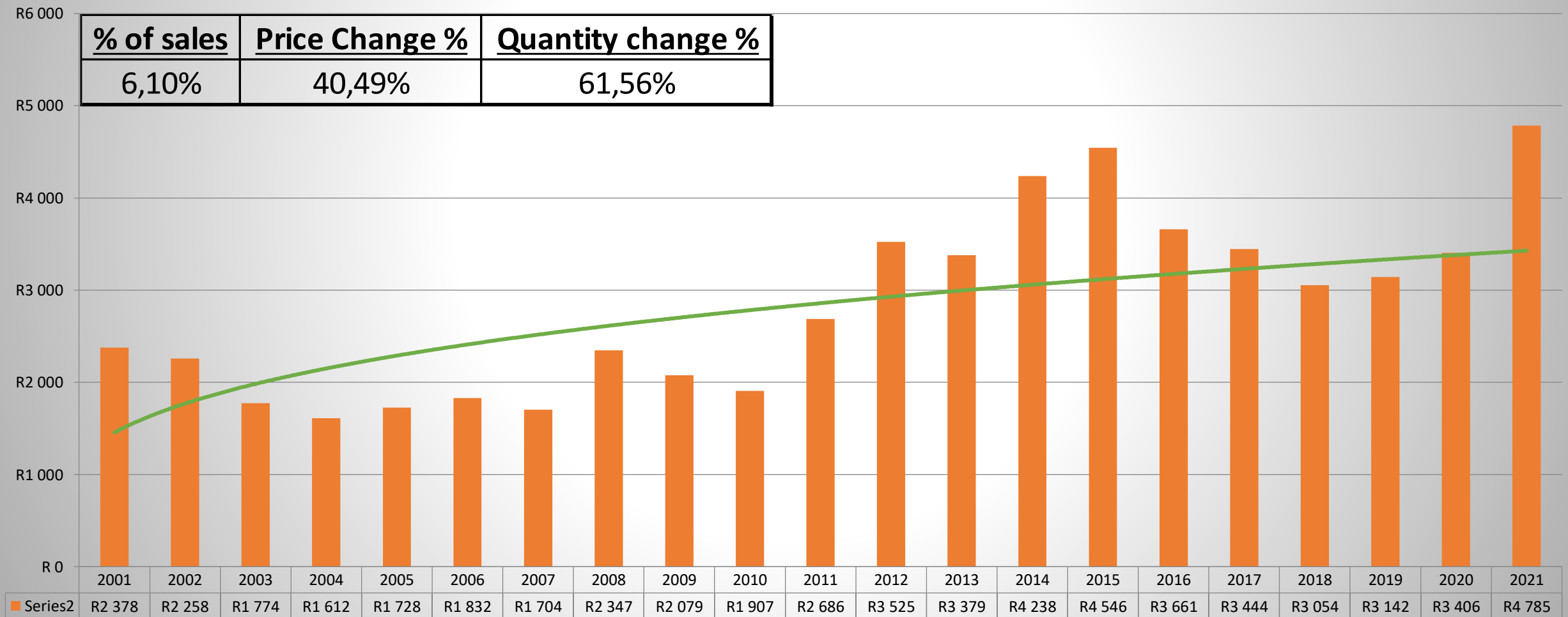


## Normal Blesbuck Average price per animal



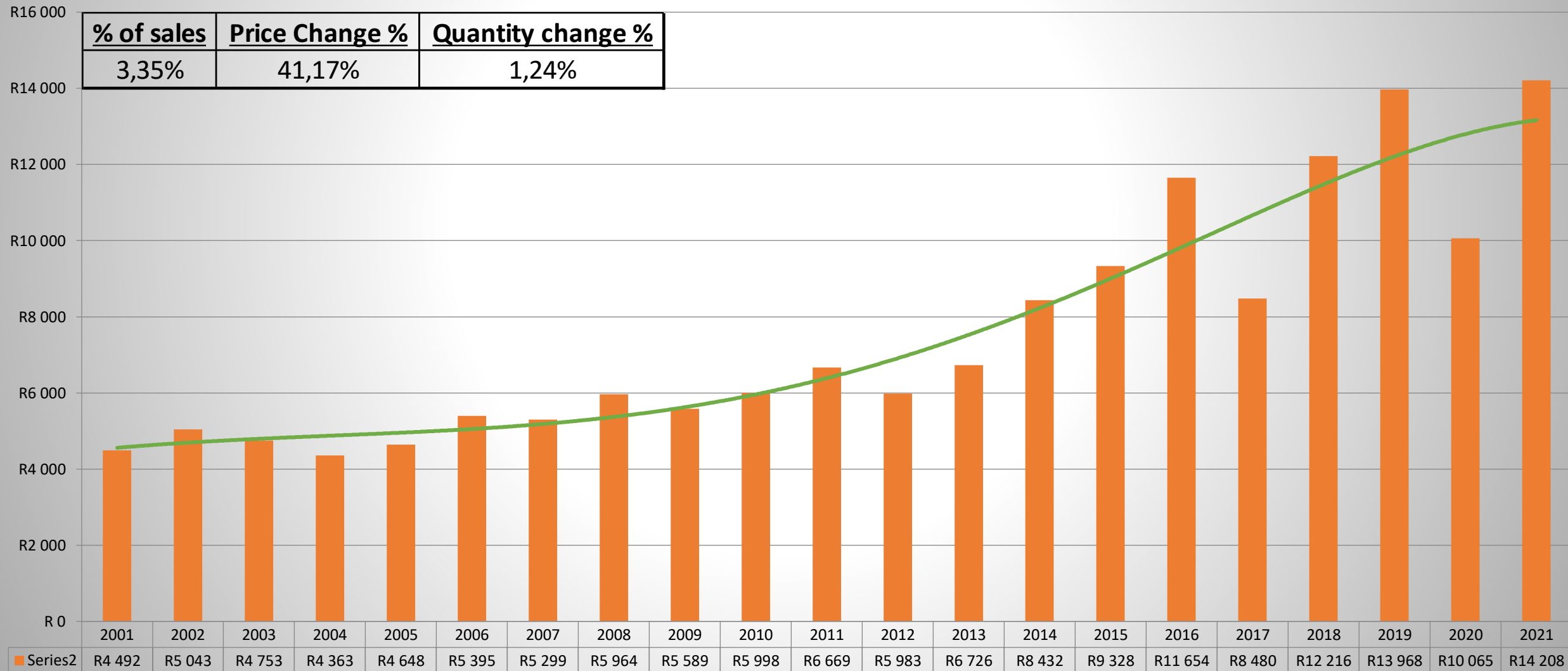


### Normal Bluewildebeest Average price per animal



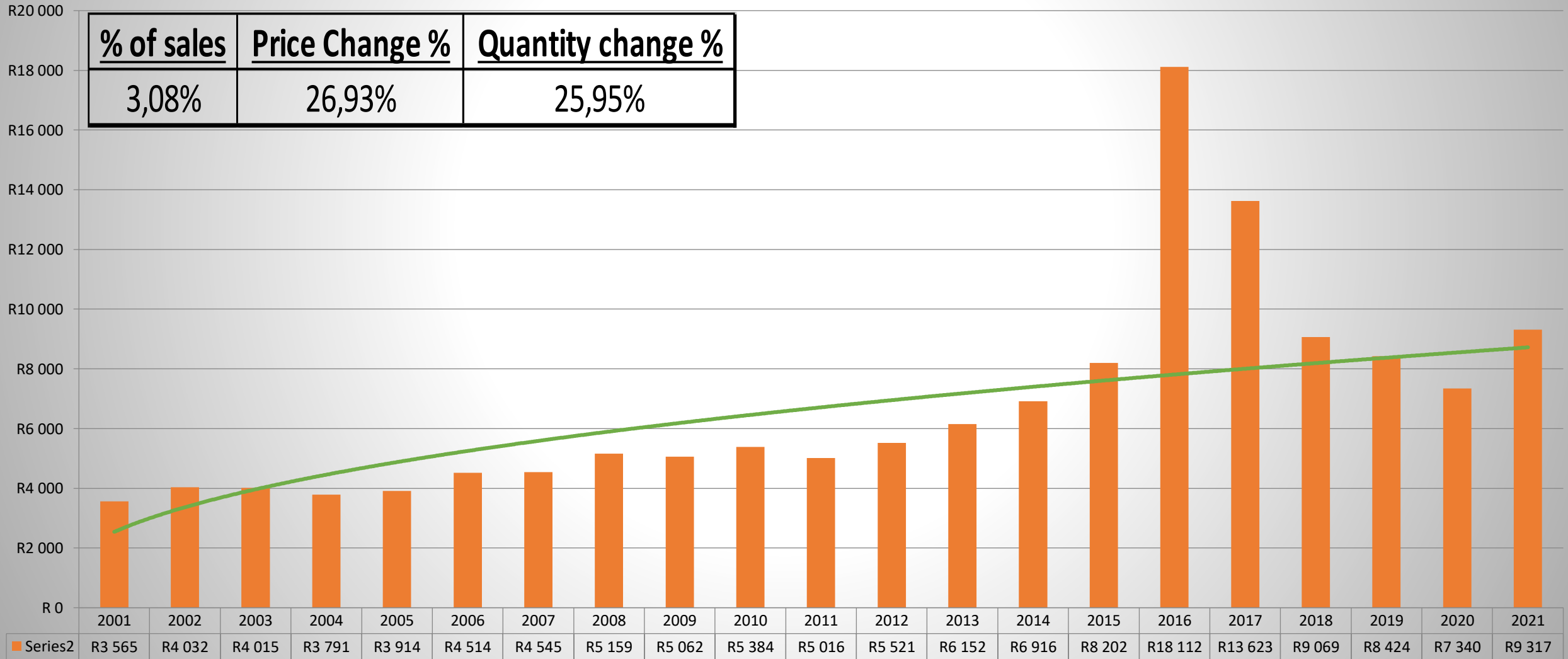


## Eland Average price per animal



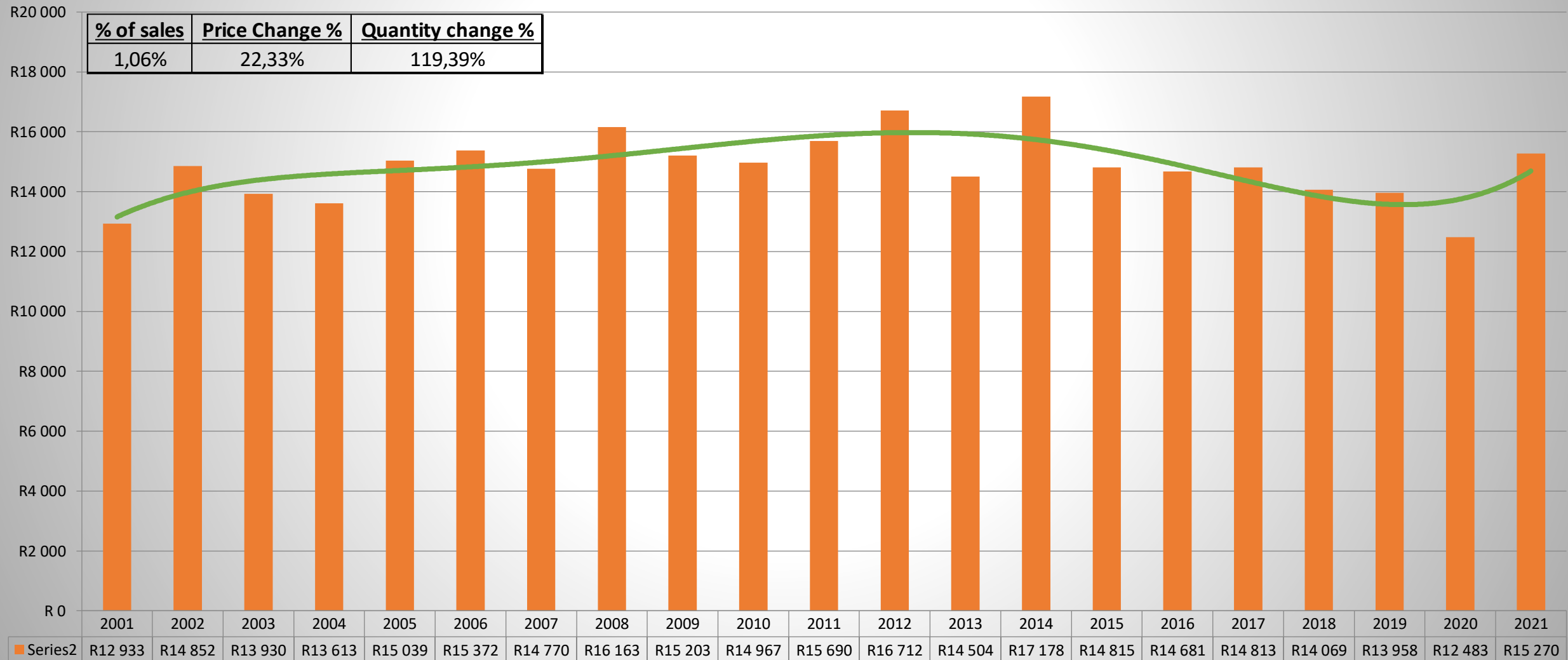


## Normal Gemsbuck Average price per animal



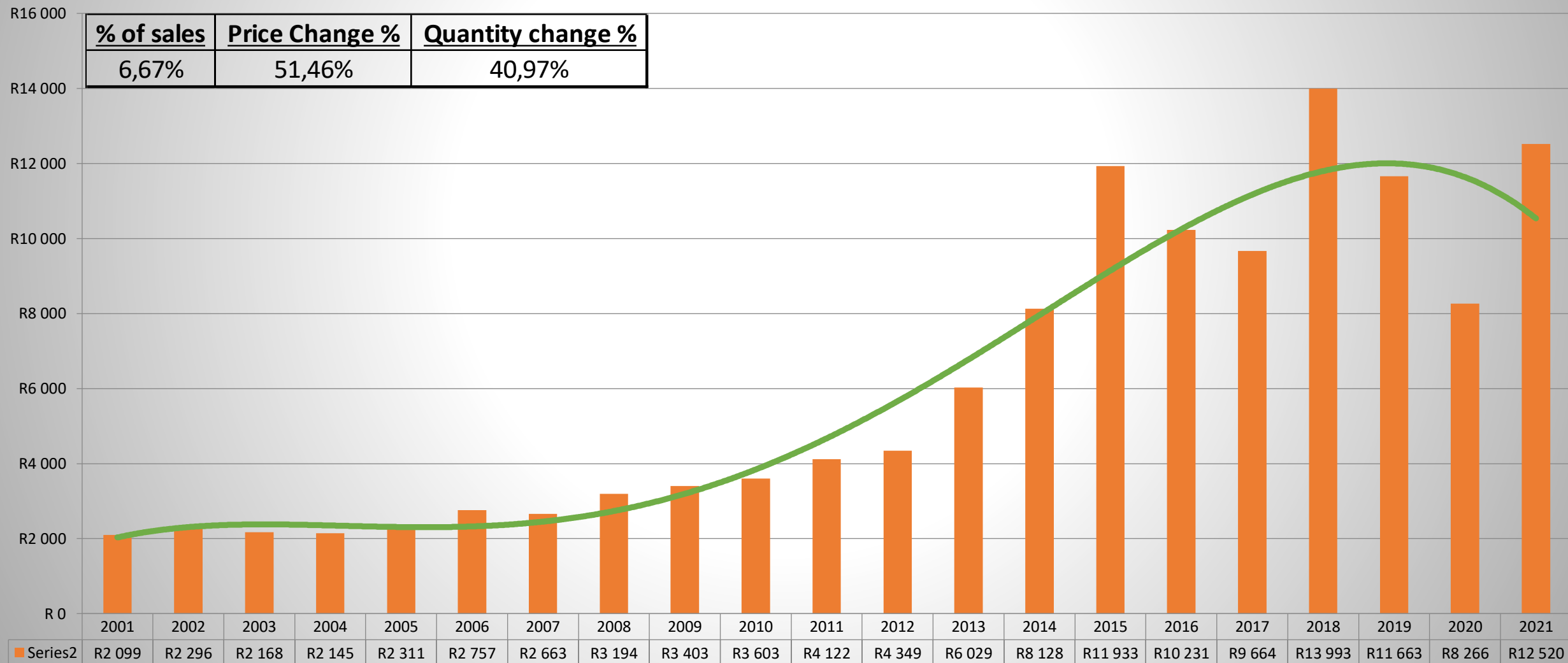


## Giraffe Average price per animal

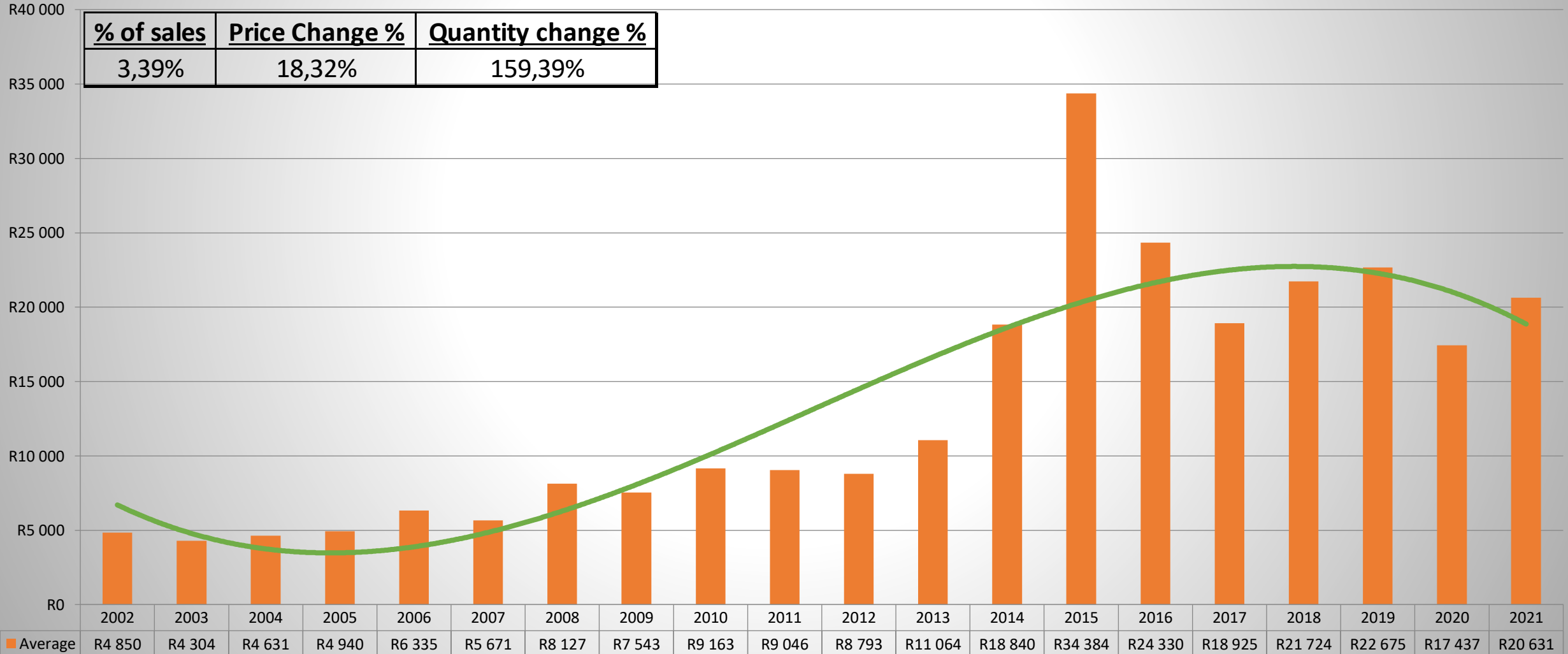




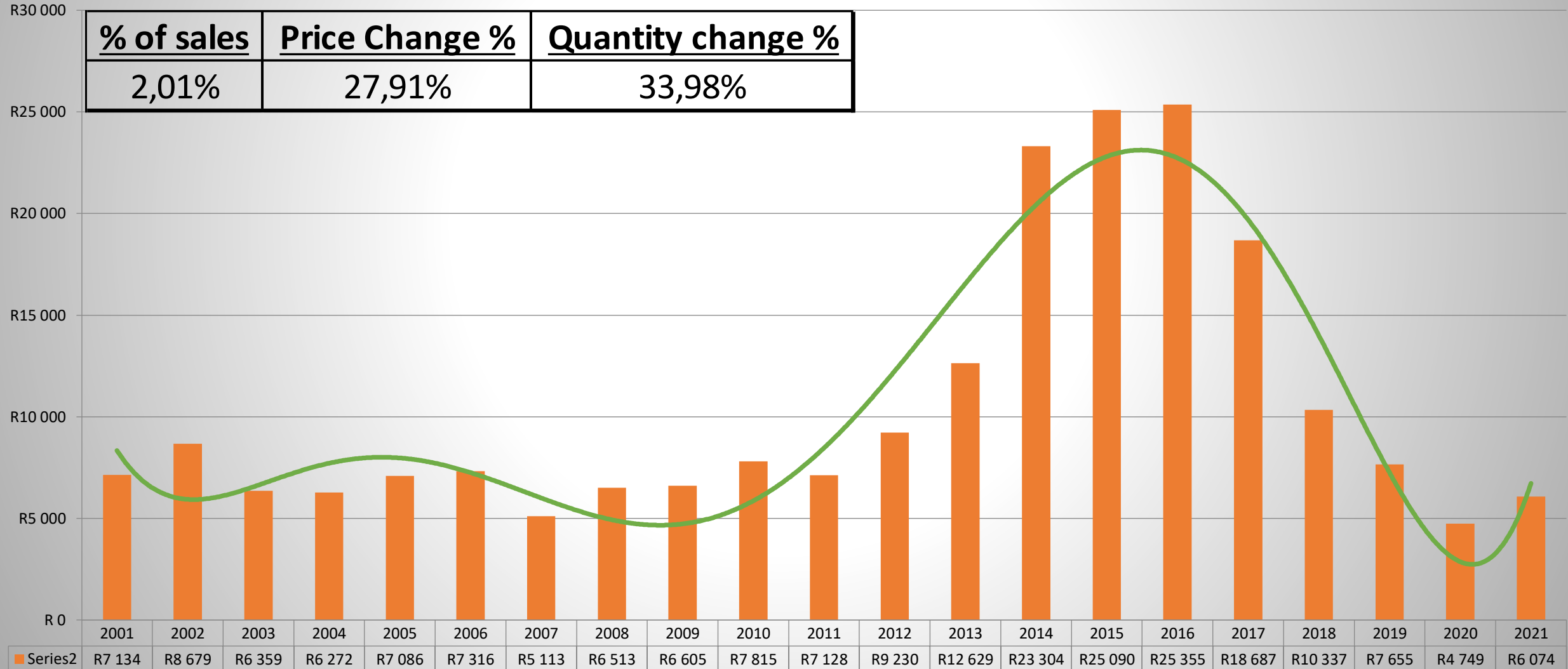
## Kudu Average price per animal



## Kudu Bulls (Only) Average price per animal

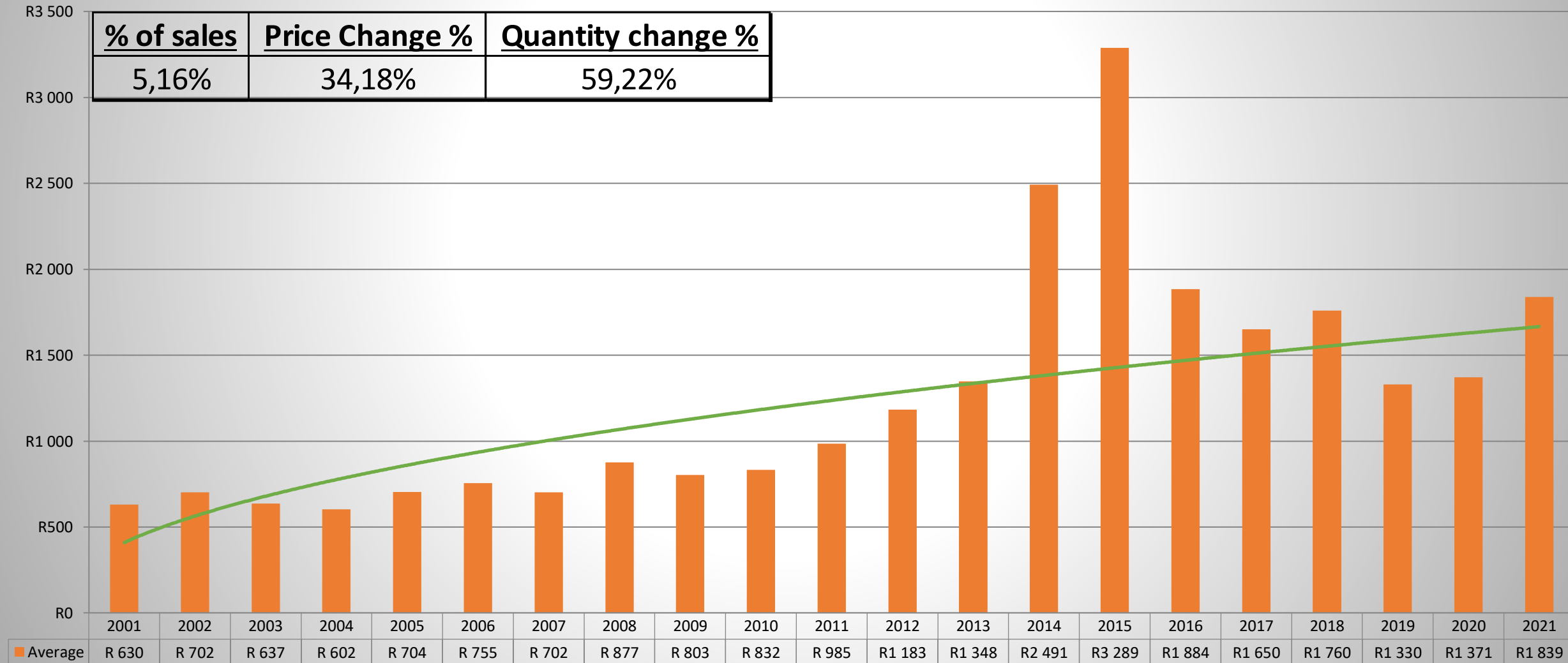


## Njala Average price per animal

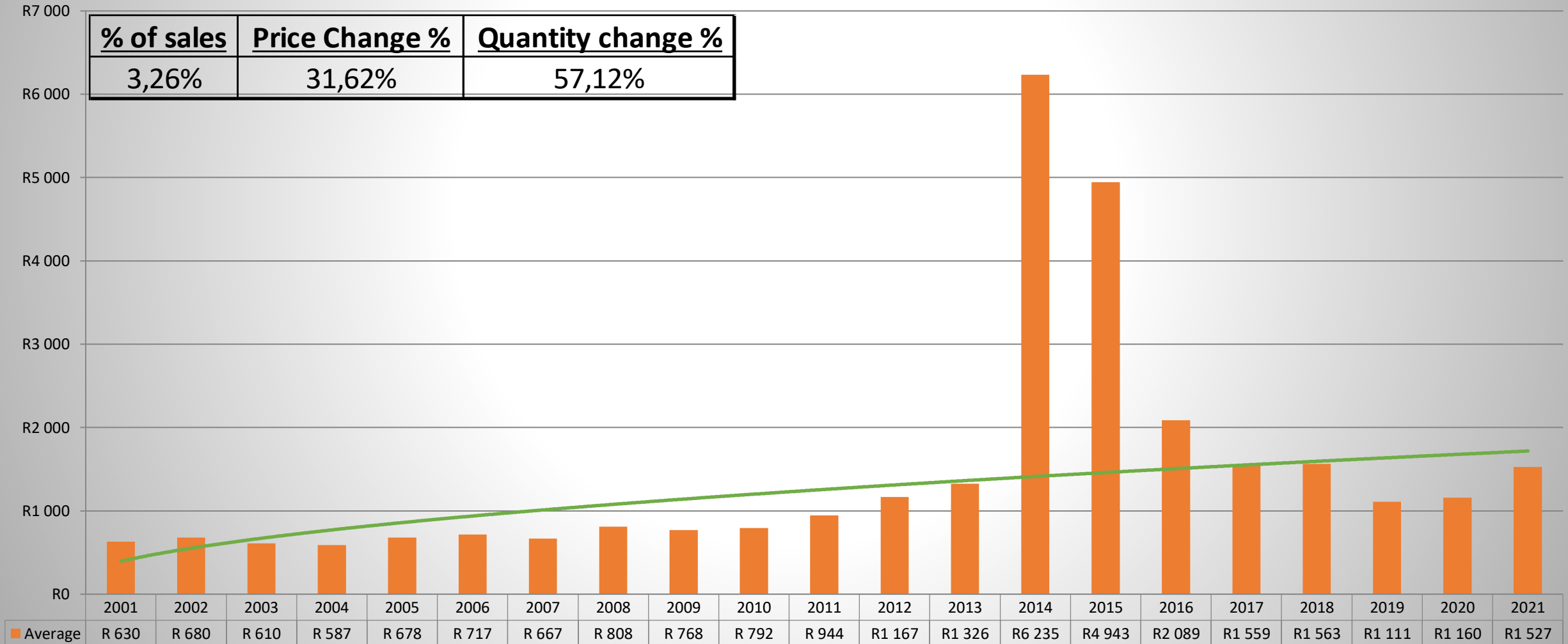




