



(TRANSLATION)

SAFARI WORLD PUBLIC COMPANY LIMITED

PCL 0107537000351

Ref. No. 080/2019

4 December 2019

Subject: Notification of the Resolution of the Board of Director's Meeting regarding of the schedule of EGM1/2020, Capital Decrease, Capital increase, an Increasing of investment cost in Carnival Magic Project, and compensation for design and construction to related person.

To: Managing Director
The Stock Exchange of Thailand

Reference: 1. Information Memorandum on the Issuance and Offering of the Newly Issued Shares through Private Placement (PP) of Safari World Public Company Limited
2. Capital Increase Report Form (F53-4)
3. Report of Information Memorandum on the Acquisition of Assets of Safari World Public Company Limited; An increasing of investment cost in Carnival Magic Project.
4. Report of Information Memorandum on the related party transaction of Safari World Public Company Limited; Compensation for business design and the hiring of Cherdchaiwon Company Limited for production and installment of hydraulic platform for Carnival Magic Project, developing under Carnival Magic Company Limited, an indirect subsidiary of the Company.

The Board of Directors of Safari World Public Company Limited at the Meeting No. 17/2019, held on 3 December 2019, had adopted resolutions to report to the SET as follows:

1. Approve to propose that the extraordinary shareholders' meeting No. 1/2020 consider and approve the decrease of registered capital from THB 3,109,552,040 to THB 2,871,210,921 by way of eliminating unissued shares.

2. Approve to propose that the extraordinary shareholders' meeting No. 1/2020 consider and approve the amendment to Clause 4 of the Company's Memorandum of Association so as to in accordance with the decrease of registered capital.

3. Approve to propose that the extraordinary shareholders' meeting No. 2/2020 consider and approve the increase of registered capital to support the offering of newly issued ordinary shares to the Private Placement by THB 650,789,070 from the existing registered capital of THB 2,871,210,921 to THB 3,522,000,000 through the issuance of 650,789,070 new ordinary shares with the par value of THB 1.00 each.

4. Approve to propose that the extraordinary shareholders' meeting No. 1/2020 consider and approve the amendment to Clause 4 of the Company's Memorandum of Association so as to in accordance with the increase of registered capital

5. Approve to propose the increase of the registered capital of the Company by issuing 650,789,079 newly issued ordinary shares with a par value of Baht 1.00 per share accounting for 18.48 percent the Company's issued and paid-up capital to be allocated to Private Placement Investors (the "**Private Placement transaction**" or "**PP transaction**") who are not considered a related person pursuant to the Notification of the Capital Market Supervisory Board No. ThorJor. 21/2551 Re: Rules on Connected Transactions dated 31 August 2008 and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure and Other Acts of Listed Companies on Connected Transactions, B. E. 2546 dated 19 November 2003 (as amended) (the "**Connected Transaction Notifications**"). the company will take into account the persons involved in personnel management and investment in the company very well as individual or / or institutional investors. according to the announcement of the related transaction, in the event that investors receive the allocation of the newly issued ordinary shares this time wishing to nominate the company will present the matter to the Board of Directors meeting and / or the shareholders' meeting for further consideration.

The sale price of the newly issued ordinary shares to Private Placement Investors will be prescribed under the Notification of the Capital Market Supervisory Board No. Tor Chor.72/2558 re: the approval for listed companies to offer newly issued shares in private placement, dated 28 October 2015, as amended. (the "**Private Placement Notifications**"). However, the Company's common shares are not currently traded in the Stock Exchange of Thailand (the "**SET**") so the Company does not have a market price as a reference and the price determined by institutional investors through the book building method is not considered reasonable to the Company's status. As a result, the Company will apply a fair price assessed by a financial advisor who is under the financial advisor list of Securities and Exchange Commission (the "**SEC**") as a reference price to determine the sale price of such newly issued ordinary shares to Private Placement Investors and assign the Board of Directors and/or Management committees and/or the Company's authorized directors to determine the sale price which must not have a discount of not exceeding 10 percent of such fair price and the price must be in the best interest of the Company and the shareholders.

assign the Board of Directors and/or Management committees and/or the Company's authorized directors to determine the sale price which must not have a discount of not exceeding 10 percent of such fair price and the price must be in the best interest of the Company and the shareholders, Whereby empowered to determine and/or revise the sale and allocation of newly issued shares, which include but not limited 1) considering the offering for sale and allocation of the newly issued ordinary shares whether in whole or in part and whether in a single offering or multiple offerings including the determination of the offering period, the offering period, sale price, subscription and settlement methods as well as other terms and conditions in relation to the allocation of such newly issued ordinary shares. 2) negotiating, agreeing, entering into and signing any agreements and/or documents necessary and relevant to the allocation of such newly issued ordinary shares. 3) signing applications, waivers, notices and any documents relating to the allocation of such newly issued ordinary shares, including effecting relevant registrations with the Ministry of Commerce and listing such newly issued ordinary shares on the SET. and 4) Undertaking any acts necessary and relevant to complete the allocation of the newly issued ordinary shares.

6. To propose to the Extraordinary Meeting of Shareholders for consideration and approval of an increasing in investment cost for Carnival Magic Project

In reference to the Company's Extraordinary Meeting of Shareholders No. 1/2017 of Safari World Public Company Limited ("The Company"), held on September 8, 2017, the shareholders have approved of the ratification on the Investment of a new theme park ("Carnival Magic Project") at Phuket Province through a newly set up company, Carnival Magic Company Limited ("Carnival Magic") for the construction and operation of Carnival Magic Project. Carnival Magic is an indirect subsidiary of the Company, owned by Phuket Fantasea Public Company Limited ("Phuket Fantasea"), the Company's subsidiary with 99.92% shareholding of its registered capital held by the Company. The total investment cost of THB 3,570 million consist of THB 3,022 million as the cost of construction, show equipment, theme park design and decoration, service fee for specialist and interest expense, while the remaining THB 548 million accounts for land acquisition and construction of staff house for employees of Phuket Fantasea Company Limited.

The construction of Carnival Magic Project is based on the method of design & build, which is commonly used in the construction of world class theme park. The management of Carnival Magic initially started with overall design and main structure of the project. Currently, the main structural design is completed and the construction of various buildings has progressed by more than 84.63% of the total construction. At present, the project is in the process of the development of utility system including the electricity, water supply, communication and fire extinguishing system. Additionally, the decoration of the entire park has been partly designed and decorated. There are also parts which require further construction due to an increase in useable area. The design also needs to be more details in order to ensure all areas of the project are satisfactory to the tourists and perfectly completed with international standards and can accommodate large number of tourists effectively with the goal of being No. 1 cultural theme park in Asia and No. 3 of the World, following Disneyland and Universal. Moreover, the completed design for lighting shows, consisting of more than 40 million lights also requires more cables and equipment of installation of lighting system. There are also more details added to the lighting parade to make sure all parts are more beautiful, elegance and extravagance. The additional details of the project as mentioned previously require an increase in investment cost and consequently higher financial costs. Hence, the ratification of shareholders in the Extraordinary Meeting of Shareholders No. 1/2017 on September 8, 2017 for an increased investment in Carnival Magic Project to THB 3,570 million is not sufficient.

Therefore, in order to complete the Carnival Magic project by the year 2019 and can be opened by the first quarter of 2020 as according to the target, the Board of Directors Meeting No. 5/2019 on March 15, 2019 had approved to propose to the Annual General Meeting of Shareholders for consideration and approval of an increasing in investment cost of THB 1,866 million from the initial investment cost of THB 3,540 million to THB 5,436 million.

Later, the Board of Directors Meeting No. 17/2019, held on December 3, 2019, has considered the investment cost of Carnival Magic Project again. After the construction of the most detailed steps and is scheduled to open for service in the 1st quarter of 2020, and it is appropriate to propose to the Extraordinary General Meeting of Shareholders No. 1/2020 to consider ratifying the increase in investment in Carnival Magic Project from the investment budget that the Board of Directors No. 5/2019. On March 15, 2019, the approved amount of 5,436 million baht was 5,568 million baht, an increase of 132 million baht or an increase from the investment budget at the extraordinary general meeting of shareholders. 1/2560 which was held on September 8, 2560 has ratified a total of 3,570 million baht to 1,998 million baht.

Although the transaction size for an increased investment of THB 1,998 million, calculated based on the Notification of the Capital Market Supervisory Board No. Tor Jor. 20/2551, Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated 31 August 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand, Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, dated 29 October 2004 (as amended) (altogether referred as “**Notification on Asset Acquisition and Disposal**”), calculated based on the criteria of total value of consideration which has the largest transaction value is equal to 24.99% of the Company and its subsidiary total assets. This is classified as class 2 of the Notification on Asset Acquisition and Disposal with the size of higher than 15% but less than 50%. The transaction value is calculated as per the Company’s consolidated financial statement ended 31 December 2018. However, the Board of Directors has considered that the investment cost is a part of the same project that has been ratified by shareholders on the Extraordinary Meeting of Shareholders No.1/2017 on September 8, 2017. Therefore, the Board of Directors No. 17/2019 on December 3, 2019 agreed to propose the investment cost of the entire project for consideration by shareholders. This will be the final investment cost propose to shareholders for consideration before the opening by the first quarter of the year 2020.

The total investment cost of Carnival Magic Project is equal to THB 5,568 million. The largest transaction value, calculated based on the criteria of total value of consideration, is equal to 161.10% of the Company and its subsidiary’s total assets. This is classified as Class 4 or backdoor listing with the size more than 100%, as per the Company’s consolidated financial statement for 3-months ended 31 March 2015, which is the latest financial statement before the transaction.

However, according to the Notification of the Acquisition and Disposal of Assets, this transaction is not required for submission of an application to list securities of the Company on the SET again (Relisting) due to the following reasons;

- 1) The acquired business is of the same nature as or supports the Company’s existing business
Carnival Magic Project is a theme park, which is in the tourism and leisure business sector and the same business as that of SAFARI Group. Therefore, this transaction will enhance and strengthen the Company’s core business.
- 2) The Company does not have policy to materially change its core business.
The Company and PF do not have policy to change the business operation. SAFARI Group intends to continue to operate in the tourism and leisure sector along with the launch of Carnival Magic Project, which is the same type of business.
- 3) SAFARI Group, as a result of the acquisition of Carnival Magic Project, remains qualified for listing on the SET.
The entry into such transaction is considered an acquisition of another business in the tourism business sector of SAFARI Group, which will be beneficial to the Company in creating future revenue and profits. After the execution of such transaction, SAFARI Group will remain qualified under the SET’s listing requirements as before the entry into the transaction. The Company is currently in the process of rectifying its status to be removed from possible delisting by the SET.
- 4) There is no material change in the Company’s Board of Directors and control of the Company, or shareholders who are in control of the Company.

Following the acquisition of Carnival Magic Project, the Company and its subsidiary will not change its shareholding structure or Board of Directors. SAFARI Group will continue to be operated by the current

Board of Directors (excluding independent directors) and management team. However, the Company appointed 2 independent directors, namely (1) Mr. Dej Namsirikul and (2) Mr. Sompas Nilaphan, to replace 1) Mrs. Sunet Kewkacha and (2) Mr. Thana Kewkacha, who had resigned, respectively. The appointment was in effect from August 27, 2019.

Consequently, the Company is obliged to disclose the information memorandum in relation to the transaction to the SET and to receive approval from the meeting of shareholders with not less than 3-out-of-4 of the total votes from shareholders attending the meeting with voting rights excluding the votes cast by the stakeholders, this agenda is no stakeholders. In addition, the Company is required to appoint an independent financial advisor to give opinion regarding the transaction and to submit this opinion to The Securities and Exchange Commission ('SEC') and shareholders for consideration. The Company has appointed Capital Advantage Company Limited as the independent financial advisor to give opinion on the transaction for consideration by shareholders.

The details on the increase of investment cost in Carnival Magic Project can be found in the report of Information Memorandum on the Acquisition of Assets of Safari World Public Company Limited; the increasing of investment cost in Carnival Magic Project (**Attachment 3**)

7. To propose to the General Meeting of Shareholders for the ratification of the related party transactions in regards to the compensation for business design and the hiring of Cherdchaiwon Company Limited for the production and installment of hydraulic platform in Carnival Magic Project, owned by Carnival Magic Company Limited, an indirect subsidiary of the Company.

Carnival Magic has hired 1) Mr. Pin Kewkacha 2) Mr. Kittikorn Kewkacha and 3) Mr. Somwang Kewkacha, whom are extensively experienced and expertise in the design and management of theme park and understand the local tourism industry well, for the entire Business Design of Carnival Magic Project. In return, Carnival Magic has paid for such services in monthly installment for 7-month period in total of THB 73.50 million ("Business Design for Carnival Magic Project"). This transaction amount is included in the investment cost of Carnival Magic Project.

However Mr. Pin Kewkacha is the director and key management of the Company including Mr. Kittikorn Kewkacha and Mr. Somwang Kewkacha, sons of Mr. Pin Kewkacha which altogether are related parties under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transaction dated 31 August 2008 and (as amended), and the Notification of the Securities and Exchange Commission Re: Disclosure of Information and Other Acts of Listed Companies Concerning Connected Transactions B.E. 2546 dated 19 November 2003 (as amended) (altogether referred as "Notification of Related Transaction"). Thus the Business Design for Carnival Magic Project is considered as a related transaction under the Notification of Related Transaction. The size of such transaction is equivalent to 3.53% of the Company's NTA based on the Company's consolidated financial statement audited by the auditor as of 30 June 2015 which was the most recent financial statement prior to the date of the transaction. Consequently the Company's Board of Directors' meeting No. 7/2016 on June 29, 2016 had approved such related transaction and the Company already disclose to the SET of related transaction between Carnival Magic and those related parties on 29 June 2016. In addition, the Extraordinary Meeting of Shareholders No. 1/2017 held on 8 September 2017 have approved of the ratification for increasing in investment cost of Carnival Magic Project to THB 3,570 million. The mentioned value also included the compensation for business design of the three directors, which the Company had disclosed and received ratification regarding this matter from the shareholders.

Moreover, Carnival Magic also hired Cherdchaiwon Company Limited (“Cherdchaiwon”) as the constructor of a hydraulic elevator platform along with a structural foundation and a lifting for use in Carnival Magic Project. However, the authorized director and major shareholder of Cherdchaiwon is the spouse of Mr. Pin Kewkacha’s daughter whom is the director of the Company. Thus Cherdchaiwon is considered as the related person according to the Notification of Related Transaction. The transaction size of THB 8.88 million with Cherdchaiwon is equivalent to 0.30% of the Company and its subsidiary’s NTA. The Company’s Board of Directors Meeting had approved such related transaction and the Company had disclosed the related transaction to the SET on 25 May 2018.

