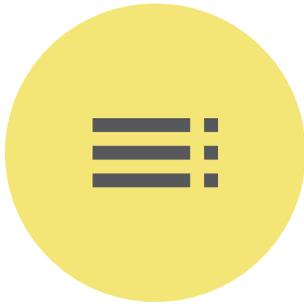


The cover features a large, stylized yellow number '2020' in the background. The '0' in the middle contains the text 'ANNUAL REPORT 2020'. The background is white with a pattern of small yellow plus signs and a dashed yellow line forming a circle. At the bottom, there are wavy, light gray and white abstract shapes.

ANNUAL REPORT
2020

SPA

SIAM WELLNESS GROUP PCL.



CONTENTS

	Message from Chairman	4
	Board of Directors	6
	General Information and other information	8
	News and Events	12
	Financial Highlight	18
	Audit Committee's Report	20
	Risk Management Committee's Report	22
	Nomination and Compensation Committee's Report	23
	Corporate Governance Committee's Report	24

	Part 1	27
	• Policy and Overview of Business Operation	28
	• The Characteristics of the Business Operation	36
	• Risk Factor	61
	Part 2	65
	• Securities and Shareholders information	66
	• Organizational Structure	68
	• Corporate Governance	86
	• Corporate Social Responsibility (CSR)	106
	• Internal Control and Risk Management	111
	• Related Party Transactions	113
	Financial Information	124
	Accountability Report for Financial Statements	125
	Management Discussion and Analysis	126
	Financial Statement	133



Mrs. Pranee Suphawanakiat

MESSAGE FROM
CHAIRMAN



Dear Shareholders of Siam Wellness Group Public Company Limited [SPA],

On behalf of the Board of Directors of Siam Wellness Group Public Company Limited [SPA], I would like to sincerely thank all of the shareholders for your trust and support in our company. Following the COVID-19 Global Pandemic, the local and global economy have slowed down with significant impact on Tourism Industry. Tourists, our key target customer segment, cannot travel to Thailand and local customers were forced to Work from Home and reduce travelling. Moreover, all branches of Spa were temporarily shut down after the Notification to close spas and massages throughout Thailand by resolution of the Cabinet between 18 March – 31 May 2020 and Hotel in Chiang Mai was temporarily shut down between April to July 2020 to reduce the spread. Thus, resulting in the first year of net operating loss since listed in the Stock Exchange of Thailand. In 2020, the total revenue is 431.34 million baht, a decrease of 69.24% from 2019 and the total net loss is 209.09 million baht, a decrease of 182.16% from 2019.

In 2020, Siam Wellness Group Public Company Limited continues to expand additional Wellness business including “Stretch me Clinic” offering a variety of bespoke programmes that combined hands-on therapy with physical modality machine under the supervision of experienced Physiotherapist and “Dr. Spiller Pure Skin Care Solutions” offering facial indulgence experience to enhance the long-term benefits of youthful skin using Dr. Spiller, a sophisticated skincare brand from Germany. In addition, the company expands the new Flagship Store concept of “Leisure Space”, A place where wellness gathering providing the ultimate pampering journey composing of “Let’s Relax Spa”, “Stretch me Clinic”, “Dr. Spiller Pure Skin Care Solutions” and “LRL” Experience Store on 1,800 sq.m. on 2nd Floor of CentralWorld. In summary, as of 31st December 2020, there are a total of 69 branches including 3 branches of RarinJinda Wellness Spas, 48 branches of Let’s Relax Spa (43 domestic and 5 overseas), 5 branches of Stretch me, 1 branch of Stretch me Clinic, 3 branches of Dr. Spiller Pure Skin Care Solutions and 9 branches of Baan Suan Massage.

In terms of Corporate Governance, we are honored to receive Best Small Cap Company from Finance Asia’s Best Companies 2020 and select as Forbes Asia’s 200 Best Under a Billion List in 2020 for third consecutive years. In terms of Investor Relations, we are delighted to receive the Best Investor Relations Awards for listed Company in mai at SET Awards 2020 and Certificate of Excellence in Investor Relations from IR Magazine Awards South East Asia 2020. Moreover Thai Investors Association has rated our Annual General Meeting of Shareholders as 98 points out of 100 points.

Lastly, I would like to sincerely thank our management and staff for their contributions to the Company in the challenging time as well as our advisors for their continuously support for the Company to overcome this crisis. These will be a great willpower and encouragement for the Company to continue to achieve its business vision of providing accessible wellness services rooted in Thai wisdom & hospitality so that people have better well-being.

On behalf of the Board of Directors

Yours sincerely,



(Mrs. Pranee Suphawanakiat)

Chairwoman



BOARD OF DIRECTORS

As of December 31, 2020,
The Board of Directors composed of 9 Directors:



Mrs. Pranee Suphawanakiat

1

- Chairman of the Board of Directors



Mr. Wiboon Utsahajit

2

- Director
- President of the Executive Committee
- Chief Executive Officer



Mr. Prasert Jiravanstit

3

- Director
- Member of the Executive Committee
- Member of the Nominations and Compensations Committee
- Managing Director



Mrs. Thanit Amorntirasan

4

- Director
- Member of the Executive Committee
- Member of the Corporate Governance Committee
- Deputy Managing Director



Mr. Narun Wiwattanakrai

5

- Director
- Member of the Executive Committee
- Member of the Risk Management Committee
- Assistant Managing Director



Mr. Polchet Likittanasombat

6

- Director
- Chairman of the Audit Committee (Audit Committee with Accounting Knowledge)
- Member of the Corporate Governance Committee
- Independent Director



Mr. Chaikut Thienvutichai

7

- Director
- Member of the Audit Committee
- Chairman of the Nominations and Compensations Committee
- Member of the Risk Management Committee
- Independent Director



M.R. Pensiri Chakrabandhu

8

- Director
- Member of the Audit Committee
- Chairman of the Corporate Governance Committee
- Member of the Nominations and Compensations Committee
- Independent Director



Mrs. Supee Pongpanich

9

- Director
- Chairman of the Risk Management Committee
- Member of the Corporate Governance Committee
- Independent Director



GENERAL INFORMATION AND OTHER INFORMATION

1. General Information

Company Name :	Siam Wellness Group Public Company Limited
Stock name :	SPA
Company Registration Number :	0107557000144
Business Type :	Spa and Wellness under 6 brands <ul style="list-style-type: none"> • RarinJinda Wellness Spa, • Let's Relax, • Baan Suan Massage, • Stretch me by Let's Relax, • Dr. Spiller Pure Skin Care Solutions and • Stretch me Clinic
Head Office Address :	483 Soi Suthipom, Prachasongkroh Road, DinDaeng, Bangkok 10400 THAILAND
Branch Address:	<p>1) RarinJinda Wellness Spa</p> <ul style="list-style-type: none"> • 14 Charoenraj Road, Wat Kate sub-district, Muang district, Chiang Mai • Grande Centre Point Ratchadamri Hotel, 6th and 8th Floor, No. 153/2 Soi Mahatlekluang 1, Ratchadamri Road, Lumpini sub-district, Pathumwan district, Bangkok • Grande Centre Point Ploenchit Hotel, 30th and 31st Floor, No. 100 Wireless Road, Lumpini sub-district, Pathumwan district, Bangkok <p>2) Let's Relax</p> <ul style="list-style-type: none"> • Terminal 21 Shopping Mall, 6th Floor, Room SH-6-003, 004, No. 2,88 Soi Sukhumvit 19, Klongtoey Nua sub-district, Wattana district, Bangkok • Pavilion Night Bazaar Shopping Mall, 1st and 2nd Floor, No. 145 Changklan Road, Changklan sub-district, Muang district, Chiang Mai • 184/14 Pangmuang Sai Kor Road, Patong sub-district, Kathu district, Phuket • 209/22-24, Raj-u-thid 200 years old Road, Patong sub-district, Kathu district, Phuket • Centre Point Residence Phromphong, No. 77 Soi Sukhumvit 39, Sukhumvit Road, Klongtun Nua sub-district, Wattana district, Bangkok • 240/9 Moo 5, Naklua sub-district, Banglamung district, Chonburi • Mandarin Hotel Bangkok, M Floor, No. 662 Rama 4 Road, Mahapreutttharam sub-district, Bangrak district, Bangkok • Siam Square 1 Shopping Mall, 6th Floor, Room SS6032 and SS 6041, No. 388 Rama 1 Road, Pathumwan sub-district, Pathumwan district, Bangkok • Hua Hin Market Village Shopping Mall, 2nd and 3rd Floor, Room E201, E201_Terrace, E301, A313, No. 234/1 Phetkasem Road, Hua Hin sub-district, Hua Hin district, Prachuab Khiri Khan

- Park Lane Bangkok, 2nd Floor Room B205-214, No. 18 Soi Sukhumvit 61, Sukhumvit Road, Klongton Nua sub-district, Wattana district, Bangkok
- 97/2, 97/3-4, 97/5, Ratchadamnoen Road, Phra Singha sub-district, Muang district, Chiang Mai
- 7/24 Soi Suanplu, Thungmahamek sub-district, Sathorn district, Bangkok
- The Street Ratchada, 3rd Floor, No. 139 Ratchadaphisek Road, Dindaeng sub-district, Dindaeng district, Bangkok
- MBK Center, 5th Floor, Room No. PLA.F05.A010000 No. 444 Phayathai Road, Wangmai sub-district, Pathumwan district, Bangkok
- The Berkeley Hotel Pratunam, 10th Floor, No. 559 Ratchaprarop Road, Makkasan sub-district, Ratchathewi district, Bangkok
- 47/3-6 Phayathai Road, Phayathai Road sub-district, Ratchathewi district, Bangkok
- Grande Centre Point Hotel Sukhumvit 55, 5th Floor, No. 300 Soi Sukhumvit 55, Sukhumvit Road, Klongton Nua sub-district, Wattana district, Bangkok
- 121/3 Wake Up Hotel Aonang, 1st Floor, Aonang sub-district, Muang district, Krabi
- 224/2-3 Karon Road, Karon sub-district, Muang district, Phuket
- 5/2-3 Soi Sukhumvit 31 (Sawasdee), Klongtoey-Nua sub-district, Wattana district, Bangkok
- 255 Khoktanod Road, Karon sub-district, Muang district, Phuket
- 20/64 Moo 2, Thepkasattri Road, Koh Kaew sub-district, Muang district, Phuket
- 199 Raj-u-thit 200 years old Road, Patong sub-district, Muang district, Phuket
- 1/5 Nimmanhaemin Road, Suthep sub-district, Muang district, Chiang Mai
- 224/27-28 Moo 10, Nongprue sub-district, Banglamung district, Chonburi
- 99 Ratchadamri Road, Lumpini sub-district, Pathumwan district, Bangkok
- 8 Sawatdirak Road, Patong sub-district, Kathu district, Phuket
- 8/62 Soi Moon Baan Nong Khae, Nong Khae sub-district, Hua Hin district, Prachuab Khiri Khan
- 777 1st Floor, SH-1067, 1068 Moo 6, Na Kluea sub-district, Banglamung district, Chonburi
- 777 1st Floor, SH-1054A, 1054B Moo 6, Na Kluea sub-district, Banglamung district, Chonburi
- 1 3rd Floor, Soi Sukhumvit 13 (Sangchan), Klongtoey Nua sub-district, Wattana district, Bangkok
- 1392 Phetkasem Road (Sai Tai), Cha-am sub-district, Cha-am district, Petchaburi
- 212 2nd Floor, Ratchadaphisek Road, Huaykwang sub-district, Huaykwang district, Bangkok
- 111 The Market Bangkok, 4th Floor, M14SA01, Ratchadamri Road, Lumpini sub-district, Pathumwan district, Bangkok
- 27 Nikko Hotel Bangkok, 201 Zone A, 2nd Floor, Soi Sukhumvit 55 (Thonglor), Klongton Nua sub-district, Wattana district, Bangkok
- 1031 LG Floor, LG-03, Central Embassy, Ploenchit Road, Lumpini sub-district, Pathumwan district, Bangkok
- 188 Rua Rasada Hotel, Patthalung Road, Tubtiang sub-district, Muang district, Trang
- 111 Moo 6, Ko Lanta Yai sub-district, Ko Lanta district, Krabi
- 531 I'm Chinatown, 3rd Floor, F3-2, Charoenkrung Road, Pomprapattthupai sub-district, Pomprapattthupai district, Bangkok
- 19/1, 19/2, 19/3, 19/4, 19/5, 19/6 Porto de Phuket, 1st Floor, 509, Baandon-Chemgtalay Road, Chemgtalay sub-district, Talang district, Phuket
- 491 Carlton Hotel Bangkok, 10th Floor, Sukhumvit Road, Klongtoey-Nuea sub-district, Wattana district, Bangkok
- 4,4/1-4.2, 4/4 CentralWorld, 2nd Floor, D205, Ratchadamri Road, Pathumwan sub-district, Pathumwan district, Bangkok
- 96 Mahanakhon Cube, 4th Floor, F401, Naradhiwas-Rajanakarinn Road, Silom sub-district, Bangrak district, Bangkok
- 55 Movenpick Siam Hotel Na Jomtien Pattaya, Moo 2, Sukhumvit Road, Na Jomtien sub-district, Sattahip district, Chonburi

3) Baan Suan Massage

- 27 Nakorn-in Road, Talad Kwan sub-district, Muang district, Nonthaburi
- 293 Ratchadaphisek Road, Wongsawang sub-district, Bangsue district, Bangkok
- 624 Charoennakorn 68 Road, Daokanong sub-district, Thonburi district, Bangkok
- 488 Bharomratchachonnane Road, Salathammasop sub-district, Thaweewattana district, Bangkok
- Terminal 21 Korat Shopping Mall, 2nd Floor, Room No. 2020-2021 No. 99 Mittraphap-Nongkhai Road, Naimuang sub-district, Muang district, Nakorn Ratchasima
- 689 Mill Place Pohsri Mall, M-0208, M-0209, Pohsri Road, Markkang sub-district, Muang district, Udon Thani
- 1245-1245/1 Moo 5 Soi Wannauthit, Prajaksilpakom Road, Naimuang sub-district, Muang district, Nongkhai
- 673 Phekasem Road, Nongkangplu sub-district, Nongkaem district, Bangkok
- 624/2 Ramintra Road, Ramintra sub-district, Kunayao district, Bangkok

4) Stretch me by Let's Relax

- 4, 4/1, 4/2, 4/4 CentralWorld, 3rd Floor, F313, Ratchadamri Road, Lumpini sub-district, Pathumwan district, Bangkok
- 299 Iconsiam, 5th Floor, 529, Charoennakorn Road, Klongtong Sai sub-district, Klongsan district, Bangkok
- 101 True Digital Park, 2nd Floor 201 Zone B, Sukhumvit Road, Bangchak sub-district, Prakanong district, Bangkok
- 27 Nikko Hotel Bangkok, 201 Zone A, 2nd Floor, Soi Sukhumvit 55 (Thonglor), Klongton Nua sub-district, Wattana district, Bangkok

5) Dr. Spiller Pure Skin Care Solutions

- 4,4/1-4.2, 4/4 CentralWorld, 2nd Floor, D205, Ratchadamri Road, Pathumwan sub-district, Pathumwan district, Bangkok
- 27 Nikko Hotel Bangkok, 201 Zone A, 2nd Floor, Soi Sukhumvit 55 (Thonglor), Klongton Nua sub-district, Wattana district, Bangkok
- 777 1st Floor, SH-1067, 1068 Moo 6 Naklua sub-district, Banglamung district, Chonburi

6) Stretch me Clinic

- 4,4/1-4.2, 4/4 CentralWorld, 2nd Floor, D202/2, Ratchadamri Road, Pathumwan sub-district, Pathumwan district, Bangkok

Telephone/Facsimile :	0 2641 6619-20 / 0 2641 6621
Website :	www.siamwellnessgroup.com
Registered Capital :	213,749,982.00 bahts (two hundreds and thirteen millions seven hundreds and forty-nine thousands nine hundreds and eighty-two bahts)
Par Value :	0.25 bahts (twenty-five satangs)

2. Other registered company that Company holds at least 10% of total shares**2.1 Siam Wellness Resort Company Limited**

Head Office Address :	483 Soi Suthiporn, Prachasongkroh Road, DinDaeng, Bangkok 10400 THAILAND
Business Type :	Resort and Restaurant
Registered capital :	60,000,000 bahts (sixty millions bahts)
% Shares :	99.99

2.2 Siam Wellness Lab Company Limited

Head Office Address:	483 Soi Suthiporn, Prachasongkroh Road, DinDaeng, Bangkok 10400 THAILAND
Business Type :	Spa Products Trading
Registered capital :	1,000,000 bahts (one million bahts)
% Shares :	99.99

2.3 Siam Wellness Education Company Limited

Head Office Address:	483 Soi Suthiporn, Prachasongkroh Road, DinDaeng, Bangkok 10400 THAILAND
Business Type :	Massage School
Registered capital :	1,000,000 bahts (one million bahts)
% Shares :	99.97

3. Other references

Registrar :	Thailand Securities Depository Company Limited (TSD) 93 Stock Exchange of Thailand, Ratchadaphisek Road, Klongtoey sub-district, Klongtoey district, Bangkok
Tel.	(662) 009 9000
Fax.	(662) 009 9992
Website :	http://www.set.or.th

Auditor:	1) Ms. Sumana Punpongsanon, certified public accountant no. 5872 and/or 2) Mr. Chayapol Suppasedtanon, certified public accountant no. 3972 and/or 3) Ms. Orawan Techawattanasirikul, certified public accountant no. 4807 4) Ms. Kerdhiri Kanjanapraposit, certified public accountant no. 6014
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EY Office Limited
Lake Ratchada Building, 33rd Floor, 193/136-137, Ratchadaphisek Road, Klongtoey district, Bangkok 10110
Tel: (662) 264-9090
Fax: (662) 264-0789-90

4. Other information	- None -
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Investor can obtain additional company information from Annual Report (56-1) on www.sec.or.th or Company Website



NEWS & EVENTS 2020

JANUARY



SPA opened Baan Suan Massage Ramindra

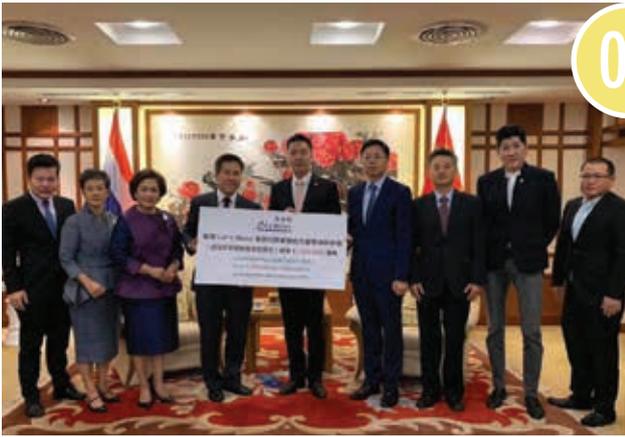
Baan Suan Massage Ramindra located on Ramintra Road is the Company's 9th branch of Baan Suan Massage Chain.

FEBRUARY



SPA opened Let's Relax Bangkok Carlton Hotel Bangkok

This new branch is located in the new upscale City Hotel, Carlton Hotel Sukhumvit, conveniently located on Sukhumvit Road with walking distance from both BTS Phromphong and BTS Asoke. Designed in an elegant style with earth and wood-tone color palette with a view of Bangkok Skyline, Let's Relax Bangkok Carlton Hotel Sukhumvit offers guests a city hideaway space from the busy and bustling Sukhumvit Road. Thai-inspired design elements and artifacts are added to signify Carlton's first flagship Hotel in the vibrant capital city of Bangkok.



SPA donated to People’s Republic of China Embassy

Mr. Wiboon Utsahajit, Chief Executive Officer, Siam Wellness Group PCL, the owner and operator of Let's Relax, popular Thai Spa Brand amongst Chinese Tourists, presented a donation of 1,000,000 THB supporting the COVID-19 Relief in China to Mr. Yang Xin, Minister Counsellor, Embassy of the People's Republic of China in the Kingdom of Thailand.

MARCH



SPA donated 10,000 Disposable Masks to medical staffs of Chulalongkorn Hospital

The Company has switched the staff usage of disposable mask to cloth mask in the time of urgency use of medical staffs.



SPA awarded Best Small Cap Company from Finance Asia Asia’s Best Companies 2020

Siam Wellness Group PCL ["SPA"] was selected by over 300 Fund Managers and Analysts as Best Small Cap Company in Thailand 2020 by Finance Asia Magazine Asia's Best Companies.

APRIL

SPA held its Annual General Meeting for Shareholders

Siam Wellness Group PCL ["SPA"] held its Annual General Meeting for Shareholders 2020 at Suksawang Meeting Room, B.U. Place.



JUNE



07

Let's Relax welcome Ministry of Public Health Executives after Reopening Phase 3

Dr. Tares Krassanairawiwong, Director-General of Department of Health Service Support and Dr. Panpimol Wipulakorn, Director-General of Department of Health visited Let's Relax Spa Sukhumvit 39 (Phromphong) to oversee the COVID-19 Measures of Let's Relax Spa

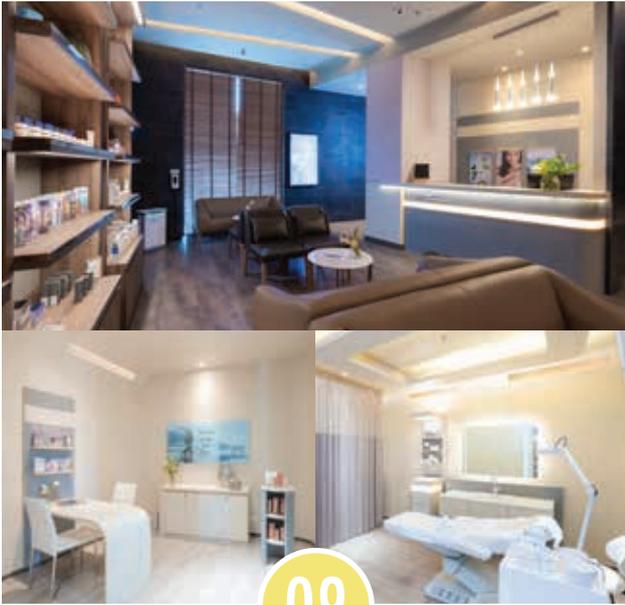


08

Let's Relax awarded SHA Certificate from Tourism Authority of Thailand

Mr. Wiboon Utsahajit (2nd from right), Chief Executive Officer, Siam Wellness Group PCL, the owner of Let's Relax Spa, received Safety & Health Administration (SHA) Certificate - Spa Business from Hon. Anutin Charnvirakul, Deputy Prime Minister and Minister of Public Health. Ms. Thapanee Kiatpaibool, Deputy Governor of Tourism Products, Tourism Authority of Thailand was there to congratulate at Ministry of Public Health.

JULY



09

SPA opened Dr. Spiller Pure Skin Care Solutions Ginza Thonglor (Nikko Hotel Bangkok)

Dr.Spiller Pure Skin Care Solutions Ginza Thonglor is the Company's first Dr. Spiller Pure Skin Care Solutions first branch after rebranding its Facial Clinic brand "Face Care by Let's Relax". It offers variety of Facial Treatment using Dr. Spiller Facial Products for all type of skins.

AUGUST

19 บริษัทไทย ติดอันดับ 200 บริษัทมหาชน
Asia's 200 Best Under A Billion list in 2020

อาฟเตอร์ยู (AU) 256 ล้านบาท	อลซ่า (ALLA) 25 ล้านบาท	บิสมอสออนไลน์ (BOL) 94 ล้านบาท	คารามวอกรูป (CBG) 3,503 ล้านบาท
โรงพยาบาลจุฬารัตน์ (CHG) 852 ล้านบาท	เอกชัยการแพทย์ (EKH) 85 ล้านบาท	เจเคเอ็ม โกลบอล บิซิเนส (JKM) 107 ล้านบาท	จูบิลี เอ็นเตอร์ไพรส์ (JUBILE) 88 ล้านบาท
เน็ตเบย์ (NETBAY) 219 ล้านบาท	ไพลอน (PYLON) 103 ล้านบาท	โรงพยาบาลธาราดี (RJD) 206 ล้านบาท	รับโพธิ์ พร็อพเพอร์ตี้ (TITLE) 43 ล้านบาท
ซาบีน่า (SABINA) 213 ล้านบาท	ซีฟโก้ (SEAFKO) 136 ล้านบาท	สยามเวลเนสกรุ๊ป (SPA) 136 ล้านบาท	เอสไอเอสบี (SISB) 288 ล้านบาท
ที.เอ.ซี. คอมมูนิคส์ (TACC) 88 ล้านบาท	ทรัสต์เพื่อการลงทุนในอสังหาริมทรัพย์ และ-บริการเช่าไทยแลนด์ โพรม พร็อพเพอร์ตี้ (TPRIME) 252 ล้านบาท		สหการประมูล (AUCT) 135 ล้านบาท

www.set.or.th

SET Make it Work for Everyone

10

Siam Wellness Group PCL (SPA)

Siam Wellness Group PCL ["SPA"] selected as 1 of 19 Thai Companies to be listed in Forbes Asia's 200 Best Under A Billion list in 2020 for 3 consecutive years.

OCTOBER



11

Welcomed Top 30 Candidates of Miss Universe Thailand 2020

Let's Relax welcomed Top 30 Candidates of Miss Universe Thailand 2020. The Group was treated with Let's Relax's signature Massage and Spa Treatment at Let's Relax Ginza Thonglor, Hotel Nikko Bangkok.

OCTOBER



12

**SPA opened Leisure Space CentralWorld,
A Place where wellness gathering providing the ultimate pampering journey**

Let's Relax Leisure Space at Central World a wellness gathering space where you can enjoy the ultimate pampering journey in the middle of the city center at your leisure. Peacefully nestled in the heart of Bangkok, Leisure Space is located on the 2nd floor of Dazzle Zone, Central World offering a relaxation space where you can cast away your worries from the hustle and bustle life for an unwind experience to rebalance your body and soul.

Under the same umbrella, Leisure Space is offering a sense of relaxation space that you can cruise along the pampering journey of choice including a relaxing retreat by The Master of Relaxation at Let's Relax Spa, stretching experience by the professional Physiotherapist at Stretchme Clinic, facial indulgence by the sophisticated skincare expert at Dr. Spiller Pure SkinCare Solutions and bring the sense of spa touch to your daily life with LRL - Let's Relax Lifestyle everyday therapeutic sensation skincare to keep your life back in balance.

DECEMBER



SPA awarded Best Investor Relations Awards for listed Company in mai
at SET Awards 2020

Siam Wellness Group PCL ["SPA"] received Best Investor Relations Awards for listed Company in mai in SET Awards 2020 Award Ceremony held at Stock Exchange of Thailand, Bangkok, Thailand. On this occasion, Mr. Wiboon Utsahajit, Chief Executive Officer of Siam Wellness Group PCL ["SPA"] was there to receive award from Mr. Pakorn Peetathawatchai, President of Stock Exchange of Thailand. Mr. Prapan Charoenprawat, President of mai and Executive of Money & Banking Magazine were there to congratulate.



Awarded Certificate

Siam Wellness Group PCL ["SPA"] awarded Certificate for Excellence in Investor Relations from IR Magazine Awards South East Asia 2020



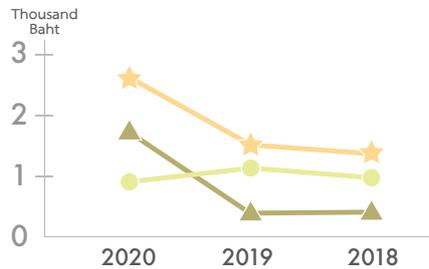
SPA opened Let's Relax Bangkok
Mahanakhon Cube

A Modern and Simply Vibes Day Spa conveniently located on the 4th Floor of Mahanakhon Cube, conveniently accessibly by BTS Chong Nonsi (Exit 3) or by Car on Naradhiwas Road. The interior of Let's Relax Mahanakhon Cube is a mixture of Wood, Glass and Natural Stone with the color scheme of Dark Brown and Light Grey to create warm and cozy ambiance. Enjoy the Bangkok CBD View from our Relaxing Lounge with access way to the Private Terrace.



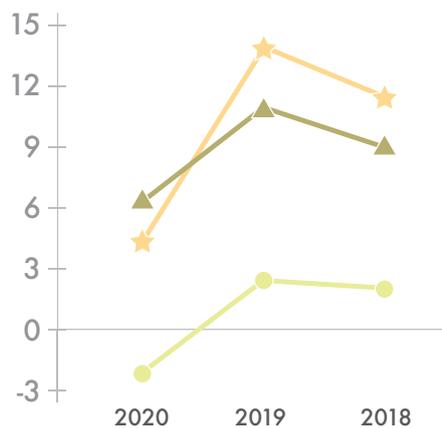
FINANCIAL
HIGHLIGHTS





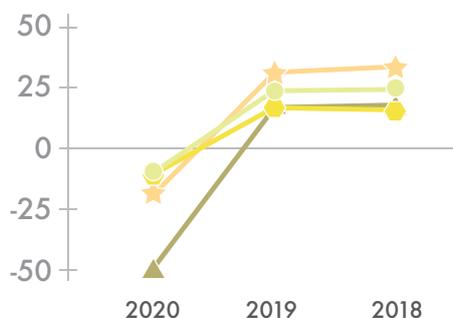
Total Asset **2,632,109** Thousand bahts

Financial Position	2020	2019	2018
★ Total Asset (in Thousand bahts)	2,632,109	1,516,145	1,369,210
▲ Total Liabilities (in Thousand bahts)	1,726,897	384,206	398,845
● Total Shareholder's Equity (in Thousand bahts)	905,212	1,131,939	970,365



Total Revenues **435,625** Thousand bahts

Operational Performance	2020	2019	2018
★ Total Revenues (in Thousand bahts)	435,625	1,403,141	1,152,491
Cost of Sales and Services (in Thousand bahts)	506,641	942,564	750,131
Selling Expense (in Thousand bahts)	34,201	52,453	45,181
Administrative Expense (in Thousand bahts)	84,457	110,112	107,296
▲ Total Expense (in Thousand bahts)	625,299	1,105,129	902,608
● Profit for the Year Attributable to Shareholders of the Parent (in Thousand bahts)	-209,085	245,469	205,597
Net Earnings per Share for the Profit for the Year Attributable to Shareholders of the Parent (Bahts)	-0.25	0.28	0.36



Gross Profit Ratio **-18.68** %

Ratio Analysis	2020	2019	2018
Current Ratio (Times)	0.64	1.18	0.78
★ Gross Profit Ratio (%)	-18.68	31.72	33.87
▲ Net Profit Ratio (%)	-48.98	17.17	18.13
● Return on Equity (%)	-10.26	23.35	23.84
◆ Return on Assets (%)	-10.08	17.01	16.16
Debt to Equity Ratio (Times)	1.91	0.34	0.41



AUDIT COMMITTEE'S REPORT

To Shareholders of Siam Wellness Group Public Company Limited

Siam Wellness Group Public Company Limited ("Company") has the Audit Committee composed of 3 independent directors whom have expertise and are professional in the specific, with the qualifications according to the provision of The Stock Exchange of Thailand. They independently perform the profession under the Charter of Audit Committee, the Audit Committee consists of:

1. Mr. Polchet Likittanasombat Chairman of the Audit Committee
2. Mr. Chaiyut Thienvutichai Audit Committee
3. M.R. Pensiri Chakrabandhu Audit Committee

In 2020, the Audit Committee had a meeting total of 4 times. The Audit Committee's meeting had attended all meetings with the percentage of 100 of the meeting and also invited the management to attend the meeting according to the related agenda of those involved in order to explain the topics matter. As well as invited the internal auditors and certified public accountants to participate in the discussion, the audit results, and the evidences in each quarter. The Audit committee held a meeting with the certified public accountants without the management of the company with total of 4 times.

The Audit Committee's meeting had strictly followed the profession under the Charter of Audit Committee which approved by the Board of Directors of the Company. And the results from each meeting had been reported with the performance summary with useful suggestions to the Board of Directors of the Company to acknowledge, the essence topics are as followed:

1. Reviewed the annual financial statements for the year 2019 and quarterly financial statements for the year 2020 before submitting to the Board of Directors of the company, to be completely certain that the financial transactions prepared by related parties were accurate and adequate to the accounting standards and legal terms as well as enough disclosure in the notes of financial statements. Along with providing the observations and acknowledgement of the solutions as an advantage for the Company, the Audit Committee supposed that the financial transactions was prepared under the guaranteed accounting standards with the accuracy and adequacy which can be reliable, where the choices of accounting policy are reasonable.

2. By reviewing the adequacy of internal controls and internal audit, the Audit Committee supposed that as a matter fact, there are sufficient and effective and no deficiency with the internal auditor working independently. Herewith, the Audit Committee considered the approval of an internal audit plan for the year 2020, following the risk accordingly and focusing on effective and sufficient performance as well as continuing to improve the internal audit system to enhance internal control.

3. By reviewing the observance under the Securities and Exchange Commission, the regulations of The Stock Exchange of Thailand, and the company's related laws, the Audit Committee supposed that the Company has followed the regulations appropriately, as well as reviewing the related subjects or the conflict of interest matters. The Audit Committee agreed that it is reasonable to maximize the benefits of the Company following by the regulations and laws of The Stock Exchange of Thailand as noted in financial statements.

4. By reviewing the risk management, the audit report, and the observations on the internal control system, along with exchanging opinions with the management, the Company has scheduled the meeting for the risk management task force frequently as well as imposing the meeting for the Board of Directors at least every quarter. During the meeting, the Audit Committee mentioned about the overall results, the risks, and suggestions in order to avoid or reducing the significant risks, also reported the progress of the overall results of those responsible individuals. The Audit Committee supposed that the measurement of the risk management was appropriate and sufficient to support the great risky performances according to the business's environment nowadays.

5. By reviewing the adequacy of the internal control system prescribed by the Securities and Exchange Commission, the results showed that the Company had the adequacy of the internal control system.

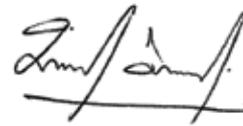
6. Considered selecting the auditors with the transparency and good corporate governance. Along with the overall results of the previous auditors considering the reputation and reliability in auditing with the ability to affirm the financial statements punctually, the Audit Committee suggested that the Board of Directors proposing to the Shareholders' Meeting to approve as followed,

- Appointing the auditors of EY Office Co., Ltd. with the names as followed,
 - Ms. Sumana Punpongsanon, certified public accountant no. 5872 and/or
 - Ms. Orawan Techawattanasirikul, certified public accountant no. 4807 and/or
 - Mr. Chayapol Suppasedtanon, certified public accountant no. 3972 and/or
 - Ms. Kerdsiri Kanjanapraposit, certified public accountant no. 6014

To be auditors of Siam Wellness Group Public Company Limited for the fiscal year 2021 with the audit fees of 1,290,000 bahts (One million two hundreds and ninety thousands bahts)

7. The Audit Committee evaluated the overall results of the Audit Committee by evaluating the overall for the year 2020 and had an agreement that the Audit Committee has followed the Charter of Audit Committee effectively and sufficiently.

Siam Wellness Group Public Company Limited



(Mr. Polchet Likittanasombat)
Chairman of the Audit Committee



RISK COMMITTEE'S REPORT

To Shareholders of Siam Wellness Group Public Company Limited

Siam Wellness Group Public Company Limited highly values good corporate governance, in particular efficient risk management. The Company has measures to set strategies, control operations and mitigate risks from new investment decision-making as well as create learning in risk management for all employees to create higher value for the company, shareholders, society, communities and all stakeholders in order for the Company to grow sustainably.

The Risk Committee has conducted duties assigned by the Board of Directors under the Charter of Risk Committee which complies with the Company's Risk Management Policies and Guideline. The Company has set the Risk Management Policies to cover the selection, assessment, monitoring and control to allow Company to manage the risk efficiently and on-time

The Risk Committee consists of:

1. Mrs. Supee Pongpanich, Chairwoman of the Risk Committee
2. Mr. Chaiyut Thienvuthichai, Member of the Risk Committee
3. Mr. Narun Wiwattanakrai, Member of the Risk Committee and Head of Risk Working Group

In 2020, the Risk Committee had a meeting total of 4 times which included the Members of the Risk Committee (100% attendance) and Member of the Risk Working Group (Management Team) to monitor the key risks that affects the Company's performance and to ensure the Company's performance to be efficient and effective as well as stated new potential risks including risks that may impact the Business Model of Massage and Spa Business in order for the Company to manage the risk in time to reflect the fast-changing and New Normal era as a result of COVID-19 Global Pandemic which has significant impact to the Tourism industry and overall Domestic and Global Economy. The essence topics of 2020 Risk Management are as followed:

1. Company's Risk by Quarter

The Risk Committee and the Risk Working Group jointly assess the Company's risks, its likelihood to happen and its impact from different risks such as Strategic Risk, Legal Risk, Financial Risk, Operational Risk and Asset Risk as well as identifying potential risks and impact. Also, finding a guideline for strategic risk analysis to ensure the Company's short-term and long-term goals are achieved as well as to prevent any changes in Government's Policy that will impact the Company's Performance. The Committee also gave inputs to the risk management controls and potential risks that may impact the Company's subsidiary to ensure smooth operations and achieving their Goals.

2. Company's Risk using SET's guideline

The Committee used the Enterprise Risk Management Framework (ERM Framework) composed of Enterprise Risk Management Policies prepared by Stock Exchange of Thailand as a fundamental in assessing the likelihood and the impact of potential risks. Risks are divided into 3 types 1) Strategic Risk 2) Business Risk 3) Process Risk.

3. Company's Risk Action Plan

The Risk Committee and the Risk Working Group jointly assess the Risk Action Plan which includes both Preventive Action Plan (before risk occurs) and Easing Action Plan (after risk occurs). The Risk Committee also monitors and assesses the impact from COVID-19 Global Pandemic which has significant to Company's Operating Results of 2020 such as the Notification to close spas and massages throughout Thailand by resolution of the Cabinet between 18 March – 31 May 2020, the ban of International Tourist Arrivals to Thailand etc.

The Risk Committee is determined to ensuring that the Company commands proper oversight and due risk management, while having sufficient risk management controls to ensure that Company's efficiency and goals are achieved.

Siam Wellness Group Public Company Limited



(Mrs. Supee Pongpanich)
Chairwoman of the Risk Committee



NOMINATION AND COMPENSATION COMMITTEE'S REPORT

To Shareholders of Siam Wellness Group Public Company Limited

The Nomination and Compensation Committee composed of 3 directors:

1. Mr. Chaiyut Thienvuthichai, Chairman of the Nomination and Compensation Committee
2. M.R. Pensiri Chakrabandhu, Member of the Nomination and Compensation Committee
3. Mr. Prasert Jiravansthit, Member of the Nomination and Compensation Committee

The Nomination and Compensation Committee has conducted duties assigned by the Board of Directors under the Charter of Nomination and Compensation Committee which includes recruitment and selection of Director and Senior Management, Compensation and Benefits for Director and Senior Management.

In 2020, the Nomination and Compensation Committee had a meeting total of 1 time which included the Members of the Nomination and Compensation Committee (100% attendance). The essence topics are as followed:

The Nominations and Compensations Committee shall have the following powers, duties and responsibilities:

1. Assess Company's Structure in terms of size, composition, mix and representation of Independent Directors to lead Company to achieve its Objectives and Visions.
2. Assess Director's Recruitment Process and Selection to nominate appropriate director with knowledge, expertise. Committee shall review the applicant's biography and suggest comment before submit to Board of Director for appointment of new Directors. Shareholder shall have sufficient information of the appointed director
3. Assess and Recruit the appropriate Senior Management with Development Plan to allow them to have knowledge, abilities, skills, experience and qualification to drive the Company's Objectives
4. Assess Director's Recruitment Process and Selection and recommend to the Board of Directors before recruiting the retired director. In the event of the nomination of existing director, the Nomination and Compensation Committee shall reflect on their past performance.
5. Arrange Orientation for new directors and assign sufficient documents to newly appointed director
6. Create Succession Plan for Managing Director and Senior Management to allow smooth operations of the Company
7. Assess Compensation Structure and Director and Senior Management's remuneration to reflect their responsibilities to drive the Company's Objectives
8. Set Compensation Policies of Director's remuneration to match with Company's Long term Vision and Strategies, experience, responsibilities, roles and benefits of each director. Director with additional responsibilities shall have appropriate remuneration with equivalent to industry standards
9. Propose the Company Structure and Remuneration of Senior Management to the Board before submitting to the Annual General Meeting
10. Review the Nomination and Compensation Process to reflect the current environment

Siam Wellness Group Public Company Limited

(Mr. Chaiyut Thienvuthichai)

Chairman of the Nomination and Compensation Committee



CORPORATE GOVERNANCE COMMITTEE'S REPORT

To Shareholders of Siam Wellness Group Public Company Limited

The Corporate Governance Committee composed of 4 directors:

1. M.R. Pensiri Chakrabandhu, Chairwoman of the Corporate Governance Committee
2. Mrs. Supee Pongpanich, Member of the Corporate Governance Committee
3. Mr. Polchet Likittanasombat, Member of the Corporate Governance Committee
4. Mrs. Thanit Amornirasan, Member of the Corporate Governance Committee

The Corporate Governance Committee has conducted duties assigned by the Board of Directors under the Charter of Corporate Governance Committee which complies with the SEC's Corporate Governance Code for listed companies and SET's Principles of Good Corporate Governance

In 2020, the Corporate Governance Committee had a meeting total of 1 time which included the Members of the Corporate Governance Committee (100% attendance) to monitor and report on Company's Corporate Governance that adhere to CG Code which covers Society, Community and Environment. The essence topics are as followed:

1. To consider and endorse the policies, strategies, goals, guidelines, and plans on the Company's corporate governance
2. To review the Company's corporate governance policies comply with the policies and/or regulations relating to the Company's corporate governance before proposing to the Board of Directors for consideration and approval.
3. To regularly review and propose necessary revision to the Company's policy and guidelines on corporate governance practice (2017)
4. To monitor the CSR Working Group

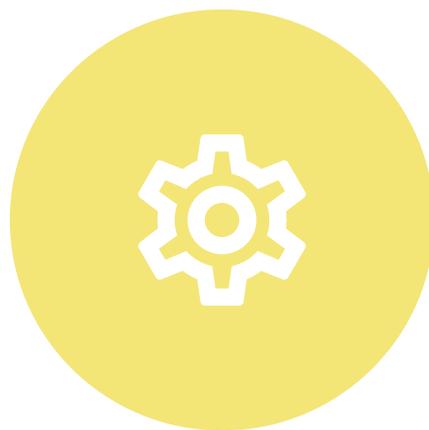
The Corporate Governance Committee is determined to ensuring that the Company commands proper oversight and due corporate governance, while contribute to Corporate Social Responsibility to ensure that Company's efficiency and goals are achieved and create good reputation for the company for all stakeholders.

Siam Wellness Group Public Company Limited

(M.R. Pensiri Chakrabandhu)

Chairwoman of the Corporate Governance Committee

Part



- POLICY AND OVERVIEW OF BUSINESS OPERATION
- THE CHARACTERISTICS OF THE BUSINESS OPERATION
- RISK FACTOR



POLICY AND OVERVIEW OF BUSINESS OPERATIONS

1. The Vision and Objective of the Business Operation of the Group of Companies

Siam Wellness Group of Companies (Plc) operates a health spa and spa-related businesses as well as the hotel (hospitality) business. For this purpose, the Group of Companies defines its operational vision and objective for expansion and growth of the business in the future as follows:

THE VISION

"To provide accessible wellness services rooted in Thai wisdom & hospitality so that people have better well-being."

The Group of Companies has defined 4 missions

of its business operation, namely,

- As an organization that creates the standard of Thai spa to be recognized internationally and builds reputation for Thai spa at international level and ultimately at global level.
- As an organization that focuses on the integration of the Western and Thai sciences to enable the service of the Company to be increasingly developed.
- As an organization that promotes and gives support to personnel of every part to enable them to learn and develop themselves consistently and continually in the best interest of the Company and for ultimate maximized benefit of the customers.
- As an organization that attaches importance to the fundamental regulations, the law by adhering to the operation of its business with integrity, precision and ethics with awareness of impact on its personnel, on the environment and community being of paramount importance.

ITS BUSINESS OBJECTIVE

• SIAM WELLNESS GROUP PLC. : SPA

SPA defines its business objective to be increasingly on expansion by setting forth its objective to be the leader of Asian spa and wellness with brand symbol impressed on the mind of the customers and to further want to expand its health spa and wellness business to provide services to fully meet all demands of the target customers through division of service brands; starting from the upper level customers who have plenty of time to be admitted to receive services and with more purchasing power to the customers with less purchasing power. This is to gain access to customers of every needs through emphasis on good staff training from the Company as to provide the best services to the customers and to build the customer base of new customers as to increase the growth of income for every branch of spa on a continual basis and for further growth in net profit continually in the future.

