



TRANSLATION

Safari World Public Company Limited  
 Registration No. B.M.J. 0107537000351

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Subject : The Explanation and Analysis Report of the Financial Positions and Result of Business Operations. (Revise)

To : President of The Stock Exchange of Thailand

The Explanation and Analysis Report of the Financial Positions and Result of Business Operations summarized as follows:

**1. The Consolidated Financial Statements**

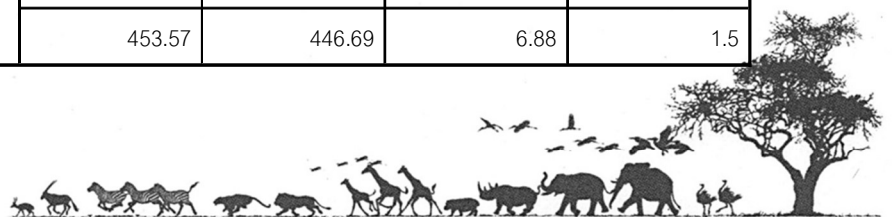
1.1 Report and analysis of Business Operations

**Revenue**

**Revenue from operations**

Revenue from operations for the Company and its subsidiaries for the second quarter of the year 2018 was totally Baht 453.57 million increased from the second quarter of the year 2017 which was Baht 446.69 million for Baht 6.88 million or 1.5% due to revenue from sales of tickets was increased of Baht 7.18 million from increase in number of tourists and selling price.

| (million)                     | 2018   | 2017   | increase (decrease) |       |
|-------------------------------|--------|--------|---------------------|-------|
|                               |        |        | million             | %     |
| Sales of tickets              | 280.12 | 272.94 | 7.18                | 2.6   |
| Sales of food and beverages   | 100.94 | 102.93 | (1.99)              | (1.9) |
| Other revenue from operations | 72.51  | 70.82  | 1.69                | 2.4   |
| Total revenues                | 453.57 | 446.69 | 6.88                | 1.5   |



### **Other income**

Other income for the second quarter of the year 2018 of Baht 4.30 million decreased from Baht 23.44 million for the second quarter of the year 2017 of Baht 19.14 million or -81.7% due to there was the reversal of doubtful accounts of Baht 17.74 million in the second quarter of the year 2017 as significant.

### **Expenses**

#### **Cost of sales and services**

Cost of sales and services for the second quarter of the year 2018 of Baht 195.12 million increased from Baht 193.77 million for the second quarter of the year 2017 of Baht 1.35 million or 0.7% in line with the increase in revenues.

For the second quarter of the year 2018, gross profit was Baht 204.16 million increased from Baht 202.72 million for the second quarter of the year 2017 of Baht 1.44 million or 0.7% which was lower than the increase in revenue from operations stated at 1.5%. The gross profit margin for the second quarter of the year 2018 was 45% slightly decreased from the second quarter of the year 2017 which was 45.4%.

#### **Selling and administrative expenses**

Selling and administrative expenses of the second quarter of the year 2018 of Baht 133.57 million decreased from Baht 154.56 million for the second quarter of the year 2017 of Baht 20.99 million or -13.6% due to decrease in employees and management benefits and reward of subsidiaries of Baht 17.42 million as significant.

#### **Finance costs**

Finance costs of the second quarter of the year 2018 of Baht 24.10 million increased from Baht 22.24 million for the second quarter of the year 2017 of Baht 1.86 million or 8.4%.

### **Summary operating results**

The Company and its subsidiaries had net profit for the second quarter of the year 2018 of Baht 38.95 million decreased from Baht 42.53 million for the second quarter of the year 2017 of Baht 3.58 million or -8.4% due to revenue from operations was increased while the overall expenses was increased at the higher rate than the revenue growth.

| (million)                                     | 2018          | 2017          | increase (decrease) |              |
|---|---------------|---------------|---------------------|--------------|
|   |               |               | million             | %            |
| Total revenues                                | 453.57        | 446.69        | 6.88                | 1.5          |
| Cost of sales and services                    | (195.12)      | (193.77)      | 1.35                | 0.7          |
| Loss on death of animals                      | (10.04)       | (1.64)        | 8.40                | 512.2        |
| Depreciation                                  | (44.25)       | (48.56)       | (4.31)              | (8.9)        |
| <b>Gross profit</b>                           | <b>204.16</b> | <b>202.72</b> | <b>1.44</b>         | <b>0.7</b>   |
| Selling and administrative expenses           | (133.57)      | (154.56)      | (20.99)             | (13.6)       |
| Other incomes                                 | 4.30          | 23.44         | (19.14)             | (81.7)       |
| <b>Profit before interest and expense tax</b> | <b>74.89</b>  | <b>71.60</b>  | <b>3.29</b>         | <b>4.6</b>   |
| Finance costs                                 | (24.10)       | (22.24)       | 1.86                | 8.4          |
| <b>Profit before expense tax</b>              | <b>50.79</b>  | <b>49.36</b>  | <b>1.43</b>         | <b>2.9</b>   |
| Expense tax                                   | (11.84)       | (6.83)        | 5.01                | 73.4         |
| <b>Net profit</b>                             | <b>38.95</b>  | <b>42.53</b>  | <b>(3.58)</b>       | <b>(8.4)</b> |
| <b>Gross Profit Margin</b>                    | <b>45.0%</b>  | <b>45.4%</b>  |                     |              |
| <b>Earnings before interest and taxes</b>     | <b>16.5%</b>  | <b>16.0%</b>  |                     |              |
| <b>Earnings before taxes</b>                  | <b>11.2%</b>  | <b>11.1%</b>  |                     |              |
| <b>Net Profit Margin</b>                      | <b>8.6%</b>   | <b>9.5%</b>   |                     |              |