In consideration of two related transaction stated above, the total transaction size is equivalent to THB 116.00 million or 5.54% of the Company and its subsidiary’s NTA, which is more than THB 20 million and exceeding 3% of the Company and its subsidiary’s NTA. As a result, the Company is required to act following to the Notification of Related Transaction and disclose a report of information memorandum regarding the transactions to SET as follows;

1) To schedule a General Meeting of Shareholders and send out invitation letters to shareholders 14 days prior to the meeting date in order to seek approval of the shareholders of not less than 3-out-of-4 of the total number of the shareholders attending the meeting with voting rights, excluding the votes cast by stakeholders;

2) To appoint the Independent Financial Auditor for giving an opinion on such related transaction following the Notification of Related Transaction. The Company has appointed Capital Advantage Company Limited as Independent Financial Advisor to give opinion regarding these transactions for consideration by shareholders.

Even though both related transactions did not occur within the six months period and both transactions were approved by the Company’s Board of Directors’ Meetings as stated above. Nevertheless, both transactions are under the Carnival Magic Project and related to the same party. The Company’s Board of Directors’ meeting therefore resolved to propose to the EGM 1/2020 for the ratification of such related transactions.

Details of the related transaction can be found in the report of information memorandum on the related transaction of Safari World Public Company Limited; Compensation for business design and the hiring of Cherdchaiwon Company Limited for production and installment of hydraulic platform for Carnival Magic Project, develop under Carnival Magic Company Limited, indirect subsidiary of the Company. (**Attachment 4**)

8. To set the date, time and location for the Extraordinary Meeting of Shareholders No. 1/2020 on 3 February 2020 at the River Safari Restaurant, located at 99 Panya Indra Road, Samwatawantok, Klongsamwa, Bangkok. The agenda of the meeting are as follows;

- | | |
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| Agenda 1 | To adopt the Minutes of the Annual General Meeting for the Year 2019 |
| Agenda 2 | To approve the decrease of registered capital from THB 3,109,552,040 to THB 2,871,210,921 by way of eliminating unissued shares. |
| Agenda 3 | To approve the amendment to Clause 4 of the Company’s Memorandum of Association so as to in accordance with the decrease of registered capital. |
| Agenda 4 | To approve the increase of registered capital to support the offering of newly issued ordinary shares to the Private Placement by THB 650,789,070 from the existing registered |

capital of THB 2,871,210,921 to THB 3,522,000,000 through the issuance of 650,789,070 new ordinary shares with the par value of THB 1.00 each.

- Agenda 5 To approve the amendment to Clause 4 of the Company's Memorandum of Association so as to in accordance with the increase of registered capital
- Agenda 6 To Approve of the capital increase of the Company's
- Agenda 6 To approve the allocation of not more than 650,789,079 newly issued ordinary shares with a par value of Baht 1 per share for allotment to private placement
- Agenda 7 To ratify an increasing of investment cost in Carnival Magic Project
- Agenda 8 To ratify the related party transaction
- Agenda 8.1 To ratify the business design compensation
- Agenda 8.2 To ratify the hiring of Cherdchaiwon Company Limited for the production and installment of Hydraulic Platform in Carnival Magic Project, owned by Carnival Magic Company Limited, an indirect subsidiary of the Company
- Agenda 9 Others, if any

The Company set the record date to determine the list of shareholders who are entitled to attend the Extraordinary Meeting of Shareholders No. 1/2020 to be on 25 December 2019.

Please be informed accordingly,

Sincerely Yours,

- Apar Kewkacha -

(Apar Kewkacha)

President

**Information Memorandum on the Issuance and Offering of the Newly Issued Shares through Private Placement (PP)
of Safari World Public Company Limited**

As the meeting of the Board of Directors of Safari World Public Company Limited (the "Company") No. 17/2019 held on December 3, 2019 approved the increase of the registered capital of the Company by issuing 650,789,079 newly issued ordinary shares with a par value of Baht 1.00 per share accounting for 18.48 percent the Company's issued and paid-up capital to be allocated to Private Placement Investors (the "Private Placement transaction" or "PP transaction") who are not considered a related person pursuant to the Notification of the Capital Market Supervisory Board No. Thor.Jor. 21/2551 Re: Rules on Connected Transactions dated 31 August 2008 and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure and Other Acts of Listed Companies on Connected Transactions, B.E. 2546 dated 19 November 2003 (as amended) (the "Connected Transaction Notifications").

The sale price of the newly issued ordinary shares to Private Placement Investors will be prescribed under the Notification of the Capital Market Supervisory Board No. Tor Chor.72/2558 re: the approval for listed companies to offer newly issued shares in private placement, dated 28 October 2015, as amended. (the "Private Placement Notifications"). However, the Company's common shares are not currently traded in the Stock Exchange of Thailand (the "SET") so the Company does not have a market price as a reference and the price determined by institutional investors through the book building method is not considered reasonable to the Company's status. As a result, the Company will apply a fair price assessed by a financial advisor who is under the financial advisor list of Securities and Exchange Commission (the "SEC") as a reference price to determine the sale price of such newly issued ordinary shares to Private Placement Investors and assign the Board of Directors and/or Management committees and/or the Company's authorized directors to determine the sale price which must not have a discount of not exceeding 10 percent of such fair price and the price must be in the best interest of the Company and the shareholders.

The private placement transaction must seek approval of the Company's shareholders meeting with the votes not less than $\frac{3}{4}$ of votes of total votes of shareholders presented and have right to vote which excludes shareholders who have conflicts of interest. In the regard, there are no shareholders who have conflict of interest regarding this transaction. In addition, the private placement transaction is considered approved as soon as the Company has completely complied with the rules determined under section 1 part 2 of the Private Placement Notifications.

The material information which is important to the shareholders' decision making is as follows:

1. Details of the offering

1.1 Details of the number of newly issued shares and type of investors to be allocated

The Company shall issue 650,789,079 newly issued ordinary shares with a par value of Baht 1.00 per share to be allocated to Private Placement investors which the Company will consider the selection of potential private placement investors which could be an individual investor or multiple investors. However, the private placement investors must not be related persons as prescribed under the Connected Transaction

Notifications. In case of the private placement investors who have acquired newly issued shares from with this private placement transaction have an intention to propose to be one of the Company's board of directors, the Company will take such proposal to the meeting of the Board of Directors and/or the shareholders meeting for approval.

1.2 Details of the determination of the sale price and the market price and the plans of the sale and the allocation

The sale price of the newly issued ordinary shares for the private placement transaction must be complied with the rules under the Private Placement Notifications. However, the Company's common shares are not currently traded in the SET so the Company does not have a market price as a reference and the price determined by institutional investors through the book building method is not considered reasonable to the Company's status. As a result, the Company will apply a fair price assessed by a financial advisor who is under the financial advisor list of the SEC as a reference price to determine the sale price of such newly issued ordinary shares to Private Placement Investors and assign the Board of Directors and/or Management committees and/or the Company's authorized directors to determine the sale price which must not have a discount of not exceeding 10 percent of such fair price and the price must be in the best interest of the Company and the shareholders.

Whereby empowered to determine and/or revise the sale and allocation of newly issued shares, which include but not limited 1) considering the offering for sale and allocation of the newly issued ordinary shares whether in whole or in part and whether in a single offering or multiple offerings including the determination of the offering period, the offering period, sale price, subscription and settlement methods as well as other terms and conditions in relation to the allocation of such newly issued ordinary shares. 2) negotiating, agreeing, entering into and signing any agreements and/or documents necessary and relevant to the allocation of such newly issued ordinary shares. 3) signing applications, waivers, notices and any documents relating to the allocation of such newly issued ordinary shares, including effecting relevant registrations with the Ministry of Commerce and listing such newly issued ordinary shares on the SET. and 4) Undertaking any acts necessary and relevant to complete the allocation of the newly issued ordinary shares.

2. Objectives of the capital increase and plans for utilizing proceeds received from the capital increase

The Company will utilize the proceeds from the capital increase as follows;

- 1) To redeem debentures of the Company Group that have maturity date in 2020 which based on the financial statement of the Company for the nine-month period ended 30 September 2019, the amount of the Company's debentures is 2,568.30 million Baht and/or

2) To repay loans from financial institutions which based on the financial statement of the Company for the nine-month period ended 30 September 2019, the amount of the Company's loans from financial institutions is 916.07 million Baht.

3. Impact of the issuance of newly issued ordinary shares to private placement investors

The issuance of newly issued ordinary shares of the Company for the private placement transaction will have an impact on the Company's shareholders as follows:

3.1 Price dilution

As ordinary shares of the Company are not traded in the SET, there is no market price of the Company's ordinary shares and there is no price dilution.

3.2 Control dilution

$$\begin{aligned} &= \frac{\text{Number of shares offered in this offering}^*}{\text{Number of paid-up shares} + \text{Number of shares offered in this offering}^*} \\ &= \frac{650,789,079}{(2,871,210,921 + 650,789,079)} \\ &= \frac{650,789,079}{3,522,000,000} \\ &= 18.48 \text{ percent (the shareholder holding is diluted by 18.48 percent)} \end{aligned}$$

3.3 Earnings per Share Dilution

Earnings per share dilution can be calculated by using a formula as follows;

$$\text{Earnings per Share Dilution} = (\text{Earnings per Share before private placement transaction} - \text{Earnings per Share after private placement transaction}) / \text{Earnings per Share before private placement transaction}$$

Which;

Earnings per Share before private placement transaction = Net Profit (Loss) of the 4 most recent quarters / number of registered ordinary shares

Net Profit (Loss) of the Company of the 4 most recent quarters is calculated from net profit (loss) to shareholders of the Company in the 4 most recent quarters since quarter 4 of 2018 till quarter 3 of 2019 equals 61,785,497 Baht.

Number of registered and paid-up shares as of 26 November 2019 equals 2,871,210,921 shares

$$\begin{aligned} &= \frac{61,785,497}{2,871,210,921} . \\ &= 0.0231 \text{ Baht per share} \end{aligned}$$

Earnings per Share after private placement transaction = Net Profit (Loss) of the 4 most recent quarters / (number of registered ordinary shares + number of newly issued ordinary shares)

Net Profit (Loss) of the Company of the 4 most recent quarters is calculated from net profit (loss) to shareholders of the Company in the 4 most recent quarters since quarter 4 of 2018 till quarter 3 of 2019 equals 61,785,497 Baht.

Number of registered and paid-up shares as of 26 November 2019 equals 2,871,210,921 shares

Number of newly issued ordinary shares allocating to private placement investors equals 650,789,079 shares

$$\begin{aligned} &= \frac{61,785,497}{(2,871,210,921 + 650,789,079)} . \\ &= 0.0188 \text{ Baht per share} \end{aligned}$$

Thus, earnings per share dilution can be calculated as follows;

$$\begin{aligned} &= \frac{(0.0231 - 0.0188)}{0.0231} \\ &= 18.48 \text{ percent} \end{aligned}$$

Therefore, after the issuance and allocation of the newly issued ordinary shares to the private placement investors, there will be earnings per share dilution of 18.48 percent.

4. Opinion of the Company's Board of Directors

4.1 Reason and necessary of the capital increase

The Board of Directors has opined that the capital increase via private placement transaction is necessary and reasonable as the Company has a plan to restructure the financial position of the Company by redeeming debentures and loans from financial institutional. Currently, the process is under negotiations regarding terms and conditions. If the Company is offered a long-term loan from a financial

institutional and received proceeds from the capital increase via private placement transaction, the Company will redeem debentures which will lead to a decreased finance cost as well as more financial stability and liquidity.

4.2 Possibility of the plan to use capital from the rights offering

The Company expects the issuance and allocation of newly issued shares to private placement investors receives capital from such capital increase within June 2020 and expects to use money from such capital increase in accordance with objectives in section 2 within the 3rd quarter of 2020.

4.3 Appropriateness of the capital increase, a plan to use funds, project to be operated and an adequate source of funds

The capital increase and issuance of newly issued ordinary shares are appropriate and reasonable as the Company's finance cost will be lower due to the redemption of debentures. In addition, the capital increase will lead to more working capital and at the same time the financial position and the debt structure of the Company will be more reasonable.

4.4 Impacts on business, financial position and financial performance of the Company

The Board of Directors has opined that this capital increase will reduce interest expense due to the redemption of debentures and bills of exchange which leads to a lower finance cost and increase financial strength of the Company as debt to equity ratio improves which is beneficial to the Company and shareholders.

5. Warranty of Directors

The Board of Directors certifies that the Board of Directors has performed its duty with honesty and has carefully preserved the benefit of the Company in relation to such increase of the registered capital. However, in the case that such performance of duty cause damage to the Company, the shareholders are entitled to file a lawsuit to claim for damages from such director on behalf of the Company as specified in Section 85 of the Securities and Exchanges Act B.E. 2535.

In addition, in the case that such performance of duty causes a director or his/her related person to obtain undue benefit, the shareholders shall be entitled to file a lawsuit to claim for such benefit from such director on behalf of the Company as specified in Section 89/18 of the Securities and Exchanges Act B.E. 2535.

Moreover, the Board of Directors certifies that the Board of Directors has exercised due care in the consideration and examination of information and has opined that the private placement transaction is necessary and reasonable to the Company's financial position and will strengthen and sustain the Company's businesses.

Please be informed accordingly

Sincerely Yours

- *Apar Kewkacha*-

(Apar Kewkacha)

President

(-Translation-)

Capital Increase Report Form
Safari World Public Company Limited
December 4, 2019

Safari World Public Company Limited (the "Company"), hereby report the resolutions of the Board of Directors' Meeting No. 17/2019 held on December 3, 2019 in respect of the capital increase and shares allotment as follows:

1. Capital increase

The Board of Directors' Meeting No. 17/2019 approved to increase of the registered capital of the Company by Baht 650,789,079 from Baht 2,871,210,921 to Baht 3,522,000,000 by issuing 650,789,079 new ordinary shares with a par value of Baht 1.00 per share, detailed as follows:

Type of Capital Increase	Type of shares	Number of shares (shares)	Par value (Baht per share)	Total (Baht)
<input checked="" type="checkbox"/> Specific purpose of utilizing the proceeds	Ordinary	650,789,079	1.00	650,789,079
<input type="checkbox"/> General Mandate	-	-	-	-

2. Allocation of new shares

2.1 Details of allotment

Allotted to	Number (shares)	Ratio (Old : New)	Sale price per share (Baht)	Date and time of subscription and share payment	Remark
Allocated to Private Placement Investors who are not related persons	650,789,079	-	Remark 1	-	Remark 2 and 3

Remark

- The sale price of the newly issued ordinary shares to Private Placement Investors will be prescribed under the Notification of the Capital Market Supervisory Board No. Tor Chor.72/2558 re: the approval for listed companies to offer newly issued shares in private placement, dated 28 October 2015, as amended. (the "Private Placement Notifications"). However, the Company's common shares are not currently traded in the Stock Exchange of Thailand (the "SET") so the

Company does not have a market price as a reference and the price determined by institutional investors through the book building method is not considered reasonable to the Company's status. As a result, the Company will apply a fair price assessed by a financial advisor who is under the financial advisor list of Securities and Exchange Commission (the "SEC") as a reference price to determine the sale price of such newly issued ordinary shares to Private Placement Investors and assign the Board of Directors and/or Management committees and/or the Company's authorized directors to determine the sale price which must not have a discount of not exceeding 10 percent of such fair price and the price must be in the best interest of the Company and the shareholders.