• SIAM WELLNESS RESORT CO., LTD. : SWR

SWR defines the target for its hotel operation business by emphasizing growth in occupancy rate and average room rate at the hotel by the customers through a launch of publicity for room occupancy sale, through the organizing of MICE for both private and government sectors, both nationally and internationally; As for the restaurant business, SWR will emphasize on growth in occupancy rate and average bill per person. through organizing sales promotion during various festivity periods as to increase operating income for SWR.

• SIAM WELLNESS LAB CO., LTD. : SWL

SWL defines the objective of its spa-related and therapeutic personal care products distribution business and health-related products distribution with an aim to expand distribution channels of both domestic and abroad. For the domestic market, it focuses on expanding the distribution channel in a spa place of business established in a hotel; the distribution of goods in medium spa shops in department stores, the distribution of souvenir goods during various festivities such as during the New

Year festival and other festive occasions, etc. As for overseas market, SWL is planning to recruit additional distribution agents to handle the export of goods to places of the spa business in leading hotels abroad as to increase income for SWL and to create a business opportunity for expansion and continual growth in the future.

• **SIAM WELLNESS EDUCATION CO., LTD. : SWE**

SWE defines its objective to operate a Thai traditional massage school by emphasizing staff training as to maintain the massage standard and to teach job applicants for the Company's therapeutic staff and to accommodate the launch of SPA branches to promote SPA future growth.

• **TIGER EYES TRADING CO.,LTD : TGT**

TGT defines its objective to operate a business of importing and distributing facial, body, slimming, wax, nail products as well as spa equipment such as electric blankets, massage bed sheets, facial and slimming devices. The Company distributes to Hair Salons, Beauty Clinics, Hospitals and Spas throughout Thailand. This supports SWL future growth

2. Significant Changes and Developments

Siam Wellness Group Plc. the "Company" or "SPA", previously was named "Blooming Spa Co., Ltd. It was established in 2001 by the group of Utsahajit Family and the group of Jiravanstit Family with an authorized capital of 3 million Baht. It operated the spa for health business under the brand "Let's Relax", which emphasized the provision of day-spa type service. It is the 4-star service in the format of the service-user having little time, mostly the customers used about 1-2 hours of service time.

In 2006, as the Company envisioned a channel for providing service to customers who increasingly wish to have more comprehensive healthcare, it expanded its business by establishing more places for providing spa service under the brand of "RarinJinda Wellness Spa", by emphasizing the provision of wellness-type spa service. It is a 5-star spa service of leading standard integrating increasingly new technology in the spa service circle and the time of service provided is 1 hour and a half hour upwards.

In 2007, the Company founded Siam Wellness Lab Co., Ltd. or "SWL", previously "Blooming Lab Co.,Ltd." with an authorized capital of 1 million Baht to operate a spa-related products, health products and crispy snack distribution business under the brand of "Blooming" for distribution domestically and abroad.

In 2008, the Company increased the authorized capital to 40 million Baht for working capital funding and for branch expansion.

In 2011, the Company founded Siam Wellness Education Co., Ltd. or "SWE", previously named "Blooming Spa Education Co., Ltd." with an authorized capital of 1 million Baht. It operates an educational institute-type school teaching Thai traditional massages recognized by the Ministry of Education. It has the objective to train employees to be service staff of the Company to accommodate the expansion of SPA branches.

In 2013, the Group of Companies underwent the shareholding restructuring in preparation for listing in the Stock Exchange of Thailand. For this purpose, Siam Wellness Group Limited issued shares for increase of the authorized capital in order to buy the share of Siam Wellness Resort Co., Ltd. previously "RarinJinda Co., Ltd." in the ratio of 99.99 percentage of the authorized capital.

In 2015, the Company acquired Baan Suan Massage, a 3-stars Massage in Bangkok and metropolitan area to expand its spa services for the domestic market.

In 2016, the Company opened its first overseas shop under Franchise Model in Kunming, Yunnan Province, People's Republic of China. Moreover, the Company expanded its branch through a new model "Spa Operating in Hotel".

In 2017, the Company acquired Tiger Eyes Trading (Thailand) Co.,Ltd and Tiger Eyes Education Co.,Ltd to expand the distribution channel of its spa products and expand the training capabilities. Moreover, the Company signed its second overseas shop under Franchise Model in Tianjin, Tianjin Province, People's Republic of China.

In 2018, the Company has expanded the business model into Stretch me by Let's Relax, a stretching studio for health and Face Care by Let's Relax, a facial care center to reflect the changing lifestyle of consumers.

In 2019, the Company has opened its first overseas shop under Franchise Model in Myanmar (Yangon) and launched its new Therapeutic Personal Care to suit the new generation under brand LRL – Let's Relax Lifestyle

In 2020, the company increased its registered capital to 213.75 million THB and expanded the business model into Stretch me Clinic and rebranded Face Care by Let's Relax to Dr. Spiller Pure Skin Care Solutions. In addition, the Company also expanded e-commerce channels for LRL – Let's Relax Lifestyle and Dr. Spiller

SIGNIFICANT CHANGES AND DEVELOPMENTS DURING THE PAST 3 YEARS ARE AS FOLLOWS:

Year	Significant changes and developments
2018	<ul style="list-style-type: none"> • The Company opened "Lets Relax" Mao Tse Toung Phnom Penh, Cambodia ("Franchised Store") • The Company opened "Lets Relax" Qingdao, China ("Franchised Store") (Contract has now been terminated as the terms have been violated) • The Company opened "Lets Relax" Norodom Phnom Penh, Cambodia ("Franchised Store") • The Company opened "Lets Relax" Tianjin, China ("Franchised Store") (Contract has now been terminated as the terms have been violated) • The Company opened "Lets Relax" Beachfront Pattaya, Chonburi • The Company opened "Lets Relax" Tonle Bassac Phnom Penh, Cambodia ("Franchised Store") • The Company opened "Lets Relax" Beyond Patong, Phuket • The Company signed a Spa Operating in Hotel Agreement and opened "Let's Relax" in Arnoma Grand, Bangkok • The Company opened "Lets Relax" Hua Hin 100, Prachuab Khirikhan • The Company opened "Lets Relax" Terminal 21 Pattaya, Chonburi • The Company opened "Face Care by Lets Relax" Terminal 21 Pattaya, Chonburi • The Company opened "Stretch me by Lets Relax" Central World, Bangkok • The Company opened "Stretch me by Lets Relax" Iconsiam, Bangkok • The Company opened "Lets Relax" The Allez Sukhumvit 13 (In front of Hyatt Regency Hotel), Bangkok • The Company closed "Baan Suan Massage" Ramintra, Bangkok • The Company signed a Spa Operating in Hotel Agreement and opened "Let's Relax" in Ace of Hua Hin Resort, Phetchaburi
2019	<ul style="list-style-type: none"> • The Company opened "Stretch me by Lets Relax" 101 True Digital Park, Bangkok • The Company opened "Lets Relax" The Market, Bangkok • The Company opened "Lets Relax" Ginza Thonglor (Nikko Hotel), Bangkok • The Company opened "Stretch me by Lets Relax" Ginza Thonglor (Nikko Hotel), Bangkok • The Company signed a Spa Operating in Hotel Agreement and opened "Let's Relax" in Ibis Styles Huaykwang, Bangkok • The Company opened "Lets Relax" Central Embassy, Bangkok • The Company opened "Lets Relax" KER Rendezvous, Yangon, Myanmar ("Franchised Store") • The Company signed a Spa Operating in Hotel Agreement and opened "Let's Relax" in Rua Rasada Hotel, Trang • The Company signed a Spa Operating in Hotel Agreement and opened "Let's Relax" in Srilanta Resort, Krabi • The Company opened "Lets Relax" I'm Chinatown, Bangkok • The Company opened "Lets Relax" Porto de Phuket, Phuket

2020

- The Company opened “Baan Suan Massage” Ramintra 62, Bangkok
- The Company signed a Spa Operating in Hotel Agreement and opened “Let’s Relax” in Carlton Hotel, Bangkok
- The Company opened “Dr. Spiller Pure Skin Care Solutions” Ginza Thonglor (Nikko Hotel), Bangkok
- The Company opened “Stretch me by Let’s Relax” The Allez Sukhumvit 13, Bangkok
- The Company opened “Leisure Space CentralWorld” composed of “Lets Relax” “Stretch me Clinic” and “Dr. Spiller Pure Skin Care Solutions” at CentralWorld, Bangkok
- The Company signed a Spa Operating in Hotel Agreement and opened “Let’s Relax” in Movenpick Siam Hotel Na Jomtien, Chonburi
- The Company opened “Lets Relax” Mahanakhon Cube, Bangkok
- The Company rebranded “Face Care by Let’s Relax” Terminal 21 Pattaya to Dr. Spiller Pure Skin Care Solutions” Terminal 21 Pattaya, Chonburi

As at 31 December 2020, the Company had its places of operation opened as follows:

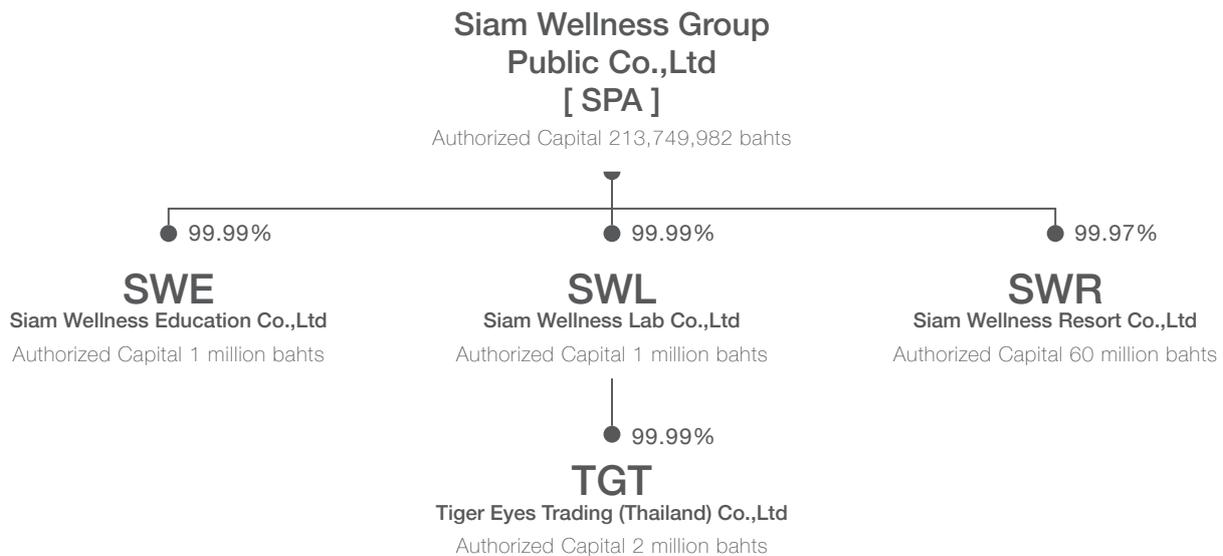
- 3 branches of “RarinJinda Wellness Spa” brand.
- 48 branches of “Let’s Relax” brand (43 branches in Thailand and 5 branches Overseas)
- 5 branches of “Stretch me by Let’s Relax” brand and 1 branch of “Stretch me Clinic”
- 3 branches of “Dr. Spiller Pure Skin Care Solutions” brand
- 9 branches of “Baan Suan Massage” brand.

Branches in the process of being prepared for opening

- “Let’s Relax” Novotel Bangkok Platinum, Bangkok
- “Let’s Relax” Upperground Chatuchak, Bangkok

3. Shareholding Structure of the Group of Companies

As of 31 December 2020, the Group of Companies had the shareholding structure as follows:



The details of the operation of each company are as follows:

1) Siam Wellness Group Plc. (“Company”) or (“SPA”)

Founded on 28th November 2001 to operate a health spa business. Currently its authorized capital is 213.75 million Baht and 213,749,982 million Baht was paid up. The Company’s service is divided into 5 types as follows:

- **“RarinJinda Wellness Spa”**, a 5-star Premium and Innovative Wellness Spa situated in 5-stars Hotels and Resorts targeted the upper segment. Fully equipped with all of the latest spa technologies and facilities at high international standards, yet deeply rooted in the Thai Massage and healing traditions, it offers relaxing and therapeutic spa treatments that harmonize all life sense.
- **“Let’s Relax”**, a 4-star Boutique Day Spa situated in Shopping Malls, Hotels as well as Standalone in tourist areas targeted upper middle segments. It delicately offers fineness spa pleasure to perfectly balance the body and soul, offers high quality of equipment, products and treatments with experienced and well-trained therapists for a unique and remarkable experience for customers.
- **“Baan Suan Massage”**, a 3-star Neighborhood Massage Outlet is a standalone in highly populated area targeted middle segment. It offers relaxing massage therapy for local consumers.
- **“Stretch me by Let’s Relax”**, a stretching studio providing stretching and trigger point pressuring for guests of any lifestyle such as office, sport or traveller by certified therapists. **“Stretch me Clinic”** offering a variety of bespoke programmes that combined hands-on therapy with physical modality machine such as Ultrasound, High Power Laser etc. under the supervision of experienced Physiotherapist
- **“Dr. Spiller Pure Skin Care Solutions”** offering facial indulgence experience to enhance the long-term benefits of youthful skin using Dr. Spiller, a sophisticated skincare brand from Germany

Summary of the details of “Rarinjinda Wellness Spa”

Branch No.	Year of Opening	Branch	Location
1	2005	Chiang Mai	RarinJinda Wellness Spa Resort, Charoenraj Road
2	2007	Ratchadamri	Grande Centre Point Hotel Ratchadamri, Ratchadamri Road
3	2014	Ploenchit	Grande Centre Point Hotel Ploenchit, Wireless Road

Summary of the details of “Let’s Relax”

Branch No.	Year of Opening	Branch	Location
1	2001	Pavillion	Chiang Mai Pavillion Night Bazaar, Chiang Mai
2	2003	Patong 2nd Street	Raj-u-thit Road, Patong, Phuket
3	2004	Pattaya	Sunshine Garden Hotel, Pattaya
4	2004	Sukhumvit 39	Soi Sukhumvit 39, Bangkok
5	2011	Terminal 21	Terminal 21 Shopping Mall, Bangkok
6	2013	Mandarin	Mandarin Hotel Bangkok, Bangkok
7	2014	Siam Square One	Siam Square One Shopping Mall, Bangkok
8	2014	Hua Hin	Hua Hin Market Village, Hua Hin
9	2014	Patong 3rd Street	Pangmuang Sai Kor Road, Patong, Phuket
10	2015	Ekkamai	Park Lane Bangkok, Bangkok
11	2015	Thapae	Ratchadamnoen Road, Chiang Mai
12	2015	Suanplu	Soi Suanplu, Bangkok
13	2015	The Street	The Street Ratchada, Bangkok
14	2016	MBK	MBK Center, Bangkok
15	2016	Pratunam	The Berkeley Hotel Pratunam
16	2016	Phayathai	Airport Link Phayathai Station
17	2016	Thonglor	Grande Centre Point Hotel Sukhumvit 55
18	2017	Wake Up Hotel	Wake Up Hotel, Aonang, Krabi
19	2017	Karon	Karon Road, Phuket
20	2017	Sukhumvit 31	Soi Sukhumvit 31, Bangkok
21	2017	The Sis Kata	The Sis Kata, Phuket
22	2017	Boat Lagoon	Thepkasattri Road, Phuket
23	2017	Millennium Resort	Raj-u-thit 200 years Road, Phuket
24	2017	Nimman	Nimmanhaemin Road, Chiang Mai
25	2018	Pattaya Beachfront	Pattaya Klang Road, Chonburi
26	2018	Beyond Patong	Beyond Patong Hotel, Phuket
27	2018	Arnoma Grand	Arnoma Grand Hotel, Bangkok
28	2018	Hua Hin 100	Phetkasem Road, Prachuab Kiri Khan
29	2018	Terminal 21 Pattaya	1st Floor, Terminal 21 Pattaya, Chonburi
30	2018	The Allez Sukhumvit 13	3rd Floor, Hyatt Regency Sukhumvit, Bangkok
31	2018	Ace of Hua Hin	Ace of Hua Hin Resort, Petchaburi
32	2019	The Market Bangkok	4th Floor, The Market, Bangkok
33	2019	Ginza Thonglor	2nd Floor, Nikko Hotel, Bangkok
34	2019	Ibis Huaykwang	2nd Floor, Ibis Styles Huaykwang, Bangkok
35	2019	Central Embassy	LG, Central Embassy, Bangkok
36	2019	Rua Rasada	G, Rua Rasada Hotel, Trang
37	2019	Srilanta	Klongnin Beach, Ko Lanta, Krabi
38	2019	I’m Chinatown	3rd Floor, I’m Chinatown, Bangkok
39	2019	Porto de Phuket	Baandon-Cherngtalay, Phuket
40	2020	Carlton Hotel	10th Floor, Carlton Hotel, Bangkok

Summary of the details of “Let’s Relax”

Branch No.	Year of Opening	Branch	Location
41	2020	CentralWorld	2nd Floor, CentralWorld, Bangkok
42	2020	Movenpick	2nd Floor, Movenpick Siam Hotel Na Jomtien, Chonburi
43	2020	Mahanakhon Cube	4th Floor, Mahanakhon Cube, Bangkok

Summary of the details of “Baan Suan Massage”

Branch No.	Year of Opening	Branch	Location
1	2015	Nonthaburi	Nakorn-in Road, Nonthaburi
2	2016	Prachanukul	Ratchadaphisek Road, Bangkok
3	2016	Charoennakorn 68	Charoennakorn Road, Bangkok
4	2016	Bharom	Bharomratchachonnane Road, Bangkok
5	2016	Korat	Terminal 21 Korat Shopping Mall
6	2017	Udon Thani	Mill Place Posri, Udon Thani
7	2017	Nongkhai	Prajaksilpakom Road, Nongkhai
8	2017	Phetkasem	Phetkasem Road, Bangkok
9	2020	Ramintra 62	Ramintra Road, Bangkok

Summary of the details of “Stretch me by Let’s Relax”

Branch No.	Year of Opening	Branch	Location
1	2018	CentralWorld	3rd Floor, Central World, Bangkok
2	2018	Iconsiam	5th Floor, Iconsiam, Bangkok
3	2019	101	2nd Floor, True Digital Park, Bangkok
4	2019	Ginza Thonglor	2nd Floor, Nikko Hotel, Bangkok
5	2020	The Allez Sukhumvit 13	3rd Floor, Hyatt Regency Sukhumvit, Bangkok

Summary of the details of “Stretch me Clinic”

Branch No.	Year of Opening	Branch	Location
1	2020	Leisure Space CentralWorld	2nd Floor, Central World, Bangkok

Summary of the details of “Dr. Spiller Pure Skin Care Solutions”

Branch No.	Year of Opening	Branch	Location
1	2020	Ginza Thonglor	2nd Floor, Nikko Hotel, Bangkok
2	2020	Leisure Space CentralWorld	2nd Floor, Central World, Bangkok
3	2020	Terminal 21 Pattaya	1st Floor, Terminal 21 Pattaya, Chonburi

Summary of the details of “Let’s Relax” Overseas Branches (“Franchised Store”)

Branch No.	Year of Opening	Branch	Location
1	2016	Kunming	TKP Building, Kunming, China
2	2018	Mao Tse Toung	Mao Tse Toung Boulevard, Phnom Penh, Cambodia
3	2018	Norodom	Norodom Boulevard, Phnom Penh, Cambodia
4	2018	Tonle Bassac	St.294, Phnom Penh, Cambodia
5	2019	KER Rendezvous	KER Rendezvous, Yangon, Myanmar

2) Siam Wellness Resort Co., Ltd. (“SWR”)

It was founded on 30th March 2005 to operate a boutique hotel resort in the name of “RarinJinda Wellness Spa Resort” and a restaurant under the name of “Deck One” in Chiangmai province. Currently SWR has authorized paid up capital of 60 million Baht.

3) Siam Wellness Lab Co., Ltd. (“SWL”)

It was founded on 6th December 2007 to operate a business of the distribution of spa-related products and therapeutic personal care products under the brand “Blooming” and “LRL” (Let’s Relax Lifestyle) for distribution both domestically and abroad. Currently SWL has paid up authorized capital of 1 million Baht.

4) Siam Wellness Education Co., Ltd. (“SWE”)

It was founded on 6th July 2011 to operate a business of Thai massage training school recognized by the Ministry of Education in the name of “Blooming Thai Massage School” as to impart knowledge of spa and massage both in theory and practice to members of the staff. Currently SWE has paid-up authorized capital of 1 million Baht.

5) Tiger Eyes Trading (Thailand) Co., Ltd. (“TGT”)

It was founded on 18th August 1994 to operate a business of importing and distributing facial, body, slimming, wax, nail products as well as spa equipment such as electric blankets, massage bed sheets, facial and slimming devices from France, UK, USA and Canada. The Company distributes to Hair Salons, Beauty Clinics, Hospitals and Spas throughout Thailand. It also acts as Sole Agents for many brands in Thailand and CLMV such as Dr. Spiller, Biomimetic Skin Care Solutions. Key customers including Hotel Spa and Day Spas in 3-6 stars. Currently TGT has paid-up authorized capital of 2 million Baht.

4. Relationship with the Business Group of the Major Shareholders

After the restructuring of the Group of Companies in 2013, the Group of Companies and the major shareholders of the Utsahajit family and the Jiravanstit family have not engaged in the business of the same characteristic or that may compete with the Company.

2

THE CHARACTERISTICS OF THE BUSINESS OPERATION

Siam Wellness Group Plc. (“SPA”) operates a health spa business and a business secondary to the spa business. The groups of business are divided into 4 principal businesses, namely,

1. Spa and Wellness business

The spa business provides the spa service to Thai and foreign customers under the brand “RarinJinda Wellness Spa”, “Let’s Relax”, “Baan Suan Massage”, “Stretch me by Let’s Relax”, “Stretch me Clinic” and “Dr. Spiller Pure Skin Care Solutions”

2. Hotel and restaurant businesses

Siam Wellness Resort Co., Ltd. (“SWR”) operates the Boutique Hotel Resort business in Chiangmai province in the name of “RarinJinda Wellness Spa Resort” and the restaurant in the name of “Deck One”

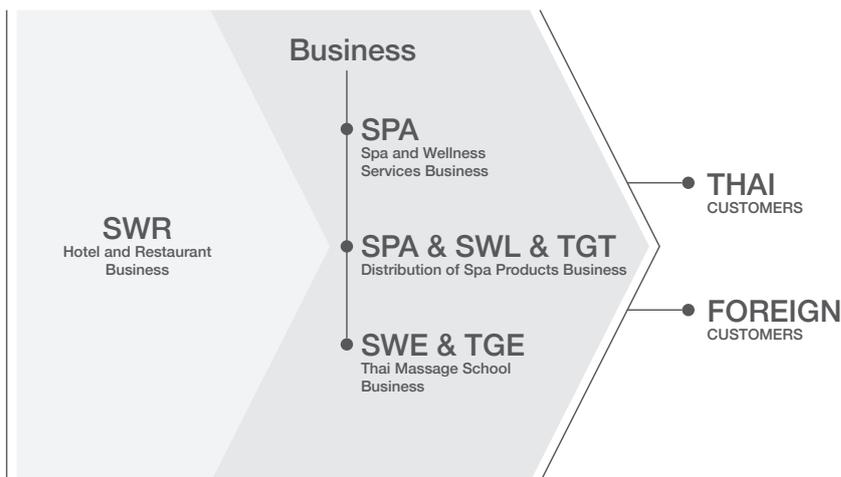
3. Distribution of spa products business

Siam Wellness Lab Co., Ltd. (“SWL”) operates the business of distributing the spa products and therapeutic personal care products under the brand “Blooming” and “LRL” (Let’s Relax Lifestyle) for customers in the country and abroad and Tiger Eyes Trading (Thailand) Co., Ltd (“TGT”) operates the business of distributing imported spa products for customers in the country and abroad

4. Thai massage school business

Siam Wellness Education Co., Ltd. (“SWE”) operates the Thai Massage School Business in the name of “Siam Wellness Thai Massage and Spa School,” to provide training on Thai massage and spa to therapist as to accommodate the expansion of the business

The overview of the business operation of the Group of Companies is as follows:



2.1 SPA and Wellness Business Health Massage and Beauty Massage

The spa business is the principal business of the Group of Companies. It provides service under 5 brands, i.e., “RarinJinda Wellness Spa”, “Let’s Relax”, “Baan Suan Massage”, “Stretch me by Let’s Relax”, “Stretch me Clinic” and “Dr. Spiller Pure Skin Care Solutions”. The operation of the business must have a certificate of standard of the health massage parlor. As of 31st December 2020, the details are as follows:

**Summary of the License:
the Certificate of the Standard of the place of business of “RarinJinda Wellness Spa”**

Branch No.	Branch	The Certificate		Remarks
		Issue Date	Expiry Date	
1	Chiang Mai	25 Jul 2017	24 Jul 2022	Health Spa Certificate
2	Ratchadamri 1	3 Jul 2018	2 Jul 2023	Health Spa Certificate
3	Ratchadamri 2	3 Jul 2018	2 Jul 2023	Health Spa Certificate
4	Ploenchit	22 Jun 2018	21 Jun 2023	Health Spa Certificate

**Summary of the License:
the Certificate of the Standard of the place of business of “Let’s Relax”**

Branch No.	Branch	The Certificate		Remarks
		Issue Date	Expiry Date	
1	Pavillion	25 Sep 2017	24 Sep 2022	Health Massage Certificate
2	Patong 2nd Street	27 Dec 2018	26 Dec 2023	Health Spa Certificate
3	Pattaya	9 Dec 2019	8 Dec 2024	Health Massage Certificate
4	Sukhumvit 39	7 May 2019	6 May 2024	Health Spa Certificate
5	Terminal 21	14 Jun 2018	13 Jun 2023	Health Spa Certificate
6	Mandarin	14 Jun 2018	13 Jun 2023	Health Spa Certificate
7	Siam Square One (Phase 1)	13 Jun 2019	12 Jun 2024	Health Massage Certificate
8	Siam Square One (Phase 2)	4 Jun 2019	3 Jun 2024	Health Massage Certificate
9	Hua Hin	26 Jul 2017	25 Jul 2022	Health Spa Certificate
10	Patong 3rd Street	27 Dec 2018	26 Dec 2023	Health Spa Certificate
11	Thapae	25 Sep 2017	24 Sep 2022	Health Massage Certificate
12	Ekkamai	14 Jun 2018	13 Jun 2023	Health Spa Certificate
13	Suanplu	31 May 2018	30 May 2023	Health Spa Certificate
14	The Street Ratchada	29 Mar 2018	28 Mar 2023	Health Massage Certificate
15	MBK	10 Sep 2018	9 Sep 2023	Health Massage Certificate
16	Pratunam	29 Mar 2018	28 Mar 2023	Health Massage Certificate
17	Phayathai	5 Mar 2018	4 Mar 2023	Health Massage Certificate
18	Thonglor	13 Mar 2018	12 Mar 2023	Health Spa Certificate
19	Wake Up	17 Nov 2017	17 Nov 2022	Health Massage Certificate
20	Karon	31 Jul 2019	30 Jul 2024	Health Massage Certificate
21	Kata			For the certificate, it's in the application process
22	Boat Lagoon	25 Dec 2019	24 Dec 2024	Health Massage Certificate
23	Sukhumvit 31	31 May 2018	30 May 2023	Health Massage Certificate
24	Millennium	31 Jul 2019	30 Jul 2024	Health Spa Certificate
25	Nimman	12 Jul 2018	11 Jul 2023	Health Massage Certificate
26	Pattaya Beachfront	9 Dec 2019	8 Dec 2024	Health Massage Certificate
27	Beyond Patong	31 Jul 2019	30 Jul 2024	Health Massage Certificate
28	Arnoma	26 Mar 2019	25 Mar 2024	Health Massage Certificate
29	Hua Hin 100	28 Nov 2018	27 Nov 2023	Health Massage Certificate
30	The Allez Sukhumvit 13	20 Aug 2019	19 Aug 2024	Health Massage Certificate
31	Terminal 21 Pattaya			Health Massage Certificate
32	Ace of Hua Hin	2 Sep 2019	1 Sep 2024	Health Massage Certificate
33	The Market	23 Aug 2019	22 Aug 2024	Health Massage Certificate

**Summary of the License:
the Certificate of the Standard of the place of business of “Let’s Relax”**

Branch No.	Branch	The Certificate		Remarks
		Issue Date	Expiry Date	
34	Ginza Thonglor			For the certificate, it's in the application process Health Massage Certificate Health Massage Certificate Health Spa Certificate Health Massage Certificate Health Massage Certificate For the certificate, it's in the application process For the certificate, it's in the application process
35	Ibis Huaykwang	10 Mar 2020	9 Mar 2025	
36	Central Embassy	6 Dec 2019	5 Dec 2024	
37	Rua Rasada	16 Mar 2020	15 Mar 2025	
38	Srilanta	20 Feb 2020	19 Feb 2025	
39	I'm Chinatown	30 Nov 2020	29 Nov 2025	
40	Porto de Phuket			
41	Carlton Hotel			
42	CentralWorld			
43	Movenpick			
44	Mahanakhon Cube			

**Summary of the License:
the Certificate of the Standard of the place of business of “Baan Suan Massage”**

Branch No.	Branch	The Certificate		Remarks
		Issue Date	Expiry Date	
1	Prachanukul	13 Mar 2018	12 Mar 2023	Health Massage Certificate
2	Charoennakorn 68	14 Jun 2018	13 Jun 2023	Health Massage Certificate
3	Phetkasem	16 Oct 2018	15 Oct 2023	Health Massage Certificate
4	Bharom	5 Mar 2018	5 Mar 2023	Health Massage Certificate
5	Ramintra 62	13 Mar 2020	12 Mar 2025	Health Massage Certificate
6	Terminal21 Korat	24 Nov 2018	23 Nov 2023	Health Massage Certificate
7	Nonthaburi	25 Apr 2018	25 Apr 2023	Health Massage Certificate
8	Udon Thani	6 Nov 2017	5 Nov 2022	Health Massage Certificate
9	Nongkhai	27 Nov 2018	26 Nov 2023	Health Massage Certificate

**Summary of the License:
the Certificate of the Standard of the place of business of “Stretch me by Let’s Relax”**

Branch No.	Branch	The Certificate		Remarks
		Issue Date	Expiry Date	
1	CentralWorld	26 Nov 2019	25 Nov 2024	Health Massage Certificate
2	Iconsiam	26 Nov 2019	25 Nov 2024	Health Massage Certificate
3	101	26 Nov 2019	25 Nov 2024	Health Massage Certificate
4	Ginza Thonglor	23 Mar 2020	22 Mar 2024	Health Massage Certificate

**Summary of the License:
the Certificate of the Standard of the place of business of “Face Care by Let’s Relax”**

Branch No.	Branch	The Certificate		Remarks
		Issue Date	Expiry Date	
1	Terminal 21 Pattaya			For the certificate, it's in the application process

**Summary of the License:
the Certificate of the Standard of the place of business of “Stretch me Clinic”**

Branch No.	Branch	The Certificate		Remarks
		Issue Date	Expiry Date	
1	Leisure Space CentralWorld	20 Oct 2020	31 Dec 2029	Clinic Certificate

REMARKS:

1. As for the Certificate are in the process of being applied for. The Company has already furnished the supporting documents to apply for the License and the Certificate to the competent officer. Currently, the matter is being considered by the local competent officer and the public health officer.

2.1.1 Characteristics of the Products or Services

The Company operates a health spa business by providing the “Wellness Spa” under the brand of “RarinJinda wellness Spa”, “day spa” service under the brand of “Let’s Relax” and the “Massage Outlet” under the brand of “Baan Suan Massage”. The service of the Company is prominently unique as its therapeutic science is derived from the Thai wisdom of traditional medicine integrated in massaging and service combined with Western and Eastern techniques to create a uniquely new service experience of international standard in which new technology is integrated in the spa service coupled with the use of Thai herbs in massaging service for relaxation and massaging for health promotion provided to both Thai and foreign customers.

Characteristics of Wellness Spa service

It is the 5-star service under the brand of “RarinJinda Wellness Spa”. It is the spa located within or on the premises of the same hotel or resort to accommodate guests of the hotel who want to use the spa service for relaxation. It is of larger size than the DAY SPA generally. It is located at the place of tourist attractions or in the community area. In particular, mostly for 4-star or 5-star hotels, the service emphasizes the ambience of a place for relaxation and massage; the place is so arranged to have good atmosphere, beautiful view and landscaped surrounding in tandem with service to care for the body and complexion. Moreover, the Company also integrates the new technology in the spa circle, e.g. the services of Quartz Bed, Hydrotherapy Pool, Vichy Shower with the science of multi-type Thai massage coupled with the use of Thai herbs for relaxation and health promoting massage including aesthetic treatment to both Thai and foreign customer.

Categories of Service of the branches under the brand “RarinJinda Wellness Spa”

The branches which provide service under the brand “RarinJinda Wellness Spa” offers relaxing and therapeutic treatments which combines the latest spa technologies from the West and East with the Thai massage techniques and traditions. Menu includes:

1. Hydrotherapy Service
 - Hydrotherapy pool (only at Chiangmai branch)
 - Hydro Glow & Tone therapy
 - Splashy Vichy Massage
2. Sauna Service
 - Detoxifying Infared Sauna
 - Herbal Rainforest Steam Sauna

3. Shirodhara Treatment
4. Warm Sand bed Therapy & Tibetan Sound Therapy
5. Four-Hands Aromatherapy Warm Oil Massage
6. Onsen Service (Service is open particularly for Chiangmai Branch). Mineral water is filled in 3 services ponds alternately according to the need of the customer, namely,
 - Gero Hot Springs Bath
 - Soda Bath
 - Cold Bath
7. Thai Massage
8. Thai Massage with Herbal Compress
9. Aromatherapy Oil Massage
10. Aromatic Hot Stone Massage
11. Back & Shoulder Massage
12. Facial Relaxation
13. Foot Reflexology
14. Body Scrub
15. Body Mask
16. Floral Bath

Currently, “RarinJinda Wellness Spa” has a total of 3 branches in Chiangmai and in Bangkok. Every branch is open for service from 10.00 hrs. to 24.00 hrs. The details of the branches are as follows:

- Chiangmai Branch is situated in the part of the front area adjacent to the RarinJinda Wellness Spa Resort with approx. size of 3,500 sq.m.
- Rajdamri Branch is situated on the 6th and 8th floor of the Grand Center Point Hotel, Rajdamri with approx. size of 903 sq.m.
- Ploenchit Branch is situated on 30th and 31st floor the Grand Center Point Hotel Ploenchit, with approx. size of 1,087 sq.m.

Characteristics of Day Spa service

The characteristics of providing service under the brand of “Let’s Relax”

The provision of Day Spa type service is a 4-star spa service of the format that can be seen generally in locations where travel to use the service is convenient. The use of this type of Day Spa is characterized by short period of service lasting for 1 to 2 hours for use of one type of the spa service or the longest period of use is 4 hours for a full cycle spa service consisting of massage and spa to Thai and foreign customers. Let’s Relax integrates Thai massaging wisdom and service together with technique of massage derived from the science of the West and the East as to create the unique service experience.

Categories of the provision of service of “Let’s Relax”

1. Thai massage
2. Thai massage with hot herbal ball
3. Aromatherapy Oil Massage
4. Aromatic Hot Stone Massage
5. Back & Shoulder Massage
6. Facial Relaxation Massage
7. Foot Reflexology Massage
8. Body Scrub
9. Body Mask
10. Floral Bath
11. Onsen (For Thonglor branch only) including Gero Hot Springs Bath, Cold Bath, Soda Bath, Whirlpool Bath and Silk Bath

Currently, Let's Relax has a total of 48 branches (43 branches in Thailand and 5 branches outside Thailand). Let's Relax Spa is conveniently located across Bangkok and in major tourist destinations of Thailand, namely, Chiang Mai, Pattaya, Phuket, Krabi and Hua Hin with overseas expansion franchised stores in China, Cambodia and Myanmar. Every branch is open for service from 10.00 hrs. to 24.00 hrs. and there are 2 branches under construction. The details of the branches are as follows:

Branches inside Thailand

- Terminal 21 Branch is situated on the 6th floor of Terminal 21 Shopping Mall with approx. size of 752 sq.m.
- Sukhumvit 39 Branch is situated on Soi Sukhumvit 39 (Phromphong) with approx. size of 806.82 sq.m.
- Mandarin Branch is situated in Mandarin Hotel with approx. size of 1,100 sq.m.
- Pavilion Branch is situated in the Pavilion Night with approx. size of 668 sq.m.
- Pattaya Branch is situated on the premises on Sunshine Garden Hotel with approx. size of 540 sq.m.
- Patong 2nd Street is situated near Jungceylon Mall with approx. size of 1,292 sq.m.
- Siam Square One Branch is located on the 6th floor, Siam Square One Mall with approx. size of 756 sq.m.
- Hua Hin Branch is located at Hua Hin Market Village (Phase 2- on 2nd and 3rd floor) with approx. size of 743 sq.m.,
- Patong 3rd Street branch is located near Jungceylon Mall with approx. size of 2,418 sq.m.
- Ekkamai branch is located on 2nd Floor of Park Lane Bangkok with approx. size of 578 sq.m.
- Thapae branch is located on Sunday Chiang Mai Walking Street with approx. size of 560 sq.m.
- Suanplu branch is located on Soi Suanplu with approx. size of 560 sq.m.
- The Street branch is located on 3rd Floor of The Street Ratchada Bangkok with approx. size of 714 sq.m.
- MBK branch is located on 5th Floor of MBK Center with approx. size of 615 sq.m.
- Pratunam branch is located on 10th Floor of Berkeley Hotel Pratunam with approx. size of 440 sq.m.
- Phayathai branch is located near Airport Link Phayathai Station and BTS Phayathai Station with approx. size of 969 sq.m.
- Thonglor branch is located on 5th Floor of Grande Centre Point Hotel Sukhumvit 55 with approx. size of 1,820 sq.m.
- Wake Up branch is located on 1st Floor of Wake Up Hotel Krabi with approx. size of 698 sq.m.
- Karon branch is located on Karon Road, Phuket with approx. size of 41 sq.w.
- Kata branch is located on 1st Floor of The Sis Kata with approx. size of 300 sq.m.
- Boat Lagoon branch is located inside Boat Lagoon Phuket with approx. size of 2.84 rai
- Sukhumvit 31 branch is located in Soi Sukhumvit 31 with approx. size of 332 sq.w.
- Millennium Resort branch is located on 4th Floor of Millennium Resort Patong Phuket with approx. size of 654 sq.m.
- Nimman branch is located on 1st Floor of One Nimman with approx. size of 812 sq.m.
- Pattaya Beachfront branch is located on Pattaya Klang Road, Chonburi with approx. size of 848 sq.m.
- Beyond Patong branch is located on B Floor of Beyond Patong with approx. size of 597 sq.m.
- Arnoma branch is located on 4th Floor of Arnoma Grand Hotel with approx. size of 162 sq.m.
- Hua Hin 100 branch is located on Phetkasem Road, Prachuab Khiri Khan with approx. size of 400 sq.m.
- Terminal 21 Pattaya branch is located on 1st Floor of Terminal 21 Pattaya with approx. size of 1,195 sq.m.
- The Allez branch is located on 3rd Floor of The Allez Sukhumvit 13 in front of Hyatt Regency Bangkok Sukhumvit with approx. size of 851 sq.m.
- Ace of Hua Hin branch is located in front of Ace of Hua Hin, Petchaburi with approx. size of 400 sq.m.
- The Market branch is located on 4th Floor of The Market, Bangkok with approx. size of 675 sq.m.
- Ginza Thonglor branch is located on 2nd Floor of Nikko Hotel, Bangkok with approx. size of 1,186 sq.m.
- Ibis Huaykwang branch is located on 2nd Floor of Ibis Styles Huaykwang Hotel, Bangkok with approx. size of 475 sq.m.
- Central Embassy branch is located on LG Floor of Central Embassy, Bangkok with approx. size of 242 sq.m.
- Rua Rasada branch is located on G Floor of Rua Rasada Hotel, Trang with approx. size of 200 sq.m.
- Srilanta branch is located in Srilanta Resort, Ko Lanta, Krabi with approx. size of 1,318 sq.m.

- I'm Chinatown branch is located on 3rd Floor of I'm Chinatown, Bangkok with approx. size of 537 sq.m.
- Porto de Phuket branch is located within Porto de Phuket, Phuket of with approx. size of 746 sq.m.
- Carlton Hotel branch is located on 10th Floor of Carlton Hotel, Bangkok with approx. size of 390 sq.m.
- CentralWorld branch is located on 2nd Floor Dazzle Zone of CentralWorld, Bangkok with approx. size of 1,400 sq.m.
- Movenpick Pattaya branch is located on 2nd Floor of Movenpick Hotel Siam Na Jomtien, Chonburi with approx. size of 200 sq.m.
- Mahanakhon Cube branch is located on 4th Floor of Mahanakhon Cube, Bangkok with approx. size of 500 sq.m.

Branches in the Process of being Prepared for Opening

- Let's Relax Novotel Bangkok Platinum, Bangkok
- Let's Relax Upperground, Bangkok

Branches outside Thailand (Under Franchise Contract)

- Kunming branch is located on the 6th floor of TKP Building in Kunming, Yunnan, PRC China with approx. size of 700 sq.m.
- Mao Tse Toung branch is located on Mao Tse Toung Boulevard, Phnom Penh, Cambodia with approx. size of 400 sq.m.
- Norodom branch is located on Norodom Boulevard, Phnom Penh, Cambodia with approx. size of 700 sq.m.
- Tonle Bassac branch is located on St. 294, Phnom Penh, Cambodia with approx. size of 400 sq.m.
- KER Rendezvous branch is located on 65 Kabye A Pagoda Road, Yangon, Myanmar with approx. size of 400 sq.m.

Characteristics of Massage Outlet service

The characteristics of providing service under the brand of "Baan Suan Massage"

The provision of Massage Outlet type service is a 3-star spa service of the format that can be seen generally in locations where locals live. The use of this type of Day Spa is characterized by short period of service lasting for 1 to 2 hours for use of one type of the massage service to Thai and foreign customers using the Thai massage wisdom.

Categories of the provision of service of "Baan Suan Massage"

1. Thai massage
2. Thai massage with hot herbal ball
3. Aromatherapy Oil Massage
4. Foot Reflexology Massage
5. Body Scrub
6. Body Mask

Currently, Baan Suan Massage has a total of 9 branches in Bangkok and Second Tier City area. Every branch is open for service from 09.00 hrs. to 23.00 hrs. The details of the branches are as follows:

- Nonthaburi branch is situated on Nakorn-in Road with approx. size of 465 sq.m.
- Prachanukul branch is situated on Ratchadaphisek Road with approx. size of 453 sq.m.
- Charoennakorn 68 branch is situated on Charoennakorn Road with approx. size of 187 sq.m.
- Bharom branch is situated on Bharomratchachonnanee Road with approx. size of 583 sq.m.
- Korat branch is situated in Terminal 21 Korat Shopping Mall with approx. size of 39 sq.m.
- Udonthani branch is located on 2nd Floor of Mill Place Posri with approx. size of 720 sq.m.
- Nongkhai branch is located on Prajaksilpakom Road with approx. size of 1 ngarn 51 sq.w.
- Phetkasem branch is located on Phetkasem Road with approx. size of 3 ngarn 77 sq.w.
- Ramintra 62 branch is located on Ramintra Road with approx. size of 1 rai.

Characteristics of Stretching Studio service

The characteristics of providing service under the brand of “Stretch me by Let’s Relax”

The provision of Stretching Studio type service is a combination of stretching technique and trigger point pressuring to release tension and pain of muscles from injuries caused from office, sport or travelling. On average, customers use approximately 1-2 hours for service. Service provided by physio therapists or sport science specialists

Categories of the provision of service of “Stretch me by Let’ s Relax”

1. Office Stretch
2. Sport Stretch
3. Traveller Stretch
4. Hot Pack

Currently, Stretch me by Let’s Relax has a total of 5 branches in Bangkok. Every branch is open for service from 10.00 hrs. to 22.00 hrs. The details of the branches are as follows:

- CentralWorld branch is situated on 3rd Floor, Forum Zone, CentralWorld, Bangkok with approx. size of 130 sq.m.
- Iconsiam branch is situated on 5th Floor, Wellness Zone, Iconsiam, Bangkok with approx. size of 220 sq.m.
- 101 True Digital Park branch is situated on 2nd Floor, True Digital Park, Bangkok with approx. size of 220 sq.m.
- Ginza Thonglor branch is situated on 2nd Floor, Nikko Hotel Thonglor, Bangkok with approx. size of 200 sq.m.
- The Allez 13 branch is situated on 3rd Floor, The Allez Sukumvit 13 in front of Hyatt Regency Bangkok Sukhumvit, Bangkok with approx. size of 150 sq.m.