## 1.2 Report and analysis of financial positions

| (million)                             | As at June 30, 2018 | As at December 31, 2017 | increase (decrease) |     |
|---------------------------------------|---------------------|-------------------------|---------------------|-----|
|                                       |                     |                         | million             | %   |
| Total assets                          | 6,142.87            | 5,948.06                | 194.81              | 3.3 |
| Interest-bearing debts                | 2,559.13            | 2,433.16                | 125.97              | 5.2 |
| Total Liabilities                     | 3,053.16            | 2,966.06                | 87.10               | 2.9 |
| Total shareholder's equity            | 3,089.71            | 2,982.00                | 107.71              | 3.6 |
| Interest bearing debt to equity ratio | 0.83                | 0.82                    |                     |     |
| Debt to equity ratio                  | 0.99                | 0.99                    |                     |     |

## **Assets**

As at June 30, 2018, the Company and its subsidiaries had total assets of Baht 6,142.87 million increased from Baht 5,948.06 million as of December 31, 2017 of Baht 194.81 million or 3.3% primarily from the additional purchase of property, plant and equipment of Baht 535.22 million mostly was the construction in progress for Carnival Magic project resulted to cash and cash equivalents and temporary investment decreased of Baht 131.56 million. Trade and other current receivables decreased from the refundable of value added tax from the Revenue Department of Baht 119.20 million. Other non-current assets decreased of Baht 109.63 million from transferring advance under the construction contract to construction in progress as significant.

## **Liabilities**

As at June 30, 2018, the Company and its subsidiaries had total liabilities of Baht 3,053.16 million increased from Baht 2,966.06 million as of December 31, 2017 of Baht 87.10 million or 2.9% primarily from the increase in interest-bearing debts of Baht 125.97 million while trade and other current payables decreased of Baht 66.61 million resulting to the interest-bearing debts to equity ratio and debt to equity ratio was increased to 0.83 and 0.99, respectively.

## **Shareholders' equity**

As at June 30, 2018, the Company and its subsidiaries had total shareholders' equity of Baht 3,089.71 million increased from Baht 2,982 million as of December 31, 2017 of Baht 107.71 million or 3.6% from recognized net profit the second quarter of the year 2018 and increasing ordinary shares of non-controlling interests of Baht 3 million.

## **2. The separate financial statements**

### **2.1 Report and analysis of Business Operations**

#### **Revenue**

##### **Revenue from operations**

Revenue from operations for the Company for the second quarter of the year 2018 totally Baht 258.59 million increased from the second quarter of the year 2017 which was Baht 224.94 million for Baht 33.65 million or 15% due to revenue from sales of ticket and sales of food and beverages were increased of Baht 22.20 million and 9.96 million, respectively from increase in number of tourists and selling price.

| (million)                     | 2018   | 2017   | increase (decrease) |      |
|-------------------------------|--------|--------|---------------------|------|
|                               |        |        | million             | %    |
| Sales of tickets              | 146.11 | 123.91 | 22.20               | 17.9 |
| Sales of food and beverages   | 69.40  | 59.44  | 9.96                | 16.8 |
| Other revenue from operations | 43.08  | 41.59  | 1.49                | 3.6  |
| Total revenues                | 258.59 | 224.94 | 33.65               | 15.0 |

#### Other income

Other income for the second quarter of the year 2018 of Baht 5.76 million decreased from Baht 16.88 million for the second quarter of the year 2017 of Baht 11.12 million or -65.9% due to there was the reversal of doubtful accounts of Baht 13.82 million in the second quarter of the year 2017 as significant.

#### Expenses

##### Cost of sales and services

Cost of sales and services for the second quarter of the year 2018 of Baht 101.79 million increased from Baht 99.35 million for the second quarter of the year 2017 of Baht 2.44 million or 2.5% in line with the increase in revenues.

For the second quarter of the year 2018, gross profit was Baht 120 million increased from Baht 93.08 million for the second quarter of the year 2017 of Baht 26.92 million or 28.9% which was higher than the increase in revenue from operations stated at 15% due to the lower rate of the increase in cost of sales resulting to the increase in gross profit margin of the second quarter of the year 2018 to 46.4% increased from 41.4% for the second quarter of the year 2017.