2. Whereby empowered to determine and/or revise the sale and allocation of newly issued shares, which include but not limited 1) considering the offering for sale and allocation of the newly issued ordinary shares whether in whole or in part and whether in a single offering or multiple offerings including the determination of the offering period, the offering period, sale price, subscription and settlement methods as well as other terms and conditions in relation to the allocation of such newly issued ordinary shares. 2) negotiating, agreeing, entering into and signing any agreements and/or documents necessary and relevant to the allocation of such newly issued ordinary shares. 3) signing applications, waivers, notices and any documents relating to the allocation of such newly issued ordinary shares, including effecting relevant registrations with the Ministry of Commerce and listing such newly issued ordinary shares on the SET. and 4) Undertaking any acts necessary and relevant to complete the allocation of the newly issued ordinary shares.
3. Private Placement Investors (the "**Private Placement transaction**" or "**PP transaction**") who are not considered a related person pursuant to the Notification of the Capital Market Supervisory Board No. Thor.Jor. 21/2551 Re: Rules on Connected Transactions dated 31 August 2008 and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure and Other Acts of Listed Companies on Connected Transactions, B.E. 2546 dated 19 November 2003 (as amended) (the "**Connected Transaction Notifications**") and the Company will consider the selection of potential private placement investors which could be an individual investor or multiple investors. However, the private placement investors must not be related persons as prescribed under the Connected Transaction Notifications. In case of the private placement investors who have acquired newly issued shares from with this private placement transaction have an intention to propose to be one of the Company's board of directors, the Company will take such proposal to the meeting of the Board of Directors and/or the shareholders meeting for approval.

2.2 Action to be taken by the Company when there are fractions of shares

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3. Schedule for shareholders meeting to approve the capital increase and the allocation of shares

The Extraordinary General Meeting of Shareholders No. 1/2020 on February 3, 2020 at 9.00 a.m. at River Safari, 99 Panyaintra Road, Samwatawantok, Khlong Sam Wa, Bangkok 10510

- The share register will be recorded for share transfer in order to determine the right to attend this meeting (Record Date) is December 25, 2562
- The share register will be closed to share transfers in order to determine the right to attend this meeting from ____ until the meeting has been duly convened.

4. Approval of the capital increase/share allotment by relevant governmental agency and related conditions

- 4.1 The private placement transaction is considered approved as soon as the Company has completely complied with the rules determined under section 1 part 2 of the Private Placement Notifications.
- 4.2 The Company will register the increase of registered capital and paid-up capital with the Department of Business Development, Ministry of Commerce.
- 4.3 The Company will request the Stock Exchange of Thailand for the approval for listed the newly issued ordinary shares on the Stock Exchange of Thailand.

5. Objectives of the capital increase and plans for utilizing proceeds received from the capital increase

The Company will utilize the proceeds from the capital increase as follows;

- 3) To redeem debentures of the Company Group that have maturity date in 2020 which based on the financial statement of the Company for the nine-month period ended 30 September 2019, the amount of the Company's debentures is 2,568.30 million Baht and/or
- 4) To repay loans from financial institutions which based on the financial statement of the Company for the nine-month period ended 30 September 2019, the amount of the Company's loans from financial institutions is 916.07 million Baht.

6. Benefits which the company will receive from the capital increase/share allotment:

The Company will use the proceeds from the capital increase by private placement to redeem short-term debt in the form of bonds and bills of exchange which will not only lead to lower finance cost but will also strengthen financial position. As a result, the Company's profitability will increase as well as more liquidity due to the increase working capital.

7. Benefits which the shareholders will receive from the capital increase/share allotment:

7.1 Dividend policy

The Company has a dividend policy of at least 60% of its net profit after tax stated in the separate financial statements and after deduction for legal reserves. In this regard, the Company will consider financial performance, financial position, liquidity, investment plan, necessity for working capital of business operation, business expansion and other factors that are relevant to the management of the Company in accordance with the Board of Directors and/or the Company's shareholders consider appropriate. However, there must not be retained loss in equity.

7.2 Subscribers of newly issued ordinary shares issued for this capital increase will be entitled to receive dividends from the Company's business operations starting from

The subscriber who intends to subscribe the newly issued ordinary shares shall be entitled to receive the dividend payment once they are registered as shareholders of the Company.

7.3 Others

- None –

8. Other details necessary for shareholders to approve the capital increase/share allotment:

Please consider the impact of the issuance of newly issued ordinary shares to private placement investors under section 3 of Information Memorandum on the Issuance and Offering of the Newly Issued Shares through Private Placement (PP) of Safari World Public Company Limited

9. Schedule of action where the Board of Directors of the company passes a resolution approving the capital increase or allotment of new shares:

No.	Procedure	Date/Month/Year
1.	Board of Directors' Meeting No. 17/2019	December 3, 2019
2.	The date for determining the names of shareholders who shall entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2020 (Record Date)	December 25, 2019
3.	Extraordinary General Meeting of Shareholders No. 1/2020	February 03, 2020
4.	Registration of capital increase with the Ministry of Commerce	Within 14 days after the closing of the subscription and payment period for the newly issued ordinary shares
5.	Offering Period of Private Placement Transaction	To be informed later (Please consider Section 2 Remark 2)
6.	Registration of capital increase with the Ministry of Commerce	Within 14 days from the day of shareholders meeting's resolution

The Company hereby certifies that the information contained in this report form is true and complete in all respects.

Please be informed accordingly

Sincerely Yours

- Apar Kewkacha-

(Apar Kewkacha)

President

Report of Information Memorandum on the Acquisition of Assets of Safari World Company Limited

An increasing in investment cost for Carnival Magic Project

In reference to the Company's Extraordinary Meeting of Shareholders No. 1/2017 of Safari World Public Company Limited ("The Company"), held on September 8, 2017, the shareholders have approved of the ratification on the Investment of a new theme park ("Carnival Magic Project") at Phuket Province through a newly set up company, Carnival Magic Company Limited ("Carnival Magic") for the construction and operation of Carnival Magic Project. Carnival Magic is an indirect subsidiary of the Company, owned by Phuket Fantasea Company Limited ("Phuket Fantasea"), the Company's subsidiary with 99.92% shareholding of its registered capital held by the Company. The total investment cost of THB 3,570 million consist of THB 3,022 million as the cost of construction, show equipment, theme park design and decoration, service fee for specialist and interest expense, while the remaining THB 548 million accounts for land acquisition and construction of staff house for employees of Phuket Fantasea Public Company Limited.

The construction of Carnival Magic Project is based on the method of design & build, which is commonly used in the construction of world class theme park. The management of Carnival Magic initially started with overall design and main structure of the project. Currently, the main structural design is completed and the construction of various buildings has progressed by more than 84.63% of the total construction. At present, the project is in the process of the development of utility system including the electricity, water supply, communication and fire extinguishing system. Additionally, the decoration of the entire park has been partly designed and decorated. There are also parts which require further construction due to an increase in useable area. The design also needs to be more details in order to ensure all areas of the project are satisfactory to the tourists and perfectly completed with international standards and can accommodate large number of tourists effectively with the goal of being No. 1 cultural theme park in Asia and No. 3 of the World, following Disneyland and Universal. Moreover, the completed design for lighting shows, consisting of more than 40 million lights also requires more cables and equipment of installation of lighting system. There are also more details added to the lighting parade to make sure all parts are more beautiful, elegance and extravagance. The additional details of the project as mentioned previously require an increase in investment cost and consequently higher financial costs. Hence, the ratification of shareholders in the Extraordinary Meeting of Shareholders No. 1/2017 on September 8, 2017 for an increased investment in Carnival Magic Project to THB 3,570 million is not sufficient.

The Company's Board of Directors' Meeting No. 5/2019 on March 15, 2019 has resolved to propose the shareholders for approval of an increased investment in Carnival Magic Project of THB 1,866 million from initial investment of THB 3,570 million to 5,436 million. Subsequently, the Board of Directors Meeting No. 7/2019, held on April 9, 2019, canceled the proposed agenda at the 2019 Annual General Meeting regarding the investment budget of Carnival Magic Project and regarding the connected transaction of the subsidiary which occurred under the said project, Since the independent financial advisor at that time want to spend time studying and preparing additional information Therefore unable to present the complete and timely information to the shareholders for the 2019 Annual

General Meeting and requested the Company Arrange an extraordinary meeting of shareholders to consider the matter further

The Board of Directors Meeting No. 17/2019, held on December 3, 2019, has considered the investment cost of the Carnival Magic project again after the construction of the most detailed steps found that there are subtleties that should add more detail to the whole project to be as complete as possible, Which is necessary to use the investment budget in the decoration category increased and from the postponement of the service from the end of the year 2019 to the first quarter of 2020, which is the appropriate time for the CM project to receive a better response, because the tourism situation of Phuket should revive to be popular with foreigners again, Causing interest on loans and wages, which was previously calculated only at the end of 2019, need to increase the investment cost of the CM project therefore needs to be increased from the Board of Directors' Meeting No. 5/2019 on 15 March 2019, in the amount of 5,436 million baht, in the amount of 132 million baht, totaling 5,568 million baht or increased in investment from the investment cost that the extraordinary general meeting of shareholders No. 1/2017 on 8 September 2017 ratified in the amount of 3,570 million baht, amounting to 1,998 million baht., which the committee Carnival Magic Co., Ltd. and Phuket FantaSea Public Company Limited Considered and approved the said additional investment cost and propose to the Board of Directors No. 17/2019 on December 3, 2019 to consider and approve the said investment cost increase.

Although the transaction size for an increased investment of THB 1,998 million, calculated based on the Notification of the Capital Market Supervisory Board No. Tor Jor. 20/2551, Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated 31 August 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand, Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, dated 29 October 2004 (as amended) (altogether referred as "**Notification on Asset Acquisition and Disposal**"), calculated based on the criteria of total value of consideration which has the largest transaction value is equal to 24.99% of the Company and its subsidiary total assets. This is classified as class 2 of the Notification on Asset Acquisition and Disposal with the size of higher than 15% but less than 50%. The transaction value is calculated as per the Company's consolidated financial statement ended 31 December 2018. However, the Board of Directors has considered that the investment cost is a part of the same project that has been ratified by shareholders on the Extraordinary Meeting of Shareholders No.1/2017 on September 8, 2017. Therefore, the Board of Directors No. 17/2019 on December 3, 2019 agreed to propose the investment cost of the entire project for consideration by shareholders. This will be the final investment cost propose to shareholders for consideration before the opening by the first quarter of the year 2020.

The total investment cost of Carnival Magic Project is equal to THB 5,568 million. The largest transaction value, calculated based on the criteria of total value of consideration, is equal to 161.10% of the Company and its subsidiary's total assets. This is classified as Class 4 or backdoor listing with the size more than 100%, as per the Company's consolidated financial statement for 3-months ended 31 March 2015, which is the latest financial statement before the transaction.

Nonetheless, this transaction of asset acquisition is not required for submission of an application to list securities of the Company on the SET again (Relisting), according to the Notification on Asset Acquisition and Disposal (details as shown on No. 3.2). Hence, the Company is obliged to disclose the information memorandum in relation to the transaction to the SET and to receive approval from the meeting of shareholders with not less than 3-out-of-4 of the total votes from shareholders attending the meeting with voting rights excluding the votes cast by the stakeholders, this agenda is no stakeholders. In addition, the Company is required to appoint an independent financial advisor to give opinion regarding the transaction and to submit this opinion to The Securities and Exchange Commission ('SEC') and shareholders for consideration. The Company has appointed Capital Advantage Company Limited as the independent financial advisor to give opinion on the transaction for consideration by shareholders.

Details of the transaction are as follows:

1 Date of Transaction:

CM will carry on the construction until it is completed and commence commercial operation within the first quarter of 2020.

2 Relevant Parties / Relationship with Listed Company

For the development of Carnival Magic Project, the Company has hired various specialists in the theme park industry and has ordered equipment from various companies. However, the Company is unable to disclose the name of those companies as they are the Company's trade secret. The transaction related to development of Carnival Magic Project is according to industry standard and has no transaction with related person except first of all, the hiring of the 3 executives consisting of Mr. Pin Kewkacha, Mr. Kittikorn Kewkacha and Mr. Somwang Kewkacha for business design of Mueng Fire Project, which is part of Carnival Magic Project, with transaction amount of THB 107.70 million. Second, the transaction with Cherdchaiwon Company Limited for the construction of hydraulic lift with the contract value of THB 8.80 million, whereby the shareholder of Cherdchaiwon is the spouse of the daughter of the Company's director. As such, both related transactions mentioned above shall be propose to the General Meeting of Shareholders for consideration and Independent Financial Auditor shall give opinions regarding these transactions. Details regarding related party transaction can be found in the report of information memorandum on the related party transaction of Safari World Public Company Limited; compensation for business design and the hiring of Cherdchaiwon Company Limited for production and installment of hydraulic platform for Carnival Magic Project, developing under Carnival Magic Company Limited, an indirect subsidiary of the Company (Attachment 3).

3 Nature and size of the transaction

3.1 Nature of the Transaction

The Company, by PF and CM (“The Group”), has invested in development of a nighttime theme park tourist attraction in the name of Carnival Magic Project, to be operated by CM and developed on land belonging to PF which is next to Phuket FantaSea Project of PF, located at Kamala Beach, Kathu District, Phuket. There are two parts of the land, one of about 82 rai 3 ngan 74.2 square wah for construction of Carnival Magic Project and the other of 12 rai for staff house of PF and CM, together with electrical substation and generator, making up a total land area of approximately 94 rai 3 ngan 74.2 square wah with a total investment value of Baht 5,436 million. SAFARI Group commenced the project development in May 2015 and the construction in June 2016, planning to complete and launch the commercial operation in the first quarter of 2020

The initial investment cost was Baht 1,450 million, which was later increased twice as follows:

- 1st Increase In 2017, the investment value was increased by Baht 2,120 million to Baht 3,570 million, which was ratified by the Company’s EGM No. 1/2017 on September 8, 2017; and
- 2nd Increase The investment value was increased by Baht 1,866 million to Baht 5,436 million, which will be proposed for ratification by the Company’s EGM No. 1/2019.

The first investment increase from 1,450 million baht to 3,570 million baht.

According to the Extraordinary General Meeting of the Company’s shareholders No. 1/2017 on 8 September 2017 passed a resolution on the ratification of investment in and operation of Carnival Magic Project with an increase in the investment cost from the previously approved amount of Baht 1,450 million to Baht 3,570 million, consisting of Investment cost of CM for Carnival Magic Project of Baht 3,022 million as the cost of construction, show equipment, theme park design and decoration, service fee for specialist and interest expense¹, and Investment cost of Phuket Fantasea of Baht 548 million comprising, cost of land acquired by PF in 2015 for development of Carnival Magic Project and land with staff house, cost of construction of new staff house on the land and cost of electrical substation and generator.