Characteristics of Stretching Clinic service

The characteristics of providing service under the brand of “Stretch me Clinic”

The provision of Stretching Clinic type service is an extension of “Stretch me Studio”. “Stretch me Clinic” offers a variety of bespoke programmes that combined hands-on therapy with physical modality machine such as Ultrasound, High Power Laser etc. under the supervision of experienced Physiotherapist. Program is customized to each individual whom are consulted and analyzed. Programs composed of:

- Massage and Trigger Point Techniques
- Joint Mobilization
- Exercise
- High Power Laser, Ultrasound, Electrical Stimulation Therapy

Categories of the provision of service of “Stretch me Clinic”

1. Customized Physical Therapy Program
2. Signature Physical Therapy Program
3. Signature Plus Physical Therapy Program

Currently, Stretch me Clinic has a total of 1 branch in Bangkok. Every branch is open for service from 10.00 hrs. to 22.00 hrs. The details of the branches are as follows:

- Leisure Space CentralWorld branch is situated on 2nd Floor, Dazzle Zone, CentralWorld, Bangkok with approx. size of 150 sq.m.

Characteristics of Facial Spa service

The characteristics of providing service under the brand of “Dr. Spiller Pure Skin Care Solutions”

The provision of Facial Spa type service is a relaxing and rejuvenating facial massage and treatment with the use of Aloe Vera. “Dr. Spiller Pure Skin Care Solutions” offering facial indulgence experience to enhance the long-term benefits of youthful skin using Dr. Spiller, a sophisticated skincare brand from Germany by skilled facial therapists.

Categories of the provision of service of “Dr. Spiller Pure Skin Care Solutions”

1. Royal Youthful Balancing Treatment
2. Carotene Regenerating and Refreshing Treatment
3. Aloe Vera Soothing Treatment
4. Sensitive Beauty Care Treatment
5. Azulene Treatment
6. Balancing & Clarifying Treatment
7. Balancing & Calming Treatment
8. Care & Repair Treatment
9. Fresh & Fruit Treatment
10. Revitalizing and Relaxing Intense Treatment
11. Aloe Vera Lifting Treatment
12. Whitening Peel Off Treatment
13. Vitamin C Plus Treatment
14. Pore Refining Beauty Treatment
15. Cellular Treatment

Currently, Dr.Spiller Pure Skin Care Solutions has a total of 3 branches in Pattaya. Every branch is open for service from 10.00 hrs. to 22.00 hrs. The details of the branches are as follows:

- Ginza Thonglor branch is situated on 2nd Floor, Nikko Hotel Thonglor, Bangkok with approx. size of 150 sq.m.
- Leisure Space CentralWorld branch is situated on 2nd Floor, Dazzle Zone, CentralWorld, Bangkok with approx. size of 150 sq.m.
- Terminal 21 Pattaya branch is situated on 1st Floor, Terminal 21 Pattaya with approx. size of 220 sq.m.

2.1.2 Marketing

Target Customer

The Company has a majority of foreign customers, mostly coming from Asia such as China, Hong Kong, Taiwan, Japan, South Korea, Singapore, Malaysia and Europe. The target is F.I.T. (Free Independent Travellers) who travel as a couple, with family or with friends. The Company has made an analysis of the target customers. According to target customer analysis, the customers are divided into 3 main principal groups based on the income according to the service format and the brand positioning, that is to say:

Customer Group	Income per month (Baht)	Brand of Service
1. A- to A+	>75,000	RarinJinda Wellness Spa Let's Relax / Stretch me
2. B to A-	30,000 – 75,000	/ Dr. Spiller / Baan Suan Massage
3. C+ to B+	15,000 – 50,000	

Distribution Channels

Majority of the Company's customers are foreigners. Our spa brands have been widespread from Word of Mouth to various media such as in magazines and participations in various spa booth events both domestic and abroad with principal objective to publicize the Company's spa business; therefore, the Company's spa brands become well-known among the group of foreign tourists. The overall distribution channels of the Company are summarized as follows:

1. Distribution through the service booking system via the Internet.
2. Direct sale to the customers.
3. Distribution through agents.

Price Determination

The Company fixes the price by calculation based on cost of lease of the premises or the depreciation in the case of the construction of a building for use in the operation of the business plus personnel labor cost and incidental expenses coupled with price comparison of the competitor's spa and wellness business in combination with the marketing analysis as to determine the price strategy, taking into account surrounding factors concerned such as the location of the spa business, marketing opportunities, groups of target customers and the operating costs.

Factors Affecting Competition

The Spa and wellness business makes the difference in each provider of service in terms of location, the location of the shop; the convenience of travel, the vicinity of popular tourist attractions in Thailand. The provision of good service for the masseur or stretching specialists who provide service, the experience of the provider of service, the quality of service and trust from the customers, the management of the Group of Companies therefore considers the factors affecting the competition in the business to be used as a strategy as to create the difference and to promote the strength for business competition of the Group of Companies as follows:

1. Experience and Professionalism in the Conduct of Business

As the Company has had more than 20 years of spa business experience, it is able to offer various types of massage service to be provided by able and skilled therapist staff that has been trained properly according to the school's training course of the subsidiary company (SWE) in tandem with the premium grade spa products of the subsidiary company (SWL) to create confidence in the consumers and to effectively respond to their needs. This is to make a good impression and create brand loyalty to the business and to the goods. When the customers are impressed with the goods, they are able to buy more for further consumption, thus, resulting in increased distribution of the products for the Group of Companies.

2. Location

The choice of the location for spa business, for "RarinJinda Wellness Spa", the Company would choose the location inside the 5-stars hotel which matches the targeted customer group. The customer prefers premium services with one-on-one service and seeks treatments that harmonize all life senses. For "Let's Relax", "Strech me" and "Dr. Spiller" the locations are chosen with convenience and the vicinity of tourist attractions factor. For example, for the branches in Bangkok, the Company would choose a location of the spa to be near to the BTS station. For the branches in the provinces of tourist attraction, they will be located in the vicinity of a tourist attraction or a department store. For "Baan Suan Massage", the location is chosen in main streets with highly populated area of middle class with great sight.

3. Creation of the difference in terms of quality

To use the spa service for relaxation and for healthcare due to stress and health problem caused by socio-economic condition and current business competition, the Company therefore provides service that emphasizes safety and reliability when providing the service as the principal service of the spa and wellness is involved massaging. Each type of massage or stretching requires contacts with various parts of the body. As for RarinJinda Wellness Spa, emphasis will be made on the provision of service for relaxation and massage with full format of services of world standard with integration of new spa technology such as Quartz Bed, Hydrotherapy Pool and Vichy Shower combined with Thai massage science in tandem with the use of herbs.

4. Sales Promotion

The Company arranges for sales promotion such as Loyalty Program offering special price discounts to encourage the customers to decide tentatively to use the spa service with increased ease and to help increase the rate of service use during the tourist Low Season and there is an organized sales promotion during the period of publicity campaign in various tourist events both domestically and abroad with offers of discount coupons through magazines.

2.1.3 Procurement of Products or Services

In conducting a spa business, the Company has the operational factors as to acquire the said services, namely,

1. In the matter of acquiring a location to be used for operating the spa business, the space needed for providing service.
2. Therapist staff.
3. Accessories for providing service.
4. The spa products used in the service branches of the Company.

The Company, therefore, procures various factors as follows:

1. A location to be used to operate a spa business

The location of the spa business for each branch has importance for choice of use of service by customers. The Company therefore takes into account the said factors by selecting a location of the branch of the spa with convenient communication, ease of travel in the neighborhood of important tourist attractions or is located within a hotel. The location will be arranged to have a good environment and safety including beautiful design and decoration of the branch. These are important factors that would influence the decision to choose the spa service by the customers. Furthermore, the Company is acquiring the area, which is divided into 2 formats as follows:

• Lease of the space

Currently, there has been executed the agreement for long-term lease of the area to operate approximately 90% of branches of the spa service. Most of the agreement for lease of the area is a 3-year lease. There is negotiation for renewal of the lease agreement for newly opened branches for around 3-6 years of lease (a 3-year lease with a further 3-year renewal and/or with a further 3-year renewal). This is for worthy returns on investment in terms of decoration for opening the spa branch; but thereafter, generally, the lease agreement can be renewed once for 2-3 years of lease each. Due to good consistent relationship with the lessor, during the past, there was no problem encountered with the renewal of the lease agreement. For some branches, more than 20 years continuing lease is renewed to operate the business. The details are shown in the Table as follows:

Brand “RarinJinda Wellness Spa”

Brand	Branch	Year of Operation	Total Space (sqm.)	Lease Period	Start and Expiry Date of Lease	Remarks
RarinJinda Wellness Spa	Chiang Mai	2005	3,500	30 years	1 Jan 2013 – 31 Dec 2042	• Lease of land from Klom Kliaw Pattana Co.,Ltd, affiliated person and improvement made on the wreckage of the building to be used as a place for operating a spa business and to sub-let part of the space connected to the subsidiary company to be converted into a hotel.
	Ratchadamri	2007	903	3 years	1 Jan 2020 – 31 Dec 2022	• Lease is renewable for renewal of 3 years
	Ploenchit	2014	1,087	8 months	1 Nov 2020 – 30 Jun 2021	• Lease is renewable for renewal of 3 years

Brand “Let’s Relax”

Brand	Branch	Year of Operation	Total Space (sqm.)	Lease Period	Start and Expiry Date of Lease	Remarks
Let’s Relax	Pavillion	1998	667	6 months 15 days	16 Sep 2020 – 31 Dec 2020 1 Jan 2021 – 31 Mar 2021	• 5 lease agreements (expansion of area with renewal of the agreement to expire simultaneously)
	Pattaya	2004	540	3 years	1 May 2018 – 30 Apr 2021	• Lease is renewable for renewal of 3 years each.
	Sukhumvit 39	2004	806.82	3 years	1 Jan 2020 – 31 Dec 2022	
	Terminal 21	2011	752	3 years	11 Oct 2020 – 10 Oct 2023	
	Mandarin	2013	1,100	3 years	1 Jan 2020 – 31 Dec 2022	• Lease is renewable for renewal of 3 years each.
	Siam Square One (Phase 1)	2014	424.43	3 years	1 Aug 2020 – 31 Jul 2021	
	Hua Hin	2014	743	3 years	21 Jun 2020 – 20 Jun 2023	
	Patong 3rd Street	2014	2,418	3 years	1 Feb 2020 – 31 Jan 2022	• Lease is renewable for renewal of 3 years.
	Siam Square One (Phase 2)	2015	332.01	3 years	18 Apr 2018 – 17 Apr 2021 18 Apr 2021 – 31 Jul 2021	
	Ekkamai	2015	578.25	3 years	1 Jul 2018 – 30 Jun 2021	
	Thapae Suanplu	2015 2015	920 560	3 years 3 years	1 Oct 2018 – 30 Sep 2021 1 Jan 2019 – 31 Dec 2021	• Lease is renewable for renewal of 3 years. • Lease is renewable for renewal of 3 years

Brand	Branch	Year of Operation	Total Space (sqm.)	Lease Period	Start and Expiry Date of Lease	Remarks
	The Street Ratchada	2015	714	3 years	15 Dec 2018 – 14 Dec 2021	• Lease is renewable for renewal of 3 years
	MBK	2016	615.49	3 years	1 Feb 2019 – 31 Jan 2022	• Lease is renewable for renewal of 3 years
	The Berkeley Pratunam	2016	260.90	3 years	18 Jul 2019 – 17 Jul 2022	• Lease is renewable for renewal of 3 years
	Phayathai	2016	969	3 years	14 Nov 2019 – 14 Nov 2022	• Lease is renewable for one renewals of 3 years each.
	Thonglor	2016	1,819.5	3 years	15 Nov 2019 – 14 Nov 2022	• Lease is renewable for three renewals of 3 years each.
	Wake Up Krabi	2017	698	3 years	19 Nov 2019 – 18 Nov 2022	• Lease is renewable for two renewals of 3 years each.
	Sukhumvit 31	2017	60 sq.wah	3 years	1 Apr 2020 – 31 Mar 2023	• Lease is renewable for one renewal of 3 years each.
	The Sis Kata Phuket	2017	300	2 years	17 Jun 2019 – 16 Jun 2021	
	Boat Lagoon Phuket	2017	2.84 rai	3 years	1 Jan 2020 – 31 Dec 2022	• Lease is renewable for two renewals of 3 years each.
	Millennium Phuket	2017	654.23	Hotel is temporary closed		
	One Nimman Chiang Mai	2017	812	3 years	1 Dec 2020 – 30 Nov 2021	• Lease is renewable for one renewal of 3 years each.
	Arnoma	2018	154.50	3 years	9 Jul 2018 – 8 Jul 2021	• Lease is renewable for renewal of 3 years.
	Beyond Patong	2018	597	3 years	20 Sep 2018 – 19 Sep 2021	• Lease is renewable for two renewals of 3 years each.
	Hua Hin 100	2018	934.8	3 years	1 Jul 2018 – 30 Jun 2021	• Lease is renewable for two renewals of 3 years each.
	Terminal 21 Pattaya	2018	1,213	3 years	19 Oct 2018 – 18 Oct 2021	• Lease is renewable for two renewals of 3 years each.
	The Allez Sukhumvit 13	2018	851	3 years	1 Sep 2018 – 31 Aug 2021	• Lease is renewable for two renewals of 3 years each.
	Ace of Hua Hin	2018	610	3 years	19 Dec 2018 – 18 Dec 2021	• Renewal of the lease agreement is subject to review by tenant • Lease must give the tenant not less than 90 days prior notice.
	The Market	2019	765	3 years	14 Feb 2019 – 13 Feb 2022	
	Ginza Thonglor	2019	1,481	3 years	1 Apr 2019 – 31 Mar 2022	• Lease is renewable for two renewals of 3 years each.
	Ibis Styles Ratchada	2019	420	3 years	14 Feb 2019 – 13 Feb 2022	• Lease is renewable for two renewals of 3 years each.
	Central Embassy	2019	241.48	3 years	17 Jul 2019 – 16 Jul 2022	• Lease is renewable for another 2 years.
	Srilanta	2019	1,318	3 years	1 Oct 2019 – 30 Sep 2022	• Lease is renewable for four renewals of 3 years each.

Brand	Branch	Year of Operation	Total Space (sqm.)	Lease Period	Start and Expiry Date of Lease	Remarks
	Rua Rasada	2019	200	3 years	15 Sep 2019 – 14 Sep 2022	• Lease is renewable for another 3 years.
	I'm Chinatown	2019	536.33	3 years	15 Nov 2019 – 14 Nov 2022	• Lease is renewable for two renewals of 3 years each.
	Porto de Phuket	2019	746	3 years	18 Oct 2019 – 17 Oct 2022	• Lease is renewable for another 3 years.
	Carlton	2020	452	3 years	17 Feb 2020 – 18 Feb 2023	• Lease is renewable for another 3 years.
	CentralWorld Leisure Space	2020	860	3 years	1 Oct 2020 – 30 Sep 2023	• Lease is renewable for two renewals of 3 years each.
	Mahanakhon Cube	2020	663	3 years	16 Dec 2020 – 15 Dec 2023	• Lease is renewable for two renewals of 3 years each.
	Movenpick	2020	287	3 years	1 Dec 2020 – 31 Dec 2023	• Lease is renewable for another 3 years.

Brand “Baan Suan Massage”

Brand	Branch	Year of Operation	Total Space (sqm.)	Lease Period	Start and Expiry Date of Lease	Remarks
Baan Suan Massage	Nonthaburi	2015	465	3 years	1 Aug 2018 – 31 Jul 2021	• Lease is renewable for renewals of 3 years.
	Prachanukul	2015	453	2 years	1 Apr 2019 – 31 Dec 2021	
	Charoennakorn 68	2016	187	3 years	1 Apr 2019 – 31 Mar 2022	• Lease is renewable for two renewals of 3 years each.
	Bharomrajonani	2016	583.3	3 years	1 Aug 2019 – 31 Jul 2022	• Lease is renewable for two renewals of 3 years each.
	Terminal 21 Korat	2016	349	3 years	19 Dec 2019 – 18 Jul 2022	• Lease is renewable for one renewal of 3 years each.
	Udon Thani	2017	712.27	3 years	15 Dec 2019 – 14 Dec 2022	• Lease is renewable for two renewals of 3 years each.
	Phetkasem	2017	3 Ngarn 77 sq.wah	3 years	1 Jul 2019 – 30 Jun 2022	• Lease is renewable for three renewals of 3 years each.

Brand “Stretch Me”

Brand	Branch	Year of Operation	Total Space (sqm.)	Lease Period	Start and Expiry Date of Lease	Remarks
Stretching Studio	CentralWorld	2018	123.44	3 years	1 Nov 2018 – 31 Oct 2021	
	Iconsiam	2018	224	3 years	9 Nov 2018 – 8 Nov 2021	
	Whizdom 101	2019	207	3 years	1 Feb 2019 – 31 Jan 2022	
Brand	Branch	Year of Operation	Total Space (sqm.)	Lease Period	Start and Expiry Date of Lease	Remarks
Clinic	CentralWorld	2020	175	3 years	1 Oct 2020 – 30 Sep 2023	• Lease is renewable for two renewals of 3 years each.

Brand “Dr. Spiller”

Brand	Branch	Year of Operation	Total Space (sqm.)	Lease Period	Start and Expiry Date of Lease	Remarks
Dr. Spiller	Terminal 21 Pattaya	2018	212	3 years	19 Oct 2018 – 18 Oct 2021	• Lease is renewable for two renewals of 3 years each.
	Central World	2020	112	3 years	1 Oct 2020 – 30 Sep 2023	• Lease is renewable for two renewals of 3 years each.

PURCHASE OF PROPERTY

- The company made a capital investment to purchase 3 compartments in the commercial building located on Rat-Uthid 200 year road in Tambon Patong, Katu district, Phuket province, to operate “Let’s Relax”, Patong 2nd Street Branch, of the space of 1,292 sq..m. opened in 2002.

- The company made a capital investment to purchase a commercial building located on 224/2-3 Karon Road, Karon sub-district, Muang district, Phuket with the total area of 41 sq. wah. Currently, it has opened in 2017 for “Let’s Relax” Karon Branch

- The company made a capital investment to purchase a commercial building located on 1245-1245/1 Moo 5 Naimuang sub-district, Muang district, Nongkhai with the total area of 1 Ngarn 51 Sq. wah. Currently, it has opened in 2016 for “Baan Suan Massage” Nongkhai Branch

- The company made a capital investment to purchase a commercial building located on 224/27/28 Nhongpru sub-district, Banglamung district, Chonburi province with the total area of 53 Sq. wah. Currently, it is under renovation for “Let’s Relax Pattaya Beachfront”.

- The company made a capital investment to purchase a commercial building located on 6/65-66 Naklua sub-district, Banglamung district, Chonburi with the total area of 36 sq. Wah for staff living quarter.

2. Therapist Staff

The therapist staff (the massage staff) is one of the important factors that will enable the Company to provide for spa service. Mostly the Company’s staffs have been working for the Company for a long time. Moreover, the Company had opened subsidiary companies in the name of Siam Wellness Education Co., Ltd. (SWE) to operate a massage training school to support the recruitment of therapist staff of the Company to replace the personnel who resigned and to prime additional staff in anticipation of the expansion of the Company’s branches in the future including its being used as a facility for training the Company’s therapists to provide service and maintain the standard of the therapists for the Company’s spa business to enable the staff to be knowledgeable both in theory and in practice; they can learn to massage according to the correct method for safety to both the provider of service and the recipient of service to the extent that the provider of service is skilled and able to provide advice on relevant matters to the users of service. Moreover, the in case of some branches with great number of the service users, the Company will be able to relocate its therapist personnel from other branches to provide service in the branches as required to ensure smooth service and in timely manner.

As of 31 December 2020, the Company has approximately 1,800 therapist including massage therapists, stretching specialists and facial technicians stationed at various branches of the spa and wellness business.

3. Accessories for Providing Services

To ensure that required spa services can be provided to the customers, the Company must procure the equipment and accessories needed for providing said spa service according the Brand “RarinJinda Wellness Spa”, Let’s Relax”, “Baan Suan Massage”, “ Stretch me by Let’s Relax” “Stretch me Clinic” and “Dr. Spiller Pure Skin Care Solutions”. The total treatment beds as of 31 December 2020 is approximately 2,500 beds.

4. Spa products used in the Company's service branches

The spa products used in the Company's spa business is one of important factors to create an impression with customers in the Company's service such as massage oil and essential oil, the body scrub and body mask products including fresh herbal ball. By relying on its expertise, experience, Company has developed the quality of its products to have unique characteristics in collaboration with a team of pharmacists in the country and in the case of the said products are not consistent with the established requirement, the Group of Company is able to supply the substitute for said products thanks to numerous producers of the same products.

2.1.4 Industry Situation and Competition

Industry situation

Thailand recognizes the importance of Tourism industry as one of the major driver of Thailand's economy. In 2017, Tourism generated 2.75 trillion bahts in Revenue and ranked 34 from 136 in Travel & Tourism Competitiveness Index. This illustrates that the development of Tourism business in Thailand has been efficient. However, with the rapid changes in the World Environment and consumer behavior, Thailand's tourism sector shall adjust itself and develop to maintain its competitiveness.

Under the 20 years National Strategy (2018 – 2037) under Tourism, the Governments sets its priority in maintaining Thailand as a Tourism destination in which it must develop in the whole value chain, focus on quality tourists, create diversified tourism products and services to suit the tourist's demands and develop the tourism sector that has potential while maintaining its unique cultural and thainess values and environmental impacts. The first phase emphasizes on the continuity in generating revenue, setting good foundation with good standards and international quality and importance in Safety of Tourists including fairness treatment. Moreover, it also emphasizes on the equality spread of tourism revenue to the village and sustainable tourism to create better equality amongst the society.

The Strategy in developing Health & Wellness Tourism includes raising standards in products, services, personnels, operators and travel destinations considering the whole tourism value chain. Focus on differentiating and identifying unique Thai identity of the products or services while combined with the deeply rooted knowledge and heritage with the additional creativity, science & technology and innovation to create higher value for the health and wellness related tourism products and services.

Development Plan

1. Raise the quality standard of health and wellness tourism to international level in both the facilities and operators with importance in hygiene standards. This includes Thai Massage, Spa, Beauty, Yoga, Elderly Care and Wellness Center.
2. Create new products or services with creativity, innovation and thainess while getting accredited with international standards such as hot thermal bath, mineral bath, mud bath
3. Uplift the quality of the Thai Massage to International Standards, increase the value of the Thai Massage related products or services and creates confidence amongst users. Innovation and additional processes are ideal
4. Promote the niche Thai Medical services such as surgery, beauty, health check, dental care, eye care, maternity care, bone and heart surgery while connects with the development of Thai Medical services

Market Value of the Spa Business

The overall market of the World's Spa Industry has been increasing from 19 trillions baht to 27 trillions bahts today as local and foreign consumers are becoming more health-conscious. Thailand's Spa Industry has been growing faster than peers especially in Spa and Beauty sector which is the result in growing tourist numbers and unique Thai herbal products.

Amount of over 3.5 billion baht per year distributed in the Thai spa business becomes a point of interest for the government to want to upgrade the Thai spa industry to international standards. The players hope to use the strengths of diverse natural resources to help raise the level of income for people in the nation from upstream, Mid and downstream. Through a comprehensive service business called "spa", the relevant departments have combined to develop the potential of the industry leaders to achieve the target.

Thai spa and massage business is considered one of the industries that are important and driving the national economy. Also creating a career for general people to earn income. At the same time, it also generates income, including other industries that are linked in the process. Spa from upstream to downstream in many agricultural and tourism industries.

Most recently, on 12 December 2019, a joint committee meeting between the governments under the Convention on the Protection of Intangible Cultural Heritage of The 14th UNESCO, 8-14 December 2019 in Bogota, Colombia Announcement of the results of the consideration of the registration of the intangible cultural heritage in 2019, totaling 51 items and Thai massage proposed by Thailand has received approval to register in the said group It is the second program following Khon which was registered at the end of 2018, with Thai massage certified by UNESCO with the qualifications meeting the criteria. It is a wisdom that has developed at the family and agricultural level. Continuous development until it is a science of health care that uses hands or parts of the body. To adjust the power and structure of the body without using medication Reflecting the creative ability of humans Which will make Thai massage one of the tourism products and services that will be popular for foreign tourists.

Analysis of the market value of Thai spa business according to the compilation of data by the relevant organizations, namely,



Market Value of Medical - Wellness Tourism Thailand

SERVICE	TOURIST NUMBER (Million)	REVENUE
Medical Tourism	3.6	41 Billion
Wellness Tourism	12.5	409.2 Billion



EMPLOYMENT (PAX)



Remark : Medical Tourism Data 2019 By Kasikorn Research.
Wellness Tourism Data 2017 By Global Wellness Institute



Data from the World Health Institute Showed that Thailand’s Health tourism sector creates spending over \$ 12 billion, or more than 357 billion baht. In 2017, more than Indonesia’s and Malaysia’s spending together in this industry. It also employs about 530,000 directly, accounting for approximately 1.4% of the country’s total employment rate and 2.6% of Thailand’s annual gross domestic product (GDP).

While the Ministry of Public Health estimated that the Thai massage, spa and medical businesses that make up the Wellness Tourism industry are valued at approximately \$ 1.3 billion, or more than 40 billion baht, out of approximately 10,000 Thai massage centers and 2,800 luxury spas.

Thai Spa Association revealed to the “Thansettakij” that the number of licensed spa operators is 8 thousands, and the number of trained and licensed spa operators is 1.2 thousand pax. There are 2 times more businesses that have not been registered correctly, although according to the Spa Act 2016 It will require the business owner to have a business license. But found that in practice there is a flabby practice.

Overview of Competition

Spa industry in Thailand has started to expand clearly since 2002 both in terms of the number of service users and places of providing the service. Most of the places of providing spa service in Thailand are being operating by small operators. According to the compilation of the statistics of Thai Spa Association, it was found that during the years 2008 and 2012, Thailand had about 60 percent of the places of business being set up in the hotels and resorts and about 40 percent of the places of business, which were set up in the format of Stand Alone. Moreover, Thai Spa Association yet further forecasted that in the future, the ratio of the place of business of the two formats would switch to 50:50 due to the format of the STAND-ALONE spa started to embark on investment in the business format and were increasingly launched for operation in the form of branches. The ratio of the places of business was divided according to the location in the hotels and resorts and according to the type of Stand Alone.

The trend of the increase in the attention to healthcare of the Thai people results in the branching out of the spa business from the hotels and is on rapid expansion in the business and tourist districts. Under the concept of providing diverse services and the attention is focused on the spa business that it is one of the group of healthcare businesses with high potential of growth and it was forecasted that the income from spa business in the tourism market is likely to be expanding continually thanks to the growing trend in tandem with tourism industry being continuously promoted and supported by the government sector; yet it is one of the health service businesses of which the government sector setting forth the target for Thailand to become the Health Center of Asia.

As the trend of paying attention to health among the middle-income group is on the increase which forms the majority of the population or accounts for 70 percent of total Thai population, it is an opportunity for the spa business to be expanded into the middle level market comprising the target group of both Thai customers and foreigners who are staying in Thailand including the tourists with the purchasing power of the middle income upwards. The majority of the spa operators are Thai nationals, launching the business in large cities or in business districts, covering the spa business outside of the hotels but focusing on catching the upper market and small-sized spa business focusing on the middle market.

Based on the reason stated above, the overview of the spa business within Thailand is a market of high competition thanks to the increase in large number of the spa business operators both in Bangkok and in the provinces, in the format of the full-cycle spa service with luxurious design and decoration including the diversity of spa service together complete with amenities and conveniences that give a feel of relaxation when entering into using the spa service to the format of the row-house spa being open for massage and beautifying services in various formats without placing emphasis on the beauty of the design of the spa shop or luxury, but the emphasis is placed on providing service specially prepared for the customer only.

2.1.5. The Environmental Impact

The Company has a policy to operate the business by strictly complying with the law and regulation, observing the practical procedures of the Ministry of Public Health in operating the said business. With the certification from the Ministry of Public Health to operate the branch spa business of the Company placing an emphasis on the conservation of the natural ecological system by preserving to the utmost the gardening area and plants (green foliage) as much as possible and by placing importance to the matter of ecological system, to the preservation of the environment, the products of the Company in providing service to the customers being the produce made from the nature without destroying the environment as to preserve the environment to good condition such as reduce the use of Plastics in the use of Plastic Wrapped Thai Pyjamas by changing to reusable Cloth.

2.2 HOTEL AND RESTAURANT BUSINESSES

Type of Certificate	Issue Date July	Expiry Date July
Hotel Certificate	26 July 2016	25 July 2021
Certificate of Establishments that can be hazardous to Health	5 May 2020	31 May 2021
Selling or Storage of Food	5 May 2020	31 May 2021

The operation of the hotel and restaurant business of the Group of Companies is managed by Siam Wellness Resort Co., Ltd. (SWR), having the details as follows:

2.2.1 Characteristics of the Products or Services

The provision of services of SWR can be classified according to the categories of the service characteristics, that is, hospitality (hotel) business and restaurant services in Chiangmai.

The Hotel Service

It is the hotel service under the name of "RarinJinda Wellness Spa Resort". It is a boutique-resort hotel of 5-star level and with the maintenance of the ambience of the Northern Lanna style. Every room has the private balcony overlooking the scenic view of Doi Suthep hill and Ping river complete with amenities and conveniences, whether or not it is the high-speed Wi-Fi Internet, the fitness room and Yoga room, an open-air

swimming pool, a imousine service and tour-guide service, laundry service including the library with free computer service and Deck One restaurant including the availability of RarinJinda Wellness Spa, Chiangmai Branch, to provide full-cycle service; it is situated in the area in front of the hotel.

Moreover, inside the hotel, the ancient teak house aged over 150 years is preserved. It is the integration of Burmese and Lanna ambience. It is placed as part of the Drawing Room of the hotel; the meeting room and Thai massage room of RarinJinda Wellness Spa Resort as to preserve it for posterity generation and for foreigner to touch and to be impressed.

On the part of the hotel which is newly constructed, the architect had designed it to blend with the original ancient wooden house including the landscaping design which emphasizes the green foliage of the plants including the water lines meandering along the building, which is the special feature that is distinct from other architecture in Chiangmai province and resulted in RarinJinda Wellness Spa Resort to receive various awards for preservation of the construction of historical importance, the culture and the good tradition as well as the custom of Thailand.

• Guest Room Service

RarinJinda Wellness Spa Resort provides the guest room service as follows:

Room Type	Size (sq.m.)	No. of rooms	Room Rate (THB)
Deluxe	46	22	6,500
Deluxe Pool Access	53	7	10,000
Wellness Suite	93	5	16,000
RarinJinda Villa	164	1	27,000
Total		35	

REMARKS * The price of the guest room according to the Website of the Hotel as of 31 December 2020.

** The above price does not included 10% of Service Charge and 7% VAT.

• Food and Beverage Services

RarinJinda Wellness Spa Resort provides Deck One restaurants service. It is located adjacent to the riverside of Ping River. It emphasizes the open perspective outlook with cozy ambiance both inside and outside of the building. The restaurant provides food and drinks including the catering for the party, wedding party, emphasizing the impressive quality of service and the quality of food prepared by experienced chef to provide service to hotel guests and general customers. The details are as follows:

Deck One provides healthy food like Modern Asian Fusion, open daily from 07.00 hrs. to 24.00 hrs. With total capacity of 80 seats. For festival period, for example, Songkran festival or New Year festival, total capacity can be increased to total of 120 seats and can be divided the period of service as follows:

Breakfast service	07.00 hrs. – 10.00 hrs.
Lunch	11.00 hrs. – 14.00 hrs.
Afternoon snack	14.00 hrs. – 17.00 hrs.
Dinner	17.00 hrs. – 24.00 hrs.

Moreover, the Company has expanded an additional outlet under “D Bistro” on Ratchadamnoen Road, or better known as Sunday Chiang Mai Walking Street. Offering the Casual Dining style, the bistro serves Sandwiches, Salads, Burgers, Soup, Cakes and Fresh bakeries. The bistro opens from 8.00 am to 11.00 pm (except Sunday opens until midnight). The bistro has a capacity of 50 seas.

2.2.2 Marketing

Characteristics of the customers and target groups of the hotel business

The Company has the ratio of foreign customers to the domestic customers of 80:20. As for the proportion of foreign customers, about 60 percent is the customers from Asia such as from China, Hong Kong, Taiwan, Japan and South Korea. The customers from China form the largest part of the customers group while another 10 percentage is the customers from ASIAN countries and Oceania such as Malaysia, Singapore, Australia and New Zealand and the remaining 10 percent will be customers from Europe and the United States of America

With its Luxury Boutique Hotel service being provided by RarinJinda Wellness Spa Resort which is equivalent to a 5-star hotel comprising luxury rooms complete with various amenities and conveniences, the target customers group therefore for the business will be those with high income, e.g high level staff of the company, the owners of SME businesses including the owners of large-sized business to be in agreement with the price of the guest rooms ranging from 6,500 Baht to 27,000 Baht per month.

Distribution and Distribution Channel of the Hotel Business

The distribution and the distribution channel for customers group of RarinJinda Wellness Spa Resort can be divided as follows:

- 1) Distribution via the room booking system through the Internet
- 2) Distribution via the distribution agents
- 3) Distribution via the Sales and Marketing Department.

Competition Strategy of the Hotel Business

Price Strategy

For the pricing of guest rooms of SWR, as the Group of Companies is positioning its business as a 5-star Luxury Boutique Hotel by focusing on the customers group having a health awareness lifestyle with the introduction of spa service including Healthy Food for health as well as the service and the privacy of the 5-star hotel standard; the Company therefore opts for the Price Skimming strategy as to create an image of being a luxury 5-star boutique hotel and apply the strategy of price adjustment predicating upon the tourist season and Occupancy Rate with the price for walk-in customers at 6,500 – 27,000 Bhat per night, depending on the size of the room and interior decoration.

The Strategy to Make the Difference in Terms of Quality and Products

SWR is characterized by creating the difference in terms of quality and products from the hotel on the same premises as to provide complete services to foreign and Thai tourists on the premises of the hotel. This is a strategy that enables the provision of full-cycle services on the premises of SWR.

1. Emphasizing service to be provided to lovers of good health and hygiene.
2. Having the place centrally located in the middle of Chiangmai town; it is convenient, close to the Night Bazaar Market and is only a 15-minute drive to the Airport. Moreover, beauty is emphasized with a private balcony overlooking the swimming pool in the common area, Doi Suthep hill range and the scenic view of Ping river.
3. Emphasizing decoration with semi-modern style mixed with Thai style incorporating the antiquity or integration of modernism with original Thai style.
4. There is availability of 5-star on the premises of the hotel; it is the most perfect spa of Chiang Mai complete with the latest technology of spa and amenities of high standard, that is, RarinJinda Wellness Spa offering diverse spa services and multi-format therapies by medical specialists and nurses providing consultancy and advice.
5. Providing service of health food by Deck 1 restaurant which offers the Healthy Food cuisine for health.

2.2.3. Procurement of Products or Services

For the purpose of running hotel business and restaurant of SWR, SWR enters into a sub-lease of parcel of land for a 30-year lease to operate the hotel business and Deck 1 restaurant. Here are the details of importance:

SUB-LEASE OF LAND AGREEMENT

Contract party:	Siam Wellness Group Co., Ltd. (Sub-lessor)(Currently it changed its name to Siam Wellness Group Plc). RarinJinda Co., Ltd. (Lessee) (currently it changed its name to Siam Wellness Resort Co., Ltd.)
Date of the Contract:	1 January 2013
The Objective of the Sub-lease:	To operate the hotel and restaurant businesses.
Ownership of the Building:	Both parties agree that the building of the hotel and the restaurant building which were constructed on the land as of the date of entry into this Agreement is the ownership of the sub-lessee without the rental being charged on the said buildings from the sub-lessee throughout the period of the sub-lease; but for the land lease, the rental will be charged.
Sub-lease of the property:	Specifically for the land size of 0-3-96 rai on which the building of the hotel RarinJinda Wellness Spa Resort and Deck 1 Restaurant is situated and the right to utilize some space on Baan Ruan Thai. Incidentally, for the building which the Sub-lessee has renovated, constructed or made any addition to the leased property, the Sub-Lessee agrees to become the property of the Sub-Lessor upon the expiry of the lease.
Period of Lease:	The overall period of the sub-lease is 30 years with effect from 1 January 2013 to 31 December 2042. Incidentally, if, upon the expiration of the sub-lease, the Sub-lessee wishes to renew the sub-lease, the Sub-lessee must give a written notice of the intention to renew the sub-lease agreement to the Sub-Lessor for information for not less than 3 years prior to the expiry of the Sublease Agreement. If the Sub-lessor wishes to permit the Sub-lessee to continue the sub-lease, both parties agree to allow the various terms and conditions under the new Sub-lease Agreement to be identical to the terms and conditions of this Agreement in every respect except Clause 3 of the Agreement re: Period of Sub-lease and Clause 4 re: The sub-lease rental payment, in respect of which there will be further mutual agreement in writing.
Sub-lease Rental:	The rental payment will be made on a monthly basis subject to rental adjustment to be made by the Sub-Lessor according to the market situation, but not exceeding 15 percent of the sub-lease rental effective for every 3 years.
Termination of the Agreement:	The lease agreement will be terminated in the following cases: <ul style="list-style-type: none"> • Upon the expiration of the sub-lease and there is no exercise of the right to renew the sub-lease according to the terms and conditions of this Agreement. • Upon the parties mutually agreeing voluntarily to terminate this Agreement. • When the land is expropriated or the leased property are damaged to the extent that they are rendered useless according to the objective of the lease under this Agreement

2.2.4 Situation of the Industry and Competition

Situation of the industry

In 2018, the economy of Thailand was expected to expand at the rate of 4.1 percent, an increase from previous period which has a growth of 3.4%. Tourism will be the key driver for the Thai economy. According to the Department of Tourism, Ministry of Tourism and Sports, Thailand has received a total of 38.28 million tourists in 2018, a growth of 7.54% from 2016's 32.58 million tourist, with the total economic value of 3.0 trillion bahts from local and foreign tourism revenue.

The Tourism Authority of Thailand (TAT) has set a target for the income of the Thai tourism sector at the end of 2019 that in 2020, Thailand will have a total tourism income of 3.18 trillion baht composed of (1) International market 2.02 trillion baht from 40.8 million foreign tourists and (2) Domestic market 1.16 trillion baht from 172 million Thai tourists – times/

Due to the coronavirus epidemic (COVID-19) crisis, TAT re-evaluates the situation by establishing the TAT Tourism Recovery Tracker. It estimated 2020's tourism income will be 8.3 billion baht which is divided into (1) International markets of approximately 3.3 billion baht, out of 6.7 million foreign tourists and and (2) Domestic markets Thai travel in Thailand worth about 500 billion baht from the travel of about 95 million Thai tourists - times

At the same time, the situation and income of Thailand's tourism sector for 2021 is expected to generate approximately 1.2 trillion baht in total tourism income, approximately 500 billion baht from overseas markets, approximately 10 Millions foreign tourists and Thai market, about 7 hundred million baht in Thailand from traveling 120 million people - times. Foreign tourists will start to return in the second half of 2021 according to the Overseas Office of TAT. They found that In many countries there is already demand for travel. And most still see Thailand as the top 10 destinations that they are interested in “

In addition, the TAT Tourism Recovery Tracker predicts tourism sector revenues will move to 2.5 trillion baht in 2022 or return about 80% of total revenue in 2020, with foreign market revenue expected 1.3 trillion baht from 20.8 million foreign tourists and the domestic market, about 1.2 trillion baht from domestic tourism, 180 million people – times.

However, the tourist group still has to depend on the public health measures to be opened to foreign tourists. Vaccine progress Including the policy of the country of origin whether his people are allowed to leave the country or not.

Overview of the Competition

Based on the data shown above, it can be seen that although the number of tourists is on the increasing trend, in particular, among the groups of foreign tourists, but the number of places of accommodations and hotels are continuously growing at the higher rate is spurring high competition for the hotel business in Chiang Mai. For survival of the business, therefore, the operators must readjust the operation plan or various strategies as to maintain the level of profitability of the business. The format of competition which has become increasingly more intense is the price cut of the guest room, the competition in the aspect of the service quality, the granting of privileges for using other services of the hotel, etc.

As for the part of accommodations in Chiang Mai province which are characterized by providing the service of resort and spa type, according to the tourism data from the Tourism Authority of Thailand, it was stated that there is a total of 139 spa and resorts of 2-5-star quality level and if the emphasis is placed on the accommodations of the same quality level as RARINJINDA WELLNESS SPA RESORT, the number stood at 15 while the accommodations characterized by providing the service of boutique resort of 2-5 star quality, the number stood at 19.

Currently, the increase in the number of boutique hotels undoubtedly has spurred high competition in the market as well as new market in the players such as AirbNb and Homestays. However, in terms of the characteristics of the operation of the boutique hotel which emphasizes the format of being a small-sized luxury hotel, the importance is attached to the prominence of the architecture, the provision of service with close attention from the staff and the presentation of the story through the architecture, the provision of service of the boutique hotel must be able to respond to the lifestyle of the potential guests so that it serves as a place to reflect the personality and the format of living of the potential guests. Therefore most of the boutique hotels do not place emphasis on the price competition; but the emphasis is mainly placed on the quality, the standard and the provision of service. Each hotel has different sales pitch depending on the lifestyle of each customer.

2.3 SPA PRODUCTS DISTRIBUTION BUSINESS

The operation of the spa products distribution business is managed by the Company and the subsidiary, that is, Siam Wellness Lab Co., Ltd.: SWL. The details are as follows:

2.3.1 The Characteristics of the Products or Services

The operation of SWL is characterized by the procurement of the spa-related products and the therapeutic personal care products for distribution to the Company and customers, both of Thai and foreign customers. The distribution of the products is made under the the “Blooming”, “Let’s Relax” and “LRL” (Let’s Relax Lifestyle) brand and the purchase is made selectively from among the products of the Group of Companies from the producers expert in the manufacture of the spa products for home use and in the spa shop under the “Blooming”, “Let’s Relax” and “LRL” (Let’s Relax Lifestyle) brand. Most of the products are all of natural products. The goods of SWL can be divided into 3 groups as follows:

Spa product for body care

- Massage Oil for Professional Use
- Essential Oil
- Natural Soap
- Aloe Vera Soothing Gel
- Foot Scrub
- Massage Oil for Home Use
- Shower Gel
- Body Lotion
- Body Scrub
- Hand Cream

Other spa products

- Herbal Ball
- Aromatic Scented Candle
- Diffuser Kit
- Yellow Oil
- Electric Diffuser Kit
- Incense
- Ceramic Oil Burner
- Cooling Oil
- Herbal Balm
- Latex Pillow

Products for consumption

- Coconut Rolls
- Herbal Drinks

Tiger Eyes Trading (Thailand) Co., Ltd. (“TGT”)

It was founded on 18th August 1994 to operate a business of importing and distributing facial, body, slimming, wax, nail products as well as spa equipment such as electric blankets, massage bed sheets, facial and slimming devices from France, UK, USA and Canada. The Company distributes to Hair Salons, Beauty Clinics, Hospitals and Spas throughout Thailand. It also acts act Sole Agents for many brands in Thailand and CLMV such as Dr. Spiller, Biomimetic Skin Care Solutions . Key customers including Hotel Spa and Day Spas in 3-6 stars.

Facial Product Line

- Ampoule
- Cleansing
- Celltressor
- Manage Your Skin
- Serum
- Moisturizing
- SummerGlow

2.3.2 Market and Competition Condition

Characteristics of the customers and customers target group of the Spa Products Business

Most of the Company’s customers will be the customers who are visiting to use the Spa of Let’s Relax and RarinJinda Wellness Spa and from the 5-star hotels which distribute the products of the Company, while the remaining number of customers is at the minimum, orders will come from business customers who order the products as a premium item for distributing to the customers and customers from abroad as a result of the goods exhibition booth by the Company.

