



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.

To : President of The Stock Exchange of Thailand

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

1. The Consolidated Financial Statements

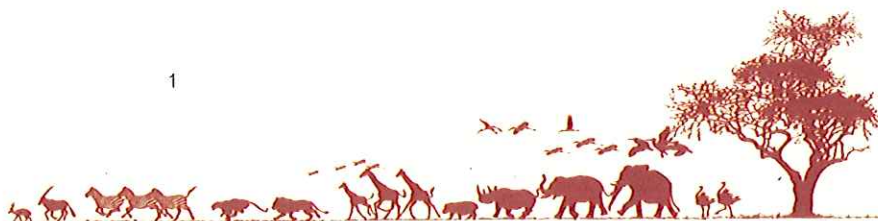
1.1 Report and analysis of Business Operations

Revenue

Revenue from operations

Revenue from operations for the Company and its subsidiaries for the year 2019 was totally Baht 1,805.80 million decreased from the year 2018 which was Baht 1,929.50 million for Baht 123.70 million or -6.4% resulted from decrease in number of tourists of the subsidiary.

(million)	2019	2018	increase (decrease)	
			million	%
Sales of tickets	1,158.87	1,213.29	(54.42)	(4.49)
Sales of food and beverages	391.27	397.19	(5.92)	(1.5)
Other revenue from operations	255.66	319.02	(63.36)	(19.9)
Total revenues	1,805.80	1,929.50	(123.70)	(6.4)



Other income

Other income for the year 2019 of Baht 42.52 million increased from Baht 26.65 million for the year 2018 of Baht 15.87 million or 59.5%.

Expenses

Cost of sales and services

Cost of sales and services for the year 2019 of Baht 795.65 million decreased from Baht 800.82 million for the year 2018 of Baht 5.17 million or -0.06% due to decrease in employees benefits for the staffs under part of cost of sales and services from Bath 11.43 million.

Loss on death of animal for the year 2019 of Baht 24.77 million decreased from Baht 26.33 million for the year 2018 of Baht 1.56 million or -5.9%.

For the year 2019, gross profit was Baht 827.92 million decreased from Baht 928.26 million for the year 2018 of Baht 10.03 million or -10.8% resulted to gross profit margin of the year 2019 was at 45.85% slightly decreased from the year 2018 which was -48.1%.

Selling and administrative expenses

Selling and administrative expenses of the year 2019 of Baht 631.31 million increased from Baht 620.38 million for the year 2018 of Baht 10.93 million or 1.8% due to entertainment expenses increased of baht 5.29 million ,financial advisory fee of the parent company increased of Baht 11.99 million.

Finance costs

Finance costs of the year 2019 of Baht 138.75 million increased from Baht 132.51 million for the year 2018 of Baht 6.24 million or 4.70% from the issuance of short-term and long-term debentures.

Summary operating results

The Company and its subsidiaries had net profit for the year 2019 of Baht 56.73 million decreased from Baht 148.70 million for the year 2018 of Baht 91.97 million or -61.8% due to revenue from operations was decreased while the overall expenses was increased at the higher rate than the revenue growth.

(million)	2019	2018	increase (decrease)	
			million	%
Total revenues	1,805.80	1,929.50	(123.70)	(6.4)
Cost of sales and services	(795.65)	(800.82)	(5.17)	(0.6)
Loss on death of animals	(24.77)	(26.33)	(1.56)	(5.9)
Depreciation	(157.46)	(174.10)	(16.64)	(9.6)
Gross profit	827.92	928.25	(100.33)	(10.8)
Selling and administrative expenses	(631.31)	(620.38)	10.93	1.8
Other incomes	42.52	26.65	15.87	59.5
Profit before interest and expense tax	239.13	334.52	(95.39)	(28.5)
Finance costs	(138.75)	(132.51)	6.24	4.7
Profit before expense tax	100.38	202.01	(101.63)	(50.3)
Expense tax	(43.65)	(53.31)	(9.66)	(18.1)
Net profit	56.73	148.70	(91.97)	(61.8)
Gross Profit Margin	45.8%	48.1%		
Earnings before interest and taxes	13.2%	17.3%		
Earnings before taxes	5.6%	10.5%		
Net Profit Margin	3.1%	7.7%		

1.2 Report and analysis of financial positions

(million)	As at 31.12.2019	As at 31.12.2018	increase (decrease)	
			million	%
Total assets	8,553.07	7,061.88	1,491.19	21.1
Interest-bearing debts	4,027.14	3,403.17	623.97	18.3
Total Liabilities	4,593.56	3,921.17	672.39	17.1
Total shareholder's equity	3,959.51	3,140.71	818.80	26.1
Interest bearing debt to equity ratio	1.02	1.08		
Debt to equity ratio	1.16	1.25		

Assets

As at December 31, 2019, the Company and its subsidiaries had total assets of Baht 8,553.07 million increased from Baht 7,061.88 million as of December 31, 2018 of Baht 1,491.19 million or 21.1% primarily of the significant changes are from the additional purchase of property, plant and equipment of Baht 1,246.40 million mostly was the construction in progress for Carnival Magic project. Cash and cash equivalents increased of Baht 39.83 million. Advances for purchase of assets and animals-net increased of Baht 108.60 million. Trade and other current receivables decreased of Bath 16.75 million. Animals and plans-net decreased of Baht 32.80 million due to dead animals. From transferring advance payment under the construction contract to construction in progress.

Liabilities

As at December 31, 2019, the Company and its subsidiaries had total liabilities of Baht 4,593.56 million increased from Baht 3,921.17 million as of December 31, 2018 of Baht 672.39 million or 17.1% primarily from the increase in interest-bearing debts of Baht 623.97 million resulting to the interest-bearing debts to equity ratio and debt to equity ratio was increased to 1.02 and 1.16 respectively.