Increase in the investment was mainly driven by the purchase of 3 plots of land, with a total area of 45 rai 3 ngan 92.4 square wah and value of Baht 315 million, from the previous owner instead of leasing. This has reduced risk of operating the project in the long term. The Company, therefore, adjusted the master plan of Carnival Magic Project in order to enhance its ability to accommodate tourists and sustainability of the operation in the long term. The adjustment increased the project’s usable area by 50,717 square metres, or 76.70 percent, by enlarging main areas and buildings of the project, such as show building, restaurant building, souvenir building, light city structure, and electricity, water piping, communication systems, and other infrastructure.

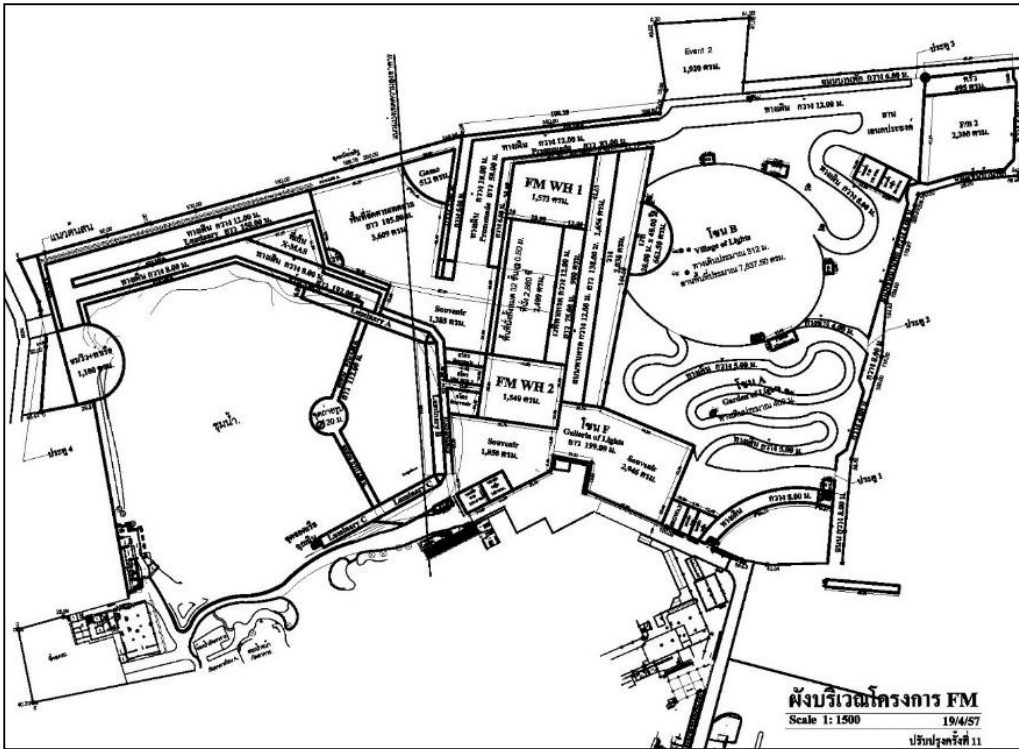
The 2nd investment increase from 3,570 million baht to 5,568 million baht.

The overall construction progress of Carnival Magic Project is going according to the plan despite the setbacks from Phuket's weather in 2017 with more rains compared to other years. In addition, the shortage of immigrant workers also resulted in temporary suspension of the construction though other aspects of the project still proceed smoothly. Nevertheless, the construction of Carnival Magic Project is based on the method of design & build, which is commonly used in the construction of world class theme park, whereby the details of the theme park's design shall be decided after the completion of the design for the main structure.

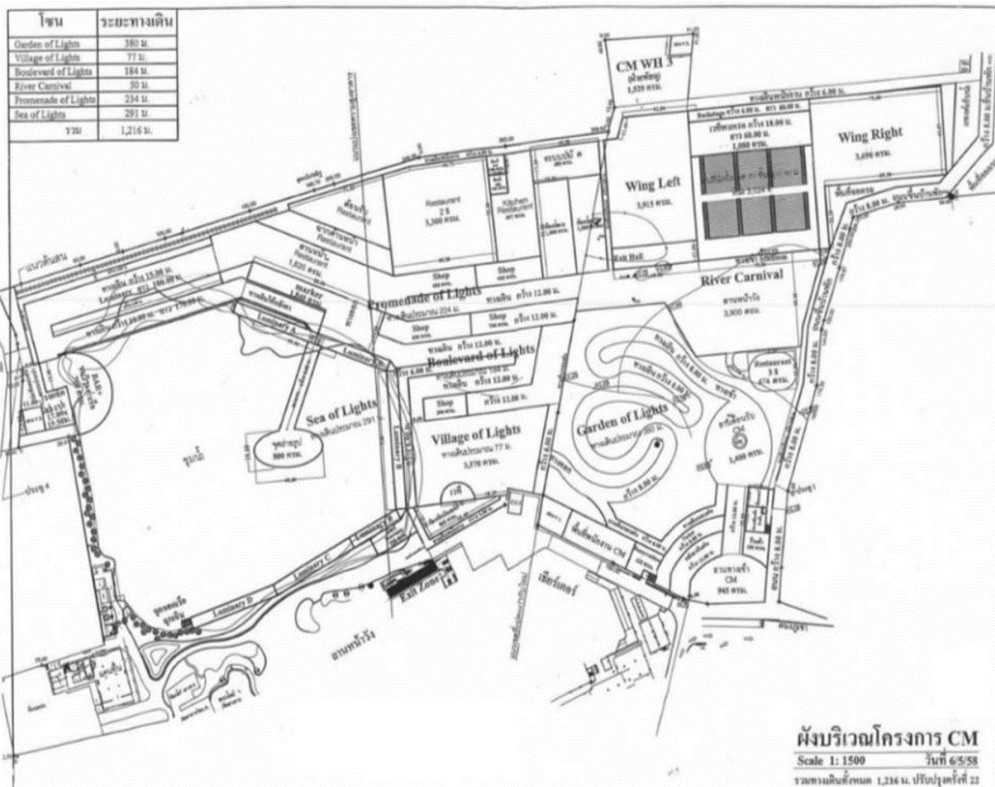
The reason Carnival Magic uses the design and build method for the construction is because it will allow Carnival Magic Project to open in 2019, which is the best year given the conditions and factors supporting tourism industry. These factors include a potential increase in number of foreigners traveling to Phuket up to 15 million tourists. In addition, the improve transportation system of Phuket will also bring in more tourists such as the expansion of Phuket Airport, the development of roads and tunnel, the launch of leading department stores, restaurants and hotel etc. The construction of Carnival Magic Project has currently progressed up to 80% of the total work. In the event that the Company waited for the design of the entire project to be completed before starting with the construction, like other real estates, it will probably takes 7-8 years for the completion of the design and Carnival Magic Project will be able to open by the year 2025. This will result in the opportunity lost for the group companies to grow and may require higher investment cost due to increase in price of metals and construction materials.

The construction of Carnival Magic Project has progressed by more than 80% of the total construction. At present, the project is in the process of the development of utility system including the electricity, water supply, communication and fire extinguishing system. Additionally, the decoration of the entire park has been partly designed and decorated. There are also parts which require further construction due to an increase in useable area. Especially the lighting shows, consisting of more than 15 million lights also requires more cables and equipment for installation of lighting system. There are also more details added to the lighting parade to make sure all parts are more beautiful, elegance and extravagance. The additional details of the project as mentioned previously require an increase in investment cost and consequently higher financial costs. Hence, the ratification of shareholders in the Extraordinary Meeting of Shareholders No. 1/2017 on September 8, 2017 for an increased investment in Carnival Magic Project to THB 3,570 million is not sufficient. The Company is then obliged to increase investment cost of THB 1,998 million in Carnival Magic Project from initial investment of THB 3,570 million to THB 5,568 million. However, there was no cost overrun of the design work and was approved at the Extraordinary General Meeting of Shareholders No. 1/2017 on 8 September 2017.

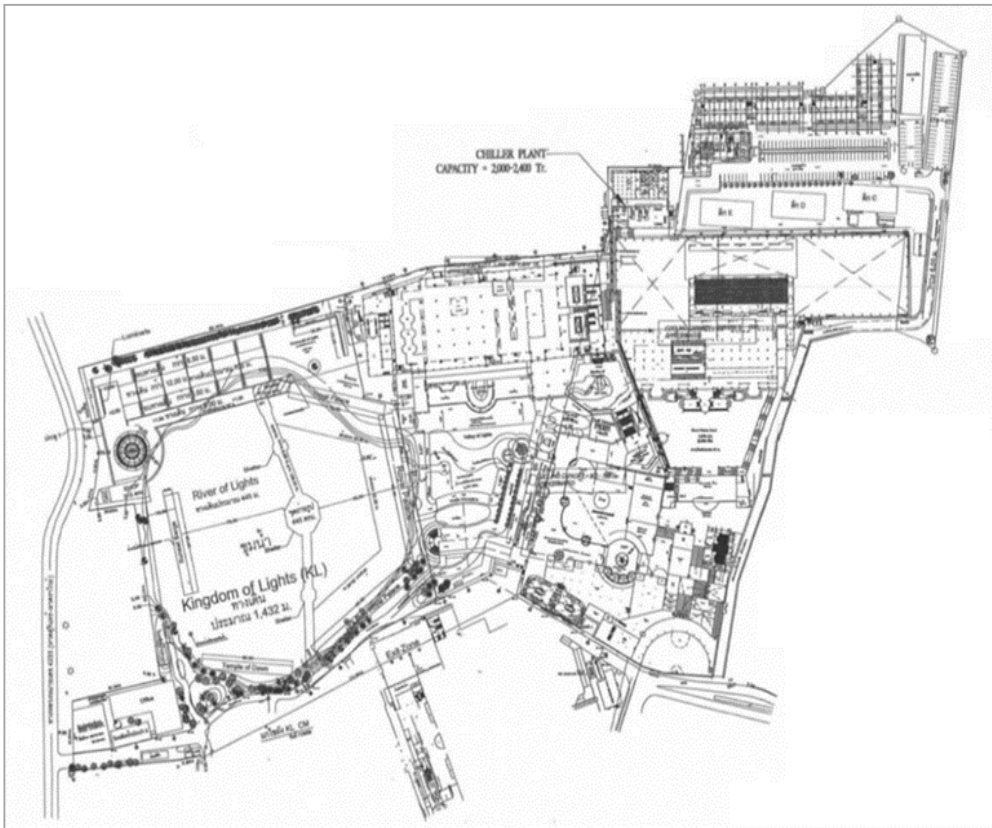
Project Layout: For the Initial Investment Value of Baht 1,450 Million



Project Layout: For the Investment Value of Baht 3,570 Million



Project Layout: For the Investment Value of Baht 5,436 Million



3.2 Criteria for Calculation of Transaction Size

Although the Company requested an addition investment cost of THB 1,998 million and the transaction size, calculated based on the criteria of total value of consideration which has the largest transaction size is equal to 24.99% of the Company and its subsidiary's total assets. This is classified as class 2 of the Notification on Asset Acquisition and Disposal with the size of higher than 15% but less than 50%. The transaction size is calculated as per the Company's consolidated financial statement ended 31 December 2018. However, the Board of Directors has considered that the investment cost as part of the same project that has been ratified by shareholders on the Extraordinary Meeting of Shareholders No.1/2017 on September 8, 2017. Therefore, the Board of Directors No. 17/2019 on December 3, 2019 agreed to propose the investment cost for the entire project of THB 5,568 million for consideration and approval by shareholders.

The total investment cost of Carnival Magic Project is THB 5,568 millions with details of transaction size calculation as follows:

Method	Calculation	Transaction Size (%)
1) Net Tangible Assets	$\frac{\% \text{Shareholding} \times \text{NTA of Acquiring Entity} \times 100}{\text{NTA of the Company}}$	-Not Applicable-
2) Net Profit	$\frac{\% \text{Shareholding} \times \text{Net Profit of Acquiring Entity} \times 100}{\text{Net Profit of the Company}}$	-Not Applicable-
3) Total value of Consideration	$\frac{\text{Amount Paid} \times 100}{\text{Total Assets of the Company}}$	$(5,568.00 / 3,455.35^{1/}) \times 100$ = 161.10%
4) Value of Securities issued by the Company	$\frac{\text{Equity shares issued for the payment of assets} \times 100}{\text{Paid-up shares of the Company}}$	-Not Applicable-

Remarks: ^{1/} Total Assets of the Company as of 31 March 2015 was THB 3,972.15 million deducted with THB 516.8 million of capital from capital increase No. 1/2015, for the purpose of investment in Carnival Magic, which has been included in the investment cost of Carnival Magic Project.

The transaction size for the investment in Carnival Magic Project, calculated on the basis of total value paid which is the criterion with the highest result, is equivalent to 161.10% of the Company and its subsidiary total asset. The size, calculated based on the financial statement of the Company for the three months ended 31 March 2015 which is the latest financial statement prior to the entry of the transaction, is higher than 100% and considered as asset acquisition Class 4 or Backdoor Listing. However, according to the Notification of the Acquisition and Disposal of Assets, this transaction is not required for submission of an application to list securities of the Company on the SET again (Relisting) due to the following reasons;

- 1) The acquired business is of the same nature as or supports the Company's existing business
Carnival Magic Project is a theme park, which is in the tourism and leisure business sector and the same business as that of SAFARI Group. Therefore, this transaction will enhance and strengthen the Company's core business.
- 2) The Company does not have policy to materially change its core business.
The Company and PF do not have policy to change the business operation. SAFARI Group intends to continue to operate in the tourism and leisure sector along with the launch of Carnival Magic Project, which is the same type of business.

- 3) SAFARI Group, as a result of the acquisition of Carnival Magic Project, remains qualified for listing on the SET.

The entry into such transaction is considered an acquisition of another business in the tourism business sector of SAFARI Group, which will be beneficial to the Company in creating future revenue and profits. After the execution of such transaction, SAFARI Group will remain qualified under the SET's listing requirements as before the entry into the transaction. The Company is currently in the process of rectifying its status to be removed from possible delisting by the SET.

- 4) There is no material change in the Company's Board of Directors and control of the Company, or shareholders who are in control of the Company.

Following the acquisition of Carnival Magic Project, the Company and its subsidiary will not change its shareholding structure or Board of Directors. SAFARI Group will continue to be operated by the current Board of Directors (excluding independent directors) and management team. However, the Company appointed 2 independent directors, namely (1) Mr. Dej Namsirikul and (2) Mr. Sompas Nilaphan, to replace 1) Mrs. Sunet Kewkacha and (2) Mr. Thana Kewkacha, who had resigned, respectively. The appointment was in effect from August 27, 2019.

Consequently, the Company is obliged to disclose the information memorandum in relation to the transaction to the SET and to receive approval from the meeting of shareholders with not less than 3-out-of-4 of the total votes from shareholders attending the meeting with voting rights excluding the votes cast by the stakeholders, this agenda is no stakeholders. In addition, the Company is required to appoint an independent financial advisor to give opinion regarding the transaction and to submit this opinion to The Securities and Exchange Commission ('SEC') and shareholders for consideration. The Company has appointed Capital Advantage Company Limited as the independent financial advisor to give opinion on the transaction for consideration by shareholders.