Distribution and Distribution Outlets of the Spa Products

- 1) At the shop branches of Let's Relax and RarinJinda Wellness Spa, all kinds of products are on sale at every shop branch of Let's Relax and RarinJinda Wellness Spa to the customers who come to use the service and those who are interested in the products.
- 2) Direct sale through sale agents who are experienced in the business, who are reliable and accepted by the customers in the same business.
- 3) Products exhibition fair or tourism event, both in the country and abroad in which the Company participated including the distribution of the spa products via the online market. The customers can order for the goods and make the payment via the Website of the Company at www.siamwellnesslab.com
- 4) Online such as Line Official Account, Line My Shop, Facebook, Instagram, Lazada etc.

Business Competition Strategy

The Company has the business operation strategy according to the details as follows:

- **The Products strategy**

The strategy of creating the difference in terms of quality and the products.

The Blooming products are natural products and the raw materials of high quality are selected which are devoid of any hazardous substances. The raw materials are used as an ingredient of the products to derive perfect product ready to sooth the mind and body. The products are rich in the values of Thai herbs and therapeutic scent from the pure essential oil in diverse forms which are agreeably blended between the sciences of the East and the West.

- **Marketing Strategy**

For the marketing strategy of SWL, the SWL focuses on the marketing of the distribution to groups of consumers who are interested in health care and want to directly consume the products of SWL directly. These are groups of customers who consume the products of good quality, wanting to use the products made from natural raw materials. As they attach lesser importance to the price, SWL is therefore able to make direct sale of the products according to the demand of the groups of the consumers of SWL, thus spurring the increase in sales of the products.

2.3.3 Procurement of the Products or Services

The spa products of Siam Wellness Lab Co., Ltd. are such as massage oil, essential oil, body scrub products and body massage pack as well as herbal products such as herbal balls. Orders for domestic products are possible. The formula will be defined by the Company based on its know-how, knowledge, experience in the spa business. Thereafter, several firms are engaged to make to products according to the formula required by the Company. Currently, most of the spa products are produced by the producers who are experienced in the spa products with export profile.

2.3.4 Industry Situation and Competition

Industry situation

*Currently, the global demand for herbs is high and there is a trend towards the increase, in particular, the Thai herbs of cosmetic groups are valued as high as 180,000 million Baht, while the herbs for the food supplement groups are valued as consumption and export at 80,000 million baht. As for the herbs of the spa products group and the products has the value of consumption and export at approximately 10,000 million Baht. The herbs of the ancient medicine formula groups according to the local wisdom of Thai traditional medicine are of value totaling 10,000 Baht, etc. (*Data available from the Department of Agriculture)

2.4 THAI MASSAGE SCHOOL BUSINESS

The operation of Thai massage school business is run by Siam Wellness Education Co., Ltd. Presently, the teaching course is open for therapist staff to support the spa business of the Company only. There is no teaching course open for outsiders.

2.4.1 The Characteristics of the Products or Services

The service provided by SWE is the Thai massage teaching service in the name of “Blooming Thai Massage School”. It was opened for operation in 2011 and it was certified by the Ministry of Education to provide training on massage and spa service to therapist staff to accommodate the expansion of the Company’s business. The training courses are divided according to the category of trainees as follows:

- 60-hour and 180-hour Thai massage training course
- Course on general basic knowledge and precautionary measures for providing massage service to customer.

The course to be open will comprise Thai massage course mentioned above. Trainees who have completed the said course will be presented with the Certificate from Siam Wellness Thai Massage and Spa School; the Certificate is the testimonial for employment both domestically and abroad. Currently, SWE will train the personnel wishing to work for the Company for at least one year upwards only. No course is open to the outsiders.

In addition to Thai massage course, the therapist staff and trainer of SPA will teach additional techniques for new employees to ensure the performance of diverse services as foot reflexology massage, essential oil massage, hot stone therapy massage, body scrub, body massage pack, learning the spa treatment and hydrotherapy and integrated Thai massage with new technology in the spa business, etc.

3

RISK FACTORS

In the course of running the business of the Company, various risks and uncertainties were encountered which may have impact on its earning, profit, assets, liquidity and the par value of the share of the Company. Besides the risks of material importance to be further mentioned, there may be other uncertainties unknown to the Company or cannot be specified at this moment. Therefore, the stakeholders should also take into account other risk factors which may befall the Company over and above the risk factors appeared in this Document.

Risk from the coronavirus outbreak

In order to prevent the spread of the COVID-19 virus, businesses have been affected, such as a reduction in spending, A slowdown in the tourism sector from the number of foreign tourists, Economic slowdown and the declining purchasing power of consumers etc. The severity of the impact on spa businesses, a business that is closely contact between service providers and recipients, and there are limited services located in the branch locations. Business still tend to face critical challenges for a while until there is a vaccine that helps reduce the spread of COVID-19.

Risks from changing consumer behavior

The world is in a rapidly changing and intense. The coronavirus outbreak is one of the factors that accelerate digital disruption, such as online shopping on an E-Commerce platform or an E-Marketplace, Digital Payments, Cashless Society, Market Growth, Online Delivery, etc. These motivate brands to bring themselves online to increase marketing opportunities and go online, not just sales. But also, to gain consumer data base in order to make the brand well known to consumers and use it in marketing to increase sales through repeated purchase. Expand customer base and use Big Data to manage various fields more efficiently. Paying attention to hygiene has become a common routine for consumers.

Risk from the Fluctuation of Tourism Industry

For the operation of the spa and hotel businesses of the Company and of the subsidiary companies, there are major groups of foreign tourists in whom there are some factors impacting the confidence in travel for tourism which the Company cannot control such as terrorism, epidemic of the disease, natural disaster, civil commotions within the country and global economic recession, etc. The said impact has had comprehensive effect not only in Thailand alone, but is spread to tourism industry in other countries. The Company has a policy of managing the said risk by way of spreading the business along principal tourist attractions of the country to reduce risk in the event of any particular tourist attraction is facing the problem and has introduced a business plan as to increase the proportion of domestic customers in order to reduce risk of relying on any particular group of the customers.

Risk from Competition with the Competitors in the Principal Business

Siam Wellness Group Plc. operates the health spa business. Moreover, the Company has also had subsidiary company, that is, Siam Wellness Resort Co., Ltd., operating the hotel and restaurant businesses in Chiangmai with many competitors. The Company laid down its strategy to create the difference versus its competitors in terms of premises, service, raw materials, products and technology by focusing on continuing development of innovation as to create the experience for the customers with impression in using the service unique to each brand of the Company.

Competition in Spa Business

Currently, the spa business is fraught with high competition from the downstream to the upstream markets emphasizing the price competition which may impact the earning and profit of the Company. However, the Company is positioning its service to compete with the upstream market, but with the pricing that is more worthwhile than its competitors, which are 5-star hotels as well new players in the field such as Home Massage or Office Massage, which could potentially become competitor. The setting up of the place of service exactly at the point to the target market with the convenience of travel, that is, in the proximity of the mass transit system or tourist attractions. Moreover, the Company has had the time booking for service and payment system directly via the Internet. The system enables the Company to plan the personnel administration very effectively. The Company is convinced that with the said strategy, the Company would gain a competitive advantage against its competitors in the spa business.

Competition in the Hotel Business

The Company has its subsidiary, that is, Siam Wellness Resort Co., Ltd. operating the hotel and restaurant businesses in Chiangmai province in which there are numerous competitors. Currently, the tourism industry has increased in competition with more opening of hotels by various operators in Chiangmai resulting in price competition, which may impact on the earning and profit of the Company. Moreover, there are new players in the field such as AirBnB. However, the Company is convinced that with its strategy emphasizing the provision of specific service in the line of the spa and wellness business with a limited number of rooms and avoidance of price competition coupled with a marketing plan and efficient management of cost will enable Siam Wellness Resort Co., Ltd. to compete with its competitors. The salient point of RarinJinda Wellness Spa Resort is its determination to allow the customers to be in touch with the culture and tradition of Chiangmai integrated with leading therapeutic spa technology and unique quality of service and various amenities.

Risk Due to Renewal of Lease Agreement

Lease with the Outsider

Mostly, the Company would use the method of leasing the space to operate its spa business if the said lease agreement is not renewed, the Company may risk losing its income from the Company's branches. However, the Company would enter into an agreement before the commencement of the Lease Agreement to enable it to renew the Lease Agreement for at least about 9 years to 12 years (3 years lease to renew for another 3 years then another 3 years and/or to renew for 3 years) to reduce risk of investment in the leased branch. Moreover, the lease of the business premises instead of investment to buy the business premise as the Company's own property, it would provide the flexibility for the Company to run its business with the ability to manage the cost for expansion or reduction of service premises as to maximize the returns for the stakeholders. Incidentally, the Company would have good relationship with every lessor by being a good lessee to maintain the leased premises to good order and proper compliance with the terms and conditions of the lease agreement in every respect. Thus, the Company is able to secure the renewal of the lease with the Lessor consistently. If the Company is unable to secure the renewal of the lease agreement for any particular branch, the Company will be able to procure a location to set up a new branch in place of the said unrenewed leased branch.

Lease Agreement with Affiliated Person

For the lease entered into with an affiliated person in the case of the opening of the spa branch and the office of the Company, the Company enters into a lease agreement in the same fashion as the lease with the outsider subject to the terms and conditions of renewal of the lease for about 6 to 9 years (3 years lease to be renewed for 3 years and/or to renew for 3 years). For the land in Chiangmai, the Company has leased it from the affiliated person for use to launch the RarinJinda Wellness Spa, Chiangmai Branch and to allow Siam Wellness Resort Co., Ltd. to sublease the land to operate the hotel and restaurant in Chiangmai. The land will be leased from the affiliated person for 30 years with the terms that the lease is renewable. In this case, a notice will be given to the party to the agreement for acknowledgement and to agree in advance prior to the expiration of the agreement. This is deemed to be a long-term obligation and helps reduce risk against the uncertainty. But, however, upon expiration of the lease agreement, the renewal of the said lease agreement is not possible, the Company will then find necessary to acquire a new parcel of land to continue the business. For this purpose, the Company has entered into a lease agreement with the affiliated person according to said terms and time frame at the fair market rate. The fair price will be assessed by an independent evaluator to assess the proper lease price before it is proposed to the Board for examination and prior approval. Incidentally, the Company had established RarinJinda Wellness Spa Resort as a prototype for operating the Health Resort Hotel. If successful as anticipated and with the availability of sufficient accommodating market, the Company may consider expanding this business into the market and in a suitable time frame. The lease of the said premises enables the

Company to reduce investment risk in immovable property and to maximize the efficient management of investment capital. However, nearing the expiration of the lease agreement, the Company would assess the feasibility of the renewal of the lease agreement by taking into account the maximum returns of the stakeholders.

Risk from Dependence on the Executives

The Company operates the business under the management of two founders and executives of the Group of Companies, that is, Mr. Wiboon Utsahajit and Mr. Prasert Jiravanstit, who play an important role in the management of the Company to the extent of being famous and recognized in the industry and enabling the Company to enjoy good operating profit continually. If in the absence of the said executives, it may impact the management of the Company. However, the Company has decentralized the power of operation, the scope of duty and accountability to the executives of various lines according to the ability and experience as to reduce risk from dependence on the said executives. The plan for listing in the mai securities exchange will enable to company to improve the operational system in accordance with the international style continually.

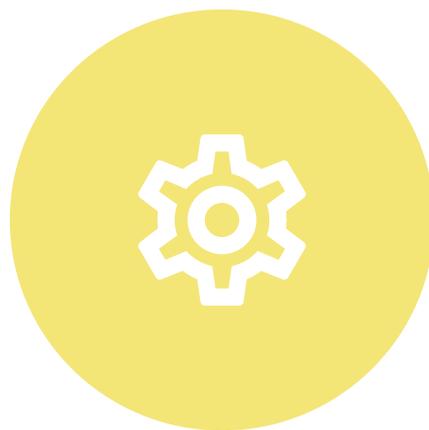
Risk from Lawsuit from the Customers Using the Service

As the Company operates the Health Spa business, in the course of providing service to the customers by the therapist staff, if they are careless in providing massage service to customer that may cause physical harm to the customer, to prevent the risk of being sued by the customer, the Company therefore takes out the Professional Liability Insurance to cover the expense of being sued to the tune of not exceeding 5,000,000 Baht during the validity of the Insurance Policy. Incidentally, the Company will be liable for the first deductible of not exceeding 200,000 Baht per incident. Moreover, the Company has initiated the briefing to exercise utmost care in providing service to the customer. Since the inception of its business, the Company not yet been sued in the said case at all.

Risk due to Shortage of Therapist Staff

As the Company operates the health spa business which is a business requiring a lot of therapists. The shortage of the said labor may impact the Company's business of material importance. Therefore the Company has arranged for the availability of proper management system of the said personnel by allocating the therapist personnel to be suitable for the number of customers and provision of the staff welfare benefit to the said therapist personnel. This is made possible through providing insurance to cover the minimum wage for the personnel who are working at the newly opened branch of the Company; the provision of personnel living quarters and taking out a life assurance policy for the therapist personnel, etc., as to reassure them and to restore their confidence in the Company so that they will be working with the Company for a long time. Moreover, the Company is opening the massage training school under the subsidiary company as to develop the personnel in accordance with the standard of the Company and to accommodate the expansion of the business and to substitute for those personnel who resigned. This is to ensure that the Company would not have the therapist personnel shortage problem in the future.

Part



- SECURITIES AND SHAREHOLDERS INFORMATION
- ORGANIZATIONAL STRUCTURE
- CORPORATE GOVERNANCE
- CORPORATE SOCIAL RESPONSIBILITY (CSR)
- INTERNAL CONTROL AND RISK MANAGEMENT
- RELATED PARTY TRANSACTIONS

4

SECURITIES AND SHAREHOLDER INFORMATION

4.1 Registered Capital and Paid up Capital

As of December 31, 2020, the Company has the registered capital of 213.75 million bahts and the paid up capital of 213,749,982 bahts with the ordinary shares of 854,999,928 shares with par value of 0.25 bahts

4.2 Shareholders

As of December 3, 2020, the Company has the following shareholders:

No.	Shareholder Name	Number of Shares	%
1	Utsahajit Family		
	Mr. Wiboon Utsahajit	94,953,900	11.11
	Mrs. Pranee Suphawatanakiat	78,080,000	9.13
	Mrs. Thanit Amorntirasan	71,855,000	8.40
	Mr. Narun Wiwattanakrai	30,360,000	3.55
	Mr. Napat Wiwattanakrai	30,660,000	3.59
	Mr. Narut Wiwattanakrai	26,379,550	3.09
	Mr. Chanodom Utshajit	12,285,000	1.44
	Ms. Chalisa Utsahajit	10,556,650	1.23
	Ms. Tanatchaporn Utsahajit	9,277,500	1.09
	Mr. Wiwat Utsahajit	4,550,000	0.53
	Sub-Total	368,957,600.00	43.15
2.	Jiravanstit Family		
	Mr. Prasert Jiravanstit	93,312,450	10.91
	Mrs. Praorn Jiravanstit	27,939,150	3.27
	Mrs. Pornpit Jiravanstit	26,762,000	3.13
	Sub-Total	148,013,600	17.31
3.	Bualuang 4-Essentials Long Term Dividend Fund	21,759,150.00	2.54
4.	B Seniors for Retirees Funds	18,841,650.00	2.20
5.	Thai NVDR Co.,Ltd	13,842,874.00	1.62
6.	B Seniors for Retirees Extra Funds	7,970,550.00	0.93
7.	Bualuang 4- Essentials Fund	7,752,300.00	0.91
8.	Bualuang Long Term Fund	7,103,850.00	0.83
9.	Mr. Kachan Benchakul	6,133,650.00	0.72
10.	Buakaew Dividend Open Fund	5,869,950.00	0.69
11.	Mr. Songpon Sumsiripong	5,820,750.00	0.68
12.	Mr. Vichaya Mekha-apirak	5,500,000.00	0.64
13.	Bualuang 4- Essentials Fund	5,420,550.00	0.63
14.	Mr. Darakorn Pimonphattarakul	5,161,350.00	0.60
15.	Mr. Pornthep Sathittavornchai	4,705,350.00	0.55
16.	Mr. Pisit Durongkapittaya	4,596,000.00	0.54
17.	Tisco Mid/Small Cap Equity Fund	4,535,050.00	0.53
18.	Mrs. Uraiporn Chalerm-suppayakorn	4,200,000.00	0.49
19.	Mr. Apiramate Uttaravanich	4,087,000.00	0.48
20.	Buakaew Open Fund	3,822,800.00	0.45
	Sub-Total	137,122,824.00	16.04
21.	Other Shareholders	200,905,904.00	23.50
	Total	854,999,928.00	100

4.3 Dividend Policy

The Company's dividend policy is to pay out at least 40 percent of its net profit, after deducting income tax and legal reserve. Each year's payout depends on the Company's investment plan, necessity, and future considerations. Upon approval by the Board of Directors, the annual dividend payout shall be presented to the shareholders' meeting for approval. However, for an interim dividend, the Board has the authority to pay the dividend and report the payout at the next shareholders' meeting. Changes can be made through shareholders' meeting with approval from Board of Directors.

4.4 Change in shareholding of Directors and Senior Management

Shareholding of Directors and Senior Management

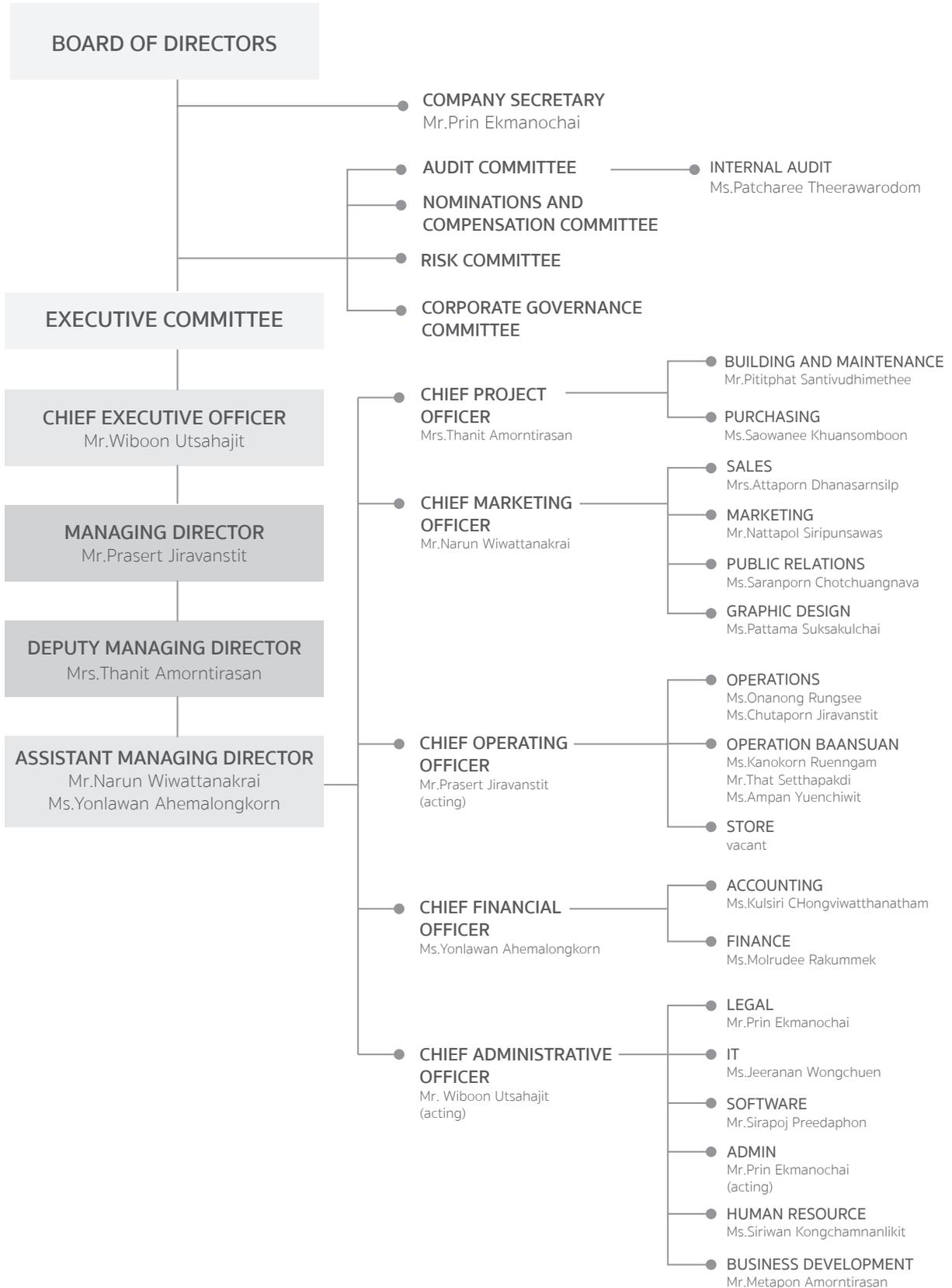
Name	Shares held at 1 January 2020 (shares)	Transaction during 2020 (shares)	Shares held at 31 December 2020 (shares)	Shares held by Spouse
Mrs. Pranee Suphawanakiat	52,720,000	25,360,000	78,080,000 (9.13 %)	30,000
Mr. Wiboon Utsahajit	63,302,600	31,651,300	94,953,900 (11.106%)	None
Mr. Prasert Jiravanstit	60,640,000	32,672,450	93,312,450 (10.914%)	None
Mrs. Thanit Amorntirasan	50,570,000	21,285,000	71,855,000 (8.404%)	None
Mr. Narun Wiwattanakrai	20,240,000	10,120,000	30,360,000 (3.551%)	None
Mr. Polchet Likittanasombat	None	None	None	None
Mr. Chaiyuth Thienvuthichai	None	None	None	18,000
M.R. Pensiri Chakrabandhu	None	None	None	None
Mrs. Supee Pongpanich	None	None	None	None

5

ORGANIZATIONAL STRUCTURE

5.1. Organizational Structure

As of December 31, 2020, The Company's Organization is as followed:



5.2 Board of Directors

As of December 31, 2020, The Company's Board of Directors composed of 9 Directors as followed:

No.	Name	Title
1.	Mrs. Pranee Suphawatanakia	Chairwoman
2.	Mr. Wiboon Utsahajit	Director Chairman of the Executive Committee Chief Executive Officer
3.	Mr. Prasert Jiravanstit	Director Member of Nominations and Compensation Committee Member of the Executive Committee Managing Director
4.	Mrs. Thanit Amorntirasan	Director Member of Corporate Governance Committee Member of the Executive Committee Deputy Managing Director
5.	Mr. Narun Wiwattanakrai	Director Member of Risk Committee Member of the Executive Committee Assistant Managing Director
6.	Mr. Polchet Likittanasombat	Director Chairman of the Audit Committee (Audit Committee with Accounting Knowledge) Member of the Corporate Governance Committee Independent Director
7.	Mr. Chaiyut Thienvuthichai	Director Member of the Audit Committee Chairman of Nominations and Compensation Committee Member of the Risk Committee Independent Director
8.	M.R. Pensiri Chakrabandhu	Director Member of the Audit Committee Chairwoman of Corporate Governance Committee Member of the Nominations and Compensation Committee Independent Director
9.	Mrs. Supee Pongpanich	Director Chairwoman of Risk Committee Member of the Corporate Governance Committee Independent Director



Profile of the nominated persons being proposed for director's appointment

Name	Mrs. Pranee Suphawanakiat
Age	63
Position	Chairwoman
Date of Appointment	7 March 2013
Education	Bachelor of Political Science, Ramkhamhaeng University

Training from Institute of Directors (IOD)

Course	Year
Director Accreditation Program (DAP)	2013
Role of the chairman Program (RCP)	2014

Work Experience

Period	Position	Company	Business Type
2013 – Present	Chairwoman Director	Siam Wellness Group Public Company Limited	Spa
2017 – Present	Director	Klom Kliao Pattana Company Limited	Real Estate
1989 – Present	Director Executive Director	B.U. Enterprises Company Limited	Service Apartment
2010 – Present	Director Executive Director	Asian Fortune Property Company Limited	Real Estate
2013 – Present	Director Executive Director	Cyberprint Group Company Limited	Printing
2013 – Present	Director Executive Director	Utsahajit Holding Company Limited	Holding Company investing in Printing Company and Service Apartment
2010 – 2013	Director Executive Director	Cyberprint Company Limited	Printing
2010 – 2013	Director Executive Director	Srisiam Print & Pack Company Limited	Printing
2005 – 2013	Director Executive Director	C.P.I. Interprint Company Limited	Printing

Current Position Chairwoman, Siam Wellness Group Public Company Limited

Other Position

Public Company

None

Other Companies

5 companies

- Director and Executive Director, B.U. Enterprise Company Limited
- Director and Executive Director, Asian Fortune Property Company Limited
- Director and Executive Director, Cyberprint Group Company Limited
- Director and Executive Director, Utsahajit Holding Company Limited
- Director, Klom Kliao Pattana Company Limited

Other companies that may
ave conflict of interest

none

Specialization

Political Science

Attendance to Meeting

5/5 (From January 1 – December 31, 2020)



Profile of Director

Name	Mr. Wiboon Utsahajit
Age	57
Position	Director / Chairman of the Executive Committee / Chief Executive Officer
Date of Appointment	28 November 2001
Education	Bachelor of Computer Science, University of Southern California, Los Angeles

Training from Institute of Directors (IOD)

Course	Year
Director Accreditation Program (DAP)	2013
Financial Statements for Directors	2014
Director Certification Program (DCP)	2014

Other Training : Certificate, Capital Market Academy Class 27

Work Experience

Period	Position	Company	Business Type
2001 – Present	Director Chairman of the Executive Committee Chief Executive Officer	Siam Wellness Group Public Company Limited	Spa
2005 – Present	Director	Siam Wellness Resort Company Limited	Hotel& Restaurant
2007 – Present	Director	Siam Wellness Lab Company Limited	Spa Products
2011 – Present	Director Executive Director	Siam Wellness Education Company Limited	Massage School
2010 – Present	Director Executive Director	Asian Fortune Property Company Limited	Real Estate
2013 – Present	Director	Cyberprint Group Company Limited	Printing
2013 – Present	Director	Utsahajit Holding Company Limited	Holding Company investing in Printing Company and Service Apartment
2010 – 2012	Director	C.P.I. Interprint Company Limited	Printing
2001 – 2012	Director	Blooming Intergift Company Limited	Property
1992 – 2012	Director	Blooming Company Limited	Premium Goods

Current Position Director / Chairman of the Executive Committee / Chief Executive Officer, Siam Wellness Group Public Company Limited

Other Position

Public Company	None
Other Companies	6 companies <ul style="list-style-type: none"> • Director and Executive Director, Siam Wellness Resort Company Limited • Director, Siam Wellness Lab Company Limited • Director and Executive Director, Siam Wellness Education Company Limited • Director, Asian Fortune Property Company Limited • Director, Cyberprint Group Company Limited • Director, Utsahajit Holding Company Limited

Other companies that may have conflict of interest none

Specialization Computer Science
Attendance to Meeting 5/5 (From January 1 – December 31, 2020)



Profile of Director

Name	Mr. Prasert Jiravanstit
Age	58
Position	Director / Managing Director / Executive Director / Nomination and Compensation Committee
Date of Appointment	28 November 2001
Education	Bachelor of Marketing, Bentley University, USA

Training from Institute of Directors (IOD)

Course	Year
Director Accreditation Program (DAP)	2013

Work Experience

Period	Position	Company	Business Type
2001 – Present	Director	Siam Wellness Group Public Company Limited	Spa
2018 – Present	Managing Director Executive Director Nomination and Compensation Committee		
2005 – Present	Director Executive Director	Siam Wellness Resort Company Limited	Hotel & Restaurant
2007 – Present	Director Executive Director	Siam Wellness Lab Company Limited	Spa Products
2011 – Present	Director	Siam Wellness Education Company Limited	Massage School
2013 – Present	Vice President International Relations Director	Thai Spa Association	Association

Current Position Director / Executive Director / Managing Director /
Nomination and Compensation Committee,
Siam Wellness Group Public Company Limited

Other Position

Public Company None
Other Companies 4 companies

- Director and Executive Director, Siam Wellness Resort Company Limited
- Director and Executive Director, Siam Wellness Lab Company Limited
- Director, Siam Wellness Education Company Limited
- Vice President, Thai Spa Association

Other companies that may
ave conflict of interest none

Specialization Marketing
Attendance to Meeting 5/5 (From January 1 – December 31, 2020)



Profile of Director

Name	Mrs. Thanit Amorntirasan
Age	58
Position	Director / Deputy Managing Director / Executive Director / Corporate Governance Committee
Date of Appointment	28 November 2001
Education	Bachelor in Architecture, Chulalongkorn University Master in Graphic Design, California State University, USA Master in Business Administration, Chulalongkorn University

Training from Institute of Directors (IOD)

Course	Year
Director Accreditation Program (DAP)	2013

Work Experience

Period	Position	Company	Business Type
2010 – Present	Director Deputy Managing Director Executive Director Corporate Governance Committee	Siam Wellness Group Public Company Limited	Spa
2017 – Present	Director	Klom Kliao Pattana Company Limited	Real Estate
2007 – Present	Director	Siam Wellness Lab Company Limited	Spa Products
2005 – Present	Director	Siam Wellness Resort Company Limited	Hotel & Restaurant
2010 – Present	Director Executive Director	Asian Fortune Property Company Limited	Real Estate
2013 – Present	Director	Utsahajit Holding Company Limited	Holding Company investing in Printing Company and Service Apartment
2013 – Present	Director	Cyberprint Group Company Limited	Printing
1989 – 2013	Director	B.U. Place Company Limited	Service Apartment
2005 – 2013	Director Executive Director	C.P.I. Interprint Co.,Ltd	Printing

Current Position Director / Executive Director / Deputy Managing Director /
Corporate Governance Committee, Siam Wellness Group Public Company Limited

Other Position

Public Company
Other Companies

None

6 companies

- Director, Klom Kliao Pattana Company Limited
- Director, Siam Wellness Lab Company Limited
- Director, Siam Wellness Resort Company Limited
- Director, Asian Fortune Property Company Limited
- Director, Utsahajit Holding Company Limited
- Director, Cyberprint Group Company Limited

Other companies that may
ave conflict of interest

none

Specialization

Graphic Design and Business Administration

Attendance to Meeting

5/5 (From January 1 – December 31, 2020)



Profile of Director

Name	Mr. Narun Wiwattanakrai
Age	33
Position	Director / Assistant Managing Director / Executive Director / Risk Committee
Date of Appointment	2 March 2013
Education	Bachelor in Economics / Political Studies, University of Auckland, New Zealand Master of Business Administration in Marketing / Strategic Management, Sasin Graduate Institute of Business Administration of Chulalongkorn University

Training from Institute of Directors (IOD)

Course	Year
Director Accreditation Program (DAP)	2013
Risk Management Program (RMP)	2014

Other Training :

- Certificate, Academy of Business Creativity Class Talent 3, Sripatum University
- Certificate, Digital Edge Fusion Class 3, Sripatum University

Work Experience

Period	Position	Company	Business Type
2013 – Present	Director Assistant Managing Director Executive Director Risk Committee	Siam Wellness Group Public Company Limited	Spa
2018 – Present	Director	G.G.P. Property Company Limited	Real Estate
2005 – Present	Director Executive Director	Siam Wellness Resort Company Limited	Hotel & Restaurant
2008 – Present	Director Executive Director	Siam Wellness Lab Company Limited	Spa Product
2010 – Present	Director	Asian Fortune Property Company Limited	Real Estate
2008 – 2009	Business Development Executive	Cyberprint Group Company Limited	Printing

Current Position

Director / Executive Director / Assistant Managing Director / Risk Committee,
Siam Wellness Group Public Company Limited

Other Position

Public Company

None

Other Companies

4 companies

- Director and Executive Director, Siam Wellness Resort Company Limited
- Director and Executive Director, Siam Wellness Lab Company Limited
- Director, Asian Fortune Property Company Limited
- Director, G.G.P. Property Company Limited

Other companies that may
ave conflict of interest

none

Specialization

Marketing

Attendance to Meeting

5/5 (From January 1 – December 31, 2020)



Profile of Director

Name	Mr. Polchet Likittanasombat
Age	53
Position	Director / Independent Director / Chairman of the Audit Committee / Corporate Governance Committee
Date of Appointment	2 March 2013
Education	Bachelor of Electrical Engineering, King Mongkut's Institute of Technology Ladkrabang Master of Business Administration, Chulalongkorn University

Training from Institute of Directors (IOD)

Course	Year
Director Certification Program (DCP)	2006
Audit Committee Program (ACP)	2013

Other Training : • Corporate Governance for Capital Market Intermediaries, IOD and SEC

Work Experience

Period	Position	Company	Business Type
2013 – present	Director Independent Director Chairman of the Audit Committee Corporate Governance Committee	Siam Wellness Group Public Company Limited	Spa
2017 – 2018	Director	Preecha Group Public Company Limited	Real Estate
June 2014	Director	AEC Securities Public Company Limited	Securities
– June 2017	Executive Director	Advisor to the Board	
2013 – 2016	Director Executive Director	International Research Corporation Public Company	ICT
2013 – 2014	Director	AAMC Asset Management Company Limited	Asset Management
2010	Deputy Director Advisor to Chairman	Public Warehouse Organization	State Enterprise
2008 – 2009	Executive Director Member of subcommittee for Organizational Development and Assessment	Forest Industry Organization	State Enterprise
2003 – 2008	Director, Government Policy Development	Small and Medium Enterprises	State Services
2003 – 2008	Director	Thai Aviation Industries Company Limited	Aviation Maintenance
2003 – 2008	Director	Thai Snacks Industries Company Limited	Thai Snacks

Current Position Director / Independent Director / Chairman of the Audit Committee / Corporate Governance Director, Siam Wellness Group Public Company Limited

Other Position

Public Company 0 company
Other Companies None
Other companies that may have conflict of interest None

Specialization Business Administration and Engineering

Conflict of Interest
Holding shares in the company None
Other conflict in the past 2 years

- is not an Executive Director, employee or advisor that receives full-time salary
- is not the professional advisor of the company (such as Auditor or Legal Advisor)
- does not have special relationship with the company that prevents from acting independently

Attendance to Meeting 5/5 (From January 1 – December 31, 2020)



Profile of Director

Name	Mr. Chaiyuth Thienvuthichai
Age	59
Position	Director / Independent Director / Audit Committee / Chairman of Nomination and Compensation Committee / Risk Committee
Date of Appointment	2 March 2013
Education	Bachelor of Landscape Architecture, Chulalongkorn University

Training from Institute of Directors (IOD)

Course	Year
Director Accreditation Program (DAP)	2013

Other Training :

- Real Estate Development (RE-CU Real Estate Development), Chulalongkorn University

Work Experience

Period	Position	Company	Business Type
2013 – Present	Director Independent Director Audit Committee Chairman Nomination and Compensation Director Risk Committee	Siam Wellness Group Public Company Limited	Spa
2018 – Present	Director	Sangnuea Korsang Co.,Ltd	Construction
2017 – Present	Director	Able Build Information Model Co.,Ltd	Design and Construction
1989 – Present	Managing Director	Landscape Planning Co.,Ltd	Landscape Design
2011 – Present	Advisor	Thai Association of Landscape Architects	Association
2011 – 2013	Sub-Committee	Architect Council of Thailand	Council
2009 – 2011	President	Thai Association of Landscape Architects	Association
2009 – 2012	Advisor	Honorary MemberBangkok Metropolitan Administration	Government

Current Position Director / Independent Director, Audit Committee, Chairman of Nomination and Compensation Committee,
Risk Committee, Siam Wellness Group Public Company Limited

Other Position

Public Company None

Other Companies 3 company

- Director, Sangnuea Korsang Co.,Ltd
- Managing Director, Landscape Planning Co.,Ltd
- Director, Able Build Information Co.,Ltd

Other companies that may
ave conflict of interest None

Specialization Landscape Architecture

Conflict of Interest

Holding shares in the company None

Other conflict in the past 2 years

- is not an Executive Director, employee or advisor that receives full-time salary
- is not the professional advisor of the company (such as Auditor or Legal Advisor)
- does not have special relationship with the company that prevents from acting independently

Attendance to Meeting 5/5 (From January 1 – December 31, 2020)



Profile of Director

Name	M.R. Pensiri Chakrabandhu
Age	55
Position	Director / Independent Director / Audit Committee / Nomination and Compensation Committee Chairwoman of Corporate Governance Committee
Date of Appointment	2 March 2013
Education	Bachelor of Education, Srinakharinviroj Pathumwan Master of Environmental Technology Management, Mahidol University

Training from Institute of Directors (IOD)

Course	Year
Director Accreditation Program (DAP)	2013

Other Training : • Human Resources and Institutional Development, Chaipattana Foundation and Naresuan University

Work Experience

Period	Position	Company	Business Type
2013 – Present	Director Independent Director Audit Committee Nomination and Compensation Committee Chairwoman of Corporate Governance Committee	Siam Wellness Group Public Company Limited	Spa
2018- Present	Executive Director of Special Projects	Chaipattana Foundation	Non-Profit Organization
2013 – 2018	Director of Special Projects		
2007 – 2013	Director of Special Activities		
2005 - 2007	Project Co-ordinator		

Current Position Director / Independent Director / Audit Committee /
Nomination and Compensation Committee / Chairwoman of Corporate
Governance Committee, Siam Wellness Group Public Company Limited

Other Position

Public Company	None
Other Companies	1 company
	• Director of Special Project, Chaipattana Foundation
Other companies that may ave conflict of interest	none

Specialization Environmental Technology Management

Conflict of Interest

Holding shares in the company	None
Other conflict in the past	2 years
	• is not an Executive Director, employee or advisor that receives full-time salary
	• is not the professional advisor of the company (such as Auditor or Legal Advisor)
	• does not have special relationship with the company that prevents from acting independently

Attendance to Meeting 5/5 (From January 1 – December 31, 2020)



Profile of Director

Name	Mrs. Supee Pongpanich
Age	65
Position	Director / Independent Director / Chairwoman of Risk Committee / Corporate Governance Committee
Date of Appointment	22 August 2014
Education	Bachelor of Journalism, Thammasat University Master of Private and Public Management, NIDA PhD of Business Administration, Ratchamongkol Technology University

Training from Institute of Directors (IOD)

Course	Year
Director Accreditation Program (DAP)	2014

Other Training :

- Management Problem Solving and Decision Making Programme, Princeton, New Jersey, U.S.A.
- Certificate in Small and Medium Enterprises in An Ailing Economy, The University of Sydney
- Managing Human Performance
- Mini MBA, Chulalongkorn University

Work Experience

Period	Position	Company	Business Type
2014 – Present	Director Independent Director Audit Committee Director Chairman of Risk Committee Corporate Governance Committee	Siam Wellness Group Public Company Limited	Spa
2018 – Present	Director	Interprime Media Company Limited	Advertising / Events
2017 – Present	Advisor	Foundation for the Blind in Thailand under the Royal Patronage	Foundation
2017 – Present	Advisor – Brand KU	Kasetsart University	University

Current Position

Director / Independent Director / Audit Committee / Chairman of Risk Committee / Corporate Governance Committee, Siam Wellness Group Public Company Limited

Other Position

Public Company	None
Other Companies	0 company
Other companies that may ave conflict of interest	none

Specialization

Public and Private Management

Conflict of Interest

Holding shares in the company

None

Other conflict in the past

2 years

- is not an Executive Director, employee or advisor that receives full-time salary
- is not the professional advisor of the company (such as Auditor or Legal Advisor)
- does not have special relationship with the company that prevents from acting independently

Attendance to Meeting

5/5 (From January 1 – December 31, 2020)

Authorized Persons

“Mr. Wiboon Utsahajit or Mr. Prasert Jiravanstit or Mrs. Thanit Amorntirasan, two out of the three directors sign together accompanied by the Company seal”.

Board of Directors' Meeting Attendance as of December 31, 2020

No.	Name	2020 Meetings Attended / Total Meetings
1	Mrs. Pranee Suphawanakiat	5/5
2	Mr. Wiboon Utsahajit	5/5
3	Mr. Prasert Jiravanstit	5/5
4	Mrs. Thanit Amorntirasan	5/5
5	Mr. Narun Wiwattanakrai	5/5
6	Mr. Polchet Likittanasombat	5/5
7	Mr. Chaiyut Thienvuthichai	5/5
8	M.R. Pensiri Chakrabandhu	5/5
9	Mrs. Supee Pongpanich	5/5

5.3 Audit Committee

Audit Committee composed of 3 Directors as followed:

	Name	Position
1.	Mr. Polchet Likittanasombat	Chairman of the Audit Committee (Audit Committee with Accounting Knowledge)
2.	Mr. Chaiyut Thienvuthichai	Member of the Audit Committee
3.	MR. Pensiri Chakrabandhu	Member of the Audit Committee

Audit Committee's Meeting Attendance as of December 31, 2020

	Name	Position Meetings Attended / Total Meetings
1.	Mr. Polchet Likittanasombat	4/4
2.	Mr. Chaiyut Thienvuthichai	4/4
3.	MR. Pensiri Chakrabandhu	4/4

5.4 Risk Committee

Risk Committee composed of 3 Directors as followed:

	Name	Position
1.	Mrs. Supee Pongpanich	Chairman of the Risk Committee
2.	Mr. Chaiyut Thienvuthichai	Member of the Risk Committee
3.	Mr. Narun Wiwattanakrai	Member of the Risk Committee

Risk Committee's Meeting Attendance as of December 31, 2020

	Name	2020 Meetings Attended / Total Meetings
1.	Mrs. Supee Pongpanich	4/4
2.	Mr. Chaiyut Thienvuthichai	4/4
3.	Mr. Narun Wiwattanakrai	4/4

5.5 Nominations and Compensations Committee

Nominations and Compensations Committee composed of 3 Directors as followed:

	Name	Position
1.	Mr. Chaiyut Thienvuthichai	Chairman of the Nominations and Compensations Committee
2.	M.R. Pensiri Chakrabandhu	Member of the Nominations and Compensations Committee
3.	Mr. Prasert Jiravanstit	Member of the Nominations and Compensations Committee

Nominations and Compensations Committee Attendance as of December 31, 2020

	Name	Meetings Attended / Total Meetings
1.	Mr. Chaiyut Thienvuthichai	1/1
2.	M.R. Pensiri Chakrabandhu	1/1
3.	Mr. Prasert Jiravanstit	1/1

5.6 Corporate Governance Committee

Corporate Governance Committee composed of 4 Directors as followed:

	Name	Position
1.	M.R. Pensiri Chakrabandhu	Chairman of the Corporate Governance Committee
2.	Mr. Polchet Likittanasombat	Member of the Corporate Governance Committee
3.	Mrs. Supee Pongpanich	Member of the Corporate Governance Committee
4.	Mrs. Thanit Amorntirasan	Member of the Corporate Governance Committee

Corporate Governance Committee Attendance as of December 31, 2020

	Name	Meetings Attended / Total Meetings
1.	M.R. Pensiri Chakrabandhu	1/1
2.	Mr. Polchet Likittanasombat	1/1
3.	Mrs. Supee Pongpanich	1/1
4.	Mrs. Thanit Amorntirasan	1/1

5.7 Executive Committee

As of December 31, 2020 The Company's Executive Committee composed of 5 Directors as followed:

	Name	Position
1.	Mr. Wiboon Utsahajit	President of Executive Committee / Chief Executive Officer
2.	Mr. Prasert Jiravanstit	Member of Executive Committee / Managing Director
3.	Mrs. Thanit Amorntirasan	Member of Executive Committee / Deputy Managing Director
4.	Mr. Narun Wiwattanakrai	Member of Executive Committee / Assistant Managing Director
5.	Mr. Juckpat Jiravanstit	Member of Executive Committee

Executive Committee's Meeting Attendance as of December 31, 2020

	Name	2020 Meetings Attended / Total Meetings
1.	Mr. Wiboon Utsahajit	17/17
2.	Mr. Prasert Jiravanstit	16/17
3.	Mrs. Thanit Amorntirasan	16/17
4.	Mr. Narun Wiwattanakrai	17/17
5.	Mr. Juckpat Jiravanstit	13/17

5.8 Management Team

As of December 31, 2020 The Company's Management Team composed of 5 Members as followed:

	Name	Position
1.	Mr. Wiboon Utsahajit	Chief Executive Officer
2.	Mr. Prasert Jiravanstit	Managing Director
3.	Mrs. Thanit Amorntirasan	Deputy Managing Director
4.	Mr. Narun Wiwattanakrai	Assistant Managing Director
5.	Ms.Yonlawan Eiamalongkorn	Assistant Managing Director (Chief Financial Officer)

5.9 Company Secretary

On November 11, 2016 at the BOD 7/2016, the Board of Directors approved the appointment of Mr. Prin Ekmanochai with a degree in Law, as Company Secretary to comply with the Securities and Stock Exchange Act B.E. 2535 with responsibilities as followed:

5.9.1. Documenting and Recording important documents

5.9.1.1 Director's Record.

5.9.1.2 Invitation Letter for Board of Director's Meeting, Minutes of Board of Director's Meeting and Annual Report.

5.9.1.3 Invitation Letter for Shareholder's Meeting and Minutes of Shareholder's Meeting.

5.9.2. Keep in record all documents that may have conflict of interest with directors or management and send to Chairman or Chairman of Audit Committee within 7 days after receive of such report.