Shareholders' equity

As at December 31, 2019, the Company and its subsidiaries had total shareholders' equity of Baht 3,959.51 million increased from Baht 3,140.71 million as of December 31, 2018 of Baht 818.80 million or 26.0% from recognized net profit of the year 2019. The Company and subsidiaries set aside a legal reserve increased of Baht 9.15. million and decreasing in ordinary shares of non-controlling interests of Baht 0.22 million.

2. The separate financial statements

2.1 Report and analysis of Business Operations

Revenue

Revenue from operations

Revenue from operations for the Company for the the year 2019 totally Baht 1,095.01 million increased from Baht 1,051.12 million for the year 2018 of Baht 43.89 million or 7.0% due to revenue from sales of ticket and sales of food and beverages were increased of Baht 43.38 million and Baht 25.32 million, respectively from increase in number of tourists and selling price.

(million)	2019	2018	increase (decrease)	
			million	%
Sales of tickets	658.78	615.40	43.38	7.0
Sales of food and beverages	280.91	255.59	25.32	9.9
Other revenue from operations	155.32	180.13	(24.81)	(13.8)
Total revenues	1,095.01	1,051.12	43.89	4.2

Other income

Other income for the year 2019 of Baht 55.60 million increased from Baht 32.82 million for the year 2018 of Baht 4.05 million or 22.78 % due to revenue from sales of newborn animals of Baht 14.77 million, other income from an insurance claim of Baht 15.84 million.

Expenses

Cost of sales and services

Cost of sales and services for the 2019 of Baht 461.85 million increased from Baht 433.38 million for the year 2018 of Baht 28.47 million or 6.6% in line with the increase in revenues.

Loss on death of animal for the year 2019 of Bath 21.27 million decreased from Baht 26.33 million for the year 2018 of Bath 5.06 million or -19.2 %

For the year 2019, gross profit was Baht 516.58 million increased from Baht 490.89 million for the year 2018 of Baht 25.69 million or 5.2% which was higher than the increase in revenue from operations stated at 4.2% due to the lower rate of the increase in cost of sales and services resulting to the increase in gross profit margin of the year 2019 to 47.2% from 46.7% for the year 2018.

Selling and administrative expenses

Selling and administrative expenses of the year 2019 of Baht 297.47 million decreased from Baht 277.15 million for the year 2018 of Baht 20.32 million or-7.3% due to financial advisory fee decreased of Baht 3.05 million.

Finance costs

Finance costs of the year 2019 of Baht 40.20 million decreased from Baht 47.70 million for the year 2018 of Baht 7.5 million or -1.57% in line with the decrease in interest-bearing debts.

Summary operating results

The Company had net profit for the year 2019 of Baht 179.84 million increased from Baht 156.54 million for the year 2018 of Baht 23.30 million or 14.9% due to increased operating income.

(million)	2018	2017	increase (decrease)	
			million	%
Total revenues	1,095.01	1,051.12	43.89	4.2
Cost of sales and services	(461.85)	(433.38)	28.47	6.6
Loss on death of animals	(21.27)	(26.33)	(5.06)	(19.2)
Depreciation	(95.31)	(100.52)	(5.21)	(5.2)
Gross profit	516.58	490.89	25.69	5.2
Selling and administrative expenses	(297.47)	(277.15)	20.32	7.3
Other incomes	55.60	32.82	22.78	69.4
Profit before interest and expense tax	274.71	246.56	28.15	11.4
Finance costs	(40.20)	(47.70)	(7.50)	(15.7)
Profit before expense tax	234.51	198.86	35.65	17.9
Expense tax	(54.67)	(42.32)	(12.35)	(29.2)
Net profit	179.84	156.54	23.30	14.9
Gross Profit Margin	47.2%	46.7%		
Earnings before interest and taxes	25.1%	23.5%		
Earnings before taxes	21.4%	18.9%		
Net Profit Margin	16.4%	14.9%		

2.2 Report and analysis of financial positions

(million)	As at 31.12.2019	As at 31.12.2018	increase (decrease)	
			million	%
Total assets	4,369.39	3,867.06	502.33	13.0
Interest-bearing debts	407.37	620.28	(212.91)	(34.3)
Total Liabilities	662.68	840.94	(178.26)	(21.2)
Total sharehoder's equity	3,976.71	3,026.12	950.59	31.4
Interest bearing debt to equity ratio	0.10	0.20		
Debt to equity ratio	0.17	0.28		

Assets

As at 31 December 2019, the Company had total assets of Baht 4,369.39 million increased from Baht 3,867.06 million as of December 31, 2018 of Baht 502.33 million or 13.0% primarily of the significant are from short-term loans to related parties increased of Baht 999.54 million, Trade and other current receivables decreased of Baht 4.24 million. Cash and cash equivalents decreased of Baht 22.35 million while animals and plants decreased of Baht 28.61 million due to dead animals.

Liabilities

As at December 31, 2019, the Company had total liabilities of Baht 662.68 million decreased from Baht 840.94 million as of December 31, 2018 of Baht 178.26 million or -21.2% primarily from the decrease in interest-bearing debts of Baht 212.91. million while income tax payable increased of Baht 12.33 million and trade and other current payables decreased of Baht 76.65 million resulting to the decrease in interest –bearing debts to equity ratio and debt to equity ratio for 0.10 and 0.17, respectively.

Shareholders' equity

As at December 31, 2019, the Company had total shareholders' equity of Baht 3,976.71 million increased from Baht 3,026.12 million as of December 31, 2018 of Baht 950.59 million or 31.4% from increase capital.

Please be informed accordingly.

Sincerely yours,

Apar Kewkacha

(Apar Kewkacha)

President