4 Details of the Acquiring Assets

Carnival Magic Project is a nighttime tourist attraction located next to Phuket Fantasea Project, at Kamala Beach, Kathu District, Phuket. It is a theme park with adaptation of Thai culture, showcasing hi-tech awe-inspiring LED lights and grand theatrical show, never before seen elsewhere in the world. It also provides guests with dinner, choices of souvenirs and various activities to enjoy in the ambience of decorated lights of intricate designs throughout the whole park. The project is designed and managed by executive management team of group companies, who have over 50-year of experience in the tourism industry. It is the management team's vision to create world-class tourist attraction on a large scale that will become the new tourist attraction of Phuket and Thailand. Not only that, it is a platform to create a new client base, generate higher income and profits to the group companies in the long term.

The total investment cost of Carnival Magic Project is THB 5,020 million (excluding land and staff house of THB 548 million, owned by Phuket Fantasea). The construction has started since 2016 with construction period of approximately 3 years. At present, the construction of the project has progressed to about 80% of the total work and currently in the process of installation of system, performance techniques and the decoration of entire project. It is scheduled to open by the first quarter of 2020, Postponed from what is expected to be opened end of year 2019, because of more details of construction, techniques and decoration of all theme park.

5 Investment cost

Carnival Magic Project has a changes of the investment cost as follows:

(Unit: THB million)

Investment Cost	First investment cost ^{1/}	Investment cost as approved by shareholders ^{2/}	Revised Cost ^{3/}
1) Investment cost of Carnival Magic			
1.1) Building Construction and System	650.00	1,877.85	2,655.50
1.2) Lights, Electronics, and Lighting System	350.00	300.00	400.00
1.3) Park Decoration	140.00	250.00	537.00
1.4) Show Equipment, Flying System, and Stage Setting	60.00	100.00	380.00
1.5) Electricity Generator	80.00	27.00	-
1.6) Labour and Experts Cost	70.00	200.00	465.00
1.7) Business Design Compensation	-	73.50	73.50
1.8) Financial Cost	50.00	180.00	410.00
1.9) Working Capital and Others	50.00	13.65	49.00
1.10) Contingency	-	-	50.00
Total	1,450.00	3,022.00	5,020.00
2) Investment cost of Phuket Fantasea			
2.1) Substation and Generator	-	53.00	53.00
2.2) Land for business operation	-	315.00	315.00
2.3) Construction of Staff House	-	180.00	180.00
Total	-	548.00	548.00
Total Investment cost	1,450.00	3,570.00	5,568.00

Remark: 1 / Investment cost for the Carnival Magic project, amount of THB 1,450 million, received approval from the Board of Directors Meeting No. 5/2015 on 27 May 2015, in which the Company disclosed the information on the acquisition of assets to the SET. and reported such information to the shareholders on October 20, 2015.

2 / Investment cost of the Carnival Magic project, amount of THB 3,570 million, approved by the Extraordinary General Meeting of Shareholders No. 1/2017 on 8 September 2017

3 / Investment cost for the Carnival Magic project in the amount of THB 5,436 million is the investment cost that the Board of Directors will propose to the Annual General Meeting of Shareholders to approve.

4/ Business Design fee as proposed to the Extraordinary General Meeting of Shareholders No.1/ 2020 for ratification has a amount of 107.70 million baht, divided into 73.50 million baht for business design, as shown in the investment cost of the CM Project, which was ratified by the Extraordinary General Meeting of Shareholders No. 1/2017 on 8 September 2017 and 34.20 million baht, which is the salary increase paid to Mr. Kittikorn Kewkacha and Mr. Pin Kewkacha for the additional work load from the expansion of the CM project users in 1.6) Labour and Experts Cost

Details of changes in investment cost

- 1) Changes in the investment cost of the Carnival Magic project from THB 1,450 million (excluding land value) to amount of THB 3,570 million, including the value of land and Staff House as approve form the EGM No. 1/2017 on 8 September 2017, The details of investment are as follows:

(Unit: THB million)

Investment Cost	investment cost	Investment cost as approved by shareholders	Increase (Decrease)
1) Investment cost of Carnival Magic			
1.1) Building Construction and System	650.00	1,877.85	1,227.85
1.2) Lights, Electronics, and Lighting System	350.00	300.00	(50.00)
1.3) Park Decoration	140.00	250.00	110.00
1.4) Show Equipment, Flying System, and Stage Setting	60.00	100.00	40.00
1.5) Electricity Generator	80.00	27.00	(53.00)
1.6) Labour and Experts Cost	70.00	200.00	130.00
1.7) Business Design Compensation	-	73.50	73.50
1.8) Financial Cost	50.00	180.00	130.00
1.9) Working Capital and Others	50.00	13.65	(36.35)
1.10) Contingency	-	-	-
Total	1,450.00	3,022.00	1,572.00

Investment Cost	investment cost	Investment cost as approved by shareholders	Increase (Decrease)
2) Investment cost of Phuket Fantasea			
2.1) Substation and Generator	-	53.00	53.00
2.2) Land for business operation	-	315.00	315.00
2.3) Construction of Staff House	-	180.00	180.00
Total	-	548.00	548.00
Total Investment cost	1,450.00	3,570.00	2,120.00

The investment costs of the Carnival Magic Project increase of THB 2,120.00 million, which is due to the improvement of the layout of the whole new project after Phuket Fantasea has purchased land for used to the project, make to the land development for the Project can be carried on freely. The management of Carnival Magic has improved the Project's format to become suitable and perfect, causing the investment budget of the project to increase of THB 1,572.00 million (exclusive of land value and Phuket Fantasea's staff in the amount of THB 548 million)

The increasing of the investment of the Carnival Magic Project in the amount of THB 2,120 million are as follows:

(1) Increase in cost of building construction and system of about Baht 1,227.85 million, because of the buildings for shows and restaurants, which are the main buildings of the project, were enlarged and the frequency of shows and activities in the project was increased to align with the larger size of the area together with the modernization of public utilities in order to efficiently cater to the growing number of tourists. The larger size of the buildings required a stronger foundation work for the whole project with additional drilling and land improvement of 7-12 meters and piling of more than 1,000 piles, thus leading to an increase in consumption of steel and construction materials in line with the larger project size and, hence, a relative increase in the construction cost.

(2) Increase in cost of park decoration of about Baht 110 million and increase in cost of show equipment, flying system, and stage setting of Baht 40 million, because of the enlargement of buildings and construction necessitated additional decoration work, whereas the increase in cost of show equipment, flying system, and stage setting was ascribed to the improvement of show style to become more exquisite and splendid

(3) Increase in labor and expert cost of Baht 130 million, because of Staffs were hired to produce additional equipment to support the increased program of the show. This included compensation for management of CM.

(4) Increase in business design compensation of Baht 73.50 million, due to the Company's directors and executives were hired to conduct business design, whereas there was no such item in the initial investment cost

(5) Increase in financial cost of Baht 130 million, due to this resulted from additional borrowing from financial institutions with a longer loan period.

- 2) Changes in the investment cost of the Carnival Magic project from THB 3,570 million to THB 5,568 million, which will be proposed to the EGM 1/2020 to approve has a details are as follows:

(Unit: THB million)

Investment Cost	Investment cost as approved by shareholders	Investment cost as approved by EGM 1/2020	Increase (Decrease)
1) Investment cost of Carnival Magic			
1.1) Building Construction and System	1,877.85	2,655.50	777.65
1.2) Lights, Electronics, and Lighting System	300.00	400.00	100.00
1.3) Park Decoration	250.00	537.00	287.00
1.4) Show Equipment, Flying System, and Stage Setting	100.00	380.00	280.00
1.5) Electricity Generator	27.00	-	(27.00)
1.6) Labour and Experts Cost	200.00	465.00	265.00
1.7) Business Design Compensation	73.50	73.50	-
1.8) Financial Cost	180.00	410.00	230.00
1.9) Working Capital and Others	13.65	49.00	35.35
1.10) Contingency	-	50.00	50.00
Total	3,022.00	5,020.00	1,988.00
2) Investment cost of Phuket Fantasea			
2.1) Substation and Generator	53.00	53.00	-
2.2) Land for business operation	315.00	315.00	-
2.3) Construction of Staff House	180.00	180.00	-
Total	548.00	548.00	-
Total Investment cost	3,570.00	5,568.00	1,988.00

Remark: ^{1/} Business Design fee as proposed to the Extraordinary General Meeting of Shareholders No.1/ 2020 for ratification has a amount of 107.70 million baht, divided into 73.50 million baht for business design, as shown in the investment cost of the CM Project, which was ratified by the Extraordinary General Meeting of Shareholders No. 1/2017 on 8 September 2017 and 34.20 million baht, which is the salary increase paid to Mr. Kittikorn Kewkacha and Mr. Pin Kewkacha for the additional work load from the expansion of the CM project users in 1.6) Labour and Experts Cost

The rationale for the increase in the investment cost of Carnival Magic Project of Baht 1,998 million is as follows:

(1) Increase in investment budget for construction, including the system work of the entire project, of Baht 777.65 million, from construction of additional buildings and improvement of the structure of existing buildings in order to maximize the utilization of areas, including addition of a basement of the restaurant building to be used as a display area for the light city to cater to more tourists, Enhancement of the steel structure and the strength of every building to prevent earthquakes according to safety standards, Redesign of seating format in the theatre and reconstruction of the seating platform so as to increase the aisles according to safety standards; and Increase of fire escape routes, fire doors and springer fire of the entire project, construction of additional control building, addition of roof structures, and construction of corridors for the whole project area

(2) Increase in investment budget for lights, electrical equipment and lighting system of Baht 100 million, The additional detailed design of the light show to ensure more spectacular, magnificence and grandeur necessitated an increase of lights and control equipment for the light show system. Number of light bulbs was increased from 37 to 40 million. Additional lamps and light bulbs were specially designed to show various forms of light, making the whole show more diversified. As a consequence of the increase in number of light bulbs and technical aspect of the light show, there was a need to install additional electric cable system and re-installation of underground electric cable system (not included in the previous budget).

(3) Increase in investment budget for park decoration of Baht 287 million, This resulted from the detailed design of theme park decoration after completion of the structural work in order to increase fun, beauty and novelty to all areas and services of the project according to the theme park design, Decoration cost for the first phase of Baht 250.00 million was for the main parts of the project. Furthermore, decoration cost for the second phase of Baht 220.00 million was for detailed decoration of the whole project, which would be carried out after the completion of the construction of main building and structures. The reason why the Company could not determine the decoration cost in the second phase in the beginning because the construction of the project was carried out under Design & Build method and might change along the way.

(4) Increase in investment budget for show equipment, flying system and stage setting of Baht 280 million, This resulted from the additional detailed design of show, show technique and show equipment to ensure every detail of every piece of work is beautiful, splendid and magnificent with aim to be the greatest light carnival parade in the world.

(5) Increase in investment budget for labor and expert cost of Baht 265 million, Staffs were hired to produce decorative accessories for the theme park according to the additional detailed design. This also included Baht 34.20 million salary increase for Mr. Kittikorn Kewkacha and Mr. Pin Kewkacha due to extra responsibilities.

(6) Increase in investment budget for financial cost of Baht 230 million, This stemmed from an increase in borrowing.

(7) Increase in investment budget for working capital and others and contingency of around 2% of the investment value of Baht 5,020 million, or amounting to Baht 99 million, The reserve for such expenses is normal for large projects. In addition, as the project is nearly completed and close to commence a commercial operation,

proportion of required reserve also declines, The reason why the Company did not include this reserve in the original budget because the main structure of the project had not been completed, thus it was unable to determine the amount of other and emergency expenses for each part of the project. However, the main structure of the project has been completed and the Company is able to determine the required amount of reserve. In addition, the Company views that the provision of such reserve amount will prevent future adjustment of the budget.

6 Value of Consideration and Term of Payment

As of 30 September 2019, Carnival Magic Project has a total construction value of THB 4,712.38 million or 84.6666.4% of total investment cost with details as follows:

(Unit: THB million)

Details	Investment cost as approved by EGM 1/2020	Amount Paid	%
1) Investment cost of Carnival Magic			
1.1) Building Construction and System	2,655.50	2,617.39	98.56
1.2) Lights, Electronics, and Lighting System	400.00	214.76	53.69
1.3) Park Decoration	537.00	440.85	82.09
1.4) Show Equipment, Flying System, and Stage Setting	380.00	130.05	34.22
1.6) Labour and Experts Cost	-	-	-
1.7) Business Design Compensation	465.00	378.13	81.32
1.8) Financial Cost	73.50	73.50	100.00
1.9) Working Capital and Others	410.00	304.92	74.37
1.10) Contingency	49.00	4.78	9.76
Total	50.00	-	-
2) Investment cost of Phuket Fantasea	5,020.00	4,164.38	82.96
2.1) Substation and Generator			
2.2) Land for business operation	53.00	53.00	100.00
2.3) Construction of Staff House	315.00	315.00	100.00
Total	180.00	180.00	100.00
Total Investment cost	548.00	548.00	100.00
Investment cost of Carnival Magic	5,568.00	4,698.82	84.63

Remark ^{1/} Business Design fee as proposed to the Extraordinary General Meeting of Shareholders No.1/ 2020 for ratification has a amount of 107.70 million baht, divided into 73.50 million baht for business design, as shown in the investment cost of the CM Project, which was ratified by the Extraordinary General Meeting

of Shareholders No. 1/2017 on 8 September 2017 and 34.20 million baht, which is the salary increase paid to Mr. Kittikorn Kewkacha and Mr. Pin Kewkacha for the additional work load from the expansion of the CM project. Users in 1.6) Labour and Experts Cost

The payment terms shall be as specified in the contracts upon the progression of the work and shall be fully payable upon completion.

7 Basis for Determining Value of Consideration

Investment cost of Carnival Magic Project on the part of building construction and utilities use 2 pricing methods 1) Market price comparison and 2) Price negotiation between the company with the contractor, the company will use method 1 to determine the price of the work that has comparative market price, such as the purchase of various equipment of the project, such as lamps. For other employments such as acting techniques, project decoration and materials purchases use mutual 2 common agreed price between Carnival Magic and contractors. Management team of Carnival Magic specifically selects contractors who have experience in theme park construction as well as background in the construction of Phuket Fantasea to be the main contractor of this project and has proposed to the Board of Directors of Phuket Fantasea for consideration and hiring approval. The process of selecting such contractors is prudent and careful. By taking into account the best interests of the company. Contractors and vendors are not related person according to the definition of related party except the hiring of 3 directors for business design of Carnival Magic Project and the hiring of Cherdchaiwon Company Limited, whose authorized director and shareholder is the spouse of the Company's Board of Director's daughter, as the constructor of hydraulic elevator platform with contract value of THB 8.30 million, both transactions shall be proposed to the EGM 1/2020 and give opinions by independent financial advisor.