5.9.3. Administering other matters according to Securities Commission announcement.

5.10 Board of Director's Meeting

The Board of Directors of Siam Wellness Group Public Company Limited has set preliminary dates for the Board of Director's Meeting for 2020 in advance and may set additional meetings if required. For each meeting, advance meeting notification and agenda will be send to Directors at least 7 days before the meeting in order for Directors to review. In the urgent case, the paper will be sent immediately along with presentation and minutes. All papers will be documented for reference and audit. In the meeting, the Chairman and the Managing Director will jointly set the Agenda and opens for each Director to submit. In each meeting, there should be more than half of total directors attended. Chairman shall allow each director to critique independently. In some particular agenda, the Board may invite Senior Management or Independent consultant(s) to join and share useful information which can also use for effective implementation. Moreover, the non-Executive Directors have held their independent meeting 1 time on 14 August 2020.

5.11 Director's and Management Remuneration

5.11.1 Monetary Remuneration

Director's Remuneration

On February 29, 2020 at the BOD 1/2020, the Board of Directors approved the remuneration for Directors and the other Committees and was approved at the Company's AGM 2020 on 30 April 2020 as followed:

Position	Monthly Allowance	Meeting Allowance	Annual Bonus
Chairman of Board of Directors	22,000	12,000	350,000
Director	11,000	12,000	250,000
Chairman of Audit Committee	22,000	12,000	350,000
Member of Audit Committee	16,500	12,000	250,000
Chairman of Risk Committee	-	8,000	-
Member of Risk Committee	-	6,000	-
Chairman of Nominations and Compensations Committee	-	8,000	-
Member of Nominations and Compensations Committee	-	6,000	-
Chairman of the Corporate Governance Committee	-	8,000	-
Member of the Corporate Governance Committee	-	6,000	-

Remark :

- If Director has appointed to more than 1 position, the Director will receive the highest rate of monthly allowance only
- Directors that are Management will not receive monthly allowance
- If Director has appointed to more than 1 position, the Director will receive the highest rate of annual bonus only
- Audit Committee will receive the monthly allowance as Audit Committee only and will not receive the monthly allowance as Director

In 2020, Company has paid total monthly allowance and meeting allowance to Director Audit Committee Risks Committee and of Nominations and Compensations Committee as followed:

Director's Remuneration as of December 31, 2020

2020								
Name	Position	Monthly Allowance AC (THB)	Monthly Allowance BOD (THB)	Meeting Allowance AC (THB)	Meeting Allowance BOD (THB)	Meeting Allowance Risk (THB)	Meeting Allowance Nominations (THB)	Meeting Allowance Corporate Governance (THB)
Mrs. Pranee Suphawanakiat	Chairwoman		264,000		60,000			
Mr. Wiboon Utsahajit	Director/Chairman of Executive Committee/Chief Executive Officer				60,000			
Mr. Prasert Jiravanstit	Director/Member of Nominations and Compensations Committee/Member of Executive Committee/Managing Director				60,000		6,000	
Mrs. Thanit Amorntrisan	Director/Member of Corporate Governance Committee/Member of Executive Committee/Deputy Managing Director				60,000		6,000	
Mr. Narun Wiwattanakrai	Director/Member of Risk Committee/Member of Executive Committee/Assistant Managing Director				60,000	24,000		
Mr. Polchet Likittanasombat	Director/Chairman of the Audit Committee (Audit Committee with Accounting Knowledge)/Member of Corporate Governance Committee/Independent Director	264,000		48,000	60,000			6,000
Mr. Chaiyuth Thienvuthichai	Director/Member of the Audit Committee/Chairman of Nominations and Compensations Committee/Independent Director	198,000		48,000	60,000	24,000	8,000	
M.R. Pensiri Chakrabandhu	Director/Member of the Audit Committee/Member of Nominations and Compensations Committee/Chairwoman of Corporate Governance Committee/Independent Director	198,000		48,000	60,000		6,000	8,000
Mrs. Supee Pongpanich	Director/Chairman of Risk Committee/Member of Corporate Governance Committee/Independent Director		132,000		60,000	32,000		6,000
Total		660,000	396,000	144,000	540,000	80,000	20,000	26,000

Management Remuneration

As of December 31, 2020, Company has total of 5 members in the Management. The Company paid total of 8,566,800.00 bahts as salary and annual bonus

5.11.2 Other Remuneration

In 2020, Company has paid total of 310,139 bahts as provident fund, social securities and healthinsurance (excludes salary and annual bonus)

Personnels

As of December 31, 2020, The total of staff (excludes Management) are as followed

SPA		
No.	Department	As of Dec 31, 2020 Total Staff
1	Accounting	17
2	Finance	3
3	Human Resource	6
4	Admin and Housekeeping	4
5	Legal	4
6	IT and Software	7
7	Purchasing and Store	12
8	Building Services	16
9	Sales and Marketing	12
10	Operations (Head Office)	6
11	Operations (Branch)	301
Total		388
SWR		
No.	Department	As of Dec 31, 2020 Total Staff
1	Accounting	6
2	Purchasing, Admin, Store	1
3	Human Resources	1
4	Marketing	2
5	IT	1
6	Operations	1
7	Front Office and Bellboy	10
8	Kitchen	19
9	Housekeeping	13
10	Engineering	7
11	Food & Beverage & Kitchen (Deck1)	17
Total		78
SWL		
No.	Department	As of Dec 31, 2020 Total Staff
1	Management	1
2	Product	3
3	Admin and Store	4
Total		8
SWE		
No.	Department	As of Dec 31, 2020 Total Staff
1	Management	1
2	Trainers	14
Total		15

As of December 31, 2020 Company has total of 388 staffs (excludes Management). In 2020, total monthly remuneration for staff (excludes Management) such as salary, commission, bonus, provident fund, Social securities and OT is 111,935,213.00 bahts

On June 1, 2013, the Company set up AIA Masterpool Provident Fund and later on 1 June 2019, the Company changed the Provident Fund Operator from AIA Masterpool Provident Fund to SCB Master Fund with objectives of creating motivations for staff and to encourage to work with Company in a long term.

Labour Objections in the past 3 years

None

Human Development Policy

Company has human development policy in which the training is conducted through Department Managers, then Department Managers will be the one who trained to their sub-ordinates.

- English Language Training 2 times per year
- Administration Process (Stock, Sales) Training 1 times per year
- POS Training 2 times per year
- Service Manners Training Continuously throughout the year
- Annual Spa Manager Meetings were conducted at Head Office of Siam Wellness Group Public Company Limited



CORPORATE GOVERNANCE

6.1 Policies on Corporate Governance

Having realized that good corporate affairs can lead to enhancement of the operation and powerful and sustainable growth of the Company which will benefit all parties concerned, namely employees, investors, shareholders and other stakeholders, the Board of Directors, whom is the leader of the Organization, have therefore adopted policies to better corporate governance. Such polices cover the structure, the roles and responsibilities of director and the principles of transparent management of the organization that can be audited that can be used as guidelines for management of the organization to ensure fairness and carefully consideration of the best interests of shareholders and all interested parties and adapt to Good Corporate Governance to meet Long Term Objectives that create sustainable Business Values complying with the expectation of Business Sector, investors, stock market and society under the rules of SET's Principles of Good Corporate Governance 2012 under 5 sections and under the rules of SEC's Corporate Governance Code for listed companies 2017 under 8 Sections which cover:

Principle 1: Establish Clear Leadership Role and Responsibilities of the Board

Principle 2: Define Objectives that Promote Sustainable Value Creation

Principle 3: Strengthen Board Effectiveness

Principle 4: Ensure Effective CEO and People Management

Principle 5: Nurture Innovation and Responsible Business

Principle 6: Strengthen Effective Risk Management and Internal Control

Principle 7: Ensure Disclosure and Financial Integrity

Principle 8: Ensure Engagement and Communication with Shareholders

SEC has approved SEC's Corporate Governance Code for listed companies 2017 in replacement of SET's Principles of Good Corporate Governance 2012

In 2017, The Company has actively utilized the Good Corporate Governance to support the Operations of the Company. On 16th December 2017 the Corporate Governance Committee was appointed by the Board of Directors at the Board of Directors' Meeting No. 10 to allow the operations of the Company to be smooth, efficient and complies with the Code of Governance. The Directors, Executives and Staffs have acknowledged and understood the CG Guideline approved by the Corporate Governance Committee's Meeting No. 2 on 5 October 2018 which will act as Guideline.

Corporate Governance Code for listed company 2017 (CG Code)

The key contents of SEC's Corporate Governance Code for listed companies 2017 has been updated from SET's Principles of Good Corporate Governance 2012 with changes in order and presentation to comply with Board of Directors's role in each business process. Moreover, it added new issues to reflect new thinking or change in marketplace.

1. Strengthen the role of the Chairman of the Board of Directors and separate the role of Board of Directors and Executive Committee divided into 3 parts
 - a. Issues determined by Board of Directors
 - b. Issued determined by both Board of Directors and Executive Committee in which Executive Committee will take action
 - c. Issues that should not be determined by Board of Directors
2. Strengthen the role of the Board of Directors in setting Objectives, Vision and Mission of the Company with responsible parties. This allows the Company to have sustainable goals. Tools include environmental analysis, Matter and Stakeholder analysis and the Culture analysis.
3. Expand the role of the Board of Directors in setting Strategies, Policies, Business Plan and Budget and support the use of innovation and technology to increase the company value including supervising IT Systems

4. Add the Market Sensitive information Policies to avoid potential problems of leaked information
5. Strengthen the role of the Board of Directors in supervising the cash flow, debt control, financial crisis management as well as cash management system and provident funds
6. Strengthen the role of the Board of Directors in understanding the relationship between Shareholders and Executive Committee in decisive role
7. Strengthen the role of the Board of Directors in the role of Chairman. In the event that Chairman and CEO's role are not separated, the Board of Directors may assign the Independent Director to set the Meeting's Agenda as an alternative way to balance the role of Board of Directors and Executive Committee

The Board of Directors shall bring the 8 Guidelines in Section 1 to apply to the Organization to create the sustainable business and in Section 2 which is the additional Guidelines to support Section 1.

Therefore, Company shall set the Operations and Internal Audit Process according the Principles stated above with 5 main topics.

- Section 1: The Rights of Shareholders
- Section 2: Equitable Treatment
- Section 3: Stakeholders
- Section 4: Transparency
- Section 5: Responsibilities

Section 1: The Rights of Shareholders

Having recognized the shareholders' right to receive correct and complete information on the Company within good time on an equitable treatment basis and to make decisions on major changes that affect the Company. The Board of Directors supports the shareholder's rights with the following policies have been adopted:

1. We will sent an invitation in Thai and English to attend a meeting with the items on the agenda and views of the Board of Directors thereon to shareholders at least 7 or 14 days before the meeting of shareholders, whichever the case may be. Any shareholder who cannot personally attend the meeting can appoint an independent director or any person as a proxy to attend the meeting for and on his behalf, using the proxy appointment form attached to the invitation to attend the meeting. The Company also disclose the Agenda of the Meeting in newspaper in 3 consecutive days at least 3 days before the Meeting. This allows Shareholders to have good preparation for the meeting.
2. We will hold the meeting at the most suitable venue and time to ensure that the shareholders find it convenient to travel. There will be enough time for the meeting to deal with all the items on the agenda. A map will also be provided.
3. Before commencing the meeting, the shareholders will be informed of their rights to vote, express views and raise any questions at the meeting in respect of the items on the agenda. According to the Charter, the Company has assigned a shareholder as a witness of the counting of votes. During meeting, the shareholders will be given equal rights and opportunities to express their views within the time well allocated by the Board Chairman. The directors and executives, including Management and Company Secretary, concerned shall attend the meeting and present to answer questions and respond to enquiries from Shareholders.
4. We will use our website as another communication channel. The news and information will be published on our website. Shareholders can download the invitation to meeting with the items on the agenda well in advance before the day of the meeting so that they will have plenty of time to examine the Company's documents. Shareholders can even raise any questions online before the day of the meeting. Our website contains information on how to download meeting invitation and raise questions online.
5. To ensure accuracy and speediness, vote counting and decision may be done online with Technology support and create ease for shareholders.
6. An independent person will be appointed to count and examine the votes at the meeting of shareholders, reveal the outcome to the meeting and record it in he minutes of the meeting.
7. The minutes of the meeting will be correctly and completely taken to cover all the important questions and views raised at the meeting for perusal by the shareholders such as Name of Directors and Management attended, the ratio of attended and unattended Directors, Vote Counting methods and procedures, the resolution of the Meeting for each Agenda (Agree, Disagree, Object to Vote) as well as Questions and Answers of each shareholder including the Name of the asker and responder. After being listed on SET, the meeting will be video recorded for future reference. The minutes of meetings will be published on our website for shareholders' consideration. Such minutes of meeting will be submitted to SET portal within 14 days of the meeting.

8. The decision made by the meeting of shareholders will be published on our website on the Meeting day or next working day on SET portal and Company's Website.

9. Shareholders will have their dividends transferred into their bank accounts or by Cheque (if any dividend is paid). This method of payment will eliminate the problems of checks being damaged, lost or sent to payees in delay.

10. Shareholders will have equal voting rights: one share per one vote.

11. Shareholders have the right to be informed of the results of operations of the Company including Financial Statements, Management Discussion and Analysis. We will prepare the documents which clearly and completely explain the operations for fiscal year which cover the activities related to the operations of the company including Company's Annual Report in CD (enclosed with Invitation letter) and in print to distribute on Meeting Day or provide download link on Company website.

12. Shareholders will be entitled to consider and approve the financial statements of the Company. We will prepare financial statements that are accurate and reliable and cover all the essential facts and figures according to the generally accepted accounting standards and have been audited by an independent and well-known auditor who also expresses his views thereon.

13. Shareholders will be entitled to consider and approve the Company's dividend payment. We will present detailed calculation of dividends which clearly cover all the essential facts for the consideration of the shareholders, e.g. dividend payment policy, comparison of dividend paid in the previous year. Good explanation will be given for non-dividend payment. The dividend payment proposed to shareholders will be reviewed carefully for thoughtful consideration and approval by the Board of Directors before presentation to the Meeting of Shareholders for consideration and approval.

14. Shareholders have the right to determine and appoint each director. We will provide the clear and correct records and details of the persons nominated for directors such as work records and the number of years in office (if a retiring director is nominated), type of director required, rules and procedures for recruitment, shares in the company, the positions in other companies, both related and unrelated to the business of the Company, etc. and definition of independent directors. In the case of independent directors, the person nominated for shareholders to approve the appointment shall be reviewed carefully for approval by the Board before proposal to the Meeting of Shareholders for approval.

15. Shareholders are entitled to consider and approve the remuneration of Directors. We will provide clear and comprehensive details of remuneration of directors is required for consideration by shareholders, such as policy on payment of remuneration, payment based on position, duties, responsibilities and comparison with previous year's payments for careful consideration by the Remuneration Committee and approval by the Board prior to submission to the Meeting of Shareholders for approval.

16. Shareholders shall have the right to consider and appoint the auditor and approve the audit fees. We will prepare complete and correct details for consideration by shareholders, such as name of auditor, the office that he comes under, his independence, the number of years he works for the Company, his audit fees with complete breakdown and other service charges (if any) and comparison with the audit fees of the previous year for careful consideration by shareholders and review by the Audit Committee based on past performance of the auditor before proposal to the Meeting of Shareholders for approval.

17. In the interest of the shareholders and the Company, the shareholders shall be entitled to consider and approve the significant related transactions and the same shall also be considered and approved by the Audit Committee comprising independent members.

18. We will provide the correct and complete information on capital increase which cover all essential details such as objectives, necessity, methods, conditions, effects on the Company and shareholders for consideration and approval of the Board before proposal to the Meeting of Shareholders for approval.

Section 2: Equitable Treatment

It is our policy to ensure that all shareholders will have equal rights to conduct examination and express their views including Access to Information and Expression of Opinion on Company's Operations, as follows:

1. Minor shareholders will be allowed to nominate persons for directorship or propose the items on the agenda to be deal with by the Meeting of Shareholders with downloaded applications for Nominated Directors or Nominated Agendas via Company Website

2. The rules on the nomination of person for directorship and proposal of the items on the agenda by minor shareholders will be clearly set forth.

3. The Meeting of Shareholders will only deal with the items on the agenda without changing any important details or adding any items on the agenda without notice, unless otherwise approved by the Meeting in compliance with the law.

4. The shareholder who cannot attend the meeting by himself may nominate an independent director or appoint a person as a proxy who will attend and vote at the meeting on his behalf. The name of such proxy (all Independent Directors included) shall be indicated in the meeting invitation with full details of Biography and Work Experience records

5. All shareholders, whether they are major or minor shareholders of any nationalities will be treated equally such as Thai and English Documents

6. To ensure transparency and traceability and avoid conflict, voting on any matter shall be done by ballot and each shareholder will be allowed to nominate the persons for directorship.

7. There shall be written guidelines on maintenance and protection of data for compliance by all people in the Company. All directors and executives are required to report the securities in their holding to the Board of Directors.

8. The director or executive who has vested interest or conflict of interest in any transaction under consideration shall disclose such vested interest or conflict of interest to ensure that the Board of Directors can equitably consider such transaction for the benefit of the Company. Such vested interest or conflict of interest shall be recorded in the minutes of the meeting.

9. The Board of Directors shall recognize the rights of shareholders and the Company shall treat all shareholders fairly and equally, whether they are executive or non-executives and irrespective of the number of shares they hold and their nationalities. It is our policy to treat shareholders equally and protect their basic rights. Therefore, all shareholders shall have equal rights to buy or sell shares, get fair share in the Company's profit, receive sufficient information on the operations, attend the meeting to vote for appointment or removal of director, appointment of auditor and the matters affecting the Company such as dividend payment, revision of memorandum or articles of association, capital increase or decrease and approval of special transactions.

10. All shareholders shall have equal rights to vote: each share is eligible to one vote.

11. Company will release Company News to shareholders on regular basis via SET portal and Company Website

12. Shareholders shall be allowed to propose the items on the agenda or nominate the person for directorship to be included in the items on the agenda at least 1 month before the day of the annual meeting of shareholders as set forth by the Company.

13. We will sent to meeting invitation along with the documents on the items on the agenda and the views of the Board of Directors on all the items on the agenda, to all shareholders at least 7 days before the day of the meeting or 14 days, unless otherwise set forth by SET or SEC. Such meeting invitation and related documents which are the same as the ones to be sent to the shareholders shall also be published on our website at least 30 days before the day of the meeting so that the shareholders will have enough time to examine all the details and can make the right decisions.

14. The rules and procedures for meeting attendance, questions, answers, voting and decision making shall be clearly set forth in the meeting invitation. Shareholders will be allowed to raise any questions before the day of the meeting. Shareholders can register for the meeting at least one hour before the time of the meeting and continue to do so until the meeting concludes.

15. We shall not prejudice the shareholders' rights to examine the information which must be disclosed or attend the meeting. We shall not suddenly distribute additional documents for the meeting, change the items on the agenda or amend essential data without notifying the shareholders, nor shall we put restrictions on late attendance of any shareholders.

16. All shareholders are encouraged to attend and vote at the Meeting of Shareholders. All the proper procedures are set forth in the meeting invitation. At the meeting for director appointment, each shareholder may vote for any person. At any meeting, shareholders will be allowed to raise any questions or express any views. The directors concerned will answer all such questions to the satisfaction of the shareholders.

17. The shareholder who cannot personally attend the meeting may appoint an independent director as proxy to attend and vote at the meeting for and on his behalf. For this purpose, Proxy Form A and B shall be used. Form B can be used to grant the proxy the right to vote at the meeting for and on behalf of the shareholder. Form C can be used for foreign investors with appointment of Custodians who are based in Thailand. All forms can be downloaded from the Company's website.

18. Minutes of meeting shall be taken clearly, correctly and completely for examination by shareholders. After submission to SET, such minutes of meeting will be published on our website.

Section 3: Rights of Stakeholders

We recognize the rights of all stakeholders, whether they are internal ones such as shareholders and employees or external ones such as customers, trading partners, creditors, competitors, government agencies, organizations and nearby communities. The reasons are they support us and help us to become more competitive and make more profit which is worthwhile in the long run. We treat all stakeholders as required by law or as agreed with them. Therefore, we have adopted the following policies:

Treatment of and responsibilities for shareholders

Having realized that shareholders are the owners of the business and the Company, we create added value in the long run for them by setting the following guidelines for our employees, directors and executives:

1. To perform duties on a bona fide basis and make decisions carefully and fairly in the interest of all shareholders.
2. To oversee the operations to ensure that the Company has stable financial status and good performance; to present correct and complete reports on the Company's standing, returns on operations, financial status, accounting and others on a regular basis.
3. Present to all shareholders the reports on the Company's future aspects, whether positive or negative, which are reliable and have sufficient proofs.
4. Not to seek interest for oneself other from the information not disclosed by the Company to the public, nor to perform any acts which may cause conflict of interest with the organization.
5. To treat all shareholders equally at the Meeting of Shareholders.

Practices and responsibilities in respect of government sector

We operate our business in compliance with the laws, rules and regulations on government agencies. In particular, we avoid the acts that influence government employees to act improperly. In stead, we try to build good relations whenever possible, e.g. talking in public places, greeting at certain time of season within the following guidelines:

1. To follow proper procedures at the time of making contact with government agencies or their employees.
2. To become aware that the laws, rules and regulations on government agencies may vary and require strict compliance.

Practices and Responsibilities in Respect of Employees

We realize that all employees are our most valuable assets that will help us attain our objectives and vision sustainably. To ensure fairness in opportunity, remuneration, transfer and enhancement of potential, we shall adopt the following practices:

1. To respect employees' rights and honor with respect to the rights and dignity as well as fairness.
2. To maintain workplace in good conditions – safe for them, their health and well-being and properties.
3. To appoint, transfer, reward and punish employees on a bona fide basis with equality and fairness, taking into account their knowledge, abilities and suitability.
4. To attach importance to employees' constant knowledge, skill acquisition and talent: offer training, hold seminars for all employees including Self Development Program as well as allow other skill enhancement for all employees.
5. To offer fair remuneration based on the market condition, competition, job description, the employee's ability and performance above or equal to the rate set by Law and match with the employee's knowledge, ability and skills.
6. Not to perform any unfair acts which affect the career of the employee.
7. To allow employees to air their grievances about working conditions and suggest solutions for the benefit of all parties and create good relations at work.
8. To strictly observe all the laws and regulations on employment with respect to fairness and dignity.
9. To listen to Comments and Suggestions of employees with equality.
10. To enhance employees to understand the role of employees, stakeholders and related parties internally and externally and support ethic practices.
11. To create an inquiry page for employees to make inquiries, lodge complaints, report illegal acts, raise doubts against unethical acts, as stated in the CG Code, through Website and Annual Report. Such communications shall be treated as confidential, and investigation shall be conducted to find solutions

Practices and Responsibilities in Respect of Customers

We provide the service of health and spa massage. We intend to create, present and manage our products and services for our customers with the following the standards, ethics and practices:

1. To strive to provide service with politeness, earnestness, readiness, sincerity, good intention and attention as if the customers are close relative, taking into account health, safety and satisfaction of customers. Regular assessments of Customer Satisfaction shall be taken to improve the service.
2. To inform customers of you service methods to ensure maximum efficiency and satisfaction.
3. To provide correct and complete information on our products and services so that customers can make the right decisions. Not to over advertise, exaggerate or cause misunderstanding about the quality, quantity, terms or conditions of the products or services.
4. Provide communication channels for customers to make complaints about our products or services so that we can find solutions and improve our products and services.
5. Treat our customers' information as confidential; not to disclose it or use it for personal gain.

Practices and Responsibilities in Respect of Trading Partners and the other Parties to the Agreements

Company shall operate with fairness and equality. Trading partners and other parties to the agreements help us to achieve success in our operations with Supplier Selection and Rule of Compliance. We therefore treat them equally to ensure joint interests as follows:

1. To supply products and provide services according to the following principles:
 - To allow fair competition.
 - To adopt criteria for assessment and recruitment of trading partners and parties to the agreements.
 - To draw up suitable agreements which are fair to all parties.
 - To have a management and follow-up system to ensure full compliance with the agreement and avoid fraud and dishonesty in procurement process.
 - To pay trading partners and parties to the agreements within the deadline according to the terms of payment.
2. We intend to maintain and improve relations with trading partners and parties to the agreements whose objectives are clear in respect of product quality and worthwhile services on a bona fide basis.
3. All of our employees and executives are forbidden from receiving direct or indirect interests from trading partners or parties to the agreements.
4. Not to use the information obtained from purchase or supply for personal gain or for the benefit of any other persons.

Practices and Responsibilities in Respect of Creditors

We uphold principles and discipline in our operations to earn trust from creditors. We adopt the following practices:

1. Not to dishonestly demand, accept or offer any benefits in dealing with creditors.
2. If any dishonest demand, acceptance or offer of any benefits is known, the information must be disclosed to the creditors, and joint efforts should be made to resolve the issues.
3. To strictly observe all the terms and conditions of the contracts or agreements.
4. If it is not possible to observe the terms and conditions of the contracts or agreement, the Company will inform its creditors of the facts so that the parties will try to find solutions.

Practices and Responsibilities in Respect of Competitors

Company shall operate business with transparent and shall not act in unethical dealings. We want to achieve long term sustainable success and become a leading company in fair and ethical competition in the industries. We have adopted the following practices:

1. To compete under good rules.
2. Not to obtain competitors' secret information by dishonest or improper means for our own benefit.
3. Not to commit libel against competitors such as paying to Competitor's employees.
4. Not to infringe the intellectual properties of competitors or any persons.

Practices and Responsibilities in Respect of Society

We attach importance to surrounding communities and society, thinking that we are a part of them and intend to achieve sustainable development of the society and surroundings. We constantly hold social and community activities while operating the business while being responsible for the society and communities, as follows:

1. To operate business, taking into account the environment and in strict compliance with the laws and regulations on the environment.

2. To clearly adopt the CSR policies and uphold such policies.
3. To ensure that our employees become aware of their responsibilities towards the environment and society.
4. To respect the customs, traditions and cultures of the areas where we operate our business.
5. To constantly engage in the activities for creation of society, communities and the environment for the betterment of life quality in cooperation with government agencies, private organizations and communities.
6. To take part in activities in nearby communities.
7. To quickly and efficiently respond to the events that affect the community surrounding, lives and properties in connection with our operations. To fully cooperate with the government officials and the agencies concerned.

Practices and Responsibilities in Respect of Anticorruption

Siam Wellness Group Public Co.,Ltd puts important in the respect of Anticorruption Report and makes ways for the internal and external reporter to address such concerns in the event that there might be a illegal acts or unethical acts, raise doubts on the correctness of any financial statements or deficient internal control. The Report method is as followed:

Report Method:

By Post:	Audit Committee and Office of Company Secretary Siam Wellness Group Public Co.,Ltd 483 Soi Suthiporn Phrachasongkhro Rd., Dindeng sub-district, Dindaeng district, Bangkok 10400
E-mail:	secretary.ir@siamwellnessgroup.com
Website:	www.siamwellnessgroup.com
Telephone:	662 641-6619

Reporter's Protection

Reporter shall be protected with equality, transparency and care with fairness to all related parties. Investigated time shall be fair. Reporter's name shall not be disclosed and Reporter shall be protected with no harassment before, during and after the Investigation as follows:

1. Company sets up a Reporting System with information of Reporter with sufficient for officers who oversees the system in the event that such information
2. Such communications shall be treated as confidential, and investigation shall be conducted to find solutions. The Head of Department shall act with care to protect the Reporter, Witness or related entities without any penalties

Section 4: Disclosure of Information and Transparency

The Company recognizes the importance of disclosure of accurate and complete information, including Financial Information in accordance with Accounting Standards and approval by appointed Independent Auditors with non-Financial Information as required for disclosure by SEC and SET, in a timely and transparent manner. We will adopt the following practices:

1. Board of Directors will in a timely fashion disclose complete and accurate financial information and other information related to the Company's business, performance and potentials in all event regardless of positive or negative information as well as other non-related Financial Information deemed necessary according to SEC and SET such as CG Code, Risk Management, Social and Environmental Measures. This allows shareholders to have equal right to information.
2. The Board of Directors will strive to ensure compliance with relevant laws and regulations regarding the release and disclosure of information on a transparent basis. To provide the information both in Thai and English language on the website of the company and other channels such as mass media and communication channel of SET and SEC to the shareholders and the persons concerned. Such information will be updated in line with the guidelines set forth by SET and SEC.
3. To employ Investor Relations, with assigned roles and responsibilities, in order to communicate with investors, shareholders, institutional investors and minority shareholders or government agencies in an equal and fair manner effectively. We will arrange a meeting to analyze the results of operations on a regular basis. And to publish the information online, both financial and other information, in Thai and English, to our shareholders, securities analysts, credit rating and other government agencies involved through various channels such as report to SEC, SEC and publication on our website so that shareholders will receive up-to-date information. The information such as our visions, missions, balance sheet, newsletters, annual report, structure of the Company and executives, structure of shareholding and major shareholders.
4. We attach importance to financial reports which truly and completely reflect our financial status and performance

according to the generally recognized accounting standards which have been audited by independent auditor. Company shall disclose Financial Statement, Annual Report, 56-1 and Quarterly Management Discussion and Analysis to reflect Company's Performance and Operating Results to allow investors to acknowledge and understand the changes.

5. The Company will disclose information about individual directors, the roles and functions of the Board of Directors and Committees in our annual report (Form 56-2) and annual information (Form 56-1), number of meetings, attendance of directors in the previous year, remuneration of directors and high level executives.

6. To publish on our website the essential information both in Thailand and English such as our visions, missions, nature of business, balance sheet, performance on Form 56-1, annual report, shareholding structure, invitation to meeting of shareholders, articles of association, memorandum of association, policies, charter and ethics of the Board of Directors, Audit Committee and all employees.

7. The Board of Directors shall assign Executive Committee to monitor and assess the Company's Performance and report on regular basis. The Board of Directors and Executive Committee shall jointly discuss to find solution in the event that there is sign of Financial crisis. Moreover, any approval of resolution or AGM's resolution, The Board of Directors should be determined that it will not impact the financial position and debt payment

8. In the sign of Financial Crisis, The Board of Directors should be determined that they have Action Plan with consideration of the right of related parties

9. The Board of Directors shall have Communication and Disclosure Policy to determine that Communication and Disclosure with other stakeholders are appropriate, timely with the use of appropriate channels, protect the confidential information and other information that may impact with the Stock Price as well as comply with Regulations and Rules.

Section 5: Responsibilities of the Board of Directors

The Board of Directors comprises the directors who have knowledge, ability and experience in business operation, determined, have leadership skills, have vision and independent in decision-making and shall be responsible to the shareholders for the Company's operations, compliance with the laws and ethics as well as responsible for their roles to Shareholders with honesty and integrity

The Board of Directors shall be independent from the Executive Committee with clear assigned roles and responsibilities as followed:

The Board of Directors appoints the Executive Committee to oversees Operations, appoints each Committee to oversees assigned tasks, appoints Auditor and Company Secretary to convene Meetings, prepare Meeting Papers, Other Important Information and co-ordinate other Committee's resolution to comply with the Resolution of the Board of Directors and other laws.

Responsibilities of the Board of Directors – Structure and Committees

Board of Directors

Directors on the Board

1. The Board of Directors comprises the directors who have knowledge, ability and experience in business operation; adopt policies, visions, missions and strategies; set goals; make business plans and allocate budgets and oversee the Executive Committee; administer in accordance with the policies set forth to ensure efficiency and effectiveness within the framework of the laws, objectives, articles of association, resolutions of the Board Meeting and Shareholders Meeting with responsibility, honesty and care according to good practices to add economic value to the business and highest security to our shareholders.

2. The Board of Directors acts as the leader of the Company in setting and reviewing the Company's Vision, Mission and Objectives in Company's Operations as well as allowing sufficient information and opinion sharing the Board of Directors

3. The Board of Directors Consist of at least 9 people; the number of independent directors shall be at least 1 in 3 of all the directors. The independent directors shall have the qualifications as set forth in the notifications of SET and SEC. All members of the Board of Directors shall has residences in Thailand.

Without being under the influence of any persons, each director can act independently and use his discretion in determining decisions; can raise questions, express his views or raise objection against any issues that may affect the interests of shareholders or interested persons.

Responsibilities of the Board of Directors – Roles, Duties and Responsibilities

1. In accordance with good corporate governance, in addition to operation in accordance with the laws, objectives, articles of association and resolutions of the Meeting of Shareholders, the Board of Directors shall also set forth their roles and responsibilities, the details as shown in terms of scope of authority and responsibility of the Board of Directors.
2. Monitor and assess the Management's Operational Plans by setting regular Management's Operational Plans Presentation as well as any important matters in the Monthly Board of Director's Meeting
3. Each member of the Board of Directors shall not hold Directorship in other listed Companies in the Stock Exchange in more than 3 companies to allow full commitment
4. Manage the Companies with creative value with Long-term Perspective, Ethical and Responsible Business, Good Corporate Citizen and adapts to the fast-changing world that may affect the Operations of the Business
5. Executive Committee shall report Company's Performance on monthly basis although the Board may not meet monthly to allow immediate control and action
6. Give important to Innovation that creates value to customer and other related parties as well as Corporate Social Responsibility
7. Monitor Executive Committee to comply with Operational Plan to reflect the Company's Objectives, Vision and Strategies
8. Monitor Executive Committee to assign resources efficiently and effectively with consideration to Value Chain Support to reflect the Company's Objectives and Vision
9. Set the Guidelines for Information Technology Management to create new business opportunities and operational improvement, as well as risk management to reflect the Company's Objectives and Vision
10. Monitor Company's Data Safety as well as Confidentiality, Integrity, Availability and Market Sensitive information. Directors, Management, Staff as well as Legal Advisor, Financial Advisor shall comply with this

Responsibilities of the Board of Directors – Board Meeting

Regulations on Board Meeting:

1. Board Meeting will be held at least once every three months. A Special Meeting can be held as necessary. A call for a meeting shall be made at least 7 days in advance. At each meeting, a quorum is formed only when at least half of the directors attend.
2. The items on the agenda should be fixed. The Board Chairman and the Managing Director shall jointly choose the items on the agenda. The Secretary shall ensure that all the directors shall have all the documents before the meeting so that they can carefully examine them, express their views and know how to vote.
3. The Board of Directors should receive sufficient information on a continuous and timely basis. They may freely contact the Secretary. The Secretary is responsible to provide guidance to the Board of Directors on the matters related to compliance with the laws and regulations.
4. The Board Chairman shall allocate sufficient time for the management to present documents and information for discussion by the Board of Directors the important issues. Each director will have the opportunity to express his views before the ruling by the meeting.
5. The Board of Directors shall allow non-executive directors to meet and discuss the management issues without the management being present. The outcome of the meeting shall be reported to the CEO.
6. The Board of Directors shall encourage the CEO and the Managing Director to invite high level executives to attend the Board Meeting to offer additional information as the persons directly deal with the matters. This will be the opportunity to get to know the high level executives and consider the plan for work assignment.
7. The director who has vested interest in the transaction being voted shall not be entitled to vote and he must be outside the meeting at the time of voting.
8. The minutes should be taken for every meeting, and such minutes shall be endorsed by the Board of Directors and kept for future examination.

Responsibilities of the Board of Directors – Orientation

For incoming Directors, Company shall provide the Company Information and Site visits to help them familiarize with the Business and shall provide Guidelines on Director's Roles, Rules and Regulations, Corporate Governance's Rules and other information that deemed useful to be efficient Director.

Responsibilities of the Board of Directors – Self Assessment and Director’s Assessment

After turning public and being listed on SET, the Board of Directors shall conduct a self assessment every year to find ways of improving efficiency of their work in the next year.

Responsibilities of the Board of Directors – Nomination of Director

Nominated Director(s) shall have knowledge, ability and experience in business operation, credible Work Experience, good leadership skill with wide Vision as well as good ethics. Moreover, Directors shall have sufficient time to attend the meetings. The mix of Directors should be diverse to reflect the diversity of ideas. Director’s specialties shall be ranked in table and Replaced or New Director(s) shall be chosen to meet the Company’s Criteria. The use of Institute of Directors (IOD)’s Director’s List is recommended to illustrate clarity and confidence amongst shareholders.

Responsibilities of the Board of Directors – Remuneration of Director

The Company shall offer suitable remuneration to the directors and executives with regard to the Company’s performance in consistent with the industries and appropriate to the duties and responsibilities of directors executives. Such remuneration shall be clearly and transparently fixed and approved by the Meeting of Shareholder and it must be disclosed on the form provided by the SET and SEC. Sufficient Remuneration that reflect their duties and responsibilities shall be provided to retain talented Director(s).

Responsibilities of the Board of Directors – Development of the Board

The Board of Directors is dedicated to promoting and facilitating the training and education of directors involved in the corporate governance such as company’s directors, Audit Committee, management, etc., to provide improved performance; and in the event of a change of directors or the appointment of new directors, the management will provide documentation and information beneficial to the performance of the new directors as well as provide advice. All directors shall undergo training programs held by the Thai Institute of Directors, Certification Director Accreditation Program (DAP), and some are trained in the course Director Certification Program (DCP) from the same institution.

Trainings attended by Company’s Directors and Secretary are:

- Company Secretary Program (CSP) by IOD – Company Secretary
- Company Reporting Program (CRP) by IOD - Company Secretary
- Board Reporting Program (BRP) by IOD - Company Secretary
- Business in Disruptive era by EY Audit Co., Ltd – Audit Committee
- Business Visit in People’s Republic of China - BOD

Responsibilities of the Board of Directors – Internal Control and Compliance

1. The Board of Directors have adopted the internal control system covering all aspects such as finance and operation in compliance with the laws, rules and regulations. And provide a mechanism of checks and balances that are powerful enough to safeguard the assets of the company at all times. Set forth the authority and responsibilities of the management. And the employees shall conduct the check and balance. The work regulations shall be set forth in writing. There shall be an internal audit unit which is independent. This unit shall monitor the performance of all the units in accordance with the rules laid down, and evaluate the effectiveness and the adequacy of internal controls in the various departments in the company.

2. Appoint Compliance Division or Legal Department to oversees the Compliance Policy of Company. Ensure that it complies with the relevant laws and regulations in the country that the Company operates e.g. Spa Certificate by Ministry of Public Health, Rental Contracts. Notification System via e-mail has been implemented to notify relevant person or department

Responsibilities of the Board of Directors – Use of internal information

The Board of Directors recognize the importance of corporate governance, transparency and prevention of employees from seeking personal gain from the use the Company’s information which has not been disclosed to the public. Guidelines on the use of such information appear in the internal information use policy.

Responsibilities of the Board of Directors – Annual Report

The Board of Directors is responsible for the preparation of financial reports, the information contained in the annual report. The financial report shall be prepared in accordance with the generally accepted accounting standards, choosing the accounting policies which are appropriate and consistent. Attention and careful judgment in the preparation of preparation are required. Essential information should be disclosed in the Notes to Financial Statements. The Board of Directors assign the Audit Committee to oversee the quality of the financial reports and express their views to the Board of Directors.

Remuneration of Directors and Executives

Remuneration of Directors

The Annual General Meeting of Shareholders No. 1/2014 held May 7, 2014 has clearly and transparently set the remuneration of directors. Such remuneration is in line with the industry and it is sufficient to attract and maintain the directors who have desirable qualifications and assume the duties and responsibilities commensurate with such payment.

Remuneration of Executives

Remuneration of the executive complies with the principles and policies set by the Board of Directors, which is based on the Company's operations and each executive's performance, taking into account the remuneration offered by companies of the same size in the same industry. The Nominations and Compensations Committee reviewed the remuneration of the Chief Executive Officer (CEO) and Managing Director (MD) using data of other company in the same industry and the Past Company's Performance.

Business Ethics and best practices in work.

The Company has set forth the business ethics and practices in work which are notified to the directors, management and employees so that they comply with them in the performance of their duties to ensure honesty, ethics and integrity in order to attain the objectives.

Conflict of interest

The Board of Directors have set forth the policies on transactions among related persons in the best interests of the Company. The Company has a set forth the procedures for consideration of such transaction to ensure transparency and avoid conflict of interest for the maximum benefit of the Company and all shareholders.

1. The Company shall considers if the transactions are related or not. If they are normal transactions, we will consider whether or not they are typical commercial terms and condition based on our price, terms and conditions offered to our customers in the market, and in the absence of market prices that can be applied. If the products or services are unique, the Company will have the Audit Committee, auditor or independent experts review and comment on the appropriateness of the price and value and good reasons for making such transactions.

2. If related transactions support normal business which have general commercial terms and the values cannot be determined from the assets or reference to the property or the transactions are for normal business support without typical commercial conditions, or they are rental charges or lease of property for not more than 3 years but not indicate typical commercial conditions or they are other types of transactions, the Company will determine the size of the transactions to see whether they are small, medium or large to be able to make decisions such as seeking approval from the Board of Directors or the Meeting of Shareholders.

3. The Company will present the related transactions of the Company or its affiliates to the Audit Committee for consideration. If they have to be approved by the Board of Directors or the Meeting of Shareholders, the Company shall submit the views of the Audit Committee to the Board of Directors or the Meeting of Shareholders for consideration.

4. The Company shall report on the agreement to make related transactions to SEC, giving all the details as set forth in the Notification of SEC, and shall disclose the related transactions in the annual report and financial statement, using the annual report form or other report form as set forth by SEC.

5. As for the related transactions that may be made in the future, the Board of Directors must comply with the laws of securities and exchange, SET's regulations, notifications, orders or regulations, and comply with the regulations on the disclosure of related transactions, acquisition or disposal of essential assets of the Company or affiliate according to the accounting standards set by the Association of Accountants and Auditors of Thailand.

6. In case where there are related transactions beyond typical commercial business between the persons who may have conflict of interest or joint interest now or hereafter, the Company shall have the Audit Committee express their views on the need and appropriateness of such transactions. If the Audit Committee do not have expertise in such related

transactions, the Company may request an independent expert or auditor express his views on such related transactions to assist the Board of Directors or the Meeting of Shareholder, whichever the case may be, in decision making. The Company shall disclose the related transactions in the notes for the balance sheet which will be audited by the Company's auditor.

7. The person having interest in any transaction shall not be eligible to vote on the approval of such transaction.

8. Employees are prohibited to conduct business that has conflict of interest with Company. Company has provided the form via Human Resources Department to notify employees.

Internal Control and Audit

The Board of Directors and the Audit Committee and the management have tested the internal control system and are of the opinion that the such internal control system is adequate for the protection of the assets from being used improperly by executives. The powers of approval are set forth in the work regulations. The Company attaches importance to the internal control system that it hires experts on internal audit to do the work. It is also possible to follow up and assess the internal control. Essential documents are systematically stored to allow timely inspection by directors, auditor and legally authorized persons.

6.2 Committees

Board of Directors consists of 1. Board of Directors 2. Other Committees including Executive Committee, Audit Committee, Nominations and Compensations Committee, Risk Committee and Corporate Governance Committee. Their scope of powers, duties and responsibilities are set forth as follows:

6.2.1 Scope of Powers, Duties and Responsibilities of the Board of Directors

On 7 May 2014, the Extraordinary Meeting of Shareholders No. 1/2014 resolved in favor of setting forth the scope of powers, duties and responsibilities of the Board of Directors in the articles of association, as follows:

The Board of Directors shall have the following powers, duties and responsibilities:

1. To perform duties with good care, great responsibility and honesty in compliance with the laws, objectives set forth in the articles of association, resolutions of the Board Meeting and the Meeting of Shareholders.

2. To consider and approve the visions, missions, business strategies, orientations, policies, targets, guidelines, operation plan, capital management plan, risk management plan and the budgets of the company and its affiliates which are proposed by the Executive Committee and Management.

3. To monitor work of the Executive Committee, CEO, Managing Director, Management or any persons to ensure attainment of the objectives and compliance with the business plans and policies adopted by the Board of Directors.

4. To follow up the Company's operations to ensure compliance with the operation plan, capital management plan, risk management plan and the budgets of the Company and its affiliates.