## Normal Impala Average price per animal

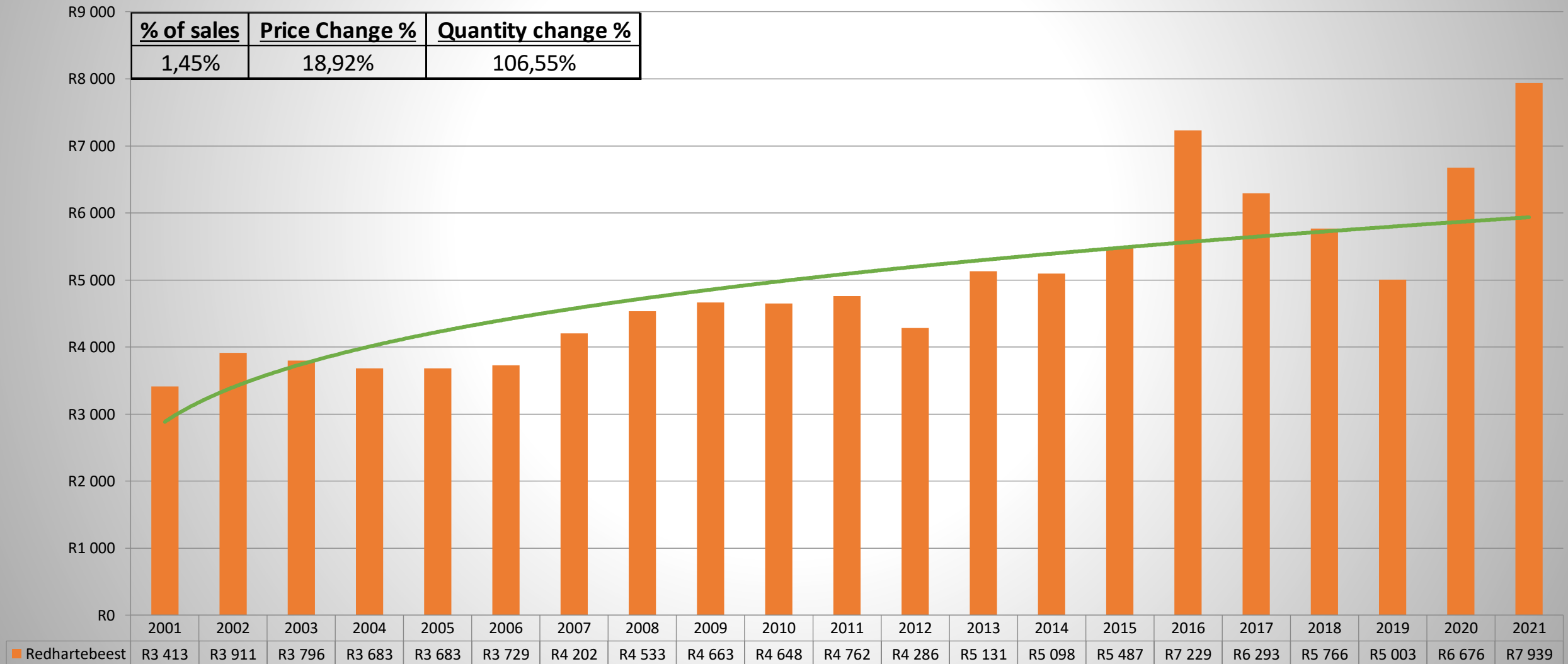


## Normal Impala Average price per animal Ewe's only

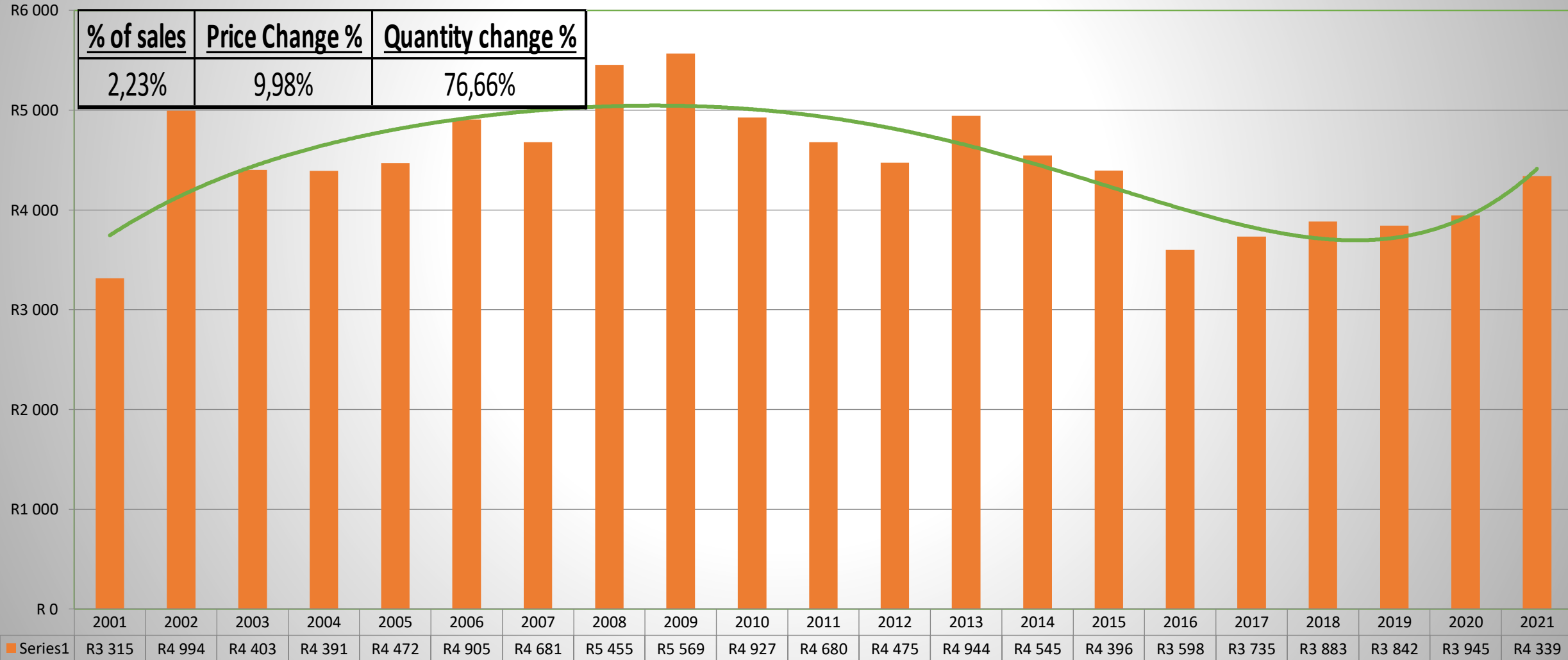




## Redhartebeest Average price per animal

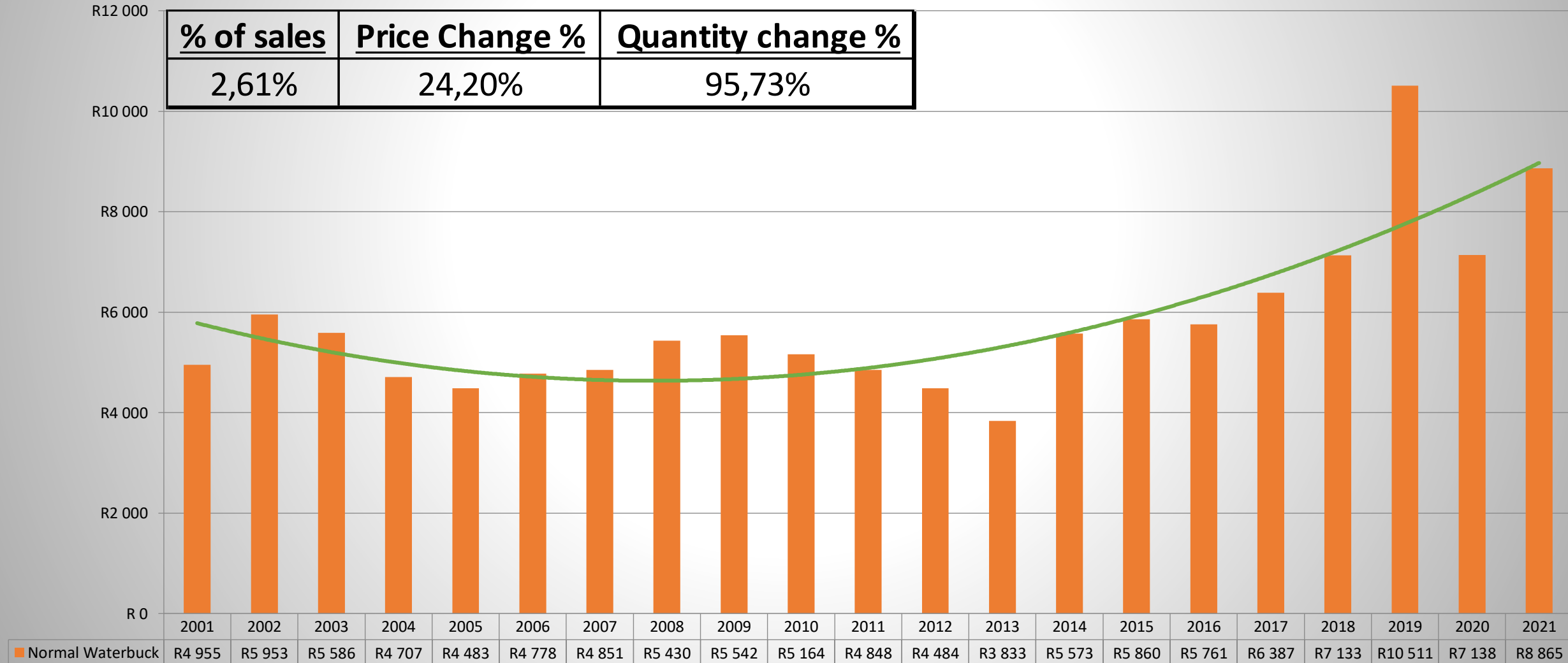


## Zebra Average price per animal



## Normal Waterbuck Average price per animal

<u>% of sales</u>	<u>Price Change %</u>	<u>Quantity change %</u>
2,61%	24,20%	95,73%





# African Wildlife Auctions HIGHLIGHTS FOR 2021

## ❖ Waterbuck

2021

**R7 000**



**R15 250**



**R11 750**



**Auction  
Highlights**

**Price Per Unit**

## ❖ Blue Wildebeest, Giraffe and Zebra

**2021**

**R14 250**



**R24 000**



**R5 500**

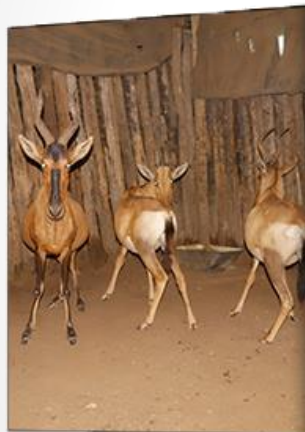


**Auction  
Highlights**