8 Acquiring Assets Value

Carnival Magic Project will have total investment cost of THB 5,568 million. The Company believes that it is a reasonable investment for returns in the future.

9 Potential Benefits to the Company from Investment in Carnival Magic Project

- 1) The Company believes that the Carnival Magic Project will enhance the Company's earning and create a sustainable business growth opportunity, generating profits and cash flows to the Company in the near future. Moreover, it will deliver sufficient returns for the Company and the Company's shareholders.
- 2) The operation of the Carnival Magic Project is a significant opportunity to expand the tourist base of group companies. The creation of unique attraction will bring in more visitors from around the world, both existing

customers and new customers. This will further support the growth of the tourism industry in Phuket and the country

- 3) To enhance the Company's reputation for implementation of projects related to tourism which is the strategies and policies of group companies that focus on core business operations, tourism and recreation. The group companies have a long experience and successful projects including Safari World Project and Phuket Fantasea Project. Furthermore, the investment in Carnival Magic Project will further enhance the opportunity of becoming number one tourist destination in Asia and one of the major tourist attraction in Phuket.
- 4) Carnival Magic Project is supported by the Board of Investment Thailand (BOI) with exemption of corporate income tax according to the time period and conditions of such project.

10 Source of Fund

10.1 Sources of fund for additional Baht 2,120 million investment in Carnival Magic Project, from the original investment of Baht 1,450 million to Baht 3,570 million, ratified by the Board of Directors' Meeting No. 1/2017 were as follows.

- (1) Baht 415.92 million loan from a commercial bank,
- (2) Baht 2,195.70 million from issuance of financial instruments,
- (3) Baht 987.03 million rights offering in 2015, and
- (4) Baht 105.90 million cash from Safari Group's operation.

10.2 Sources of fund for the incremental Baht 1,998 million budget of Carnival Magic Project, from Baht 3,570 million to Baht 5,568 million, are as follows.

In order not to interrupt the development of Carnival Magic Project and ensure that it will commence commercial operation as planned, SAFARI Group has partially funded the incremental investment in the amount of Baht 1,142.38 million (as of September 30, 2019) by issuance and sale of PF's debenture. Sources of fund for the balance of Baht 855.62 million are as follows.

- (1) Rights offering to existing shareholders, according to the resolution of the Company's 2019 AGM on General Mandate for capital increase through rights offering and/or private placement. The meeting of Board of Directors of the Company No. 13/2016, held on August 27, 2019, passed a resolution to sell 666,332,580 newly issued shares, at a par value of Baht 1 per share, to existing shareholders through a rights offering process, at a price of Baht 1.20 per share, totaling Baht 799,599,096. Subscription period was between September 23, 2019 and October 1, 2019. The Company received Baht 780.12 million from the rights offering process, approximately Baht 600 million of which would be used for Carnival Magic Project, and

- (2) Issuance and sale of additional SAFARI Group's financial instruments and/or request for financial support from other party. At the end of September 2019, SAFARI Group issued and sold Baht 2,868.30 million debentures, and/or
- (3) Baht 550 million long-term credit facility from a commercial bank, currently undrawn. However, SAFARI Group is seeking additional credit facilities from other financial institutions to improve SAFARI Group's financial structure. Such credit facilities covers refinancing of all SAFARI Group's debt securities and additional investment in Carnival Magic Project, and/or
- (4) SAFARI Group's cash flow from operation.

In securing sources of fund for the development of Carnival Magic Project, Safari Group will emphasize on the appropriateness of the Company's financial structure and the compliance with the loan agreements. Currently, the Company's Debt to Equity ratio is 1.58, based on the audited consolidated financial statements for the 9-month period ended September 30, 2019. However, the Company has received a written waiver from its creditor on this issue.

Even though Safari Group increases its debt level for Carnival Magic Project, it is confident that Carnival Magic Project will generate stable income and profit for the Safari Group, which in turn will have a positive impact on dividend.

11 Opinion of the Company's Board of Directors

The Board of Directors have an opinion that the increased investment cost in Carnival Magic Project of THB 1,998 million from THB 3,570 million to THB 5,568 million, this will be the final investment cost propose to shareholders for consideration before the opening by the first quarter of 2020. Is under reasonable condition and will benefit the Company and its shareholders as specified in Item No. 9. In addition, it is a great opportunity to expand the group companies' business in building an enormous theme park. This will maximize benefits to the group companies and its shareholders as well as strengthen the competitiveness of the group companies in the tourism sector which will be intensified even further and allowing the Company to become a leading company in the tourism industry in Phuket and Asia as well as generating more income and profits to the group companies in the future.

12 Opinion of Audit Committee and/or Company's directors that differs from the opinion of the Board of Directors specified in No. 11 above

-None-

Please be informed accordingly

Sincerely Yours

- *Apar Kewkacha* -

(Apar Kewkacha)

Information Memorandum on the Connected Transactions of Safari World Public Company Limited,

The Compensation for Business Design and Project Management of Carnival Magic Project and The engagement of Cherdchaiwon Company Limited to manufacture and install a Hydraulic Platform for the Carnival Magic Project of Carnival Magic Company Limited, an indirect subsidiary of the Company

Safari World Public Company Limited (“**the Company**”) and its 99.92% subsidiary Phuket Fantasea Public Company Limited (“**Phuket Fantasea**” or “**PF**”) has indirectly invested in the new theme park in Phuket province (“**Carnival Magic Project**”) through a newly set up company, Carnival Magic Company Limited (“**Carnival Magic**”) which is 99.00% owned by Phuket Fantasea, solely for the operation of this Carnival Magic Project.

Carnival Magic Project is a cultural them park tourist attraction with adaptation of Thai culture, showcasing hi-tech awe-inspiring LED lights and grand theatrical show, never before seen elsewhere in the world. Carnival Magic has hired 1) Mr. Pin Kewkacha 2) Mr. Kittikorn Kewkacha and 3) Mr. Somwang Kewkacha, whom are extensively experienced and expertise in the design and management of theme park and understand the local tourism industry well, for the entire Business Design of Carnival Magic Project. In return, Carnival Magic has paid for such services in monthly installment for 7 months in total of THB 73.50 million (“**Business Design for Carnival Magic Project**”). This transaction amount is included in the investment cost of Carnival Magic Project.

However Mr. Pin Kewkacha is the director and key management of the Company including Mr. Kittikorn Kewkacha and Mr. Somwang Kewkacha, sons of Mr. Pin Kewkacha which altogether are related parties under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transaction dated 31 August 2008 and (as amended), and the Notification of the Securities and Exchange Commission Re: Disclosure of Information and Other Acts of Listed Companies Concerning Connected Transactions B.E. 2546 dated 19 November 2003 (as amended) (altogether referred as “Notification of Related Transaction”). Thus the Business Design for Carnival Magic Project is considered as a related transaction under the Notification of Related Transaction. The size of such transaction is equivalent to 3.53% of the Company’s NTA based on the Company’s consolidated financial statement audited by the auditor as of 30 June 2015 which was the most recent financial statement prior to the date of the transaction. Consequently the Company’s Board of Directors’ meeting No. 7/2016 on June 29, 2016 had approved such related transaction and the Company already disclosed to the Stock Exchange of Thailand (“**SET**”) of the related transaction between Carnival Magic and those related parties on June 29, 2016. in addition to additional salaries of Baht 34.20 million for administrating and supervising additional construction work, responsible by Mr. Pin Kewkacha and Mr. Kittikorn Kewkacha, from January 2018 to December 2019, It time that the construction of the CM Project will be completed for operation during of the first quarter of 2020

Carnival Magic also hired Cherdchaiwon Company Limited (“**Cherdchaiwon**”) as the constructor of a hydraulic platform and structural foundation for Carnival Magic Project. Since the hydraulic platform of Carnival Magic Project is uniquely customized and Cherdchaiwon is a specialist in building hydraulic platform for lifting vehicles and other

engineering system while other companies rejected the work. Therefore, it is necessary for Carnival Magic to hire Cherdchaiwon for the building and installment of hydraulic platform in the amount of THB 8.80 million (Exclude VAT).

Moreover, the authorized director and major shareholder of Cherdchaiwon is the spouse of Mr. Pin Kewkacha's daughter whom is the director of the Company. Thus Cherdchaiwon is considered as the related person according to the Notification of Related Transaction. The size of such transaction is equal to 0.30% of the Company and its subsidiary's NTA based on the audited financial statement as of 31 December 2016 which was the most recent financial statement prior to the transaction. Consequently, the Company's Board of Directors Meeting No. 6/2018, held on May 25, 2018, had approved such related transaction and the Company had disclosed the related transaction to the SET on May 25, 2018.

In consideration of the two related transaction stated above, total transaction size is equivalent to THB 116 million or 5.54% of the Company and its subsidiary's NTA, which is more than THB 20 million and exceeding 3% of the Company and its subsidiary's NTA. As a result, the Company is required to act following to the Notification of Related Transaction and disclose a report of information memorandum regarding the transactions to SET as follows;

1) To schedule a General Meeting of Shareholders and send out invitation letters to shareholders 14 days prior to the meeting date in order to seek approval of the shareholders of not less than three-fourths of the total number of the shareholders attending the meeting and eligible to vote, excluding shareholders having special interests;

2) To appoint the Independent Financial Auditor for giving an opinion on such related transaction following the Notification of Related Transaction. The Company has appointed Capital Advantage Company Limited as Independent Financial Advisor to give opinion regarding these transactions for consideration by shareholders.

Even though both related transactions did not occur within the six months period and both transactions were approved by the Company's Board of Directors' Meetings as stated above. Nevertheless, both transactions are under the Carnival Magic Project and related to the same party. The Board of Directors' meeting therefore resolved to propose to the EGM 1/2020 for the ratification of such related transactions.

The details of Carnival Magic's Business Design and the hiring of Cherdchaiwon are as follows;

1. Compensation for Business Design of Carnival Magic Project

1.1 Date of the Transaction

CM started making payment under Transaction in October 2015. Up to April 2016, total payment amounted to Baht 73.50 million. The payment for the balance of Baht 34.20 million started in January 2018 and would complete in December 2019,

1.2 Relevant Parties and their relationship with the Company

Hiring Company: Carnival Magic

Hired Personnel:

1. Mr. Pin Kewkacha
2. Mr. Kittikorn Kewkacha
3. Mr. Somwang Kewkacha

Relationship

1. Mr. Pin Kewkacha, Executive Director of the Company and Carnival Magic, hold 0.02% shares in the Company
2. Mr. Kittikorn Kewkacha, son of Mr. Pin Kewkacha and Director of Carnival Magic, holds 2.71% shares in the Company.
3. Mr. Somwang Kewkacha, son of Mr. Pin Kewkacha and Director of Carnival Magic, holds 0.13% shares in the Company.

All three parties are considered as related person of the Company pursuant to the Notification of Related Party Transaction.

Information of the hired personnel

	Mr. Pin Kewkacha	Mr. Kittikorn Kewkacha	Mr. Somwang Kewkacha
Age:	75	48	45
Education:	<ul style="list-style-type: none"> - honorary degree Faculty of Humanities and Social Science Phuket Rajabhat university - Master of Art in Political Scienceramkhamhaeng university 	<ul style="list-style-type: none"> - Master of Economics (2nd class honor) University of Cambridge - Bachelor of Science Program in Computer Science (1st class honor) Imperial College London 	<ul style="list-style-type: none"> - Bachelor of Business Administration Daito Bunka University

	Mr. Pin Kewkacha	Mr. Kittikorn Kewkacha	Mr. Somwang Kewkacha
	- Diploma in law and accounting Bangkok Business College		
Professional Experience	<ul style="list-style-type: none"> ▪ 2016 – Present President of Thai Zoo and Aquarium Association ▪ 2014 – Present Executive Director, Carnival Magic Company Limited ▪ 2011 – Present Director, Jungle World Company Limited ▪ 2011 – Present Director, Safari Wild Park Company Limited ▪ 2004 – Present Executive Chairman, Phuket Fantasea Public Company Limited ▪ 2004 – Present Executive Director, Phuket Fantasea Public Company Limited ▪ 2004 – Present Executive Director, Phuket Fantasea Public Company Limited ▪ 1986 – Present Executive Director, 	<ul style="list-style-type: none"> ▪ 2015 – Present Managing Director, Carnival Magic Company Limited ▪ 1999 – Present President, Phuket Fantasea Public Company Limited ▪ 1996 – 1998 Senior Executive Vice President, Phuket Fantasea Public Company Limited 	<ul style="list-style-type: none"> ▪ 2015 – Present Director, Carnival Magic Company Limited ▪ 2011 – Present Deputy Managing Director, Phuket Fantasea Public Company Limited ▪ 2004 – Present Director, Phuket Fantasea Public Company Limited

	Mr. Pin Kewkacha	Mr. Kittikorn Kewkacha	Mr. Somwang Kewkacha
	Safari World Public Company Limited		
Other	Mr. Pin Kewkacha has had experience in theme park design and management for no less than 30 years in Safari World and 20 years in Phuket FantaSea, together with study tours of hundreds of this kind of project across the world.	Mr. Kittikorn Kewkacha has had experience in Phuket FantaSea theme park design and management for almost 20 years.	Mr. Somwang Kewkacha has had years-long experience with the Company in sales and income generation, together with study tours of several theme parks worldwide.