5. To ensure that the Company and its affiliates adopt appropriate and efficient accounting procedures, internal control and audit.

6. To prepare balance sheet and profit and loss statement at the end of the fiscal year and certify them; to disclose in the financial statement the financial status and performance in the previous year; to prepare an annual report for presentation to the Ordinary Meeting of Shareholders for endorsement.

7. To consider and approve the recruitment and appointment of an auditor and appropriately fix his remuneration, taking into account the proposal of the Audit Committee, before presentation to the Ordinary Meeting of Shareholders for endorsement.

8. To adopt written policies on corporate governance and efficiently review them to ensure responsibilities of the Company for all the shareholders; to consider the policies and compliance therewith at least once a year.

9. To consider and approve the appointment of directors when existing directors vacate their office due to retirement or other reasons in compliance with the Public Company Limited Act of 1992 (and its revisions), Securities and Stock Exchange Act of 1992 (and its revisions), notifications, rules and/or regulations applicable thereto, taking into account the desirable and undesirable qualifications of such persons as set forth in such acts.

10. To form the Audit Committee, Executive Committee and other committees and subcommittees for the assistance and support of the Board of Directors, and fix their scope of powers and duties.

11. To consider, set forth and review the directors who are authorized to sign their names to bind the Company.

12. To consider and appoint the executives as defined by the SET, SEC, Capital Market Supervisory Board or the Company's secretary, and fix the remuneration thereof.

13. To seek at the Company's expense the professional opinions from any organizations to assist the Company's decision making.

14. To encourage the directors and executives to take the training courses of Thai Institute of Directors Association that are suitable for their duties and responsibilities.

15. To adopt the mechanism for monitoring the Company's affiliates for the protection of the Company's interest and investments, taking into account the qualities of the persons to take the office of director in the affiliates, to ensure management in compliance with the Company's policies and transactions in compliance with the securities laws, other laws and the regulations and notifications of SET and SEC. The powers, duties and responsibilities granted and assigned to the director shall not enable them or their attorneys to approve the transactions that they or the persons with conflict of interest (as defined by the SEC's Notifications or Capital Market Supervisory Board's Notifications) or the interested persons or the persons who may benefit from or have conflict of interest with the Company or its affiliates, unless otherwise such approval is granted on individual basis subject to the policies or the criteria adopted or set forth by the Meeting of Shareholders or the Board of Directors.

However, the following transactions require prior approval of the Meeting of Shareholders:

- (a) The matters legally require prior approval of the Meeting of Shareholders.
- (b) The transaction in the interest of the director which requires prior approval of the Meeting of Shareholders according to the laws or SEC's Regulations.

The director who has interest in or conflict with the transactions or the Company shall not be eligible to vote.

*The Board of Directors Charter has been reviewed by the Board of Directors in the Meeting No. 5/2020 on 13 November 2020

6.2.2 Scope of Powers, Duties and Responsibilities of Other Committees

6.2.2.1 Scope of Powers, Duties and Responsibilities of the Audit Committee

On 7 May 2014, the Extraordinary Meeting of Shareholders No. 1/2014 resolved in favor of setting forth the powers, duties and responsibilities of the Audit Committee, as follows:

1. To verify that the Company's financial reports are correct and complete.
2. To ensure that the Company has appropriate and efficient internal control and audit system and that the internal audit unit is truly independent; to consider and approve the appointment, transfer and disengagement of the Chief of the Internal Audit Unit or any other unit in charge of internal audit.
3. To ensure that the Company complies with the Securities and Stock Exchange Act, SET's Regulations and Capital Market Supervisory Board's Notifications and other laws applicable to the Company's business.
4. To consider, screen and nominate an independent person for the appointment as the Auditor and propose his remuneration; to hold a meeting with the Auditor without the management being present at least once a year.
5. To consider related or intercompany transactions or the transactions that may create conflict of interest in compliance the laws, Capital Market Advisory Board and SET's Regulations to ensure that such transactions are appropriate and are in the interest of the company.
6. To ensure that the Company has an appropriate and efficient risk management system.
7. To prepare a report signed by its Committee Chairman to be disclosed in the Company's annual report containing at least the following details:
 - 1) views on the correctness, completeness and reliability of the Company's financial report;
 - 2) views on the adequacy of the company's internal control system;
 - 3) views on compliance with the Securities and Stock Exchange Act, SET's Regulations and the laws applicable to the Company's business;
 - 4) views on the suitability of the Auditor;
 - 5) views on the transactions which may create a conflict of interest;
 - 6) views on the management of risks;
 - 7) the number of meetings held by the Audit Committee and the record of attendance of each member;
 - 8) views or remarks on compliance with the Charter;
 - 9) other information that the shareholders and investors should know which can be disclosed within the scope of powers, duties and responsibilities granted and assigned by the Board of Directors.

8. Monitor the work of the Internal Audit Unit as follows:
 - 1) To ensure that the scope of work, audit plan, budget and staff are adequate and sufficient for the support and assistance of the Audit Committee.
 - 2) To consider the appointment, transfer or disengagement of the Department Directors or Internal Auditor.
 - 3) To present report on the operation.
 - 4) To ensure the independence of the Internal Audit Unit or the Internal Auditor.
9. To constantly consider and review the criteria and method of inspection and ensure that it is suitable to the business environment.
10. To present report on its work to the Board of Directors at least 4 times a year.
11. To report to the Board of Directors any of the following acts that may significantly affect the Company's financial status and operation so that improvement can be made within the deadline set by the Audit Committee:
 - 1) any transaction that may create a conflict of interest;
 - 2) fraud, irregularities or flaws in the internal control;
 - 3) violation of the Securities and Stock Exchange Act, Capital Market Supervisory Board, SET's Regulations or any laws applicable to the Company's business. If the Board of Directors or executives fails to make improvement within the deadline under the foregoing paragraph, any Audit Committee Member may report such incident to SEC or SET.
12. If the Auditor finds any circumstances that lead to suspicion that a director, manager or the person responsible for the operation of the Company perform any acts in violation of the Securities and Stock Exchange Act and reports such incident to the Audit Committee for investigation, the Audit Committee shall conduct investigation and inform SEC and the Auditor within 30 days of notification by the Auditor.
13. To ensure independence of the Auditor and consider receiving other non-audit services from such Auditor.
14. To act according to 1-13 in respect of the operations of the affiliates as assigned or requested by the affiliates within the scope of the Audit Committee.
15. To perform any other acts as directed by the Board of Directors subject to the approval of the Audit Committee. The Audit Committee have the authority to invite director, officer or employee of the Company to attend a meeting to clarify or answer questions on matters relating duties and responsibilities of the Audit Committee; to consult the expert or consultant of the Company at (if any) or hire a consultant or an expert from time to time at the Company's expense; to request any employees to submit documents related to the company's operations for examination; to conduct investigation or examination in any matters to ensure successful performance of duties; to request one or many employees to perform any acts within the scope of powers of theirs; to perform and acts related to and in connection with the affiliates or as assigned or requested by the affiliates, within the scope other power and duties. Mr. Polchet Likittanasombat is the director who has knowledge and experience in the audit of financial statements. He used to be the Managing Director of Magnet Management and Consultant Co., Ltd.

*The Audit Committee Charter has been reviewed by the Audit Committee in the Meeting No. 4/2020 on 13 November 2020

6.2.2.2 Scope of Power, Duties and Responsibilities of the Executive Committee

On 7 May 2014, the Extraordinary Meeting of Shareholders No. 1/2014 resolved in favor of setting forth the scope of powers, duties and responsibilities of the Board of Directors in the articles of association, as follows:

The Executive Committee shall have the following powers, duties and responsibilities:

1. To manage the operations of the Company in compliance with the objectives, articles of association, policies, rules, regulations, instructions or resolution of the Board Meeting or the Meeting of Shareholders; to review the matters before presentation to the Board of Director for approval.
2. To adopt visions, missions, business strategies, orientations, business policies, set targets, guidelines, make operation plan ad personnel development plan and allocation of budgets for the Company and its affiliates, and present them to the Board of Directors for approval.
3. To efficiently examine, follow up and implement polies and guidelines on the management as assigned by the Board of Directors.
4. To consider and approve any normal transactions of the Company within the annual budget approved by the Board of Directors and in compliance with the Operation Manual provision on the powers to act as granted.

5. To submit to the Board of Directors the following reports:
 - 5.1 quarterly report on the Company's operation;
 - 5.2 auditor's reports on the Company's financial status: annual balance sheet and quarterly financial statement which should be submitted within the deadline set by SET.
 - 5.3 Other reports as it deems appropriate.
6. To conduct feasibility studies of various projects.
7. To set forth the criteria and allocate budgets for pay raise, rewards and other benefits; to set forth and revise the welfare and benefits of the employees.
8. To offer advice and suggestions to the Managing Director to assist his decision making.

Appointment of working teams or persons

1. To appoint working teams or persons who review the work for presentation to the Audit Committee; to perform any acts for the benefit of its own work; to perform any acts as assigned by itself within its own scope of powers and duties.
2. To have the power to appoint attorneys who will perform any acts for an on its behalf within the scope of powers granted in the Power of Attorney and/or as set forth in the rules, regulations or instructions issued by the Board of Directors, subject to the condition that the powers so granted to the attorneys shall not exceed the powers granted to itself; the powers so granted shall not enable the Audit Committee or its attorneys to make any transactions which may create a conflict of interest (as defined in the Notifications of Capital Market Supervisory Board or SEC) or enable them to reap benefits which may create a conflict of interest with the Company or its affiliates.

6.2.2.3 Scope of Power, Duties and Responsibilities of the Nominations and Compensations Committee

On 27 February 2017, the Board of Director's Meeting No. 1/2017 resolved in favor of setting forth the scope of powers, duties and responsibilities of the Nominations and Compensations Committee in the articles of association, as follows:

The Nominations and Compensations Committee composed of minimum of 3 Directors with more than half being Independent Directors and at least 1 Director being the specialist or had work experience in Human Resources Management. Moreover, the Chairman of the Nominations and Compensations Committee shall be the Independent Director. The Nominations and Compensations Committee reviews and assesses the Remuneration Policies of Board of Directors and Top Management and submit to Board of Directors for approval, whom will approve the remuneration of the Top Management. Remuneration of Directors shall be approved by shareholders at the Company's Annual General Meeting.

The Nominations and Compensations Committee shall have the following powers, duties and responsibilities:

1. Nominations

- 1.1. Assess Company's Structure in terms of size, composition, mix and representation of Independent Directors to lead Company to achieve its Objectives and Visions.
- 1.2. Assess Director's Recruitment Process and Selection to nominate appropriate director with knowledge, expertise. Committee shall review the applicant's biography and suggest comment before submit to Board of Director for appointment of new Directors. Shareholder shall have sufficient information of the appointed director
- 1.3. Assess and Recruit the appropriate Senior Management with Development Plan to allow them to have knowledge, abilities, skills, experience and qualification to drive the Company's Objectives
- 1.4. Assess Director's Recruitment Process and Selection and recommend to the Board of Directors before recruiting the retired director. In the event of the nomination of existing director, the Nomination and Compensation Committee shall reflect on their past performance.
- 1.5. Arrange Orientation for new directors and assign sufficient documents to newly appointed director
- 1.6. Create Succession Plan for Managing Director and Senior Management to allow smooth operations of the Company

2. Compensations

- 2.1. Assess Compensation Structure and Director and Senior Management's remuneration to reflect their responsibilities to drive the Company's Objectives
- 2.2. Set Compensation Policies of Director's remuneration to match with Company's Long term Vision and Strategies, experience, responsibilities, roles and benefits of each director. Director with additional responsibilities shall have appropriate remuneration with equivalent to industry standards
- 2.3. Propose the Company Structure and Remuneration of Senior Management to the Board before submitting to the Annual General Meeting

6.2.2.4 Scope of Power, Duties and Responsibilities of the Risk Committee

On 27 February 2017, the Board of Director's Meeting No. 1/2017 resolved in favor of setting forth the scope of powers, duties and responsibilities of the Risk Committee in the articles of association, as follows:

The Risk Committee sets the Risk Management Policy. The Risk Committee shall consult with the Risk Working Group on regular basis. Reports from the Risk Committee shall be presented and reported to the Board of Directors. Minimum of 4 Risk Committee Meeting shall be arranged and Summaries and Attendance should be stated in the Annual Report.

The Risk Committee shall have the following powers, duties and responsibilities:

1. To assign any departments to disclose information related to the risk. Such department shall comply
2. To appoint a risk management working group as necessary or to provide the risk management working group with necessary factors as per the scope of their responsibilities.
3. To review the Company's risk management policy and framework, which would cover all the major risks; namely financial risk, investment risk, and corporate reputation risk, before proposing them to the Board of Directors for approval.
4. To set risk measurement criteria such as Risk Appetite and Risk Tolerance and acceptable risk level before proposing them to the Board of Directors for approval.
5. To report regularly (once a quarter) to the Board of Directors about the management, operation, risk status, changes and areas of improvement to ensure the compliance with the Company's policy and strategy.
6. To review the adequacy and effectiveness of risk management policy and system as well as the compliance with the established policy.
7. To establish Success Risk Management measures including Recommendation and Measures. Monitor continuously to cope with different situations and ensure that risk management measures are appropriated.
8. To support the Board of Directors, Executive Committees and Risk Committee in Organizational Risk Measures and support ongoing Risk Development
9. To formulate risk management strategies and framework in compliance with the Company's risk management policy. The Committee shall assess, monitor and control risk at the appropriate level.
10. To monitor and ensure that risk management activities are in line with the Company's policy and framework approved by the Board of Directors.
11. To set appropriate risk management measures to cope with different situations
12. To set appropriate risk management strategies to cope with different situations
13. To set annual risk management policy, strategies and plan assessment to ensure that risk management activities are in line with the current environment including public sector risk
14. To report Risk Management Plan and Risk Mitigation Plan
15. To review Check and Balance of Risk Management Plan
16. To review Business Continuity Management (BCP) Plan
17. To set appropriate Risk Working Group
18. To assign personnel and budget of Risk Management Committee
19. To coordinate with Audit Committee to review critical risks and ensure Internal Audit Committee has measures to manage risk as well as implement risk management measures in whole organization
20. To suggest use independent advisor if necessary
21. To suggest use independent advisor in the event there is insufficient manpower
22. To communicate with Audit Committee once a year
23. To perform other duties relating to risk as assigned by the Board of Directors.

*The Risk Committee Charter has been reviewed by the Risk Committee in the Meeting No. 4/2019 on 14 November 2019.

6.2.2.5 Scope of Power, Duties and Responsibilities of the Corporate Governance Committee

On 16 December 2017, the Board of Director's Meeting No. 10/2017 resolved in favor of setting forth the scope of powers, duties and responsibilities of the Corporate Governance Committee in the articles of association, as follows:

The Corporate Governance Committee sets the Company's Corporate Governance Policy to ensure that the Company's Operations are efficient, transparent, audible and reflect all stakeholder's interests to create value for the Company and set direction of Company with the changing market environment. The Corporate Governance Policy should be stated according to SET's Corporate Governance Guideline.

The Corporate Governance Committee shall have the following powers, duties and responsibilities:

1. To consider and endorse the policies, strategies, goals, guidelines, and plans on the Company's corporate governance
2. To review the Company's Corporate Governance Policy comply with the policies and/or regulations relating to the Company's corporate governance before proposing to the Board of Directors for consideration and approval.
3. To regularly review and propose necessary revision to the Company's policy and guidelines on corporate governance practice

*The Corporate Governance Committee Charter has been reviewed by the Corporate Governance Committee in the Meeting No. 1/2020 on 13 November 2020.

6.2.3 Scope of Powers, Duties and Responsibilities of Managing Director

On 7 May 2014, the Extraordinary Meeting of Shareholders No. 1/2014 resolved in favor of setting forth the scope of powers, duties and responsibilities of the Managing Director, as follows:

The Managing Director shall have the following powers, duties and responsibilities:

1. To manage and control the Company's day to day operations.
2. To act as assigned by the Board of Directors and/or the Executive Committee; to appoint attorneys to perform any acts for and on his behalf without creating a conflict of interest.
3. To issue orders, regulations, notifications and memorandums for operation in compliance with the Company's policies, in the Company's interest and for enforcement of discipline within the organization.
4. To perform the acts or and on behalf of the Company in favor of third parties related to Company's business and in the Company's interest.
5. To consider and review investments for proposal to the Board of Directors and/or Executive Committee.
6. To consider and appoint consultants necessary to the Company's operations for proposal to the Board of Directors and/or Executive Committee.
7. To consider and revise working positions, salaries, bonuses and other benefits, employ or engage staff within the allocated budget, offer pay and promotion to employees, transfer employees, hire consultants, renew contracts, impose disciplinary actions or penalties against employees who have committed offenses, appoint Investigation Committee.
8. To perform other acts as assigned from time to time by the Board of Directors and/or Executive Committee; not to consider and approve the transactions which create a conflict of interest between a director and the Company or its affiliate, unless otherwise such transactions are approved in compliance with the policies or criteria approved by the Board Meeting or the Meeting of Shareholders in compliance with the laws.

*The Duties and Responsibilities of Managing Director has been reviewed by the Board of Directors in the Meeting No. 5/2020 on 13 November 2020.

6.3 Recruitment and Engagement of Directors and Executives

The directors and executives shall be recruited and engaged as follows:

Directors:

A director shall have knowledge of the Company's business or other knowledge that can be used in the Company's operations, and have reasonable experiences; a shareholder or a director may nominate a person for the office of director, as follows:

1. Each shareholder may cast one vote for each share he holds.
2. Each shareholder may vote for the appointment of one or may directors. In case of appointment of many directors, a shareholder may not cast unequal votes for candidates.

If an office of director is vacant for any reasons other than retirement, the Board of Directors may appoint a person without undesirable qualifications under the Public Company Limited Act as the new director at the next Board Meeting, unless otherwise the office term of director is shorter than 2 (two) months. The newly appointed director shall remain in office only for the remaining term or the director so replaced. The ruling vote of the directors must come from at least three quarters (3/4) of the remaining directors.

High Level Executives

High level executives such as CEO or Managing Director must be appointed by the Meeting of Shareholders, Board of Directors or the persons assigned by shareholders or Board of Director, taking into account the candidates' knowledge, abilities, skills and experiences that will benefit the Company's operations and their understanding of the Company's business

and ability to manage work to attain the objectives and targets set by the Board of Directors.

Audit Directors/Independent Directors

The Board of Directors or the Meeting of Shareholders shall be empowered to form an Audit Committee comprising of at least 3 independent directors, each of which shall be in office for 3 years at a time. The audit director whose office term comes to an end may be reappointed for up to 3 times, unless otherwise the Board of Directors approve renewal of office term. An Audit Director must be and Independent Director with the following qualifications:

1. Hold shares not more than 1 % of the shares that are eligible to vote of the Company, parent company, affiliates and joint venture company, major shareholders or the persons having the powers to control the Company. The shares of the persons related to the independent director should also be counted.

2. Not being or having been a director who took part in the management, employee, worker, consultant receiving regular salary, the person who have the powers to control the Company, unless otherwise not having such status for at least 2 years before appointment. Such undesirable qualifications shall not include the independent director who has been a government employee or a consultant of a government agency who is a major shareholder or the person who has the powers to control the Company.

3. Not having relation by consanguinity or registration as father, mother, spouse, sibling, child or spouse of child of another director, executive, major shareholder, the person who has the power to control the Company or the person about to be nominated for director, executive or the person who has the power to control the Company or its affiliate.

4. Not having or having had business relationship with the company, parent company, affiliate, joint venture, major shareholder or the person who has the power to control the Company in the manner that may prevent him from using his discretion freely; not being or having been a significant shareholder or the person who has the power to control the person who has business relationship with the company, parent company, affiliate, joint venture, major shareholder or the person who has the power to control the company, unless otherwise having ended such status for at least 2 years before appointment. Business relationship shall include the ones under Capital Market Supervisory Board's Notification No. ThorJor. 28/25581: Application for and Approval of Offering Newly Issued Shares, the normal business transactions, leasing or renting real properties, transactions related to assets or services, offer or acceptance of financial assistance, offer or take out loan, guarantee, putting up assets as collaterals for loan or other similar circumstances which result in the company or the other party to the agreement is under obligation to may payment to the other party at the rate of 3% of the net and tangible assets of the company or more or from 20 million baht, whichever is larger. The calculation of loan obligations shall take into account the related transactions set forth in the Capital Market Supervisory Board's Notification on Intercompany Transactions and the loan obligations arising during the period of one year before having business relationship with the same person.

5. Not being or having been an auditor of the Company, parent company, affiliate, joint venture, major shareholder or the person who has the power to control the Company; not being a significant shareholder, the person with control power, a partner of an accounting Company which provides an audit service to the Company, parent Company, affiliate, joint venture, major shareholder or the person who has the power to control the Company, unless otherwise such status has ceased for at least 2 years before appointment.

6. Not being or having been the provider of professional service such as legal counsel or financial consultant receiving more than two million baht per year from the Company, parent Company, affiliate, joint venture, major shareholder or the person who has the power to control the company, unless otherwise such status has ceased for at least 2 years before appointment.

7. Not being the director who is appointed to represent a director, major shareholder or the shareholder related to the major shareholder of the Company.

8. Not operating the business of the same type or in competition with the Company or its affiliate; not being a significant partner or director who manage work, employee or consultant with regular salary, nor hold more than 1 % of all the shares that are eligible to vote of another company which operate the same business and in competition with the Company or its affiliate.

9. Not having other qualities that prevent him from freely expressing views on the Company's operation.

10. Not being a director assigned by the Board of Directors to make decisions on the operations of the company, parent company, affiliate, joint venture, company in the same order, major shareholder or the person who has the power to control the company.

11. Not being a director of the parent company, affiliate or affiliate of the same order – only registered companies.

Audit Committee must also have the following qualifications:

1. Being appointed by the Board of Directors or the Meeting of Shareholders as an Audit Director.

2. Being an independent director of the Company.

3. Not being a director assigned by the Board of Directors to make decisions on the operations of the company, parent company, affiliate, joint venture, company in the same order, major shareholder or the person who has the power to control the Company.

4. Not being a director of the parent company, affiliate or affiliate of the same order – only registered companies.

5. Having the duties set forth in SET's Notification on Qualifications and Scope of Work of Audit Committee.

6. Having sufficient knowledge and experience to work as an Audit Director. At least one Audit Director must have sufficient knowledge and experience to conduct audit of the company's balance sheet to verify its reliability.

7. The Chairman of the Audit Committee must be appointed by the Meeting of Shareholders, Audit Committee or the Board of Directors.

8. The Audit Committee Secretary shall be the Company Secretary, Director of Internal Audit Department, internal auditor or Director of Finance and Accounts Department.

* In our Company, the Company secretary is the Secretary of the Audit Committee.

Office Term

An Audit Director shall be in office for 3 years. A retiring Audit Director may be reappointed up to 3 times, unless otherwise the Board of Directors approve renewal of office term.

Directors

The Board of Directors shall be made up of at least 9 directors, and at least one third of them should be independent directors. At least half of the directors must live in Thailand. Directors shall have knowledge, ability and experience in business operation; they shall adopt policies, visions and strategies, set targets and missions, make business plans, allocate budgets and monitor the management's performance to ensure compliance with the policies, the laws, objectives, articles of association, resolutions of the Board Meeting and solutions of the Meeting of Shareholders; work with care, responsibility and honesty according to good practices to maximize the economic value of the business and ensure security of shareholders. Each Director shall freely perform his duties and use his discretion in the making decisions on any matters; without being under the influence of any persons he may express views, raise questions or objections against any issues which may affect the interest of the shareholders or interested parties.

In the event that the Agenda has effect on the interest of shareholders, each director shall have independence in assessing each Agenda with opportunities to ask questions, express comment or disagree.

Office Term

At each annual Ordinary Meeting of Shareholders, one third of the directors shall vacate their office. If the number is not divisible by 3, the nearest number shall apply. In the first and second year after going public, the decision which directors shall vacate their office shall be made by a draw. Subsequently, the directors who have been in office for the longest period shall vacate their office. A retiring director may be reappointed by the Meeting of Shareholders. Apart from ending his office term, a Director shall vacate his office on any of the following grounds:

1. death

2. resignation

3. lacking qualifications or having undesirable qualifications under the law

4. being removed from office by resolution of the Meeting of Shareholders with at least three quarters of the votes of the shareholders present at the meeting and eligible to vote and representing at least half of the shares held by the shareholders at the meeting that are eligible to vote

5. being removed from office by the Court's order

Executives

The Board of Directors or the persons assigned by the Meeting of Shareholders shall appoint executives from the person who have knowledge, experience and expertise in relevant fields.

6.4 Monitoring and Operation of Affiliated and Associated Companies

It is our policy to invest in the business which benefit us to enhance our competitive edge, taking into account the values for such investments. WE shall monitor our affiliated and associated companies as follows:

1. To appoint our representatives as directors in an affiliated company or an associated Company; the number of our representatives shall be in proportion of the number of shares we hold—they are our directors or assigns.

2. The directors authorized to sign and legally bind the affiliated Company or associated Company shall include our representatives – our representatives shall always sign their names.

3. Our representatives shall be entitled to take part in the appointment of high level executives or the persons responsible for the finance and accounting of the affiliated Company or associated Company.

4. Any related transaction, acquisition or disposal of any major assets by an affiliated Company must comply with applicable laws. Such related transactions shall comply with the policies on related transactions.

6.5 Control of Access of Internal Information

It is our policy to monitor the access by directors and executives of the Company's information which has not been disclosed to the public to prevent them from using such information for personal gain which includes securities trading, as follows:

1. To inform the directors, executives and the persons managing the finance and accounts at the level of director, equivalent or higher that they have to submit reports on securities held by them, their spouses and non-sui juris children to SEC pursuant to Section 59 and the penalties for noncompliance under Section 275 of the Securities and Stock Exchange Act of 1992.

2. The Company requires that the directors, executives and the persons managing the finance and accounts at the level of director, equivalent or higher submit reports on securities held by them, their spouses and non-sui juris children to SEC and SEC within 30 days from the day of commencing their office term or within 3 (three) days of trading or transferring such securities.

3. The Company requires that the directors, executives and the persons managing the finance and accounts at the level of director, equivalent or higher and the persons in the position to receive essential information which may affect the securities prices must suspend securities trading until the Company discloses such information to the public. The Company shall request the directors, executives and the persons managing the finance and accounts at the level of director, equivalent or higher to suspend securities trading for at least 30 days prior to disclosure of such information to the public and at least 24 hours after disclosure of such information to the public – they shall not disclose such information to other persons either.

Penalties for disclosure of information for personal gain:

1. Verbal warning
2. Suspension from work without pay
3. Dismissal.

The penalties depend on the seriousness of the offenses.

6.6 Remuneration of Auditor

The Company and its subsidiaries paid 2,200,000 baht (Two millions and two hundreds thousands bahts) for audit fee for the year 2020 to the Auditor. This audit fee does not include non-audit fee.

6.7 Good Corporate Governance

Risk Committee

To ensure compliance with good corporate governance, business stability and attainment of targets, the management and staff should realized all types of risks and be prepared to manage or reduce them to acceptable level. On 7 May 2014, the Extraordinary Meeting of Shareholders No. 1/2014 resolved in favor of managing the risks as follows:

Duties of Risk Committee:

1. To determine the risks which the Company faces or is likely to face.
2. To determine the impact of such risks on the Company and the likelihood of such impact.
3. To adopt the measures for minimizing risks to acceptable level.
4. To compile manuals and make plans for minimization of risks.
5. To propose the measures/plans for risk management to the Executive Committee for approval.
6. To hold activities according to the risk management plan and notify or advise all sections and departments to comply with the measures for the management of risks.
7. To follow up the causes of risks and constantly implement the measures for the management of risks.
8. To determine all the risks and prepare the reports for the Board of Directors.
9. To report risks to the Internal Auditor and the Audit Committee every quarter.
10. To make continuous and effective communication of risks.

In 2020, the Risk Committee held 4 meetings to assess strategic, compliance, financial, operational and assets risks which may arise and to try to prevent and manages such risks in a timely manner.



CORPORATE SOCIAL RESPONSIBILITIES :CSR

7.1 Overview

It is our policy to operate business of the company and its affiliates with responsibility for society, the environment and interested parties. Our visions: To be a part of the society and will jointly walk to sustainable development of society and the environment. Our missions: To engage in activities for communities and society on a continuous basis; to operate business with responsibility for community and society as a whole for our sustainable growth. It is our policy to clearly adopt CSR practices throughout our organization.

On 21 May 2014, the Board Meeting No. 1/2014 and On 23 February 2018, The Corporate Governance Committee Meeting No. 1/2018 resolved in favor of CSR under the following principles:

1. To operate business fairly.
2. To counter corruption.
3. To respect human rights.
4. To treat workers fairly.
5. To be responsible for consumers.
6. To protect the environment.
7. To develop communities or society.
8. To have culture and disseminate innovations obtained from operation with responsibility for society, the environment and interested parties.

It is our policy to engage in such activities according to the written guidelines on CSR. We shall accomplish the following missions:

1. Fair business operation

We uphold operation of business according to the laws; put emphasis on operation of business honestly, straightforwardly and ethically; strive to operate business fairly; not to take advantage of clients, trading partners, other parties in contracts, creditors, competitors and shareholders, as follows:

Practices and Responsibilities in Trading Partners and other Parties in the Contracts

It is our policy to equally treat trading partners and the other parties to the contracts, which are regarded as partners and the factors toward business success, taking into account joint interests. We have set the trading partners selection and procurement processes with objectives of equality, fairness, adhere to contracts and agreements , as follows:

- 1) We intend to supply goods and provide services efficiently under the following principles:
 - to compete on the basis of equal information;
 - to adopt criteria for assessment and choosing trading partners and the other parties to the contracts;
 - to draw up contracts in suitable formats and be fair to all parties;
 - to monitor and follow up to ensure full compliance with the terms and conditions of the contracts; to prevent frauds and corruption in all stages of procurement;
 - to pay trading partners and the other parties to the contacts in a timely fashion in compliance with the terms of payment.
- 2) To strive for sustainable development and maintenance of good relations with trading partners and the other parties to the contracts; to clearly specify the objectives of product quality, value for money services and mutual trust.
- 3) Not to allow the management and staff to accept any favors directly or indirectly from trading partners or the other parties to the contracts.
- 4) Not to use the information obtained from purchase or supply for personal gain or for the benefit of others.

Practices and Responsibilities in Respect of Creditors

We uphold principles and discipline in our operations to earn trust from creditors. We adopt the following practices:

1. Not to dishonestly demand, accept or offer any benefits in dealing with creditors.
2. If any dishonest demand, acceptance or offer of any benefits is known, the information must be disclosed to the creditors, and joint efforts should be made to resolve the issues.
3. To strictly observe all the terms and conditions of the contracts or agreements.
4. If it is not possible to observe the terms and conditions of the contracts or agreement, the Company will inform its creditors of the facts so that the parties will try to find solutions.

Practices and Responsibilities in Respect of Competitors

We want to achieve long term sustainable success and become a leading company in fair and ethical competition in the industries. We have adopted the following practices:

1. To compete under good rules.
2. Not to obtain competitors' secret information by dishonest or improper means for our own benefit.
3. Not to commit libel against competitors.
4. Not to infringe the intellectual properties of competitors or any persons.

Practices and Responsibilities in Respect of Shareholders

Having realized that shareholders are the owners of the business and the Company, we create added value in the long run for them by setting the following guidelines for our employees, directors and executives:

1. To perform duties on a bona fide basis and make decisions carefully and fairly in the interest of all shareholders.
2. To oversee the operations to ensure that the Company has stable financial status and good performance; to present correct and complete reports on the Company's standing, returns on operations, financial status, accounting and others on a regular basis.
3. Present to all shareholders the reports on the Company's future aspects, whether positive or negative, which are reliable and have sufficient proofs.
4. Not to seek interest for oneself other from the information not disclosed by the Company to the public, nor to perform any acts which may cause conflict of interest with the organization.
5. To treat all shareholders equally at the Meeting of Shareholders.

Practices and Responsibilities in Corporate Social Responsibility

We give importance to society with the thinking that the Company shall grow sustainably in a sustainable social and environmental environment. We have adopted the following Corporate Social Responsibility practices:

1. To oversee that the Company's operations comply with the policies and/or regulations relating to the Company's corporate governance and social responsibility.
2. To consider and endorse the CSR policies and take action within the Company
3. To encourage the employees to participate in the Company's corporate governance and social responsibility activities.
4. To respect the local customs and culture in the communities that Company operates in
5. To create joint activities with society, communities and environment regularly to create better life quality for the communities that Company operates in. Joint collaboration between Company, public sector and private sector is ideal.
6. To participate in communities event
7. To action efficiently in the event that may impact the communities in terms of environment, life and assets which cause by the operations of the Company

2. Anticorruption

Company has Anti Corruption Policy and Anti Bribery Policy in which the Company and its subsidiary companies shall not be involved in any corruptions or offering of bribery in its operations of Business.

We have adopted the following anticorruption policies:

1. Our employees shall not demand or accept any interests or property in exchange for performance or omission of any acts which may cause the Company to lose interest.
2. Our employees shall not use their own capacity to offer any interest or property to third parties to influence them to perform or omit any acts.

Interested persons can make inquiries, lodge complaints, report illegal acts, raise doubts on the correctness of any financial statements, deficient internal control or unethical acts of the Company on our website Good Corporate Governance page or by contacting our independent directors or Audit Committee. Such communications shall be treated as confidential, and investigation shall be conducted to find solutions; and a report shall be submitted to the Board of Directors.

3. Respect of Human Rights

Having realized that all of our employees are valuable assets which are the factors for attainment of our business objectives, we respect the honor and personal rights of our employee and maintain workplace in good working conditions which is safe for their lives and properties.

4. Fair treatment of employees

- To appoint, transfer, reward and punish employees on a bona fide basis, taking into account their knowledge, abilities and suitability.
- To attach importance to employees' constant knowledge and skill acquisition: offer training, hold seminars for all employees.
- To offer fair remuneration based on the market condition, competition, job description, the employee's ability and performance.
- Not to perform any unfair acts which affect the career of the employee.
- To allow employees to air their grievances about working conditions and suggest solutions for the benefit of all parties and create good relations at work.
- To strictly observe all the laws and regulations on employment.

5. Responsibilities in for Customers

We provide the service of health massage. We intend to create, present and manage our products and services for our customers with the following the standards, ethics and practices:

1. To strive to provide service with politeness, earnestness, readiness, sincerity, good intention and attention as if the customers are close relative, taking into account safety and satisfaction of customers.
2. To inform customers of our service methods to ensure maximum efficiency and satisfaction.
3. To provide correct and complete information on our products and services so that customers can make the right decisions. Not to over advertise, exaggerate or cause misunderstanding about the quality, quantity, terms or conditions of the products or services.
4. To provide communication channels for customers to make complaints about our products or services so that we can find solutions and improve our products and services.
5. To treat our customers' information as confidential; not to disclose it or use it for personal gain.

We strictly comply with the laws, rules, regulations of Public Health Ministry and Interior Ministry; we have the license to operate spa business; we ensure customer's safety; we have 24-hour security system: security guard, CCTV, firefighting system and fire exits which meet the standards set by the government. We provide after sale service to find out our customer's level of satisfaction. We have guidelines for dealing with customers' dissatisfaction according to our visions.

6. Protection of the Environment

We attach importance to surrounding communities and society, thinking that we are a part of them and intend to achieve sustainable development of the society and surroundings. We constantly hold social and community activities while operating the business while being responsible for the society and communities, as follows:

1. To operate business, taking into account the environment and in strict compliance with the laws and regulations on the environment.
2. To ensure that our employees become aware of their responsibilities towards the environment and society.
3. To quickly and efficiently respond to the events that affect the community surrounding, lives and properties in connection with our operations. To fully cooperate with the government officials and the agencies concerned. Our branches put emphasis ecosystem conservation; they carefully maintain garden and trees in good conditions; they pay attention to:
 - Ecosystem

We attach importance to the site and its surroundings; our branches maintain and conserve the ecosystem in natural conditions; in the design, the maintenance of site, the surroundings, gardens and trees is taken into account

- Conservation of the Environment

We constantly maintain the surroundings of all of our branches in good conditions all the time. To avoid pollution, we properly manage and dispose of waste and waste water -- waste of different types are separated.

- Minimization of Chemicals

We minimize the use of chemicals. We produce compresses from herbs. We scatter herbs from used compressed around our branches to drive mosquitoes away and keep the place beautifully scented. We also use essential oil to drive mosquitoes away instead of using chemicals.

7. Development of Communities or Society

We attach importance to the development of the surrounding communities or society; strive to constantly operate business to create society, communities and the environment for better lives; we engage in those activities by ourselves or in cooperation with government agencies, private firms and communities with the aims to make the residents in the communities earn more incomes and lead better life, as follows:

1. We attach importance to surrounding communities and society, thinking that we are a part of them and intend to achieve sustainable development of the society and surroundings. We constantly hold social and community activities while operating the business while being responsible for the society and communities, as follows:

- To respect the customs, traditions and cultures of the areas where we operate our business.
- To constantly engage in the activities for creation of society, communities and the environment for the betterment of life quality in cooperation with government agencies, private organizations and communities.
- To take part in activities organized by nearby communities.
- To recruit staff from the residents within the area where our branches are located.
- To use local raw materials for branch decoration; buy from local producers or domestic suppliers.

8. Innovations from Operation with CSR

We intend to disseminate the innovations obtained from spa business for sustainable support and development of Thai spa business. We will disseminate the knowledge of Thai spa by accepting students for apprenticeship in our branches.

7.2 Operation and Reporting

We operate according to the overview of operation of business with CSR as follows:

7.2.1 Staff Training

We have an annual personnel development plan; encourage staff to undergo training constantly; hold orientation for all new staff to help them understand working as organization so that they can work in compliance with our policies. We also offer other trainings to enhance staff potential, e.g. training in service.

7.2.2 Reporting

We have a plan for the report of compliance with CSR policies, positive and negative impact of our operation on the social economy and the environment; the information will be disclosed in our annual report after being listed on SET.

7.3 Operation Affecting CSR

None.

7.4 Activities for the Benefit of Society and the Environment

1. The Company has signed the Memorandum of Understanding (MOU) with University of Thai Chamber of Commerce to develop curriculum and promote education for students

2. The Company offers spa site visit to students in this field to strengthen their knowledge about Thai Spa in 2019.

3. The Company offers internship to students to understand the real business experience with the length at least 60 days in which students receive the minimum wage allowance. Students from different universities.

4. The Company adds value to local products such as the Tea Oil from Chai Pattana Foundation in which the company develops as base oil for the Massage Oil and OTOP Baskets to use as the containers for the Spa Products Gift Basket etc.

5. The Company encourages the Head Office Staff to donate blood to Thai Red Cross Society as part of the Company's role of Co-host of Special Blood Donation event at B.U. Place.

6. The Company encourages Employee to improve their well-being by providing our internal physiotherapists to give Self-Stretching session
7. The Company encourages Employee to be more environmentally-friendly by opting Green Office Project
8. The Company encourages Operational Process to be more environmentally-friendly by opting Eco Friendly Project
9. The Company supports purchasing of supplies and equipment of the new Learning Center of the Faculty of Architecture, Chulalongkorn University
10. The Company donates its used Computer and Equipments to Wat Suankaew Foundation
11. The Company purchases tea leaves used for serving hot tea to customer from Lampang Eye Foundation
12. The Company gives Scholarship for Thai Massage Students from Phayao



INTERNAL CONTROL AND RISK MANAGEMENT

8.1 Internal Auditor's comment about internal control system

The Company realised about the importance of a good internal control system which will support the running of the business efficiently and effectively. The Siam Wellness Group's Board of Director Meeting no. 2/2014 on April 3, 2014 agree to assign the Audit Committee and Extraordinary General Shareholders' Meeting no. 1/2014 on May 7, 2014 had approved the Audit Committee which consist of 3 members to review the efficiency and sufficiency of the internal control system and to make sure that the Company and its subsidiaries have been running business according to the law and regulation of the Stock Exchange of Thailand and also related law and regulation.

The Company had assigned P& L Company Limited ("Internal Auditor") to be our internal auditor. Internal Auditor will audit and evaluate the sufficiency of the internal control system including suggest and follow up the improvement of the internal control system according to the policy and regulation specified in the internal audit plan. Including the evaluating of The Committee of Sponsoring Organization of the Treadway Commission : COSO 5 ways which are

- 1) Control Environment
- 2) Risk Assessment
- 3) Control Measurement
- 4) Information and Communication System
- 5) Tracking System

The Internal auditor has reported the result of the audit and the improvement to the Audit Committee to make sure that the running of the Company and its subsidiaries including related transactions between the Company and its subsidiaries and related person are efficient and accord to the law.

The Company realised about the importance of a good internal control system which can improve the efficiency of the business. Therefore, the Audit Committee and the Board of Director have assigned the Internal Auditor to follow up and report to the Audit Committee for consideration and to the Board of Director for acknowledgement. The internal auditor has presented the quarterly 2020 plan for internal audit and will do the internal audit and report to the Audit Committee and the Board of Director quarterly.

In the Board of Director Meeting no. 1/2020 on February 29, 2020, all 3 members of the Audit Committee attended that meeting. The Board of Director evaluate the sufficiency of the internal control system by asking information from the managements and according to the result of evaluating internal control system which evaluate by the Management. The Board of Director decided that the internal control system of the Company is adequate and appropriate for the current size of the Company and present situation.

Internal Auditor's notices on the internal control system

In 2020, the Internal Auditors had audited the Company 4 times. The results are as followed:

1. The internal audit report no. 1/2020 dated 29 February 2020 which audit the Company based on the activity of Account Payable Process – Resort and Restaurant
2. The internal audit report no. 2/2020 dated 13 May 2020 which audit the Company based on the activity of SWL Internal Audit Control – Revenue and Cost Management
3. The internal audit report no. 3/2020 dated 14 August 2020 which audit the Company based on the activity of IT General Application Control
4. The internal audit report no. 4/2020 dated 13 November 2020, which audit the Company based on the activity of New Branch Operations Management and Building Management

From the assessment of sufficiency and efficiency of the internal control system base on plan of actions and management, overall the company has appropriate internal control system and some improvement need. However, the overall efficiency of the internal control can give confident that the company can reach the goal and policies as expected. The suggestions to the company can be separated into 2 categories – Important Suggestions in which the company should take actions and Considered Suggestions.

8.2 Auditor's notice about the internal management system

EY Office Limited, the accounting auditor of the Company had audited the Company's financial statement for year end 31 December 2020 and stated that the Company's financial statement show correct financial position, financial performance and cash flow according to the general financial standard

8.3 Risk Management Policy

Company has priority in managing the Corporate Risk and supports the operations of the Business under ERM Framework and SET's Enterprise Risk Management Policy

The Risk Committee composed of 3 members including

- | | |
|--------------------------------|---|
| 1. Mrs. Supee Pongpanich | Chairwoman of the Risk Committee |
| 2. Mr. Chaiyuth Thienvuthichai | Member of the Risk Committee |
| 3. Mr. Narun Wiwattanakrai | Member of the Risk Committee and Head of Risk Working Group |

In 2020, there were 4 meetings of Risk Committee. In each meeting, the Members of the Risk Committee and Members of Risk Working Group jointly assess the different risks to the Company including Strategic Risk, Legal Compliance Risk, Financial Risk, Operational Risk and Asset Risk by reviewing the likelihood of the risk and the impact of the risk . Moreover, the Committee has reviewed the Charter to comply with CG Code 2017

1. Risk Committee Meeting No. 1 on 29 February 2020

The Risk Committee assessed the overall risks of Year 2019, the likelihood of the risk and the impact of the risk for Quarter 1, 2020 and proposed Action Plan

2. Risk Committee Meeting No. 2 on 14 May 2020

The Risk Committee assessed the likelihood of the risk and the impact of the risk for Quarter 2, 2020 and proposed Action Plan. The Committee also acknowledged and reviewed the Risk Management Plan of COVID-19 Global Pandemic Action Plan of the Reopening of Spas & Massage Centers (Hygiene and Safety Protocols for Guests Well-Being and Experiences, Employees and Establishments) following the Notification to close spas and massage Centers throughout Thailand by resolution of the Cabinet between 18 March – 31 May 2020

3. Risk Committee Meeting No. 3 on 14 August 2020

The Risk Committee assessed the likelihood of the risk and the impact of the risk for Quarter 3, 2020 and proposed Action Plan. . The Committee also followed up on the Results of the Company's Risk Management Plan of COVID-19 Global Pandemic Action Plan with checklist of the Government's Recommendation such as Staff Screening and Temperature Check, Registration on Thai-Chana Application as well as Company's own initiatives such as UVC Machine, Staff's use of facial mask, goggles and gloves.