**Price Per Unit**

## ❖ Red Hartebeest

**2021**



**R13 500**



**R14 000**



**R13 500**

**Price Per Unit**

**Auction  
Highlights**

## ❖ Kudu

**2021**



**Auction  
Highlights**

**Price Per Unit**

## ❖ Impala

**2021**



**R2 400**



**R16 500**



**R16 500**

**Price Per Unit**

**Auction  
Highlights**

## ❖ Eland

2021

**R32 000**



**R35 000**



**R32 000**



**Auction  
Highlights**

**Price Per Unit**

## ❖ Nyala, Buffalo and Giraffe

**2021**



**R7 500**



**R170 000**



**R29 000**

**Price Per Unit**

**Auction  
Highlights**

## ❖ Blesbuck

**2021**



**R4 800**



**R4 250**



**R4 200**

**Price Per Unit**

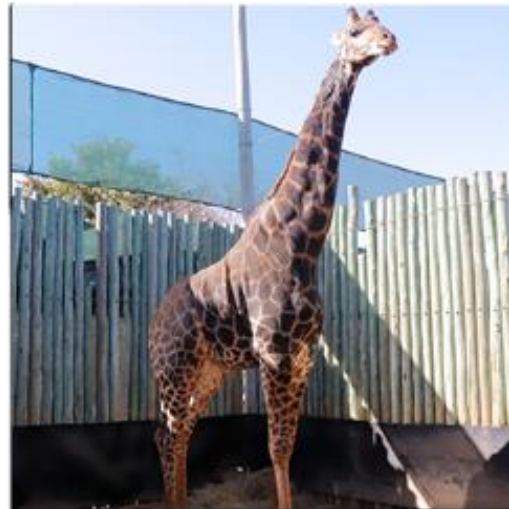
**Auction  
Highlights**

## ❖ Giraffe Bulls

**2021**



**R34 000**



**R38 000**



**R36 000**

**Price Per Unit**

**Auction  
Highlights**

