



## TRANSLATION

Safari World Public Company Limited

Registration No. B.M.J.0107537000351

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Subject: The Explanation and Analysis Report of the Financial Positions and Result of Business Operations for 3 months period ending on 30 September 2021

To: President of The Stock Exchange of Thailand

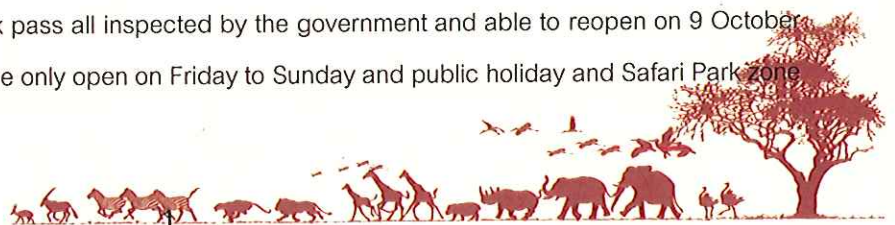
Safari World Public Company Limited (the "Company") wishes to submit Financial Statement for 3-month and 9-month period ending on 30 September 2021, certified by auditor. Detail of the explanation and analysis report of the financial positions and result of business operations are hereof;

### 1. The pandemic of Covid-19 and its effect on business operation

Due to the latest wave of Covid-19 pandemic outbreak in Thailand from beginning of April 2021, On 24 April 2021, the government announced an order to close all operation of zoo and animal show premises temporary from 26 April 2021 to 30 September 2021 since Bangkok is still the heaviest infected area, resulting Safari World Park to temporarily close for the whole period of Q3 2021.

Although the Government's effort to reopen the country for international tourist from 1 July 2021 by implement "Phuket Sandbox" protocol and other upcoming tourist area but the number of international tourist is still very low caused by an instable of covid-19 situation on a global scale. The low coverage of vaccinated population in Thailand also contributes to the low number of local tourists. These reasons, Phuket Fantasea still temporarily closed for the whole period of Q3 2021.

Later, the Government announced an order to allow zoo to reopen from 1 October 2021 on a condition that the business operator has to follow "New Normal" service protocol including distancing, fully vaccinated staff, and staff's regular ATK test. Safari World Park pass all inspected by the government and able to reopen on 9 October 2021. During this period, Marine Park zone only open on Friday to Sunday and public holiday and Safari Park zone open everyday.



Since the lockdown is gradually lift, travel ban also unrestricted, and reopen for international tourist from 1 November 2021 by the fact that vaccine distribution is better than expect in August 2021, tourism sector may start to recover in the last quarter of 2021. However, the global situation is unstable, and the quarantine enforce by other countries still largely unsettle, therefore, the number of international tourists is expected to be low. Safari World has increase its customer target to focus on local tourist and able to resubscribe annual ticket "Safari 365" from 26 August 2021 and realize as income to circulate a cashflow during the temporary close. The Company and its subsidiaries have implemented prudential management to support the rough economic from Covid-19.

## 2. Summary of Business Operations in 2021

### 2.1 Business Operations for 3 months period of Q3/2021

The group of companies has net loss of 214.24 million Baht. When compared with the same period of the previous year that the group of companies had a net loss of 125.80 million Baht, then the net loss increased 88.44 million baht or 70.30% since the Covid-19 caused the operation income only from Safari World Park which has temporary closed from 26 April 2021 at 10.54 million Baht and the subsidiary (Phuket Fantasea) has temporary from March 2020 to the present.

#### Revenue from operation

The group of companies' total revenue for Q3/2021 was 10.54 million Baht, comprising revenue from ticket sales of 7.87 million Baht, food and beverage sales of 0.12 million Baht and other operating income of 2.55 million Baht, all generate solely from Safari World's operation.

Compared to the same period of the previous year, the group of companies' total revenues decreased by 75.46 million Baht, since the Company had to close its business temporary throughout Q3/2021 therefore, no operation income but realizing a revenue from Annual ticket promotion "Safari 365 Annual Ticket" on sale during Q3-Q4/2020 which able ticket holder to visit park unlimited time from 1 September 2020 to 31 August 2021 significantly.