1.3 Nature of the Transaction

Carnival Magic has hired Mr. Pin Kewkacha, Mr. Kittikorn Kewkacha, and Mr. Somwang Kewkacha for business design of Carnival Magic Project. With Scope of work as follows:

Item	Scope of work	Responsible Person	Progress
1	Concept design for the Master Plan and Business Model <i>Details:</i> Concept design for the Master Plan, entailing determination of format of the theme park, type of show, uniqueness of product, target audience and their tourism behavior, together with planning for project layout and system on the area of 82 rai, and also for project development, advertisement, sales and marketing, etc.	Mr. Kittikorn	100%
2	Concept design for buildings and constructions in Shopping Street Zone, such as retail shops, arched entrance, ticket sales building, etc. ^{2/} <i>Details:</i> Concept design, administration and supervision of construction in Shopping Street Zone until completion for Shopping Street Zone, composed of retail shops, ticket sales building, and arched entrance.	Mr. Kittikorn	100%
3	Concept design for theatre and seating ^{3/} <i>Details:</i>	Mr. Kittikorn	100%

Item	Scope of work	Responsible Person	Progress
	Concept design, administration and supervision of construction for the theatre and seatings until completion for show stadium zone, comprising stage, elevated rows of seats with seating capacity of 2,000, and parade area. These are complicated design concepts for building structures and internal areas to accommodate parades and shows.		
4	Concept design for restaurant building ^{3/} <u>Details:</u> Concept design, administration and supervision of construction for restaurant building until completion for restaurant zone, consisting of a two-storied Restaurant building with seating capacity of 3,000 and a three-storied luxury restaurant building with seating capacity of 400.	Mr. Kittikorn	100%
5	Concept design and decoration of premises, walkways, plants, lagoon and all areas in the whole project <u>Details:</u> Concept design, administration and supervision of construction until completion, and decoration of premises, walkways, plants, and areas around the lagoon.	Mr. Kittikorn	100%
6	Lighting and color design of the whole park ^{4/} <u>Details:</u> Light show design with 40 million lights all over the park, divided into 25 million lights in the light city and 15 million lights in all other zones. In addition, selection of material and equipment for light show, such as type of light bulbs and power cords.	Mr. Kittikorn	100%
7	Design and setting of computer system for light show control <u>Details: Installation of computerized light control system.</u>	Mr. Kittikorn	100%
8	Design and control of production, installation, wiring and finishing of light decoration all over the park area of 82 rai <u>Details:</u> Supervision of production, installation, wiring and finishing of light decoration with 40 million light bulbs all across the project, by 1) underground burial of electric wires and 2) above-ground decoration of electric wires to blend in with surroundings.	Mr. Kittikorn	90% completed (remaining work: finishing and testing to be conducted 2-3 months before opening)
9	Design of background music to enhance the park ambience <u>Details:</u>	Mr. Somwang	100.00%

Item	Scope of work	Responsible Person	Progress
	Musical design, lyric writing and sound recording to match the show and park atmosphere with a total of more than 100 songs.		
10	Design of theatrical light show technique <i>Details:</i> Design theatrical light show technique and format design within the show building to match the parade show.	Mr. Kittikorn	100%
11	Concept design and control of advanced technique installation for creation of floating carnival parade in the air and the water <i>Details:</i> Concept design and control of advanced technique installation of floating carnival parade in the air and the water, covering lighting system, sound system, LED system, projector system, and other special techniques.	Mr. Kittikorn	100%
12	Design of stage, light, color, sound, music and show technique in the theatre. <i>Details:</i> Design of stage, light, color, sound and music for shows in the theatre to be in sync with carnival parade format and technique (as in item 11 and 13).	Mr. Kittikorn	90% completed (remaining work: testing to be conducted after completion of system installation)
13	Design of carnival parade and script for one-of-a-kind show in the world <i>Details:</i> Design of carnival parade and script for one-of-a-kind show in the world, completed with scene of each act and a story board.	Mr. Kittikorn	100%
14	Design of thousands of show costumes ^{5/} <i>Details:</i> Design of thousands of show costumes and adornments for the shows.	Mr. Somwang	100%
15	Show design and actor/actress training for every scene and every bodily movement <i>Details:</i> Design shows with 4 choreographers and supervise training of actors/actresses on choreography for every scene and move in order to best fit the parade.	Mr. Kittikorn	80.00% completed (remaining work: major rehearsal)
16	Design of all activities in the project <i>Details:</i>	Mr. Kittikorn	100%

Item	Scope of work	Responsible Person	Progress
	Design activities inside the park by emphasizing on making tourists impressed and surprised.		
17	Design of computer system for management control <i>Details:</i> Design computer system for operational management, covering all sections of the project from Human Resources, Finance, Marketing, to daily problem tracking.	Mr. Kittikorn	100%
18	Design of ticket booking and issuing system <i>Details:</i> Design online ticket reservation system and information management system supporting ticket reservation by tour guides, as well as ticket issuing system for tourists in every channel.	Mr. Kittikorn	90.00% (remaining work: installation and system testing)
19	Design of HR system <i>Details:</i> Determine human resource management principle, such as training program, performance evaluation program, employee benefit program.	Mr. Pin	100%
20	Design of billboards <i>Details:</i> Design advertising billboards that stand out and are attractive to tourists.	Mr. Pin	100%
21	Design of social network media <i>Details:</i> Design communication via Social Network & Advertising, in the form of press conference and trade fair.	Mr. Kittikorn	100%
22	Design of theoretical and practical training <i>Details:</i> Design a training program for employees to be able to communicate with foreign tourists, as well as the ability to entertain them.	Mr. Pin	100%
23	Preparation of handbook and job description <i>Details:</i> Write employee handbook for every job function in order for them to understand the right way to perform their jobs, as well as employee code of conduct.	Mr. Pin	100%
24	Design of souvenirs <i>Details:</i>	Mr. Somwang	100%

Item	Scope of work	Responsible Person	Progress
	Design and create souvenir items to be manufactured and sold in the park.		
25	Design of shuttle service system <i>Details:</i> Design and build a control system for transporting passengers and visitors back and forth from hotels and other public car service to all areas of the park.	Mr. Pin	100%
26	Design of sales and marketing plans <i>Details: Design sales and marketing plan by analyzing historical data and studying changes in behavior of tourism in Phuket.</i>	Mr. Pin	100%
27	Design of income and souvenirs plan and income operation system <i>Details: Design plans to boost revenue from sale of souvenirs and revenue management system (other revenues).</i>	Mr. Somwang	100%
28	Other detail works until start of commercial operation	Mr. Kittikorn	N/A

Note: ^{1/} On 27th August 2019, The Board of Director of PF has reviewed the work acceptance progress and deliverables and concluded the percentage of completion work, the meeting of which none of the interested person, who also are the directors, did attain.

The scope work of work under item 2, 3, 4, and 5 are required administration and supervision of construction until the completion. As Mr. Pin and Mr. Kittikorn are responsible for conceptual design of the project, the Company assigned Mr. Pin and Mr. Kittikorn for the administration and supervision of construction. In addition, the responsible persons can act as the company best interest by mitigate risk of the breach of trade secret in the form of the design that is not generally known or reasonably ascertainable by others.

The scope work of work described in the table above are not within their responsible role in their management positions. Since they had been assigned in October 2015, the responsible persons are required to conduct these tasks off their business hours at 4 to 5 hours per day.

1.4 Size of the Transaction and Terms of Payment

The Board of Director meeting No.3 / 2015 considered that Mr. Pin, Mr. Kittikorn and Mr. Somwang has extensive experience and expertise in the design and management of theme park, and has deep understanding in the local tourism industry, thus, resolved that they are capable of the business design of Carnival Magic Project as well as carry on administration and supervision of the construction project without hiring an external agency.

The total design compensation of Carnival Magic Project for the three directors was initially THB 252 million. However, after the payment of THB 73.5 million in the form of monthly salary of THB 10.50 million per month since 30 October 2015 until 30 April 2016 or a total of 7 months. Both parties have mutually agreed to cancel the remaining payments, since they viewed that there would be necessary funding needed in order to achieve the Carnival Magic Project. As a result, the actual compensation for Carnival Magic's business design is only THB 73.50 million.

However, after increasing in investment cost of the Carnival Magic Project from 1,450 to 3,570, which was ratified by the EGM No.1/2017 on 8th September 2017, there are addition of administration and supervision of the construction works by Mr. Pin and Mr. Kittikorn. The company approved for the additional monthly compensation of Mr. Pin and Mr. Kittikorn in total of THB 34.20 million, which would be divided to monthly payment from January 2018 to December 2019.

In conclusion, the total compensation of business design, administration and supervision of the construction works of the Carnival Magic Project equals THB 107.70 million, which consists of, Mr. Kittikorn's compensation of THB 62.40 million Mr.Pin's compensation of THB 34.80 million and Mr. Somwang's compensation of THB 10.50 million.

Because the Carnival Magic project is a unique theme park, the business design of the project does not have industry standards that can be used for reference. However, the company has compared the compensation with other construction in the form of a design fee ratio to the total project value. The details are as follows:

(unit: Baht million)	Phuket FantaSea Project (Before 1999)	Carnival Magic Project Investment Baht 1,450 million and Business Design fee	Carnival Magic Project Investment Baht 5,568 million and Business Design fee	Carnival Magic Project Investment Baht 5,568 million and Business Design fee
Business Design fee	720.00	252.00	252.00	107.70
Total investment value	3,500.00	1,450.00	5,568.00	5,568.00
Business Design fee to total investment value (%)	20.57	17.38	4.53	1.93

Phuket FantaSea hired Renaissance, a US-based company that has an expertise in show design, to design show sequence and control for a total of 11 scenes in the amount of Baht 720 million, or 20.57% of Phuket FantaSea's total investment value of Baht 3,500 million. For Carnival Magic Project, on November 25, 2015 when CM's Board of Directors approved the hiring of the three executives, the compensation was amounted to Baht 252 million, or

17.38% of Carnival Magic Project's total investment value at that time of Baht 1,450 million, which was lower than that of Phuket FantaSea's.

However, when compared to Carnival Magic Project's total investment value of Baht 5,535 million to be proposed for a ratification from this meeting of shareholders, the ratio was 4.53% for the Business Design fee of Baht 252 million and 1.93% for the fee of Baht 107.70 million, which were lower than Phuket FantaSea's by a factor of 10.

The Company, therefore, compared such compensation to the Ministry of Finance issued a regulation on the determination of fee for design or construction supervision service B.E. 2017 (and amendment in 2019"), as detailed below:

Job type	list	size (million baht)	Design rate		
			(% of construction budget)		
			Not complicated	Complex	Very complex
Architecture	Design	< 50	4.5	6.5	8.5
		50-250	4.0	5.25	7.0
		250-750	3.5	4.0	6.0
		750-2,500	3.0	3.5	5.0
		2,500-5,000	2.5	3.0	4.0
		> 5,000	1.5	2.5	3.0
	supervision of construction	< 50	4.5	6.5	8.5
		50-250	4.0	5.25	7.0
		250-750	3.5	4.0	6.0
		750-2,500	3.0	3.5	5.0
		2,500-5,000	2.5	3.0	4.0
		> 5,000	1.5	2.5	3.0

Source: Finance Ministerial Regulations determine the wage rate for service providers to hire, design or control construction work in 2019

Note: The complexity of architectural works is

- (1) Very complex, meaning building work, interior architecture Landscape architecture with a fine pattern requires high elaboration. Use high technology Specialized expertise There are many complexities or lots

of users. With special characteristics, glorifying architectural, artistic, cultural or natural values such as museums, religious buildings City Hall, hospital, laboratory building, complex building, airport, monument, parliament, cultural center Conservation buildings, embassies, buildings, materials that are dangerous or at risk for health Interior architecture of houses Landscape in the conservation area Landscape in the building, roof garden, botanical garden, herb garden, zoo, city park, city center or renovation of buildings or landscapes in areas that have been used or existing buildings

- (2) Complex means building work, interior architecture Landscape architecture That requires sophistication, expertise and complex utility With complex construction characteristics Have specific control rules Or have various uses such as university buildings School building, including library, auditorium, residential buildings, including sports stadiums, detention halls, schools, public halls, office buildings, high-rise buildings, extra large buildings High-level institutions of the state Financial institutions, hotels, cinemas, theater, department stores, convention centers, exhibition centers and exhibitions Various transportation stations Shopping center building Recreation and recreation facilities, amusement parks, parks, community landscapes Landscape of public buildings Land Allocation Project Or industrial estate
- (3) Not complicated, meaning building work, interior architecture Landscape architecture Simple Is a general standard such as warehouses, warehouses, car parks, shops, food centers, showrooms Building type of residential house or small office Suburban Park Landscape work, roads or transportation routes, agricultural gardens, ornamental gardens or gardens

The investment cost of the Carnival Magic project equals THB 5,020.00 million along with other related investment by Phuket Fantasea at THB 53.00 million, would result in the total project costs of THB 5,073.00 million. Because the project has a large acting building with special technical systems and has a unique restaurant building, the project is considered to be very complicated as defined in the above note. In accordance to the ministerial regulations, the design rate per construction budget that can be used for reference is 3.0% and the supervision of construction rate per construction budget that can be used for reference is 3.0% as well. The total reference rate for business designs, administration, and supervision of the Carnival Magic Project shall equal to 6.0%.

However, the design fees of the Carnival Magic project Consisting of architectural design fees and system work by external contractors of THB 84.00 million and Business Design fee of THB 107.70 million, including design fees for the entire project amount of THB 191.70 million and construction budget Including decoration and various system work of the whole project with a total value of THB 4,131.00 million, with details as are follows:

(Unit: THB Million)

Contract	Revised Investment Cost to be Proposed to EGM No. 1/2020 for Ratification
Investment cost of CM	
Building construction and system	2,655.50
Lights, electrical equipment and lighting system	400.00
Decoration of the whole project	537.00
Labor and expert cost	465.00
Business design compensation	73.50
Total	4,131.00

The total design cost of the whole project of Baht 191.70 million in percentage of the total investment budget of Baht 4,131 million is equal to 5.47%, which is lower than the 6% of total construction rate specified under the Ministerial Regulation.

In addition, the Company hired an independent architectural expert, Assoc. Prof. Panit Pujinda (Ph.D.), Head of Department of Urban and Regional Planning, Faculty of Architecture, Chulalongkorn University, and Advisor to Urban Design and Development Center, Chulalongkorn University, to conduct an assessment of a fair market value and the business design fee of Carnival Magic Project as detailed below:

(Unit: Baht Million)

Category of the scope of work	Reference	Fair Market Value		
		Design	Supervision	Total
1. Construction of the Carnival Magic Project (or Concept design for the Master Plan and Concept design for buildings and project areas (Architecture / landscape architecture) (Scope of work item 1,2,3,4, 5 and 25)	The Ministerial regulation on the determination of fee for design or construction supervision service 2019	31.87	106.22	138.09
2. Decoration and interior design all areas in the whole project (Scope of work item 1,2,3,4, and 5)		14.50	32.22	44.91
3. Lighting / color design and light decoration all over the park area of 82 rai (Scope of work item 6,7, and 8)	Specialized work type 2	10.80	24.00	34.80

Category of the scope of work	Reference	Fair Market Value		
		Design	Supervision	Total
4. Design and control of advanced technique installation and show costumes <i>(Scope of work item 12,13,14,15, and 16)</i>	: Very Complex	22.80	22.80	45.60
5. Design the computer system for light / sound show control <i>(Scope of work item 7,10, and 11)</i>		Included in above category		
Total		79.97	185.24	265.21

Fair market value for the compensation for business design, administration and supervision of Carnival Magic Project as derived from, Assoc. Prof. Panit Pujinda equals to THB 265.21 million, which exceeds the total compensation actually paid to Mr. Pin, Mr. Kittikorn, and Mr. Somwang of THB 107.70 million.

In conclusion, the compensation for business design, administration and supervision of Carnival Magic Project is reasonable as compared to 1) the compensation for business design of Phuket FantaSea Project, 2) the reference compensation rate according to the Ministry of Finance issued a regulation on the determination of fee for design or construction supervision service 2019 and 3) the fair market value from an independent architectural expert, Assoc. Prof. Panit Pujinda. Therefore, the Company considers the compensation for business design, administration and supervision of Carnival Magic Project is appropriate.