##### Selling and administrative expenses

Selling and administrative expenses of the second quarter of the year 2018 of Baht 69.64 million decreased from Baht 75.48 million for the second quarter of the year 2017 of Baht 5.84 million or -7.7% due to ~~increase~~ decrease in employees and management benefits and reward as significant.

##### Finance costs

Finance costs of the second quarter of the year 2018 of Baht 10.98 million decreased from Baht 15.77 million for the second quarter of the year 2017 of Baht 4.79 million or -30.4% in line with the decrease in interest-bearing debts.

## Summary operating results

The Company had net profit for the second quarter of the year 2018 of Baht 34.94 million increased from Baht 18.98 million for the second quarter of the year 2017 of Baht 15.96 million or 84.1% due to revenue from operations was increased and the overall expenses was increased at the lower rate than the revenue growth.

| (million)                                     | 2018          | 2017         | increase (decrease) |              |
|---|---------------|--------------|---------------------|--------------|
|   |               |              | million             | %            |
| Total revenues                                | 258.59        | 224.94       | 33.65               | 15.0         |
| Cost of sales and services                    | (101.79)      | (99.35)      | 2.44                | 2.5          |
| Loss on death of animals                      | (10.04)       | (1.63)       | 8.41                | 516.0        |
| Depreciation                                  | (26.76)       | (30.88)      | (4.12)              | (13.3)       |
| <b>Gross profit</b>                           | <b>120.00</b> | <b>93.08</b> | <b>26.92</b>        | <b>28.9</b>  |
| Selling and administrative expenses           | (69.64)       | (75.48)      | (5.84)              | (7.7)        |
| Other incomes                                 | 5.76          | 16.88        | (11.12)             | (65.9)       |
| <b>Profit before interest and expense tax</b> | <b>56.12</b>  | <b>34.48</b> | <b>21.64</b>        | <b>62.8</b>  |
| Finance costs                                 | (10.98)       | (15.77)      | (4.79)              | (30.4)       |
| <b>Profit before expense tax</b>              | <b>45.14</b>  | <b>18.71</b> | <b>26.43</b>        | <b>141.3</b> |
| Expense tax                                   | (10.20)       | 0.27         | (10.47)             | (3,877.8)    |
| <b>Net profit</b>                             | <b>34.94</b>  | <b>18.98</b> | <b>15.96</b>        | <b>84.1</b>  |
| Gross Profit Margin                           | 46.4%         | 41.4%        |                     |              |
| Earnings before interest and taxes            | 21.7%         | 15.3%        |                     |              |
| Earnings before taxes                         | 17.5%         | 8.3%         |                     |              |
| Net Profit Margin                             | 13.5%         | 8.4%         |                     |              |

## 2.2 Report and analysis of financial positions

| (million)                             | As at June 30, 2018 | As at December 31, 2017 | increase (decrease) |        |
|---------------------------------------|---------------------|-------------------------|---------------------|--------|
|                                       |                     |                         | million             | %      |
| Total assets                          | 3,686.53            | 3,730.45                | (43.92)             | (1.2)  |
| Interest-bearing debts                | 555.59              | 690.15                  | (134.56)            | (19.5) |
| Total Liabilities                     | 751.66              | 860.89                  | (109.23)            | (12.7) |
| Total shareholder's equity            | 2,934.87            | 2,869.56                | 65.31               | 2.3    |
| Interest bearing debt to equity ratio | 0.19                | 0.24                    |                     |        |
| Debt to equity ratio                  | 0.26                | 0.30                    |                     |        |

**Assets**

As at June 30, 2018, the Company had total assets of Baht 3,686.53 million decreased from Bath 3,730.45 million as of December 31, 2017 of Baht 43.92 million or -1.2% primarily from short-term loans to related parties of Baht 25 million and animal and plants of Baht 20.14 million from death of animal as significant.

**Liabilities**

As at June 30, 2018, the Company had total liabilities of Baht 751.66 million decreased from Baht 860.89 million as of December 31, 2017 of Baht 109.23 million or -12.7% primarily from the decrease in interest-bearing debts of Baht 134.56 million while there was the increased of income tax payable of Baht 16.47 million and non-current provisions for employee benefits of Baht 10.13 million resulting to the interest-bearing debts to equity ratio and debt to equity ratio was decreased to 0.19 and 0.26, respectively.

**Shareholders' equity**

As at June 30, 2018, the Company had total shareholders' equity of Baht 2,934.87 million increased from Baht 2,869.56 million as of December 31, 2017 of Baht 65.31 million or 2.3% from recognized net profit for the second quarter of the year 2018 as significant.

Please be informed accordingly.

Sincerely yours,

Apar Kewkacha

( Apar Kewkacha )

President