## ❖ Eland Cows

**2021**



**R15 500**



**R16 500**



**R16 500**

**Price Per Unit**

**Auction  
Highlights**



# Wildlife Industry Trends and Analysis: Summary and Conclusion



## ❖ Key statistical data for 2021 - Summary

- Plains game prices have increased on average by 24% this year.
- Certain species like Kudu cows, Waterbuck and Red Hartebeest have increased more than 40% year on year.
- There is a huge shortage of bushveld animals currently in the market.
- All male hunting animals are still getting premium prices on auction and we believe this will escalate when the international hunters return next year.
- Buffalo prices continue to be under severe pressure and have not stabilised yet.
- Sable prices have stabilised and we have seen a moderate increase on all Sable categories.
- Roan prices are flat and hasn't shown any substantial movements this year.
- Female plains game is in huge demand and are currently achieving the best prices since the "boom" period.
- Current prices make it profitable for farmers to invest in the industry again.



## ❖ Rationale of the increase in prices of certain species

Several factors impacted on the shortage of supply of certain species in the market. We believe they can be categorised and explained as follows:

### ➤ **Supply shortage created by extensive breeding projects**

Several game farm owners converted portions of their farms into breeding camps. This reduced the natural habitat for breeding of certain species. These farm owners also reduced their plains game breeding projects and focused on extensive breeding for rare game species. This impacted the breeding and growth of certain plains game species like Blue Wildebeest females.

### ➤ **Long-term drought in the catchment area**

The impact of the last 7 years of below normal rainfall has had a severe impact on some of the species. The shortfall of Kudu cows and Red Hartebeest (to name a few) species can directly be attributed to the last years of drought in certain areas

### ➤ **Demand for venison meat driven by several factors**

The production of venison meat has materially increased in the past three years. There are now several “culling” outfitters that focus on supplying venison to butcheries and the export meat market. This new market segment has substantially reduced the availability of certain species to the auction market and set a new “low” price.

### ➤ **Lack of international hunting forcing game farmers to cater for local and corporate hunting**

Several hunting farms catering exclusively for international hunters were forced to move into the local market to ensure their survival. They are now catering for corporate and local hunters and require the necessary game species on their farms to accommodate this market segment. Most of these farms focused mainly on male and trophy animals in the past. They needed to stock up for the new market segment and have started buying mostly plains game species for their farms.