The mentioned transaction is considered as related party transaction for service acquisition. The total amount of the transaction is equal to 5.24% the Company's NTA, based on the Company's audited financial statement for the six-months ended 30 June 2015, which is the most recent financial statement prior to the date of the transaction. The transaction is higher than THB 20,000,000 and more than 3% of the Company's NTA, hence the Company is entitled to disclose the transaction to the SET as follows;

- 1) To schedule a General Meeting of Shareholders and send out invitation letters to shareholders 14 days prior to the meeting date in order to seek approval of the shareholders of not less than three-fourths of the total number of the shareholders attending the meeting and eligible to vote, excluding shareholders having special interests;
- 2) To appoint the Independent Financial Auditor for giving an opinion on such related transaction following the Notification of Related Transaction. The Company has appointed Capital Advantage Company Limited as Independent Financial Advisor to give opinion regarding these transactions for consideration by shareholders.

1.5 Agreement Related to the Transaction

Hiring Company:	:	Carnival Magic
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Hired Personnel:	: Mr. Pin Kewkacha Mr. Kittikorn Kewkacha Mr. Somwang Kewkacha
Date	: August 24, 2019
Value	: THB 107.70 million
Relationship	: 1. Mr. Pin Kewkacha, Executive Director of the Company and Carnival Magic, hold 0.02% shares in the Company 2. Mr. Kittikorn Kewkacha, son of Mr. Pin Kewkacha and Director of Carnival Magic, holds 2.71% shares in the Company. 3. Mr. Somwang Kewkacha, son of Mr. Pin Kewkacha and Director of Carnival Magic, holds 0.13% shares in the Company. All three parties are considered as related person of the Company pursuant to the Notification of Related Party Transaction.
Scope of work	: Detail shown in 1.3
Warranty	: 2 years from the work acceptance date
Terms	: Hired personnel shall deliver all the deliverable to the Hiring Company within December 2019

1.6 Details of Related Party and the Conflict of Interest

1.6.1 Directors with conflicting interest

Directors, who are involved in the business design of Carnival Magic Project and did not attend and did not vote in the meeting for concerned agenda are as follows;

Directors	Relationship
1. Mr. Pin Kewkacha	Hired personnel Executive Director of the Company
2. Mrs. Apar Kewkacha	Spouse of Mr. Pin Kewkacha
3. Ms. Ampornsri Kewkacha	Daughter of Mr. Pin Kewkacha
4. Mr. Litti Kewkacha	Son of Mr. Pin Kewkacha
5. Mr. Amnaj Kewkacha	Son of Mr. Pin Kewkacha

1.6.2 Shareholders with Conflict of Interest

Shareholders, who have a stake in the business design of Carnival Magic Project, are abstained from voting in the General Meeting of shareholders for the ratification of compensation for Business Design and the hire of Cherdchaiwon for the production and instalment of Hydraulic Platform under Carnival Magic Project, are as follows;

No.	Name	No. Of Shares	%	Relationship
1.	Mr. Pin Kewkacha	600,000	0.02%	Executive director of the Company Father of Ms. Sophida Kewkacha Cherdchai, wife of Mr. Sorawut Cherdchai, authorised director and shareholder of Cherdchaiwon
2.	Mr. Kittkorn Kewkacha	79,400,000	2.77%	Son of Mr. Pin Kewkacha
3.	Mr. Somwang Kewkacha	4,000,000	0.14%	Son of Mr. Pin Kewkacha
4.	Mrs. Apar Kewkacha	92,420,000	3.22%	Spouse of Mr. Pin Kewkacha
5.	Ms. Amponsri Kewkacha	558,264,379	19.44%	Daughter of Mr. Pin Kewkacha
6.	Mr. Litti Kewkacha	144,000,000	5.02%	Son of Mr. Pin Kewkacha
7.	Mr. Amnaj Kewkacha	76,300,000	2.66%	Son of Mr. Pin Kewkacha
8.	Mr. Dej Kewkacha	278,593,080	9.70%	Son of Mr. Pin Kewkacha
9.	Silverhouse Co Ltd.	130,150,000	4.53%	Entity which Mr. Thana Kewkacha, son of Mr. Pin Kewkacha, is the authorised director
10.	Mrs. Chanisa Kewkacha	152,480	0.01%	Sister of Mr. Pin Kewkacha
11.	Ms. Endoo Kewkacha	25,000	0.00%	Sister of Mr. Pin Kewkacha
12.	Ms. Ampan Taecharatanachai	9,913,331	0.35%	Sister of Mrs. Apar Kewkacha
13.	Mrs. Aporn Taecharatanachai	1,960,000	0.07%	Sister of Mrs. Apar Kewkacha
14.	Mrs. Apatsara Taecharatanachai	22,221	0.00%	Sister of Mrs. Apar Kewkacha
Total number of shares abstained from voting		1,375,800,491	47.92%	

1.7 Opinion of Board of Directors regarding the transaction and potential benefits to the Company

The Company's Board of Directors (excluding those with stakes in the design of Carnival Magic Project) have considered that the mentioned transaction is for the best interest of the Company. The transaction does not have conflict of interest between the Company and related parties. Moreover, the compensation for business design, administration and supervision of Carnival Magic Project of THB 107.70 million is reasonable as compared to the compensation for business design of Phuket FantaSea Project, to the reference compensation rate according to the Ministry of Finance issued a regulation on the determination of fee for design or construction supervision service 2019 and to the fair market value from an independent architectural expert, Assoc. Prof. Panit Pujinda. As a result, the Board of directors has approved the transaction and shall propose to the EGM 1/2020 for ratification of the transaction.

1.8 Opinion of Audit Commit or Board of Directors different from those in No. 1.7

-None-

2. The Hiring of Cherdchaiwon Company Limited

2.1 Date of the Transaction

23 March 2017

2.2 Relevant Parties and their Relationship with the Company

Hiring Company: Carnival Magic Company Limited

Hired Company: Cherdchaiwon Company Limited

Relationship: Cherdchaiwon's business is the manufacturing, assembly, repair and sale of passenger cars as well as the operating of various engineering services. Mr. Sarawut Cherdchai is the authorised director and shareholder of Cherdchaiwon. He is the spouse of Ms. Sophida Kewkacha Cherdchai, the director of Carnival Magic and Phuket Fantasea, and daughter of Mr. Pin Kewkacha, director and executive of the Company

2.3 Nature of the Transaction

Carnival Magic has hired Cherdchaiwon to build a hydraulic elevator platform along with a structural foundation and a lifting for use as tourist access into the restaurant of Carnival Magic Project. The elevator is designed and decorated according to the unique theme of Carnival Magic Project. The length and width are 6.5 and 4.5 meters accordingly. The elevator can accommodate up to 15-20 tourists per round and is powered by a hydraulic motor, which is controlled by computer system. The elevator on the platform will move up from the water fountain and lightings to the height of around 8 meters from the ground. It will be installed outdoor near the entrance of the restaurant and in the form of outdoor hydraulic platform that has never been anywhere in the world.

The hydraulic platform, designed according to the theme of Carnival Magic, is unique and different from freight elevator installed and used in general buildings. Carnival Magic has procured contractors in various countries however all the contractors turned down the offer except for one local contractor who accepted the offer with cost of more than THB 17 million, which is higher than the budget. As a result, the management of Carnival Magic have to contact Cherdchaiwon, who has experience in building hydraulic platform for lifting of passenger cars and implementation of various engineering system, to help with the construction. Cherdchaiwon has quoted the total construction cost of THB 8.88 million. The Executives of Carnival Magic, specialist engineers and structural engineers have considered the appropriateness of the price in comparison with the estimated cost of machinery, equipment, labour, and special techniques required to complete the designed product and concluded that the price is reasonable.

2.4 Size of the Transaction and Terms of Payment

Cherdchaiwon in hired upon the agreement in the amount of THB 8.30 million excluding VAT. The payments are divided into 5 installments as follows;

Installment	Terms of Payment (including VAT)	Remark
Installment 1	20% of the total price, amounting to Baht 1.66 million, payable upon contract signing	Already paid on April 28, 2017.
Installment 2	20% of the total price, amounting to Baht 1.66 million, payable when the contractor moves its equipment and staff into the project site	Already paid on August 29, 2017.
Installment 3	20% of the total price, amounting to Baht 1.66 million, payable when the contractor completes installation of hydraulic system and electrical system for the lifting	Not yet paid because construction is unfinished and, thus, the contractor is unable to install the system.
Installment 4	30% of the total price, amounting to Baht 2.49 million, payable when the contractor completes assembly of the lifting with the hydraulic platform	
Installment 5	The rest of Baht 0.83 million, payable when the hydraulic platform can operate with full efficiency and is completely handed over	The installation is expected to be completed by 2019.

As of December 3, 2019, Carnival Magic has paid Cherdchaiwon 2 installments with the total amount of THB 3.55 million. The remaining amount is THB 3.55 million while the construction progress is around 50%.

The determination of the mentioned compensation is based on the market price as surveyed by contractors who are specialised in the production of hydraulic elevator according to the design by Carnival Magic. The foreign contractors have offered the price of not less than THB 17 million. When consider the offer price of THB 8.30 million (excluding VAT) along with the expertise of Cherdchaiwon in building the hydraulic platform for lifting of passenger cars, the Company concluded that the transaction in reasonable and with best interest to the Company.

Hence, the above transaction is considered as related transaction made to support ordinary business without general commercial conditions. The transaction size is equal to 0.30% of the Company's NTA, in reference to the Company's audited financial statement as of 31 December 2016. The meeting of the Board of Directors No. 6/2017, held on 25 May 2018, had approved the related transaction and the Company had disclose the details of the related transaction to the SET on 28 May 2018.

Nevertheless, when combining the transaction size of hiring Cherdchaiwon and the compensation of business design of Carnival Magic Project as mentioned in No. 1.4, the total amount is equivalent to THB 116 million or

5.54% of the Company's NTA. The size is higher than THB 20,000,000 and more than 3% of the Company's NTA. Therefore, the Company shall disclose the transaction to SET as follows;

- 1) To schedule a General Meeting of Shareholders and send out invitation letters to shareholders 14 days prior to the meeting date in order to seek approval of the shareholders of not less than three-fourths of the total number of the shareholders attending the meeting and eligible to vote, excluding shareholders having special interests;
- 2) To appoint the Independent Financial Auditor for giving an opinion on such related transaction following the Notification of Related Transaction. The Company has appointed Capital Advantage Company Limited as Independent Financial Advisor to give opinion regarding these transactions for consideration by shareholders.

2.5 Agreement Related to the Transaction

Counterparties	Carnival Magic Co., Ltd. (Hirer) Cherdchaiwon Co., Ltd. (Hiree)
Date	March 23, 2017, and the amendment dated January 22, 2019.
Value	Baht 8,300,000 (excluding VAT),
Relationship between Hirer and Hiree	Mr. Surawut Cherdchai, an authorized director and a shareholder holding 99.80%1/ of Cherdchaiwon Co., Lt., is a spouse of Ms. Sopida Kewkacha Cherdchai, a director of CM and PF and a daughter of Mr. Pin Kewkacha, a director and an executive of the Company. Therefore, Cherdchaiwon Co., Ltd. is a connected person of the Company, according to the Notification on Connected Transaction. Cherdchaiwon Co., Ltd. operates a production, assembly, repairment, and sale of passenger cars, as well as system engineering contractor.
Scope of work	1. Construction of hydraulic elevator platform. 2. Equipment for hydraulic and electrical systems. 3. Production of structure for elevator, as in Barde of Ramana, and foundation for fountain.
Warranty	5 years.
Penalty fee	Baht 5,000 per day from the deadline until delivery, in case there is a dealy of delivery.

2.6 Details of Related Party and the Conflict of Interest

2.6.1 Directors having an interest in the transaction

Directors, who have stake in hiring Cherdchaiwon, did not attend the meeting and vote for the consideration of related transaction, are as follows;

Stakeholder Directors	Relationship
1. Mr. Pin Kewkacha	Executive director of the Company Father of Ms. Sophida Kewkacha Cherdchai, wife of Mr. Sorawut Cherdchai, authorised director and shareholder of Cherdchaiwon
2. Mrs. Apar Kewkacha	Spouse of Mr. Pin Kewkacha
3. Ms. Ampornsri Kewkacha	Daughter of Mr. Pin Kewkacha
4. Mr. Litti Kewkacha	Son of Mr. Pin Kewkacha
5. Mr. Amnaj Kewkacha	Son of Mr. Pin Kewkacha

2.6.2 Shareholders with Conflict of Interests

Shareholders, who have a stake in the hiring of Cherdchaiwon, are abstained from voting in the General Meeting of shareholders for the ratification of compensation for Business Design and the hire of Cherdchaiwon for the production and instalment of Hydraulic Platform under Carnival Magic Project, are as follows;

No.	Name	No. Of Shares	%	Relationship
1.	Mr. Pin Kewkacha	600,000	0.02%	Executive director of the Company Father of Ms. Sophida Kewkacha Cherdchai, wife of Mr. Sorawut Cherdchai, authorised director and shareholder of Cherdchaiwon
2.	Mr. Kittkorn Kewkacha	79,400,000	2.77%	Son of Mr. Pin Kewkacha
3.	Mr. Somwang Kewkacha	4,000,000	0.14%	Son of Mr. Pin Kewkacha
4.	Mrs. Apar Kewkacha	92,420,000	3.22%	Spouse of Mr. Pin Kewkacha
5.	Ms. Amponsri Kewkacha	558,264,379	19.44%	Daughter of Mr. Pin Kewkacha
6.	Mr. Litti Kewkacha	144,000,000	5.02%	Son of Mr. Pin Kewkacha
7.	Mr. Amnaj Kewkacha	76,300,000	2.66%	Son of Mr. Pin Kewkacha
8.	Mr. Dej Kewkacha	278,593,080	9.70%	Son of Mr. Pin Kewkacha

No.	Name	No. Of Shares	%	Relationship
9.	Silverhouse Co Ltd.	130,150,000	4.53%	Entity which Mr. Thana Kewkacha, son of Mr. Pin Kewkacha, is the authorised director
10.	Mrs. Chanisa Kewkacha	152,480	0.01%	Sister of Mr. Pin Kewkacha
11.	Ms. Endoo Kewkacha	25,000	0.00%	Sister of Mr. Pin Kewkacha
12.	Ms. Ampan Taecharatanachai	9,913,331	0.35%	Sister of Mrs. Apar Kewkacha
13.	Mrs. Aporn Taecharatanachai	1,960,000	0.07%	Sister of Mrs. Apar Kewkacha
14.	Mrs. Apatsara Taecharatanachai	22,221	0.00%	Sister of Mrs. Apar Kewkacha
Total number of shares abstained from voting		1,375,800,491	47.92%	

2.7 Opinion of the Company's Board of Directors and Audit Committee

The Company's Board of Directors (excluding directors with stake in the hiring of Cherdchaiwon) have concluded that the transaction is beneficial to the development of the Company's business. The transaction does not have conflict of interest between the Company and related parties. The transaction amount is reasonable and is lower than the price proposed by other contractor. Hence the Board of Director has approved the transaction and shall propose to the EGM 1/2020 for ratification of the transaction.

2.8 Opinion of Audit Commit or Board of Directors different from those in No. 2.7

-None-

Please be informed accordingly

Sincerely Yours

- Apar Kewkacha-

(Apar Kewkacha)

President