#### Summary of revenue from operation of 3<sup>rd</sup> Quarter 2021 and 2020

Unit: Million Baht	3 - months				9 - months			
	30-Sep-2021	30-Sep-2020	Increase (Decrease)	%	30-Sep-2021	30-Sep-2020	Increase (Decrease)	%
Sales of tickets	7.87	55.77	(47.90)	85.89	97.07	219.84	(122.77)	55.85
Sales of food and beverages	0.12	11.21	(11.09)	98.93	8.61	65.68	(57.07)	86.89
Other revenue from operations	2.55	19.02	(16.47)	86.59	19.85	60.86	(41.01)	67.38
Total revenues	10.54	86.00	(75.46)	87.74	125.53	346.38	(220.85)	63.76

#### Other income

Other income for Q3/2021 totaled 12.70 million Baht, has increase compared to the same period of the previous year 10.07 million Baht significantly due to income from the sale of animals.

#### Cost of sale and services

Cost of sales and services for Q3/2021 totaled 35.93 million Baht has decreased when compared to the same period of the previous year at 77.27 million Baht in proportionate to the decrease income including cost for food and beverages and labour cost and the fixed cost also decrease since the group of companies has continuously implemented measures to reduce expenses to maintain the liquidity of the cash flow as much as possible for example, the cost of animal husbandry, utilities, water and electricity bills, etc.

#### Loss on death of animals

Loss from dead animals for Q3/2021 totaled 9.94 million Baht has increased compared to the same period in 2020 of 5.74 million Baht, totaled 4.20 million Baht, or a increase of 73.17% as a result of more rainy weather condition than other years made the animal more vulnerable to sickness and infection as significant.

#### Depreciation

In Q3/2021, the group of companies had depreciation of 0.09 million Baht decreased when compared to the same period of year 2020 of 40.45 million Baht, totaled 40.36 million Baht or a decrease of 99.78% significantly due to the categorize of depreciation during close of operation to cost of administration.

#### Expected Credit Loss

For Q3/2021, the group of companies has expected credit loss of 1.04 million Baht, increased when compared to the same period of year 2020 of 0.83 million Baht totaled 0.21 million Baht, or an increase of 25.30%, significantly due to the sale of fixed asset.

#### Selling and administrative expenses

Selling and administrative expenses for Q3/2021 totaled 99.04 million Baht had increased when compared to the same period of year 2020 of 73.43 million Baht, totaled 25.61 million Baht or an increase of 34.88% significantly due to the realization of Company's depreciation during Q3/2021 close of operation to administrative.

#### Financial cost

Financial costs for the Q3/2021 totaled 92.92 million Baht, had increased when compared to the same period of year 2020 of 25.81 million Baht, totaled 67.11 million Baht or an increase of 260.02% significantly due to an increase in debentures and loans from financial institutions. In addition, interest payments as costs in some of the Carnival Magic projects, which have temporarily suspended construction have not been booked.

Summary of operation result of 3<sup>rd</sup> Quarter 2021 and 2020

Unit: Million Baht	3 - months				9 - months			
	30-Sep-2021	30-Sep-2020	Increase (Decrease)	%	30-Sep-2021	30-Sep-2020	Increase (Decrease)	%
Revenues	10.54	86.00	(75.46)	87.74	125.53	346.38	(220.85)	63.76
Cost of sales and services	(35.93)	(77.27)	(41.34)	53.50	(125.63)	(294.61)	(168.98)	57.36
Loss on death of animals	(9.94)	(5.74)	4.20	73.17	(19.21)	(18.13)	1.08	5.96
Depreciation	(0.09)	(40.45)	(40.36)	99.78	(28.46)	(123.83)	(95.37)	77.02
Gross Loss	(35.42)	(37.46)	(2.04)	5.45	(47.77)	(90.19)	(42.42)	47.03
Expected credit losses	(1.04)	(0.83)	0.21	25.30	(49.31)	(2.43)	46.88	1,929.22
Other income	12.70	10.07	2.63	26.12	30.06	38.41	(8.35)	21.74
Selling and administrative expenses	(99.04)	(73.43)	25.61	34.88	(347.81)	(320.79)	27.02	8.42
Loss from operation	(122.80)	(101.65)	21.15	20.81	(414.83)	(375.00)	39.83	10.62
Finance costs	(92.92)	(25.81)	67.11	260.02	(280.92)	(148.67)	132.25	88.96
Income tax benefit (expenses)	1.48	1.66	(0.18)	10.84	10.74	0.12	10.62	8,850.00
Net loss	(214.24)	(125.80)	88.44	70.30	(685.01)	(523.55)	161.46	30.84
EBITDA	(122.71)	(61.20)			(386.37)	(251.17)		
Gross margin %	(336.05)	(43.56)			(38.05)	(26.04)		
Net loss margin %	(2,032.64)	(146.28)			(545.69)	(151.15)		
Return on Assets (ROA) %	(2.45)	(1.41)			(7.85)	(5.86)		
Return on Equity (ROE) %	(8.07)	(3.81)			(25.81)	(15.85)		