4. Risk Committee Meeting No. 4 on 13 November 2020

The Risk Committee assessed the likelihood of the risk and the impact of the risk for Quarter 4, 2020 and proposed Action Plan. The Committee also assessed the timeline and likelihood of macro-level policies that will have impact on Tourism industries and Company's Operating results such as Vaccines, Special Tourist Visa, Travel Bubble and Second-Wave Spreading etc.

In sum, the Company continuously review and improve the Risk Management on annual basis to reflect with the internal and external changes to the Companies, considering the current and potential events. Risk Preventive Measures and Efficient Risk Management Polices are implemented to reduce the risk to the level that are acceptable to ensure the smooth operations of the Business as well as the Vision and Mission, both short-term and long-term, are sustainably achieved.

9

RELATED PARTY TRANSACTIONS

9.1 Relationship of related party

Company and subsidiary companies have related transactions with related party in which related party includes shareholders and/or directors and/or management. Moreover, the related party also includes other companies that the Company and subsidiary's companies' directors act as authorized directors. Related parties are listed as below:

Company Name/Person's Name	Business Type	Relationship
Blooming Co.,Ltd	Selling Herbal Balls and Gifts	Joint Shareholder
B.U. Enterprise Co.,Ltd	Restaurant / Service Apartment	Joint Shareholder and Director
Cyberprint Group Co.,Ltd	Printing Services	Joint Shareholder and Director
Asian Fortune Property Co.,Ltd	Real Estate	Joint Shareholder and Director
Klom Kliaw Pattana Co.,Ltd	Real Estate	Joint Shareholder and Director
G.G.P. Property Co.,Ltd	Real Estate	Joint Shareholder and Director
Blooming Intergift Co.,Ltd	Real Estate	Joint Shareholder
Mr. Vithit Utsahajit	Real Estate	Brother of Mr. Wiboon, Mrs. Pranee and Mrs. Thanit
Mr. Wiboon Utsahajit	-	Director
Mr. Narun Wiwattanakrai	-	Director
Mrs. Pranee Suphawatanakiat	-	Director
Mrs. Thanit Amorntirasan	-	Director
Mr. Prasert Jiravanstit	-	Director
Mr. Juckpat Jiravanstit	-	Director of Subsidiary

Summary of Directorship and Shareholding of Related Company

Name	Cyberprint Group Co.,Ltd		Blooming Co.,Ltd		B.U. Enterprise Co.,Ltd		Asian Fortune Property Co.,Ltd		Klomkiaw Pattana Co.,Ltd		Utsahajit Holding Co.,Ltd		G.G.P. Property Co.,Ltd				
	Director	Shares Held	Director	Shares Held	Director	Shares Held	Director	Shares Held	Director	Shares Held	Director	Shares Held	Director	Shares Held			
1. Mr. Vithit Utsahajit	✓	5	0.00%	38,750	7.75%	1,602	8.01%	-	0.00%	-	0.00%	✓	50,000	0.16%	-	0.00%	
2. Mrs. Pranee Suphawatanakiat	✓	5	0.00%	38,750	7.75%	1,602	8.01%	400,000	20.00%	✓	1,683,207	✓	1,000,000	3.33%	1,500	15.00%	
3. Mr. Thanawat Utsahajit	✓	5	0.00%	38,750	7.75%	1,602	8.01%	400,000	20.00%	✓	1,683,206	✓	100,000	0.33%	500	5.00%	
4. Mrs. Thanit Amornthiran	✓	5	0.00%	38,750	7.75%	1,602	8.01%	400,000	20.00%	✓	1,683,207	✓	2,500,000	8.33%	1,500	15.00%	
5. Mr. Wiboon Utsahajit	✓	5	0.00%	38,750	7.75%	1,602	8.01%	400,000	20.00%	✓	1,683,207	✓	2,500,000	8.33%	2,000	20.00%	
6. Mrs. Suwimol Utsahajit	✓	5	0.00%	38,750	7.75%	1,602	8.01%	-	0.00%	-	-	✓	100,000	0.33%	-	0.00%	
7. Mr. Wiwat Utsahajit	✓	5	0.00%	38,750	7.75%	1,602	8.01%	-	0.00%	-	-	✓	100,000	0.33%	-	0.00%	
8. Mr. Wichai Utsahajit	✓	5	0.00%	38,750	7.75%	1,602	8.01%	-	0.00%	-	-	✓	100,000	0.33%	-	0.00%	
9. Mr. Napat Wiwattanakrai	✓	5	0.00%	12,916	2.58%	534	2.67%	133,333	6.66%	-	-	✓	833,334	2.77%	-	0.00%	
10. Mr. Banlue Utsahajit		5	0.00%	38,750	7.75%	5,582	27.91%	-	0.00%	-	-	✓	7,500,000	25.00%	-	0.00%	
11. Mr. Narun Wiwattanakrai		5	0.00%	12,917	2.58%	534	2.67%	133,334	6.66%	✓	1,683,206		833,333	2.77%	✓	1,500	15.00%
12. Mr. Narut Wiwattanakrai		5	0.00%	12,917	2.58%	534	2.67%	133,333	6.66%	-	-		833,333	2.77%	-	0.00%	
13. Mr. Prasert Jiravanstitt		-	0.00%	112,500	22.50%	-	0.00%	-	0.00%	-	1,683,207		-	0.00%	✓	2,000	20.00%
14. Mr. Issawong Suphawatanakiat		-	0.00%	-	0.00%	✓	0.00%	-	0.00%	-	-		500,000	1.66%	-	0.00%	
15. Mr. Nateekorn Jiravanstitt		-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-		-	0.00%	-	0.00%	
16. Mr. Tittayaporn Tarbthong		-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-		-	0.00%	500	5.00%	
17. Ms. Ratpalee Suphawatanakiat		-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-		500,000	1.66%	500	5.00%	
18. Utsahajit Holding Co.,Ltd		69,999,940	100%	-	0.00%	-	0.00%	-	0.00%	-	-		-	0.00%	-	0.00%	
19. Ms. Padaree Utsahajit		-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-		490,000	1.63%	-	0.00%	
20. Mr. Peemdej Utsahajit		-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-		490,000	1.63%	-	0.00%	
21. Mr. Peemtat Utsahajit		-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-		490,000	1.63%	-	0.00%	
22. Ms. Peemniida Utsahajit		-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-		490,000	1.63%	-	0.00%	
23. Mr. Kritsanapong Suphawatanakiat		-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-		500,000	1.66%	-	0.00%	
24. Mr. Chanodom Utsahajit		-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-		800,000	2.66%	-	0.00%	
25. Ms. Tanatchaporn Utsahajit		-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-		800,000	2.66%	-	0.00%	
26. Ms. Chalisa Utsahajit		-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-		800,000	2.66%	-	0.00%	
27. Ms. Pimrada Utsahajit		-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-		2,400,000	8.00%	-	0.00%	
28. Ms. Pompit Jiravanstitt		-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-		-	0.00%	500	5.00%	
29. Mrs. Pra-orn Jiravanstitt		-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-		-	0.00%	500	5.00%	
Total		70,000,000	100.00%	500,000	100.00%	20,000	100.00%	2,000,000	100.00%	10,099,240	100.00%	30,000,000	100.00%	10,000	100.00%	10,000	100.00%

Name	Blooming Intergift Co.,Ltd			Sawangsuk Co.,Ltd		
	Director	Shares Held	%	Director	Shares Held	%
1. Mr. Vitit Utsahajit		-	0.00%		-	0.00%
2. Mrs. Pranee Suphawatanakiat		220,000	11.00%			0.00%
3. Mr. Thanawat Utsahajit		220,000	11.00%		-	0.00%
4. Mrs. Thanit Amorntrasan		220,000	11.00%		-	0.00%
5. Mr. Wiboon Utsahajit		679,999	33.99%		4,999	49.99%
6. Mrs. Suvimol Utsahajit		220,000	11.00%			0.00%
7. Mr. Wiwat Utsahajit		220,000	11.00%		-	0.00%
8. Mr. Wichai Utsahajit		-	0.00%		-	0.00%
9. Mr. Napat Wiwattanakrai		73,333	3.66%		-	0.00%
10. Mr. Banlue Utshajit		-	-		-	0.00%
11. Mr. Narun Wiwattanakrai		73,334	3.67%		-	0.00%
12. Mr. Narut Wiwattanakrai		73,333	3.66%		-	0.00%
13. Mr. Prasert Jiravanstitt		-	0.00%		-	0.00%
14. Mr. Issawong Suphawatanakiat	√	-	0.00%			0.00%
15. Mr. Nateekorn Jiravanstitt		-	0.00%	√	4,999	49.99%
16. Mr. Tittiyaporn Tarphong		1	0.00%		-	-
17. Ms. Ratpalee Suphawatanakiat		-	0.00%	√	2	0.02%
18. Utsahajit Holding Co.,Ltd		-	0.00%		-	0.00%
total		2,000,000.00	100.00%		10,000.000	100.00%

Remark: The shareholding % is calculated as 2 decimal places. The Sum of shareholding% may be different to the total of shareholding %.

9.2 Related Transactions

Company and subsidiary companies have related transactions with related party which can be summarized as below:

1. Purchase of products or services from related party under normal circumstances (Report to Audit Committee for consideration)

Until: Thousands

No.	Related Party	Transaction	Value			Reason and Consideration
			2018	2019	2020	
1.	Blooming Co.,Ltd	Revenue from Sales	21	137	3,591	<ul style="list-style-type: none"> • Blooming Co.,Ltd purchases spa products from subsidiaries at market price for gifts and premium goods • Company and subsidiaries purchase herbal balls, scrub, Thai herbs as well as packing and screening services at agreed prices. Company has received quality goods according to specifications with on-time delivery and better price compared to other suppliers.
		Purchases and Services	14,292	16,953	4,541	
		Trade Receivable	-	135	2,397	
		Trade Payables	1,291	1,540	277	
2.	B.U. Enterprise Co.,Ltd	Revenue from Sales	4	6	6	<ul style="list-style-type: none"> • BU Enterprises Co.,Ltd. Purchases packaging from subsidiaries for repacking cookies • Company and subsidiaries purchase cookies for spa customers and for resales. Company has received quality goods according to specifications with on-time delivery and better price compared to other suppliers.
		Purchases and Services	947	342	194	
		Trade Receivable	-	5	5	
		Trade Payables	63	10	47	
3.	Cyberprint Co.,Ltd	Revenue from Sales	530	201	150	<ul style="list-style-type: none"> • Cyberprint Group Co.,Ltd. purchases spa products giftsets from subsidiaries for gifts at market price. • Cyberprint Co.,Ltd. Provides printing services for Company and subsidiaries at agreed prices. Company has received quality services according to specifications with on-time delivery and better price compared to other suppliers.
		Purchases and Services	2,462	2,557	1,185	
		Trade Receivable	216	175	251	
		Trade Payables	-	-	188	

Remark: Trade and Service Terms between Company and Subsidiaries and Blooming Co.,Ltd, B.U. Enterprise Co.,Ltd and Cyberprint Group Co.,Ltd is attached in Attachment 1

2. Rental of Properties from related party in which the Audit Committee has approved (Report to Audit Committee to acknowledge)

Until: Thousands

No.	Related Party	Transaction	Value			Reason and Consideration
			2018	2019	2020	
1.	Asian Fortune Property Co.,Ltd	Rental and Utilities Expense	14,569	14,569	2,925	<ul style="list-style-type: none"> • Company has rented building for spa business (Let's Relax Patong 3rd Street, Patong 3rd Street extension, and Let's Relax Thapae) at agreed price. Let's Relax Patong 3rd Street • Location is suitable for the Business and Rental Price is appropriate. Audit Committee approved the extension of rental and services 2020 – 31 January 2022)
		Rental and Utilities Payable	231	201	21	

Until: Thousands

No.	Related Party	Transaction	Value			Reason and Consideration
			2018	2019	2020	
						<p>Let's Relax Patong 3rd Street (Extension)</p> <ul style="list-style-type: none"> Location is suitable for the Business and Rental Price is appropriate. Audit Committee approved the extension of rental and services contract (Contract from 1 February 2020 – 31 January 2023) in the Audit Committee Meeting No. 4/2019 on 14 November 2019 <p>Let's Relax Thapae</p> <ul style="list-style-type: none"> Location is suitable for the Business and Rental Price is appropriate. Audit Committee approved the extension of rental and services contract (Contract from 1 October 2018 – 30 September 2021) in the Audit Committee Meeting No. 4/2017 on 13 November 2017
2.	Klom Kliaw Pattana Co.,Ltd	Rental and Utilities Expense	3,324	3,762	832	<ul style="list-style-type: none"> Company has rented land and building improvement for spa business and partial sub-lease to Siam Wellness Resort Co., Ltd for the hotel operation and restaurant for 30 years at agreed price. Location is suitable for the Business and Rental Price is appropriate. Audit Committee approved the rental and service contract (Contract from 1 January 2013 – 31 December 2042) in the Audit Committee Meeting 2/2013 on 28th March 2013.
		Rental and Utilities Payable	-	97	18	
3.	Blooming Intergift Co.,Ltd	Rental and Utilities Expense	714	723	763	<ul style="list-style-type: none"> Company has rented building located in Soi Suthiporn (Soi Ratchadaphisek 3), Ratchadaphisek Road, Dindaeng sub-district, Dindaeng district, Bangkok for Warehouse at agreed price. Location is suitable for the Business and Rental Price is appropriate. Audit Committee approved the extension of rental and services contract (Contract from 1 January 2020 – 31 December 2022) in the Audit Committee Meeting 4/2019 on 14 November 2019
		Rental and Utilities Payable	9	9	502	
4.	B.U. Enterprise Co.,Ltd	Rental and Utilities Expense	4,836	7,370	6,783	<ul style="list-style-type: none"> Company has rented a space, 21th floor and 22 th floor, in B.U. Place building located in 567 Soi Suthiporn 2, Phrachasongkhro Road, Dindaeng sub-district, Dindaeng district, Bangkok for Office at agreed price. Location is suitable for the Business and Rental Price is appropriate. Board of Directors approved the rental and services contract (Contract from 1 January 2020 – 31 December 2022) in the Board Committee Meeting 7/2016 on 11 November 2016
		Rental and Utilities Payable	49	95		

Until: Thousands

No.	Related Party	Transaction	Value			Reason and Consideration
			2018	2019	2020	
5.	Mr. Vithit Utsahajit	Rental and Utilities Expense	1,320	1,390	1,390	<ul style="list-style-type: none"> Company has rented 7 commercial buildings (483-483/6) for Head Office and its subsidiary companies at agreed price Location is suitable for the Business and Rental Price is appropriate. Audit Committee approved the rental contract (Contract from 1 January 2019 – 31 December 2021) in the Audit Committee Meeting 5/2015 on 9 November 2015
		Rental and Utilities Payable	-	-	-	
6.	G.G.P. Property Co.,Ltd	Rental and Utilities Expense	160	961	960	<ul style="list-style-type: none"> Company has rented two 5-storeyed houses (582/347) for living quarter for therapist, Location is suitable for the Business and Rental Price is appropriate. Audit Committee approved the rental contract (Contract from 1 November 2019 – 31 December 2021) in the Audit Committee Meeting 4/2019 on 14 November 2019
		Rental and Utilities Payable	-	160		

3. Rental Contracts which are related transactions and their conditions

Lease Contract Date	Details	Lease Term	Rent and Service Charges	Other Terms & Conditions
26 Aug 2014	The Company enters into the land and structure lease agreement with Klom Kliaw Pattana Co.,Ltd , for the land under the Land Title Deed No. 117, 2875, 8985, 554, 3010, 3009 and 103754 totalling 7 Land Title Deeds, having total area of 2 rai 3 ngan 62.4 square wah for operating the spa business (RarinJinda Wellness Spa, Chiangmai branch) and some part of the land being subleased to Siam Wellness Resort Co., Ltd., to operate the hotel and restaurant business (RarinJinda Wellness Spa Resort and Deck 1 Restaurant).	30 years. Effective on 1 January 2013. Expires on 31 December 2042.	<p>The rental for year 1-3 (January 1, 2013 - December 31, 2015) of 241,125 Baht /per month and the increased rental may be adjustable but not exceeding 15 per cent of the rental in force on every 3 years.</p> <p>The rental for year 4-6 (January 1, 2016 - December 31, 2018) of 277,000 Baht/per month</p> <p>The rental for year 7-9 (January 1, 2019 - December 31, 2021) of 300,000 Baht/per month</p>	<ul style="list-style-type: none"> The lease parties registered the right of lease at the Land Officer for which the Lessee is liable to meet all the expenses or registration of the lease (The lease was registered on 29 Aug 2014). The debris of the 4-storey of the building No 14/1 and 2-storey Thaistyle house No. 14 on Charoenrat Road, in Tambon WatKet, Amphoe Muang, Chiangmai province, on the land, the Lessee shall be responsible for improvement without charging the rental throughout the period of the Lease Agreement. The Lessee has the duty to maintain, improve the leased premises to good condition. The Lessee is responsible for property tax and other fees. The Lessee is responsible for paying the cost of public utilities. The agreement is substituted for the original agreement dated 1 January 2013.

Lease Contract Date	Details	Lease Term	Rent and Service Charges	Other Terms & Conditions
28 Dec 2015	The Company enters into the lease of the building with Mr. Vithit Utsahajit, for the lease of the 1st floor and the 2nd floor of the Building No. 483-483/6 and for the lease of the 3rd floor of the Building No. 483/6 on Soi Suthiporn, Prachasongkroh Road, Khwaeng DinDaeng, Khet DinDaeng for total utility space of 1,392 square meters for use as the office building of the Company and of the subsidiary.	3 years to be expired on 31 December 2021.	The rental is 115,800 THB Baht/ per month and the increased rental may be adjustable according to the market condition, but not exceeding 15 per cent of the rental in force on every 3 years.	<ul style="list-style-type: none"> The Lease is renewable for 2 times of 3 years each subject to 30-day advance notice prior to expiration. The Lessee has the duty to maintain, improve, repair the leased building to good condition. The Lessee is liable for payment of property tax and other fees. The Lessee is responsible for the cost of public utilities. This replaces the previous lease agreement dated 1 January 2013.
1 Oct 2018	The Company enters into the Lease Agreement with Asian Fortune Property Co., Ltd. for lease of space in 3 storeys commercial building located at 97/2-5 Ratchadamnoen Road, Phra Singha sub-district, Muang district, Chiang Mai to operate the spa business (Let's Relax Spa Thapae)	3 years. Starting on 1 Oct 2018 Expiring on 30 Sep 2021	The rental is at 42,900 Baht/month. Space Service Charge is At 100,100 Baht /month.	<ul style="list-style-type: none"> The Lease is renewable for 1 time at 3 years
1 Jan 2020	The Company enters into the Lease Agreement with Asian Fortune Property Co.,Ltd for lease of land and building at 207/47 Raj-u-thid 200 years Road, Patong sub-district, Kathu district, Phuket to operate the spa business (Let's Relax Patong 3rd Street extension)	3 years Starting on 1 Feb 2020 Expiring on 31 Jan 2023	The rental is at 72,600 Baht/month. Space Service Charge is at 169,400 /month.	<ul style="list-style-type: none"> The Lease is renewable for 1 time of 3 years and rental shall not increase more than 15% from current rental and service charge
15 Jan 2020	The Company enters into the Lease Agreement with B.U. Enterprise Co., Ltd. for lease of space 966 sq.m. in Soi Suthiporn 2, Phrachasongkhro Road, Dindaeng sub-district, Dindaeng district, Bangkok to operate as Office	3 years. Starting on 1 Jan 2020 Expiring on 31 Dec 2022	The rental is at 112,674.24 Baht /month. The service charge is a 169,011.36 Baht /month.	<ul style="list-style-type: none"> The Lease is renewable for 1 time for 3 years For renewal of contract, the rental and service charge rate shall not increase more than 10% from current rate
1 Jan 2020	The Company enters into the Lease Agreement with Asian Fortune Property Co.,Ltd for lease of land and building at 184/14 Pangmuang Sai Kor Road, Patong sub-district, Kathu district, Phuket total area 2,418 square meter to operate the spa business (Let's Relax Patong 3rd Street)	3 years. Starting on 1 Feb 2020 Expiring on 31 Jan 2023	The rental for Year 10 – Year 12 is at 208,725 Baht/month with rental deposit of 834,900 Baht. The service charge for Year 10 – Year 12 is at 487,025 Baht /month with service deposit 1,948,100 Baht.	<ul style="list-style-type: none"> The lessee is responsible for property tax, insurance tax and other fees The lessee is responsible for utilities charges as stated by Electrical and Water Authority The rental increase from 189,750 to 208,725 Baht and the service charge increase from 442,750 to 487,025 Baht On 1 December 2014, Change of Business in the Contract from RarinJinda Wellness Spa to Let' s Relax Spa Phuket 3rd Street

Lease Contract Date	Details	Lease Term	Rent and Service Charges	Other Terms & Conditions
16 Dec 2019	The Company enters into the Lease Agreement with Blooming Intergift Co.,Ltd for lease of building in Soi Suthiporn off Soi Ratchadaphisek 3 (Next to Chinese Embassy) Ratchadaphisek Road, Dindaeng sub-district, Dindaeng district, Bangkok on land title deed no. 65264 (1 ngarn 23 square wah) and 65265 (1 ngarn 17 square wah) to use as Company Warehouse	3 years. Starting on 1 Jan 2020 Expiring on 31 Dec 2022	The rental is 55,000 Baht/month	• The lease is renewable for 1 time for 3 years.
25 Dec 2020	The Company enters into the Lease Agreement for 2-storeys Office at no. 114/3 Soi 1 (Charoenmuang Road) Wat Kate sub-district, Muang district, Chiang Mai with total area of 166 square meters with Komkliaw Pattana Co.,Ltd to use Siam Wellness Resort's Office	1 year. Starting on 1 Jan 2021 Expiring on 31 Dec 2021	The rental is 36,000 Baht/month	• The lease is renewable for 1 year.
16 Dec 2019	The Company enters into the Lease Agreement for two 5-stories building No. 582/437-438 Soi Ratchadaphisek 3 Yaek 5, Dindaeng sub-district, Dindaeng district, Bangkok with G.G.P. Property Co.,Ltd to use as Staff Living Quarter.	2 years. Starting on 1 Nov 2019 Expiring on 31 Oct 2021	The rental is 80,000 Baht/month	

Remarks: The contract with the related party has been assessed by independent appraisal firms. These are,

- 1 Single 2-stories home located at no. 322/202 Soi Yu Charoen Yaek 18 Ratchadaphisek Road, Huaykwang sub-district, Huaykwan district, Bangkok. Appraisal by an Independent Appraiser was made on October 21, 2013 with the public purpose. The assessment of rental rate for the house is 1,845,000 bahts for the period of 3 years or the monthly rate is 58,000 bahts and increase of rental rate of 3% year.
- 2 7 blocs of 3-stories concrete building located at no. 483 Soi Suthiporn Phrachasongkhro Road, Dindaeng sub-district, Dindaeng district, Bangkok. Appraisal by an Independent Appraiser was made on April 18, 2014 with the public purpose. The assessment of rental rate for the building is 258,804 bahts per month and increase of rental rate of 10% every 3 years.
- 3 Land no. 117, 2875, 8985, 554, 3010, 3009 and 103754 total of 7 with the total area of 2 rai 3 ngarns and 62.4 square wa located at no. 14 Charoenraj Road, Wat Kate sub-district, Muang district, Chiang Mai. Appraisal by an Independent Appraiser was made on April 17, 2014 with the public purpose. The assessment of rental rate of land without building is 2,906,000 bahts per year and increase of rental rate of 15% every 3 years.
- 4 Land with 4-stories building and additional extension on roof located at 184/14 Pangmuang Sai Kor Road, Patong sub-district, Kathu district, Phuket. Appraisal by an Independent Appraiser was made on April 16, 2014 with the public purpose. The assessment of rental rate of building is 771,900 bahts per month and increase of rental rate of 15% every 3 years
- 5 Land with building for Warehouse located in Soi Suthiporn Soi Ratchadaphisek (near Embassy of the People's Republic of China). Appraisal by an Independent Appraiser was made on July 21, 2016 with the rental value of such Warehouse purpose. The assessment of rental rate of warehouse is 50,400 bahts per month and increase of rental rate of 10% every 3 years

6. 22th floor of B.U. Place building for Office Soi Suthiporn 2, Phrachasongkhro Road, Dindaeng sub-district, Dindaeng district, Bangkok. Appraisal by an Independent Appraiser was made on July 25, 2016 with the public purpose. The assesment of rental rate of such 22 th floor is 198,300 bahts per month and increase of rental rate of 10% every 3 years
7. Land with two 5-stories building located at 582/437-438 Soi Ratchadaphisek 3 Yaek 5, Dindaeng sub-district, Dindaeng district, Bangkok. Appraisal by an Independent Appraiser was made on June 27, 2018 with the public purpose. The assesment of rental rate of building is 1,200,000 bahts per year.
8. Land with building for Office located in 114/3 Soi 1 (Charoenmuang Road), Wat Kate sub-district, Muang district, Chiang Mai with the area of 166 sqm. Appraisal by an Independent Appraiser was made on August 5, 2019 with the rental value of such purpose. The assesment of rental rate of office is 36,000 bahts per month

9.3 Policy and Procedures of Related Party Transactions

9.3.1 Policy of Related Party Transactions

When the Company or subsidiary companies agreed to transact with related party according to the Board of Stock Exchange of Thailand, Company has set up a procedure in approving such transactions, in order for that transaction to be fair and does not have conflict of interest. Moreover it will bring the maximum benefit to the Company and the shareholders.

1. Company will determine whether the transaction is normal business transaction or supporting transaction. Then, Company will determine whether it has the standard terms and conditions or not, taking into account the pricing and terms of other customers or terms that are used in similar transactions. In the event that there is no referencing market price, the Company will submit to the Audit Committee or Auditor or Specialist to determine the fair price of such transaction and the justify the underlying reason behind such transaction
2. For following transactions (a) For supporting transactions with standard terms and conditions, where price cannot be calculated from the asset or reference point (b) normal business transaction or supporting transaction that does not have terms and conditions (c) rental transaction or lease transaction not more than 3 years and does not state terms and conditions (d) other transactions. Company will determine whether such transaction is small, medium or large according to the guideline. Procedures will be determined according to particular type of transaction such as approval from Board of Directors or Shareholders.
3. Company will submit the related transactions of Company or its subsidiaries to the Audit Committee for comments. Audit Committee's comments must be attached to the minutes of the Board of Director's or Shareholder's Meeting.
4. Company will submit the report of related party transactions to the Stock Exchange of Thailand with detailed attachment according to the principles of Board of Stock Exchange of Thailand and will include in the Annual Report, Annual Registration Statement or other statements according to the guidelines of the Board of the Stock Exchange of Thailand, as well as in Financial Report according to the Accounting Standards.
5. For future related party transactions, Board of Directors must conduct in accordance with the Securities and Exchange Commission Act and other guidelines set by Stock Exchange of Thailand, as well as the related party transactions disclosure guideline including selling or buying of Company or its subsidiaries key assets according to the Certified Public Accountant Association's standards.
6. For other related party transactions that are not normal business transactions, Company will assign Audit Committee to determine the transparency of the transaction. If the Audit Committee does not have specialization in that particular field, specialist or auditor can be requested for assist. These comments must be report in the minutes and used in the decision of the Board of Director or Shareholder's Meeting. It should also be disclosed in the Notes in the Financial Statments certified by auditor.
- (7) Those who has conflict of interest with any particular transaction will have no right to vote or authorize that transaction

9.3.2 Authorization of related party transactions

Company has has set individual or committee to authorize related party transactions as followed:

1. For related party transaction that is normal business or supporting transactions with standard terms and conditions, the Managing Director has the authority to authorize
2. For related party transaction that is normal business or supporting transactions without standard terms and conditions where price cannot be calculated from asset or reference point, the authorizing party has to be in accordance with the principles of related party transactions of Board of Securites Exchange Commission and Board of Stock Exchange of Thailand

9.3.3 Presentation of related party transactions to Audit Committee

1. For related party transactions under approval authority of the management, matters shall be assigned to the department that has the responsibility related to that transaction such as Accounting, Operations or Executives with the responsibilities related to that transaction according the Approval Authority Chart. After management's approval, it will be submitted to the Audit Committee to review and disclosed in the Annual Registration Statement and Annual Report. These transactions should be submitted to Audit Committee via Management.
2. Related party transactions under approval authority of the Board of Directors, matters shall be submitted to the Audit Committee via Purchasing or related department(s) before proceed to Board of Director's decisions
 - 2.1 Purchasing or related department (s) submits the summary of related party transactions and supporting documents to the Audit Committee via Management
 - 2.2 After receiving the decisions of the Audit Committee, the Company Secretary shall collect and present to the Board of Directors for approval. For director(s) wit the conflict of interest to that transaction shall leave and shall not vote in that agenda
 - 2.3 Report the Board of Director's decision to the Stock Exchange of Thailand and disclose in the Annual Registration Statement and Annual Report
3. Related party transactions under approval authority of the shareholders, matters shall be submitted to the Audit Committee via Management before proceed to Board of Director's decisions and Shareholder's decisions respectively
 - 3.1 Purchasing or related department (s) submits the summary of related party transactions and supporting documents to the Audit Committee via Management
 - 3.2 After receiving the decisions of the Audit Committee, the Company Secretary shall collect and present to the Board of Director for approval.
 - 3.3 After receiving the decisions of the Board of Directors, the Company Secretary shall collect and present to the Shareholders for approval. Supporting documents must be sufficient according the Stock Exchange of Thailand's rule and must be distributed to all shareholders at least 14 days before the meeting date. Information of shareholders with conflict of interest, such as name and number of shares held, must be disclosed. Shareholders with conflict of interest cannot vote. The passing of resolution requires . of the total votes of shareholders excluding those with conflict of interest.
 - 3.4 Report the Board of Director's decision to the Stock Exchange of Thailand and disclose in the Annual Registration Statement and Annual Report

9.4 Policy and Possibilities of Related Party Transactions

9.4.1 Normal business transactions

Normal business transactions or support transactions with standard terms and conditions are those with pricing and terms and conditions that are fair and transparent should have following conditions:

- is the price that the Company or its subsidiaries as well as other person receives
- is the price and terms and conditions that related parties gives to other person
- is that price and terms and conditions that illustrates that other business opertors in similar characteristics gives to other person

9.4.2 Policy for reviewing related party transactions

Auditor has set guidelines for reviewing related party transactions as followed:

- Type 1 Transactions that cause long term contracts, it shall be reviewed at the next meeting
- Type 2 Transactions that is normal business transactions such as purchase of herbal balls, purchase of cookies, printing of materials, it shall be reviewed in principles to set standard guidelines for management and reviewed by the Audit Committee quarterly. Moreover, the price comparison shall be made according to the following:
- same specification
 - for items that cannot be classified, the specification should be clearly stated in the quotation
 - the comparing quotation should not have any conflict of interest and shall use normal business practices
 - at least 2 comparing quotations
 - comparing quotations shall be made at similar time period

9.4.3 Possibilities of future related business transactions

Selling of goods and services

Company and its subsidiaries will continue to sell goods and services to related party under the same conditions to selling to other buyers. These transactions do not have significant effect on Company and its subsidiaries' operations.

Purchasing of Herbal Balls and Printing and packaging services

Company and its subsidiaries will continue to buy Herbal Balls and Printing and packaging services from related party because after comparing with other suppliers, the related party offers the fit product at a more competitive rate. Price comparison shall be conducted regularly to comply with the Audit Committee's guidelines.

Rent of Land and Building

Company and its subsidiaries will continue to rent land and buildings from related party because these land and buildings are used in the operations of the Company such as Head Office, Warehouse and Massage School as well as use as branches of spa, hotel and restaurant business. Thus, rental terms are in the medium to long term in order for the investment to be efficient. Price comparison shall be conducted prior to the signing of rental agreement and the rental rate is assessed by independent appraisal that is registered with the Securities Exchange Commission. These transactions must be approved by the Audit Committee.



FINANCIAL
INFORMATION



RESPONSIBILITIES OF THE BOARD OF DIRECTORS FOR FINANCIAL REPORT

The Board of Directors of Siam Wellness Group Public Company Limited is responsible for the preparation, disclosure, and presentation of the Company's financial statements including financial information shown in the Annual Report of 2020. Such financial statements were prepared according to general accepted accounting principles (TFRS) with thorough consideration in using appropriate, adequate and consistent accounting policies and estimation related to the financial statements to ensure that the financial reports prepared without any incorrectly significant information for the benefits to shareholders and general investors transparently. The Financial Statements have been audited by an Independent Auditor with no unqualified concern.

The Board of Directors has supported the Company to act according the Corporate Governance Principles and has appointed the Audit Committee comprising of the independent directors to review accounting policies, supervise the quality of financial statements, review the adequate of the internal control system and internal audit, including the risk management as well as considering the disclosure of connected transactions, which the opinions of the Audit Committee on such issues were shown in the Audit Committee Report in the annual report (56-1).

The Board of Directors has established proper and efficient control system, risk management system including internal control system of various aspects in order to rationally assure that the accounting information was correctly and completely recorded and adequate.

The Board of Directors has viewed that the overall internal control system of the Company was at satisfactory level and able to reasonably assure that the Company's financial statements for the year ended December 31, 2020 was reliable along with the general accepted accounting principles and conducted precisely with the related laws and regulations.

(Mrs. Pranee Suphawanakiat)
Chairwoman

(Mr. Wiboon Utsahajit)
Chief Executive Officer



Management Discussion and Analysis of Siam Wellness Group Public Company Limited for the 12 months period ended 31 December 2020 and to explain the causes of performance that is changed more than 20% from the same period last year

SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED (“The Company”) would like to give details of the Management Discussion and Analysis of the financial statements of the Company and subsidiaries for the 12 months period (“12M20”) ended 31 December 2020 and to explicate the causes of performance that has changed more than 20% from the same period last year. The Company and subsidiaries have the total revenue of 433.29 million baht, a decrease of 1,016.35 million baht from the same period last year (or a decrease of 70.11%). The net loss is 209.09 million baht, an increase of 454.55 million baht from the same period last year (or an increase of 185.18%). Net loss is accounted as 48.98% of sales and services’ revenue. Details as followed:

- The COVID-19 Global Pandemic caused the slowdown in the Economy and has direct effect to major industries including Tourism industry. Closure of International Airport resulted in Tourists, whom are our major source of customers, cannot travel to Thailand. All branches of Spa were temporary closed after The Notification to close spas and massages throughout Thailand by resolution of the Cabinet between 18 March – 31 May 2020 (over 2 months). The Hotel Chiang Mai also temporary closed between April to July 2020. The Second wave of COVID-19 has returned in Quarter 4, 2020, resulting in further slowdown on the economy and impact on consumer’s spending and domestic travelling behavior

- The Cancellation of Joint Investment in Chaba Elegance Co.,Ltd (Chaba Nails & Spa) since 1st October 2019 (Joint Investment occurred between 1st January 2019 – 30th September 2019)

- The implementation of new Thai Financial Reporting Standards (TFRS) such as TFRS9 Financial Tools and TFRS16 Rental Contracts (Company has attached a comparison table at the end of this MD&A to compare Operating results with and without effect of changes in TFRS for YoY Comparison purpose)

Financial Highlights

(Until: Thousands Baht)

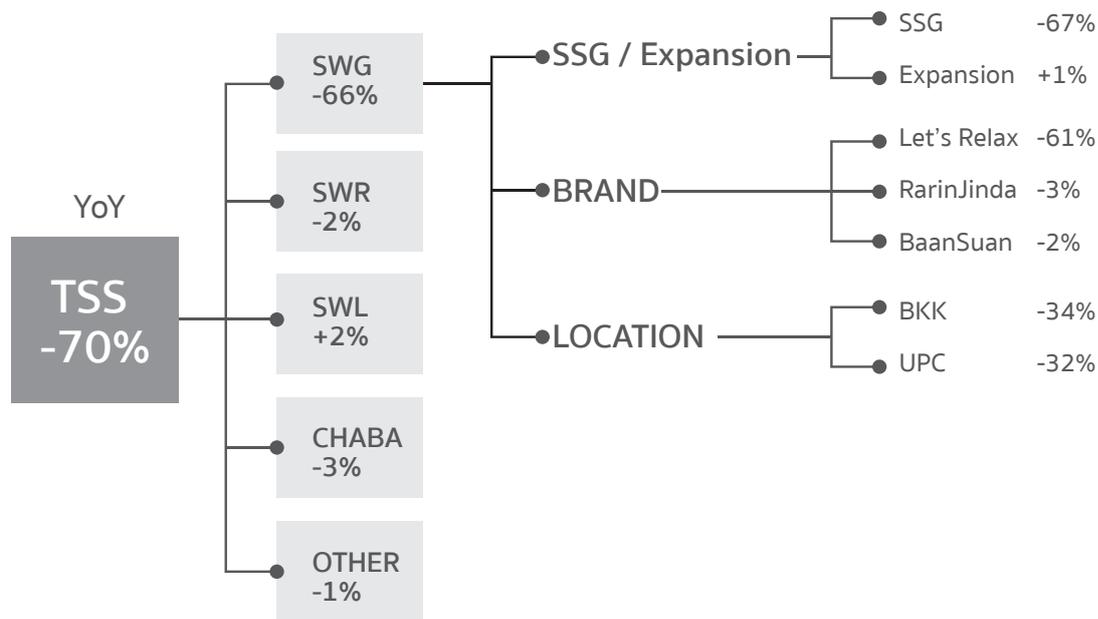
Summary of comprehensive income					
	2020	2019	2018	Chg(%) 20 vs 19	Chg(%) 19 vs 18
Revenue from sales and service	426,912	1,429,788	1,134,250	(70%)	26%
Other income	6,382	19,853	18,240	(68%)	9%
Total revenues	433,294	1,449,641	1,152,490	(70%)	26%
Cost of sales and service	506,641	976,299	750,131	(48%)	30%
Gross profit	(79,729)	453,489	384,199	(118%)	18%
Selling and Administrative expenses	118,658	171,114	152,477	(31%)	12%
Profit before income tax and finance cost	(192,004)	302,228	249,882	(164%)	21%
Finance cost	19,165	10,485	8,844	83%	19%
Income tax expense (revenue)	(2,084)	45,766	35,439	(105%)	29%
Net profit (loss) for the year	(209,085)	245,977	205,599	(185%)	20%
NCI	-	508	2	(100%)	
Net profit for the year attributable to the company	(209,085)	245,469	205,597	(185%)	19%

Revenue

The Company and subsidiaries had total revenue in 2020 of 433.29 million baht, a decrease of 1,016.35 million baht from the same period last year (or a decrease of 70.11%). The big proportion of revenue came from the spa business, which accounted to 78% of the total revenue. Details as followed:

As of 31 December 2020, Siam Wellness Group Public Company Limited had a total of 70 branches (65 domestic branches and 5 overseas branches). As of 31 December 2019, the Company had a total of 63 branches (58 domestic branches and 5 overseas branches). In 2020, there were 4 new branches of Let’s Relax, 1 new branch of Baan Suan Massage, 1 new branch of Stretch me Clinic and 2 new branches of Dr. Spiller Pure Skin Care Solutions. Let’s Relax Samui was closed due to the end of rental contract.

12M PERFORMANCE



2020 Revenue Summary: The 70% drop in Revenue composed of:

- Siam Wellness Group Public Co.,Ltd (“SWG”), the operator of Spa Business, Revenue dropped 66%
- Siam Wellness Resort Co.,Ltd (“SWR”), the operator of RarinJinda Wellness Spa Resort and Deck1, Revenue dropped 2%
- Siam Wellness Lab Co.,Ltd (“SWL”), the operator of Spa Products Sale, Revenue increased 2%.
- The Cancellation of Joint Investment in Chaba Elegance Co.,Ltd (“Chaba”), the operator of Chaba Nail and Spa since 1st October 2019 (The Joint investment occurred between 1 January – 30 September 2019), Revenue dropped 3%
- Other Revenue dropped 1%

The SSG Stores Revenue dropped 67% compared to previous year, where as Expansion Stores Revenue increased 1%

In terms of Revenue by Brands, Let's Relax's Revenue was impacted the most as the main source of customers is foreign tourists, Revenue dropped 61%, RarinJinda Wellness Spa's Revenue dropped 3% and Baan Suan Massage (Least Impact) Revenue dropped 2% as the majority of its customers are Thai.

In terms of Revenue by Locations, Bangkok branches' Revenue dropped 34% and Upcountry branches' Revenue dropped 32%.

Hotel & Restaurant Revenue dropped 2%. The Proportion of Hotel & Restaurant Revenue to the Company's Revenue grew from 4% to 8% as the Spa Business was highly impacted by COVID-19 Pandemic from the ban on tourist arrivals. Hotel & Restaurant Business can still cater the Thai Market as well as was subsidized by Government's Travel Together Campaign. The Occupancy Rate of 2020 dropped from 72% to 33% (a drop of 39%). Average Room Rate also dropped from 3,000 Baht per night to 2,100 Baht per night (a drop of 30%).

The Proportion of Spa Product Revenue to the Company's Revenue grew from 4% to 14% as our new brands “LRL (Let's Relax Lifestyle)” and “Dr. Spiller” have expanded their distribution channels in online. During the Temporary Shutdown of Spa & Massage business, Spa Product still performed well.

The Joint investment in Chaba Elegance Co.,Ltd, the manicure, pedicure and eyelashes operator since 1 January 2019 was cancelled on 6 October 2019 (Return of Shares and Investment to each party) due to the specialized skills of nail technicians required resulting in slow growth. The Revenue of 2019 from this Joint Investment dropped 3% compared to previous year.

Company has expanded its Thai Customer base (lower dependent on Tourist customer base) with the expansion of “Dr. Spiller Pure Skin Care Solutions”, a sophisticated Facial Spa and “Stretch me Clinic” at Leisure Space CentralWorld, the stretching clinic by Physiotherapists.

Cost of Sales and Services

In 2020, the Company and subsidiaries had the cost of sales and services of 506.64 million baht, accounting for 118.68% of sales and services' revenue. This is a decrease of 469.66 million baht from the same quarter of the previous year (or a decrease of 48.11%). The drop of Cost of Sales and Services was caused by the COVID-19 Global Pandemic resulting in lower variable costs such as Staff Cost, Raw Material Cost, Utilities. Company also managed its Cost of Sales and Services quite well such as negotiation on rental by lower the fixed rental rate or convert fixed rental rate to Revenue Proportion. However, Company also had to face other unavoidable costs such as Depreciation and Other Staff Costs resulting in Gross Loss in 2020, the first year since listed in Stock Exchange of Thailand.

TFRS16 Rental Contracts and TFRS9 Financial Tools which were introduced in 2020 Financial Statements Reporting resulting in additional Cost of Sales and Services of 14.63 million baht (See Appendix)

Selling and Administrative Expenses and Interest Payment

In 2020, the Company and subsidiaries had the selling and administrative expenses of 137.82 million baht, accounted to 32.28% of the revenue from sales and services. This is a decrease of 43.78 million baht from the same period last year (or a decrease of 24.11%). This is mainly from the Company's Cost Cutting Measures including Lower Salary and cut in Director's Remuneration. The rate of lowering cost of selling and administrative expenses is slightly less than the rate of lowering of revenue from sales and services resulting in higher proportion of selling and administrative expenses to Revenue in 2020. The Interest Payment increased from 10.49 million baht to 19.17 million baht (an increase of 82.78%) from higher borrowing and impact of the adoption of the new TFRS.

TFRS16 Rental Contracts and TFRS9 Financial Tools which were introduced in 2020 Financial Statements Reporting resulting in additional Cost of selling and administrative of 11.15 million baht (See Appendix)

Net Loss

In 2020, the Company and subsidiaries had the net loss of 209.09 million baht or accounted 48.98% of the revenue from sales and services. The net loss of the Company and subsidiaries increased 454.55 million baht from the same period last year (or an increase of 185.18%). compared to the same period last year. The is the result of COVID-19 Global Pandemic which cause no tourist arrivals to Thailand since March 2020, however the Company still has to bear unavoidable cost such as Rentals, Staff Costs, Depreciation. Thus, the Net Profit has dropped significantly.