### ➤ Trend Comparison between Auction and Culling Prices

- Demand for meat/venison has grown exponentially over the last three years. This demand for venison has impacted on the supply to game auctions during the past two years. Weak prices in certain species made it more profitable to cull animals than sell on auctions.
- For species, like Giraffe and Zebra, meat or culling prices are more attractive to game farm owners than capturing and selling on auctions.
- The following table will explain the interaction and impact this has had on prices:

<u>Specie Name</u>	<u>Ave Weight</u>	<u>Rand per kilo</u>	<u>Venison Value</u>	<u>Auction Price</u>	<u>Capturing Cost</u>	<u>Nett Price Animal</u>
Zebra	140kg	R23.00 p/kg	R3 220	R4 200	R800	R3 400
Giraffe male	750kg	R20.00 p/kg	R15 000	R18 000	R4 000	R14 000
Blue Wildebeest	75kg	R30.00 p/kg	R2 250	R3 500	R800	R2 700
Impala	25kg	R30.00 p/kg	R750	R1 100	R300	R800



## ➤ Market Segment Analysis

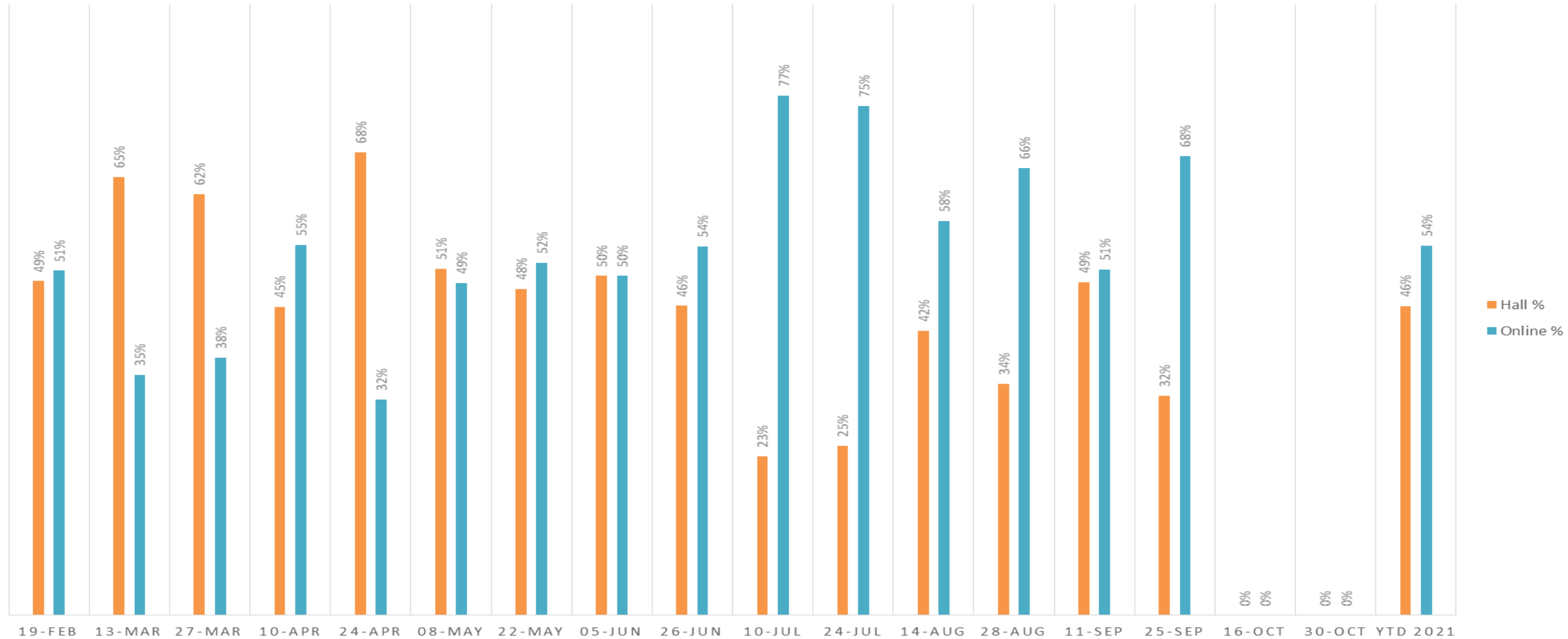
- Contrary to the decrease in revenue in game auctions since 2017, we have seen a phenomenal increase in new entry (buyers) in the market.
- First time buyers or new buyer's registrations are up by over 50% year on year at AWA auctions, averaging over 20 new registrations per auction.
- Online registrations growing at a phenomenal rate of 100% per auction on last year's numbers.
- AWA has on average 90 online bidders per auction, 30 telephone bidders and between 20 to 30 buyers in the hall.
- The average total number of registrations on auction are up by 30% year on year so far.
- Registrations have exceeded 150 bidders per auction this year.
- These registration quantities are substantially higher than the last two years' numbers.



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## SELLING RATE: HALL VS ONLINE





## ❖ AWA leading the way in new flexible options for our clients

- The Pandemic of Covid-19 has forced the industry to move more rapidly to online and internet technology.
- Contrary to announcements in the media regarding online technology, AWA was the first auction house in South Africa to offer live webcast and online bidding on the internet platform, since 2014.
- AWA has hosted more than 300 online and live webcast auctions over the past 7 years and arguably has one of the most stable and user-friendly online platforms in the industry.
- AWA is the only auction house that owns and uses its own streaming technology and does not rely on partners to ensure the quality of streaming on their auctions.
- Wildlife Auctions (AWA's platform) currently has over 7 500 registered users on its website. 50% Of these registered users are active users and participate using the website and App functionalities regularly.
- Most of the users have actively used the website and App for many years and are very comfortable with the functionality and technology available on the platforms, which improves AWA's take-up for every auction.



## ❖ Summary and outlook for the rest of the year and 2022

- AWA believes that the current buoyancy in the market will continue for the balance of the year and next year.
- The shortages in species will continue to be prevalent in the market and therefore impact and continue to impact on the game prices for the rest of the year.
- We believe the prices of all species seem to have stabilised except for Buffalo which is not aligned to the rest of game prices.
- We still foresee instability in Buffalo prices for the rest of the year.
- The Buffalo market pricing is still very unstable, and prices can substantially vary from week to week.
- There are also large quantities of Buffalo for sale in the market.
- Most of the game species prices have now reset after the “boom” years and the sellers and buyers of game can look forward to much more stable prices with material increase in certain plains game species and moderate increase year on year for the rare game species.
- We foresee reasonable price increases on Nyala and Sable bull prices, which is a reversal to last year whereby both these species were still in a declining phase.
- We believe we will continue to see increases in all plains game prices and moderate increases in rare game specie prices, excluding Buffalo.



# Wildlife Industry Trends and

## Analysis:

### END