2.2 Business Operations for 9 months period of 2021

The Company and the Subsidiary has operation income for 9-month ending 30 September 2021 of 125.53 million Baht, decrease compared to the same period of 2020 at 346.38 million Baht totaled 220.85 million Baht or decrease of 63.76% resulting net loss for 9-month of 685.01 million Baht, increase compare to 9-month of 2020 at 523.55 million Baht totaled 161.46 Million Baht or increase of 30.84% due to the same period in 2021, Safari World Park only operate for 4 months and the subsidiary has closed from early 2020 as significant.

### 3. Report and analysis of financial positions

Unit: Million Baht	Consolidated			
	As at 30-Sep-2021	As at 31-Dec-2020	Increase (Decrease)	%
Current assets	100.76	140.24	(39.48)	28.15
Non-Current assets	8,630.43	8,787.25	(156.82)	1.78
<b>Total assets</b>	<b>8,731.19</b>	<b>8,927.49</b>	<b>(196.30)</b>	<b>2.20</b>
Current liabilities	1,718.74	3,310.49	(1,591.75)	48.08
Non-current liabilities	4,358.67	2,314.63	2,044.04	88.31
<b>Total Liabilities</b>	<b>6,077.41</b>	<b>5,625.12</b>	<b>452.29</b>	<b>8.04</b>
Total shareholders'equity	2,653.78	3,302.37	(648.59)	19.64
<b>Total liabilities and shareholders'equity</b>	<b>8,731.19</b>	<b>8,927.49</b>	<b>(196.30)</b>	<b>2.20</b>
Current Ratios	As much as	0.06	0.04	
Debt to Equity Ratio	As much as	2.29	1.70	
Debt Ratio	As much as	0.70	0.63	
Interest Coverage Ratio	As much as	1.68	2.52	

#### Assets

As of 30 September 2021, the group of companies has total asset of 8,731.19 million Baht, had decreased 196.30 million Baht or 2.20 % compare the end of 2020 significantly due to the decrease in trade accounts receivable and other current receivables amounted from the allowance for doubtful accounts as significant.

During Q3/2021, total asset has decreased 48.88 million Baht from total asset during Q2/2021 at 8,780.07 million Baht from the decrease of fixed asset of 53.46 million Baht due to the write-off of the sale of animals on the account fixed assets and depreciation recognition.

The current construction of Carnival Magic Project has been stopped since Q2/ 2021 to Q3/ 2021, consequently, the subsidiary had to stop record interest expense as cost of assets under construction of 217.10 million Baht and would resume to record interest expense as part of cost of construction in progress assets when construction resumed.

### Liabilities

As of 30 September 2021, the Group had total liabilities of 6,077.41 million Baht, an increase of 452.29 million Baht or 8.04% compared to the end of 2020. This was mainly due to an increase in interest-bearing liabilities which the group has negotiated to postpone interest payment of February 2021 – January 2022 from financial institutions loan to payable in February 2022 – November 2022. The Company and subsidiary also receive a long-term loan from financial institution total of 210 million Baht loan limit already and has already withdrawn 88.48 million Baht in Q3/2021 as significant.

### Shareholders' equity

As of 30 September 2021, the Group's shareholders' equity amounted to 2,653.78 million Baht, a decrease of 19.64% compared to end of 2020 mainly due to a decline in retained earnings.

Please be informed accordingly.

Sincerely yours,  
Apar Kewkacha  
(Apar Kewkacha)  
President