TFRS16 Rental Contracts and TFRS9 Financial Tools which were introduced in 2020 Financial Statements Reporting resulting in Lower Net Loss from 209.09 million baht to 189.46 million (a decrease of 19.6 million baht) (See Appendix)

2020	YTDQ4'20 (12M-Actual)	TFRS16 (12MQ4'20)	TFRS9 (12MQ4'20)	YTDQ4'20 (12M-After Adj.)
Total Revenue	435,625	300	(2,007)	433,918
Sales & Service Revenue	426,912	-	-	426,912
Other Revenue	8,713	300	(2,007)	7,006
Cost of goods sold	506,641	(12,628)	(2,000)	492,013
Gross Profit	(79,729)	12,628	2,000	(65,101)
Selling and Administrative expense	118,657	1,683	(16)	120,324
Finance cost	21,496	(12,817)	-	8,679
Total expense	140,153	(11,134)	(16)	129,003
Net profit before tax	(211,169)	24,062	9	(187,098)
Tax	(2,084)	4,473	-	2,389
Net profit before tax	(209,085)	19,589	9	(189,487)
NCI	-	-	-	-
Net profit before tax	(209,085)	19,589	9	(189,487)

Statement of Financial Position

(Until: Thousands Baht)

Consolidate financial statements								
Assets	2020	C/S	2019	C/S	2018	C/S	%Change 20 vs 19	%Change 19 vs 18
Current assets								
Cash and Cash equivalents	114,526	4%	52,561	3%	79,444	6%	117.89%	(33.84%)
Current investments	4	0%	73,098	5%	32,032	2%	(99.99%)	128.20%
Trade and other receivables	21,775	1%	37,213	2%	23,512	2%	(41.49%)	58.27%
Share return receivable-current portion	9,462	0%	39,200	3%	-	0%	(75.86%)	
Inventories	40,299	2%	39,901	3%	31,039	2%	1.00%	28.55%
Other current assets	13,024	0%	14,824	1%	9,652	1%	(12.14%)	53.58%
Non-current assets classified as held for sales	32,295	1%	32,294	2%	-	0%	0.00%	
Total current assets	231,385	9%	289,091	19%	175,679	13%	(19.96%)	64.56%
Non-current assets								
Restricted deposits of financial institution	5,159	0%	5,105	0%	5,053	0%	1.05%	1.03%
Share return receivable-net of current portion	32,587	1%	15,000	1%	-	0%	117.25%	
Leasehold rights	-	0%	9,264	1%	8,131	1%	(100.00%)	13.93%
Property plant and equipment	1,074,588	41%	1,082,797	71%	1,067,091	78%	(0.76%)	1.47%
Right-of-use assets	1,169,556	44%						
Goodwill	24,536	1%	24,536	2%	24,536	2%	(0.00%)	0.00%
Intangible assets	9,086	0%	9,139	1%	8,963	1%	(0.58%)	1.96%
Deferred tax assets	820	0%	723	0%	1,392	0%	13.42%	(48.06%)
Deposits	81,108	3%	79,466	5%	77,745	6%	2.07%	2.21%
Other non-current assets	3,285	0%	1,024	0%	620	0%	220.78%	65.16%
Total non-current assets	2,400,724	91%	1,227,054	81%	1,193,531	87%	95.65%	2.81%
Total assets	2,632,109	100%	1,516,145	100%	1,369,210	100%	73.61%	10.73%

As of 31 December 2020, The Company and Subsidiaries had a total asset of 2,632.11 million baht, an increase from 1,516.15 million baht (an increase of 73.61%) with details as followed:

- Cash and Cash Equivalent increased from 52.56 million baht to 114.53 million baht, an increase of 117.89% from the selling of Temporary Investment and additional withdrawal of Loan as Company implemented cash on hand policy.
- Temporary Investment decreased from 73.10 million baht to 0.004 million baht (a decrease of 99.99%) as Company implemented cash on hand policy.
- Trade and Other Receivables decreased from 37.21 million baht to 21.78 million baht (a decrease of 41.49%) resulting from normal operating activities such as Credit Terms to Agent and Franchisee. In the Appendix, there were Trade Receivables due over 3 months total 6.9 million baht. The Company set up Allowance for Doubtful accounts of 1.15 million baht according to Accounting Policy and Management Decision. Debts of Trade Receivables over 3 months due have been partially collected.
- Receivables for Shares waiting for Repayment is 9.46 million baht from the Cancellation of Joint Investment in Chaba Elegance Co.,Ltd to the original shareholder.
- Non-Current Asset held for Sale is 32.29 million baht from Company's Property on sale
- Land, Buildings and Equipments are approximately 41% of Total Assets. This is slightly high as Company is still expanding branches.
- Right of Use Assets is 1,169.56 million baht or approximately 44% of Total Assets from TFRS16 Adoption in 2020 Financial Statements Reporting.

The major event that will have impact on the Operating Result is the probability of incoming arrivals of foreign tourists, company's main source of customers, in the coming months. The Company has mitigated this risk by expand into new related business to attract Thai customers and add online channels for the spa products. The Company also give importance in maintaining its cash flow during this crisis, sufficient for debt repayment and operating activities around 1 year.

(Until: Thousands Baht)

Consolidate financial statements

Liabilities and shareholders' equity	2020	C/S	2019	C/S	2018	C/S	%Change 20 vs 19	%Change 19 vs 18
Current liabilities								
Bank overdrafts from financial institution	-	0%	32	0%	1,342	0%	(100.00%)	(97.62%)
Short-term loans from and interest payable to related parties	-	0%	4,616	0%	4,415	0%	(100.00%)	4.55%
Trade and other payables	44,662	2%	96,718	6%	83,386	6%	(53.82%)	15.99%
Current portion of long-term loans	103,354	4%	80,200	5%	84,240	6%	(28.87%)	(4.80%)
Current portion of lease liabilities	169,179	6%						
Current portion of liabilities under finance lease agreements	-	0%	120	0%	87	0%	(100.00%)	37.93%
Income tax payable	3,213	0%	24,829	2%	17,010	1%	(87.06%)	45.97%
Advance received-current portion	38,978	1%	28,922	2%	24,961	2%	34.77%	15.87%
Other current liabilities	1,770	0%	9,631	1%	8,615	1%	(81.62%)	11.79%
Total current liabilities	361,155	14%	245,068	16%	224,056	16%	(47.37%)	9.38%
Non-current liabilities		0%						
long-term loans-net of current portion	287,813	11%	80,167	5%	125,990	9%	259.02%	(36.37%)
Lease liabilities-net of current portion	1,028,672	39%						
Liabilities under finance lease agreement-net of current portion	-	0%	260	0%	265	0%	(100.00%)	(1.89%)
Advance received-net of of current portion	9,759	0%	12,161	1%	-	0%	(19.75%)	
Provision for long term employee benefits	10,124	0%	8,556	1%	14,446	1%	18.33%	(40.77%)
Deferred tax liabilities	11,745	0%	17,995	1%	19,583	1%	(34.73%)	(8.11%)
Other non-current liabilities	17,629	1%	19,999	1%	14,505	1%	(11.85%)	37.88%
Total non-current liabilities	1,365,742	52%	139,138	9%	174,789	13%	881.57%	(20.40%)
Total liabilities	1,726,897	66%	384,206	25%	398,845	29%	349.47%	(3.67%)

As of 31 December 2020, The Company and Subsidiaries had a total liabilities of 1,726.90 million baht, an increase from 384.21 million baht (an increase of 349.47%) with details as followed:

- Trade and Other Payables are 44.66 million baht which is from normal operating activities such as building and decoration expenses, product and raw materials cost, rentals etc.
- Loan from Financial Institutions, both due within 1 year and more than 1 year, is 391.17 million baht. It is the main source of Funds in the event of business expansion or cash imbalance as the interest rate is relatively low compared to other sources which Company deemed appropriate.
- Liabilities under the lease agreement, both due within a year and more than 1 year, is 1,197.85 million baht from the adoption of TFRS16 Rental Contracts in 2020 Financial Statements.

(Until: Thousands Baht)

Consolidate financial statements

	2020	C/S	2019	C/S	2018	C/S	%Change 20 vs 19	%Change 19 vs 18
Share capital								
Registered								
855,000,000 ordinary shares of Baht 0.25 each (31 December 2019: 570,000,000 ordinary shares of Baht 0.25 each)	213,750	8%	142,500	9%	142,500	10%	(50.00%)	0.00%
Issued and paid-up								
854,999,928 ordinary shares of Baht 0.25 each (31 December 2019: 570,000,000 ordinary shares of Baht 0.25 each)	213,750	8%	142,500	9%	142,500	10%	(50.00%)	0.00%
Share premium	278,906	11%	278,906	18%	278,906	20%	0.00%	0.00%
Discount on Business combination under common control	(46,226)	-2%	(46,226)	-3%	(46,226)	-3%	0.00%	0.00%
Retained earnings								
Appropriated - statutory reserve	17,399	1%	16,381	1%	16,381	1%	6.21%	0.00%
Unappropriated	350,812	13%	649,804	43%	488,234	36%	(46.01%)	33.09%
Other components of shareholders' equity	90,567	3%	90,567	6%	90,567	7%	0.00%	0.00%
Equity attributable to shareholders' of the company	905,208	34%	1,131,932	75%	970,362	71%	(20.03%)	16.65%
Non-controlling interests of the subsidiaries	5	0%	7	0%	3	0%	(28.57%)	133.33%
Total shareholders' equity	905,213	34%	1,131,939	75%	970,365	71%	(20.03%)	16.65%

As of 31 December 2020, The Company and Subsidiaries had a total equity of 905.21 million baht, a decrease from 1,131.94 million baht (a decrease of 20.03%) from the reported net loss in 2020.

Statement of Cash Flows

As of 31 December 2020, The Company and Subsidiaries had a total cash and cash equivalents of 114.53 million baht, an increase from 61.97 million baht (an increase of 117.89%) with major transactions as followed:

- Selling of Investment Unit 73.10 million baht
- Withdrawal of Loan from Financial Institutions 245 million baht
- Dividend Payment 17 million baht
- Investment in new branches and maintenance of existing branches 141 million baht

The Company is confident that the Company has sufficient cash on hand for debt repayment and operating activities within a year without any major event.

Key Financial Ratio

Ratio	2020	2019	2018
Current Ratio	0.64	1.18	0.78
Receivable turnover	15	46	63
Collection period (Days)	25	8	6
Inventory turnover	1	4	6
Holding period (Days)	417	97	64

- 2020 Current Ratio is 0.64, a decrease from 1.18 in 2019. Trade and other Receivables decreased 15.44 million baht and Receivables for Shares waiting for Repayment from Cancellation of Joint Investment in Chaba decreased from 39.20 million baht to 9.46 million baht (Reclassify to Current Asset due within 1 year. The remaining is reclassified to Non-Current Asset in 2020). Liabilities under lease agreement due within 1 year is 169.18 million baht after adoption of TFRS16 Rental Contracts in 2020 and Long-term Loan from Financial Institutions due within 1 year is 23.15 million baht. If exclude, 2020 current ratio is similar to 2019 current ration which is approximately 1.21
- Receivable Turnover and Collection Period increased from 2019 but still low as the nature of Business is mainly Cash transactions. The delay in Collection is impact from COVID-19
- Inventory Turnover and Holding Period in 2020 is slightly higher due to the temporary shutdown of branches and significant drop in sales from COVID-19. Some branches remained closed (mainly in tourist location or spa operating in hotel branches).

Ratio	2020	2019	2018
Gross Profit Margin	-19%	32%	34%
Net Profit Margin	-49%	17%	18%
Return on Asset	-10%	17%	16%
Return on Equity	-10%	23%	24%

- Profitability Ratio has significantly dropped as a result of no incoming tourists arrivals, the main source of customer, since March 2020 due to COVID-19 Global Pandemic. The Company still has to bear unavoidable costs resulting in reported Net Loss in 2020

Ratio	2020	2019	2018
Debt to Equity Ratio	1.9	0.3	0.4
Interest coverage Ratio	(10.6)	26	26

- 2020 Debt to Equity Ratio is 1.9 increased from 0.3 from previous year. The big increase is a result of lease liability within 1 year of expiry total 1,197.85 million baht after the adoption of TFRS16 Rental Contracts in 2020 Financial Statements. If exclude, the Debt to Equity Ratio is 0.58 which is lower than the Company's ceiling of 1.0. This allows Company to borrow more. The Company is confident that the Company has sufficient cash on hand.
- Interest Coverage Ratio 2020 is -10.6 as a result of reported Net Loss in 2020.

Summary

- As of 31 December 2020, Siam Wellness Group Public Company Limited had a total of 70 branches (65 domestic branches and 5 overseas branches). As of 31 December 2019, the Company had a total of 63 branches (58 domestic branches and 5 overseas branches). In 2020, there were 4 new branches of Let's Relax, 1 new branch of Baan Suan Massage, 1 new branch of Stretch me Clinic and 2 new branches of Dr. Spiller Pure Skin Care Solutions. Let's Relax Samui was closed due to the end of rental contract.
- The Cancellation of Joint Investment in Chaba Elegance Co.,Ltd (Chaba Nails & Spa) since 1st January 2019 (Joint Investment occurred between 1st January 2019 – 30th September 2019)
- The implementation of new Thai Financial Reporting Standards (TFRS) such as TFRS9 Financial Tools and TFRS16 Rental Contracts (Company has attached a comparison table at the end of this MD&A to compare Operating results with and without effect of changes in TFRS for YoY Comparison purpose)
- In the second half of 2020, the Company has expanded its Thai customer base by offering many promotions. In 2021, the Company prepares Royalty Program to attract and maintain the Thai customer base.

Please be informed accordingly,



Yours sincerely,

(Mr.Wiboon Utsahajit)

Siam Wellness Group Public Company Limited



FINANCIAL
STATEMENT

Siam Wellness Group Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2020



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Independent Auditor's Report

To the Shareholders of Siam Wellness Group Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Siam Wellness Group Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2020, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Siam Wellness Group Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Siam Wellness Group Public Company Limited and its subsidiaries and of Siam Wellness Group Public Company Limited as at 31 December 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants* as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



Material Uncertainty Related to Going Concern

I draw attention to Note 1.2 to the consolidated financial statements regarding the effect of the COVID-19 pandemic on the business operation of the Group in terms of temporary shutdown of spa and hotel business as required by a resolution of the cabinet and the Declaration of Provincial Governors in accordance with The surveillance, screening, and prevention and control measures announced in March 2020. Although spa and hotel business resumed their operation in June 2020, a new wave of the COVID-19 pandemic occurred during the end of 2020. This has slowed down the economic recovery, and adversely affected most businesses and industries.

This situation significantly affects the Group's business activities relating to spa and hotel business and this is significantly impacting the Group's financial position, operating results, and cash flows at present, including compliance with debt covenants, and is expected to do so in the future, also the assessment of the financial impact in respect of an uncertainty of the COVID-19 pandemic situation.

As a result of such situation, the Group had total current liabilities exceeded its total current assets by Baht 129.8 million (the Company only: Baht 147.6 million) and had operating losses for the year 2020 of Baht 209.1 million (the Company only: Baht 179.8 million). The Group had the measures to maintain its cash flow level for debt settlement and for its business operations by negotiating with the lessors to obtain the rental discount for each spa retail stores, and seeking source of funds. In addition, the Group received waiver letters for not complying with such covenants from the banks. The Group believes that there will be the adequate cash flows for settlement of such loans and lease liabilities which are to be due within one year and for use in its operations. Furthermore, the Group is in the process of implementing a business plan to improve its operations and turn a profit in the future. Therefore, the Group believes that it will be able to continue its operation as a going concern. However, these circumstances may give rise to significant doubts as to the Group's ability to continue its operations as a going concern. This may depend on the outcome of the ability of the Group to achieve its operational plans, and the relief of the COVID-19 pandemic situation in the future.

My opinion is not qualified in respect of this matter.



Emphasis of Matters

As disclosed in Note 3 to the consolidated financial statements, in the fourth quarter of 2020, the Group assessed the financial impacts of the uncertainties of the COVID-19 pandemic on the valuation of receivables, property plant and equipment, right-of-use assets, deferred tax assets and goodwill. As a result, in preparing the consolidated and separate financial statements for the year ended 31 December 2020, the Company has decided to discontinue application of the relief measures relating to determining expected credit losses, in cases where the Group uses a simplified approach, measuring the fair values of land, reversal of deferred tax assets, impairment of assets, and impairment of goodwill, which the Company elected to apply during the first quarter to the third quarter of 2020. However, the Group has elected to continue to apply the temporary relief measure on a lease modification.

Moreover, the Group has adopted TFRS 16 Leases which is effective in the current year.

My opinion is not qualified in respect of these matters.

Key Audit Matter

Key audit matter is the matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to this matter. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matter below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, key audit matters and how audit procedures respond to each matter are described below.



Revenue from Services

The revenue from services related to spa business of the Company is the main revenue of the Group, representing 81% of total Group's revenues. Such revenue is derived from provision of services to a large number of individual customers through a variety of sales channels and many spa branches for the spa business. Therefore, I addressed the occurrence and accuracy of the revenue from services as a key audit matter.

I have examined the revenue from services by assessing and testing, on a sampling basis, the Company's internal controls with respect to the revenue cycle, understanding the nature of services condition to evaluate the appropriateness of the accounting policy, examining supporting documents, on a sampling basis, for revenue from services transactions occurring during the year and near the end of the accounting period, reviewing credit notes that the Company issued after the period-end, and performing analytical procedures on disaggregated data to detect possible irregularities in revenue from services transactions throughout the period.

Impairment of property, plant and equipment and right-of-use assets

During 2020, the COVID-19 pandemic is resulting in an economic slowdown and adversely impacting most businesses and industries which also significantly affects the Group's business activities. Such event is an indicator indicates that property, plant and equipment and right-of-use assets of the Group may be impaired. The Group had property, plant and equipment and right-of-use assets representing 85% of total Group's assets. In determining the impairment loss, management had to exercise judgement with respect to determination of the cash-generating unit, financial model, the projections of future operating performance, plans for management of assets of the Group, and determination of an appropriate discount rate and key assumptions. Therefore, I addressed the measurement of allowance for impairment loss of property, plant and equipment and right-of-use assets as a key audit matter.

I have assessed appropriateness of determination of cash-generating unit and the financial model selected by management. I also tested the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised in the future by comparing such assumptions with outside and inside sources and, reviewing the accuracy of past cash flow projections in comparison with actual operating results in order to assess the reliability of the cash flow projections. I also considered the appropriateness of management's assumptions through analysis of the weighted-average cost of discount rate and tested the calculation of the realisable value of property, plant and equipment and right-of-use assets using the selected financial model.



Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matter communicated with those charged with governance, I determine that matter that was of most significance in the audit of the financial statements of the current period and is therefore the key audit matter. I describe this matter in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Sumana Punpongsanon

Certified Public Accountant (Thailand) No. 5872

EY Office Limited

Bangkok: 22 February 2021

Siam Wellness Group Public Company Limited and its subsidiaries

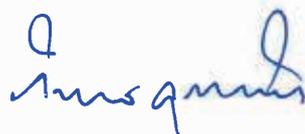
Statement of financial position

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	9	114,526,451	52,560,775	91,132,914	44,616,519
Current investments	10	4,005	73,098,036	1,001	15,391,509
Trade and other receivables	7, 11	21,774,888	37,213,048	21,873,875	35,971,864
Lease receivables - current portion	7	-	-	160,014	-
Share return receivables - current portion	12	9,462,337	39,200,000	9,462,337	39,200,000
Inventories	13	40,298,517	39,901,140	36,682,758	37,348,254
Other current assets		13,024,171	14,824,131	10,917,568	11,186,151
		199,090,369	256,797,130	170,230,467	183,714,297
Non-current assets classified as held for sale	17	32,294,702	32,294,702	32,294,702	32,294,702
Total current assets		231,385,071	289,091,832	202,525,169	216,008,999
Non-current assets					
Restricted deposits of financial institution	14	5,158,568	5,105,511	-	-
Lease receivables - net of current portion	7	-	-	26,114,534	-
Share return receivables - net of current portion	12	32,587,252	15,000,000	32,587,252	15,000,000
Investments in subsidiaries	15	-	-	101,705,464	101,705,464
Leasehold rights	16	-	9,264,616	-	9,264,616
Property, plant and equipment	17	1,074,588,204	1,082,796,817	995,606,540	1,004,420,713
Right-of-use assets	23	1,169,555,519	-	1,134,193,664	-
Goodwill	18	24,535,709	24,535,709	20,340,000	20,340,000
Intangible assets	19	9,086,049	9,138,709	8,976,437	8,953,074
Deferred tax assets	29	819,991	722,569	-	-
Deposits		81,107,740	79,466,127	80,564,191	78,922,578
Other non-current assets		3,284,819	1,023,513	3,147,643	932,113
Total non-current assets		2,400,723,851	1,227,053,571	2,403,235,725	1,239,538,558
Total assets		2,632,108,922	1,516,145,403	2,605,760,894	1,455,547,557

The accompanying notes are an integral part of the financial statements.



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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Siam Wellness Group Public Company Limited and its subsidiaries
Statement of financial position (continued)
As at 31 December 2020

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Liabilities and shareholders' equity				
Current liabilities				
Bank overdrafts from financial institution	20	31,621	-	-
Short-term loans from and interest payable to related parties	7	4,615,343	-	-
Trade and other payables	7, 21	44,661,830	51,162,205	95,028,821
Current portion of long-term loans	22	103,354,149	93,354,149	80,200,000
Current portion of lease liabilities	23	169,178,668	166,176,007	-
Current portion of liabilities under finance lease agreements	23	-	120,268	120,268
Income tax payable		3,212,754	24,829,017	23,929,843
Advance received - current portion	31	38,977,891	28,922,429	38,187,478
Other current liabilities		1,769,897	9,631,473	1,214,955
Total current liabilities		361,155,189	245,067,682	350,094,794
Non-current liabilities				
Long term loans - net of current portion	22	287,812,518	80,166,667	272,812,518
Long-term loans from related parties	7	-	-	30,000,000
Lease liabilities - net of current portion	7, 23	1,028,672,407	-	1,020,886,589
Liabilities under finance lease agreements - net of current portion	23	-	260,100	-
Advance received - net of current portion	31	9,758,854	12,161,574	9,758,854
Provision for long-term employee benefits	24	10,124,418	8,555,660	9,043,083
Deferred tax liabilities	29	11,744,592	17,995,399	11,748,672
Other non-current liabilities		17,628,899	19,999,199	16,639,937
Total non-current liabilities		1,365,741,688	139,138,599	1,370,889,653
Total liabilities		1,726,896,877	384,206,281	1,720,984,447

The accompanying notes are an integral part of the financial statements.

Signature

นางสาว อรุณรัตน์ วัฒนกุล



บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Siam Wellness Group Public Company Limited and its subsidiaries
Statement of financial position (continued)
As at 31 December 2020

	Note	(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Shareholders' equity					
Share capital	26				
Registered					
855,000,000 ordinary shares of Baht 0.25 each (2019: 570,000,000 ordinary shares of Baht 0.25 each)		213,750,000	142,500,000	213,750,000	142,500,000
Issued and paid-up					
854,999,928 ordinary shares of Baht 0.25 each (2019: 570,000,000 ordinary shares of Baht 0.25 each)		213,749,982	142,500,000	213,749,982	142,500,000
Share premium		278,905,854	278,905,854	278,905,854	278,905,854
Discount on business combination under common control		(46,226,479)	(46,226,479)	-	-
Retained earnings					
Appropriated - statutory reserve	25	17,398,695	16,380,580	14,250,000	14,250,000
Unappropriated		350,811,968	649,804,725	287,303,176	556,020,931
Other components of shareholders' equity		90,567,435	90,567,435	90,567,435	90,567,435
Equity attributable to shareholders' of the Company		905,207,455	1,131,932,115	884,776,447	1,082,244,220
Non-controlling interests of the subsidiaries		4,590	7,007	-	-
Total shareholders' equity		905,212,045	1,131,939,122	884,776,447	1,082,244,220
Total liabilities and shareholders' equity		2,632,108,922	1,516,145,403	2,605,760,894	1,455,547,557

The accompanying notes are an integral part of the financial statements.

Directors



นางสาว อรุณรัตน์ อรุณรัตน์



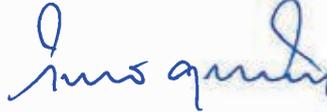
บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Siam Wellness Group Public Company Limited and its subsidiaries
 Statement of comprehensive income
 For the year ended 31 December 2020

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements		
	2020	2019	2020	2019	
Continuing operations					
Revenues					
Revenue from sales	31	68,604,224	90,319,905	21,427,048	61,047,896
Revenue from services	31	358,307,945	1,293,366,625	348,577,728	1,261,464,231
Dividend income		-	-	23,698,006	1,597,672
Other income		6,382,322	18,719,624	10,229,033	26,169,965
Total revenues		433,294,491	1,402,406,154	403,931,815	1,350,279,764
Expenses					
Cost of sales		34,596,940	46,333,502	15,119,776	35,818,265
Cost of services		472,043,884	896,230,697	457,604,349	899,956,658
Selling and distribution expenses		34,200,600	52,452,754	26,913,424	47,549,982
Administrative expenses		84,457,030	110,112,312	72,906,444	98,061,312
Total expenses		625,298,454	1,105,129,265	572,543,993	1,081,386,217
Profit (loss) before finance cost and tax income (expenses) from continuing operations		(192,003,963)	297,276,889	(168,612,178)	268,893,547
Finance income		2,330,201	735,081	4,150,010	631,018
Finance cost	27	(21,495,787)	(10,485,168)	(21,486,537)	(10,150,452)
Profit (loss) before tax income (expenses) from continuing operations		(211,169,549)	287,526,802	(185,948,705)	259,374,113
Tax income (expenses)	29	2,084,184	(45,193,539)	6,120,650	(41,863,017)
Profit (loss) for the year from continuing operations		(209,085,365)	242,333,263	(179,828,055)	217,511,096
Discontinued operation					
Profit from discontinued operation, net of income tax expenses	12	-	3,644,257	-	-
Profit (loss) for the year		(209,085,365)	245,977,520	(179,828,055)	217,511,096
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial gain - net of income tax	24	-	8,508,382	-	6,345,039
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		-	8,508,382	-	6,345,039
Total other comprehensive income for the year		-	8,508,382	-	6,345,039
Total comprehensive income for the year		(209,085,365)	254,485,902	(179,828,055)	223,856,135

The accompanying notes are an integral part of the financial statements.


 นางสาว อัจฉรา นนทกุล



บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Siam Wellness Group Public Company Limited and its subsidiaries
 Statement of comprehensive income
 For the year ended 31 December 2020

	Consolidated financial statements		Separate financial statements		
	Note	2020	2019	2020	2019
(Unit: Baht)					
Profit attributable to:					
Equity holders of the Company				(179,828,055)	217,511,096
Continuing operations		(209,084,942)	242,329,438		
Discontinued operation		-	3,139,729		
Profit (loss) for the year attributable to the Company		(209,084,942)	245,469,167		
Non-controlling interests of the subsidiaries					
Continuing operations		(423)	3,825		
Discontinued operation		-	504,528		
Profit (loss) for the year attributable to non-controlling interests of the subsidiaries		(423)	508,353		
		(209,085,365)	245,977,520		
Total comprehensive income attributable to:					
Equity holders of the Company				(179,828,055)	217,511,096
Continuing operations		(209,084,942)	250,837,755		
Discontinued operation		-	3,139,729		
Total comprehensive income attributable to the Company		(209,084,942)	253,977,484		
Non-controlling interests of the subsidiaries					
Continuing operations		(423)	3,890		
Discontinued operation		-	504,528		
Total comprehensive income attributable to non-controlling interest of the subsidiaries		(423)	508,418		
		(209,085,365)	254,485,902		
(Unit: Baht per share)					
Earnings per share	30		(Restated)		(Restated)
Basic earnings per share					
Profit (loss) attributable to equity holder of the Company				(0.210)	0.254
Profit (loss) from continuing operations		(0.245)	0.283		
Profit from discontinued operation		-	0.004		
		(0.245)	0.287		

The accompanying notes are an integral part of the financial statements.

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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Siam Wellness Group Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements									
	Equity attributable to shareholders of the Company									
	Equity attributable to shareholders of the Company					Other components of shareholders' equity				
	Issued and fully paid-up share capital	Share premium	Discount on business combination under common control	Retained earnings - Appropriated - statutory reserve	Unappropriated	Surplus on revaluation of assets	Other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Balance as at 1 January 2019	142,500,000	278,905,854	(46,226,479)	16,380,580	481,327,241	90,567,435	963,454,631	3,373	963,458,004	
Profit for the year	-	-	-	-	245,469,167	-	245,469,167	508,353	245,977,520	
Other comprehensive income	-	-	-	-	8,508,317	-	8,508,317	65	8,508,382	
Total comprehensive income for the year	-	-	-	-	253,977,484	-	253,977,484	508,418	254,485,902	
Dividend paid (Note 26)	-	-	-	-	(85,500,000)	-	(85,500,000)	-	(85,500,000)	
Subsidiary paid dividend to non-controlling interests	-	-	-	-	-	-	-	(504,528)	(504,528)	
Subsidiary paid equity to non-controlling interests	-	-	-	-	-	-	-	(256)	(256)	
Balance as at 31 December 2019	142,500,000	278,905,854	(46,226,479)	16,380,580	648,804,725	90,567,435	1,131,932,115	7,007	1,131,939,122	
Balance as at 1 January 2020	142,500,000	278,905,854	(46,226,479)	16,380,580	649,804,725	90,567,435	1,131,932,115	7,007	1,131,939,122	
- as previously reported	-	-	-	-	(539,699)	-	(539,699)	-	(539,699)	
Cumulative effect of change in accounting policies (Note 4)	-	-	-	-	649,265,026	90,567,435	1,131,392,416	7,007	1,131,399,423	
Balance as at 1 January 2020 as restated	142,500,000	278,905,854	(46,226,479)	16,380,580	(209,084,942)	-	(209,084,942)	(423)	(209,085,365)	
Loss for the year	-	-	-	-	-	-	-	-	-	
Other comprehensive income for the year	-	-	-	-	(209,084,942)	-	(209,084,942)	(423)	(209,085,365)	
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	
Increase share capital (Note 26)	71,249,982	-	-	-	(1,018,115)	-	71,249,982	-	71,249,982	
Appropriated of retained earning	-	-	-	1,018,115	-	-	-	-	-	
Dividend paid (Note 26)	-	-	-	-	(88,350,001)	-	(88,350,001)	-	(88,350,001)	
Subsidiary paid dividend to non-controlling interests	-	-	-	-	-	-	-	(1,994)	(1,994)	
Balance as at 31 December 2020	213,749,982	278,905,854	(46,226,479)	17,398,695	350,811,968	90,567,435	905,207,455	4,590	905,212,045	

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SIAM WELLNESS
SIAM WELLNESS GROUP PUBLIC COMPANY (PCL.)

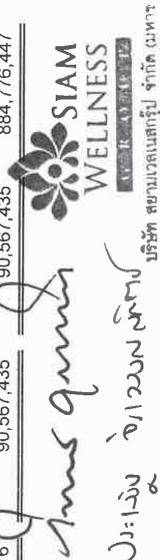
The accompanying notes are an integral part of the financial statements.

Siam Wellness Group Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the year ended 31 December 2020

	Separate financial statements							(Unit: Baht)	
	Issued and fully paid-up share capital	Retained earnings		Other components of shareholders' equity			Total shareholders' equity		
		Share premium	Appropriated - statutory reserve	Unappropriated	Other comprehensive income				Total other components of shareholders' equity
					Shareholders' equity	Surplus on revaluation of assets			
Balance as at 1 January 2019	142,500,000	278,905,854	14,250,000	417,664,796	90,567,435	90,567,435	943,888,085		
Profit for the year	-	-	-	217,511,096	-	-	217,511,096		
Other comprehensive income	-	-	-	6,345,039	-	-	6,345,039		
Total comprehensive income for the year	-	-	-	223,856,135	-	-	223,856,135		
Dividend paid (Note 26)	-	-	-	(85,500,000)	-	-	(85,500,000)		
Balance as at 31 December 2019	142,500,000	278,905,854	14,250,000	556,020,931	90,567,435	90,567,435	1,082,244,220		
Balance as at 1 January 2020	142,500,000	278,905,854	14,250,000	556,020,931	90,567,435	90,567,435	1,082,244,220		
- as previously reported	-	-	-	-	-	-	-		
Cumulative effect of change in accounting policies (Note 4)	-	-	-	(539,699)	-	-	(539,699)		
Balance as at 1 January 2020 as restated	142,500,000	278,905,854	14,250,000	555,481,232	90,567,435	90,567,435	1,081,704,521		
Profit for the year	-	-	-	(179,828,055)	-	-	(179,828,055)		
Other comprehensive income	-	-	-	-	-	-	-		
Total comprehensive income for the year	-	-	-	(179,828,055)	-	-	(179,828,055)		
Increase share capital (Note 26)	71,249,982	-	-	-	-	-	71,249,982		
Dividend paid (Note 26)	-	-	-	(88,350,001)	-	-	(88,350,001)		
Balance as at 31 December 2020	213,749,982	278,905,854	14,250,000	287,303,176	90,567,435	90,567,435	884,776,447		

The accompanying notes are an integral part of the financial statements.

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Siam Wellness Group Public Company Limited and its subsidiaries
Statement of cash flows
For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit (loss) before income tax from continuing operations	(211,169,549)	287,526,802	(185,948,705)	259,374,113
Profit before income tax from discontinued operation	-	4,216,789	-	-
Profit (loss) before income tax	(211,169,549)	291,743,591	(185,948,705)	259,374,113
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	206,382,164	117,627,778	194,129,351	108,031,005
Unrealised gain (loss) on the change in fair value of trading securities	199,703	(44,704)	47,651	(47,624)
Unrealised loss on the change in fair value of share return receivables	2,433,509	-	2,433,509	-
Bad debts and allowance for doubtful accounts (reversal)	(98,620)	679,060	(262,290)	553,057
Reduction of inventories to net realisable value (reversal)	3,698,831	(313,519)	3,573,914	(17,044)
Gain on disposal of property, plant and equipment	(490,977)	(42,737)	(365,815)	(32,046)
Gain on disposal of intangible assets	(929)	-	-	-
Loss on write-off of property, plant and equipment	5,556,334	452,311	5,521,047	452,309
Loss on write-off of right-of-use assets	342	-	342	-
Loss on lease agreements cancellation	37,846	-	37,846	-
Loss on write-off of intangible assets	8,025	-	8,025	-
Loss on impairment of property, plant and equipment	358,609	-	358,609	-
Loss on impairment of right-of-use assets	201,391	-	201,391	-
Long-term employee benefit expenses	1,568,758	4,710,122	1,360,265	3,929,367
Dividend income	-	-	(23,698,006)	(1,597,672)
Interest income	(2,328,126)	(427,060)	(4,147,935)	(622,068)
Interest expenses	21,495,787	10,485,168	21,486,537	10,150,452
Profit from operating activities before changes in operating assets and liabilities	27,853,098	424,870,010	14,735,736	380,173,849
Decrease (increase) in operating assets				
Current investments	72,894,328	(41,021,554)	15,342,857	(15,310,645)
Trade and other receivables	15,377,086	(14,379,877)	14,200,585	(15,955,394)
Inventories	(4,096,208)	(8,549,082)	(2,908,418)	(6,678,087)
Other current assets	2,822,619	(6,264,374)	1,295,466	(3,002,393)
Deposit	(4,743,075)	(1,721,227)	(4,743,075)	(1,897,177)
Other non-current assets	(998,950)	(703,362)	(953,174)	(616,964)
Increase (decrease) in operating liabilities				
Trade and other payables	(25,855,168)	8,820,036	(18,347,679)	8,458,535
Advance received	7,652,742	7,489,061	8,044,917	8,062,927
Other current liabilities	(7,861,576)	1,016,709	(7,739,595)	1,247,252
Other non-current liabilities	(2,919,111)	4,810,227	(2,954,611)	4,751,168
Cash flows from operating activities	80,125,785	374,366,567	15,973,009	359,233,071
Cash paid for interest expenses	(21,632,130)	(9,691,807)	(21,020,238)	(9,564,690)
Cash paid for income tax	(25,744,988)	(39,231,372)	(23,929,843)	(34,155,926)
Net cash flows from operating activities	32,748,667	325,443,368	(28,977,072)	315,512,455

The accompanying notes are an integral part of the financial statements.

Signature

Mr. เมธ อัครมงคล
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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Siam Wellness Group Public Company Limited and its subsidiaries
Statement of cash flows (continued)
For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Increase in restricted deposits at financial institution	(53,057)	(52,526)	-	-
Cash paid for acquisition of leasehold rights on land	-	(2,100,000)	-	(2,100,000)
Cash paid for acquisition of property, plant and equipment	(141,133,891)	(157,901,712)	(129,658,013)	(156,193,269)
Cash paid for acquisition of intangible assets	(1,787,567)	(1,820,467)	(1,787,567)	(1,772,968)
Cash received from repayment of long-term loan to subsidiary	-	-	-	8,000,000
Cash received from lease receivables	-	-	123,756	-
Proceed from disposal of property, plant and equipment	1,839,186	603,241	1,120,692	587,831
Proceed from disposal of intangible assets	32,000	-	-	-
Cash paid for investment in subsidiary	-	(93,750,000)	-	(93,750,000)
Cash received from disposal investment in subsidiary	9,200,000	39,550,000	9,200,000	39,550,000
Cash received from dividend from investment in subsidiary	-	-	23,698,006	1,597,672
Cash received from interest income	321,480	427,061	2,141,289	786,519
Net cash flows used in investing activities	(131,581,849)	(215,044,403)	(95,161,837)	(203,294,215)
Cash flows from financing activities				
Decrease in bank overdrafts from financial institution	(31,621)	(1,310,030)	-	-
Repayment in liabilities under financial lease agreements	(48,867,508)	(103,827)	(48,044,677)	(103,827)
Cash received from long-term loans from financial institution	245,000,000	170,000,000	220,000,000	170,000,000
Cash paid for repayment of long-term loan from financial institution	(14,200,000)	(219,863,333)	(14,200,000)	(219,863,333)
Cash paid for repayment of short-term loan from related parties	(4,000,000)	-	-	-
Cash received from long-term loans from subsidiaries	-	-	30,000,000	-
Dividend paid to non-controlling interests of a subsidiary	(1,994)	(504,528)	-	-
Cash paid for equity to non-controlling interests of a subsidiary	-	(256)	-	-
Cash paid for dividend	(17,100,019)	(85,500,000)	(17,100,019)	(85,500,000)
Net cash flows from (used in) financing activities	160,798,858	(137,281,974)	170,655,304	(135,467,160)
Net increase (decrease) in cash and cash equivalents	61,965,676	(26,882,989)	46,516,395	(23,248,920)
Cash and cash equivalents at beginning of year	52,560,775	79,443,764	44,616,519	67,865,439
Cash and cash equivalents at end of year	114,526,451	52,560,775	91,132,914	44,616,519

The accompanying notes are an integral part of the financial statements.

Siam Wellness

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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Siam Wellness Group Public Company Limited and its subsidiaries
 Statement of cash flows (continued)
 For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Supplemental cash flows information				
Non-cash transactions				
Share return receivables	-	54,200,000	-	54,200,000
Increase in non-current assets classified as held for sale	-	32,294,702	-	32,294,702
Increase in liabilities from acquisition of equipment under financial lease agreement	-	132,413	-	132,413
Increase (decrease) in liabilities from acquisition of property, plant and equipment	(13,876,637)	4,511,653	(13,312,888)	4,256,388
Increase in provision for dismantling, removing and restoring of leasehold improvements	548,810	684,293	540,333	676,695
Actuarial gain	-	10,600,175	-	7,931,299
Stock dividend payment	71,249,982	-	71,249,982	-
Decrease in right-of-use assets from the effect of changes from agreements	9,924,909	-	9,924,909	-
Decrease in right-of-use assets from the effect of changes from lease agreements cancellation	3,846,206	-	3,846,206	-
Decrease in lease liabilities from the effect of changes from lease agreements	9,924,909	-	9,924,909	-
Decrease in lease liabilities from the effect of changes from lease agreements cancellation	3,808,018	-	3,808,018	-
Increase in lease liabilities from new agreements	173,148,194	-	173,148,194	-

The accompanying notes are an integral part of the financial statements.

Siam Wellness
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Siam Wellness Group Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2020

1. General information

1.1 General information of the Company

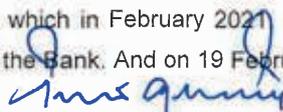
Siam Wellness Group Public Company Limited (“the Company”) was incorporated as limited company under the laws of Thailand on 28 November 2001. The Company operates in Thailand and principally engages in spa services business. Its registered head office is at No. 483, Soi Suthiporn, Pracha-Songkroh Road, Dindang, Dindang, Bangkok. As at 31 December 2020, the Company has a total of 65 branches in Bangkok and upcountry (2019: 58 branches) and 5 foreign branches according to the franchise agreement (2019: 5 foreign branch).

The Company registered in the Stock Exchange of Thailand on 31 October 2014 and its common shares had been approved to be listed in the MAI (MAI: Market of Alternative Investment).

1.2 Coronavirus disease 2019 Pandemic and fundamental accounting assumptions

The business operation of the Group has been affected from the effect of the COVID-19 pandemic in terms of temporary shutdown of spa and hotel business as required by a resolution of the cabinet and the Declaration of Provincial Governors in accordance with The surveillance of screening, and prevention and control measures announced in March 2020. Although spa and hotel business resumed their operations in June 2020, a new wave of the COVID-19 pandemic occurred during the end of 2020. This has slowed down the economic recovery and adversely affected most businesses and industries. This situation significantly affects the Group’s business activities relating to spa and hotel business and this is significantly impacting the Group’s financial position, operating results, and cash flows at present, including compliance with debt covenants, and is expected to do so in the future, also the assessment of the financial impact in respect of an uncertainty of the COVID-19 pandemic situation.

As a result of such situation, the Group had total current liabilities exceeded its total current assets by Baht 129.8 million (the Company only: Baht 147.6 million) and had operating losses for the year 2020 of Baht 209.1 million (the Company only: Baht 179.8 million). The Group had the measures to maintain its cash flow level for debt settlement and for its business operations by negotiation with the lessors to obtain the rental discount for each spa retail stores, and seeking source of funds for which in February 2021 the Group submitted the request for soft loan credit facilities from the Bank. And on 19 February 2021, the Group got





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 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

the approval of such credit facilities from the Bank. In addition, the Group received waiver letters for not complying with such covenants from the banks as discussed in Note 22 to the consolidated financial statements. The Group believes that there will be the adequate cash flows for settlement of such loans and lease liabilities which to be due within one year and for using in its operations. Furthermore, the Group is in the process of implementing a business plan to improve its operations and turn a profit in the future. The Group believes that it will be able to continue its operation as a going concern.

The management believes that it is appropriate to prepare the Group's financial statements for the year ended 31 December 2020 based on the assumption that the Group will continue its operations as a going concern.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Siam Wellness Group Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2020 (Percent)	2019 (Percent)
Held by the Company				
Siam Wellness Resort Co., Ltd.	Hotel and restaurant operations	Thailand	99.99	99.99
Siam Wellness Lab Co., Ltd.	Manufacturing and distributing spa products	Thailand	99.99	99.99

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SIAM WELLNESS
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2020 (Percent)	2019 (Percent)
Siam Wellness Education Co., Ltd.	A school for Thai massage	Thailand	99.97	99.97
Siam Wellness Group (Hong Kong) Co., Ltd.	Investment for overseas expansion of the spa business	Hong Kong	100.00	100.00
Siam Wellness Group (Cambodia) Co., Ltd.	Spa business and sale of spa products	Cambodia	100.00	100.00
Held by subsidiaries				
Tiger Eyes Trading (Thailand) Co., Ltd. (Held by Siam Wellness Lab Co., Ltd. 99.99 percent)	Import and sale of spa products	Thailand	99.99	99.99
Shanghai Jia Tai Health Management Co., Ltd. (Held by Siam Wellness Group (Hong Kong) Co., Ltd. 100.00 percent)	Nutritional health and beauty consulting and management service	China	100.00	100.00

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

3. New financial reporting standards

a) Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statement. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.


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The impact of the adoption of these standards on the Group's financial statements is as follows.

- Recognition of credit losses - The Group recognises an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.

The Group adopted these financial reporting standards which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4 to the consolidated financial statements.

IFRS 16 Leases

IFRS 16 supersedes IAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as rights-of-use assets and lease liabilities as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4 to the consolidated financial statements.

Accounting Treatment Guidance on “Temporary Relief Measures on Accounting Alternatives In Response to the Impact of the COVID-19 Situation”

The Federation of Accounting Professions announced Accounting Treatment Guidance on “Temporary Relief Measures on Accounting Alternatives in Response to the Impact of the COVID-19 situation”. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

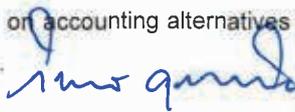
On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

During the period from the first quarter to the third quarter of 2020, the Group elected to apply the temporary relief measures on accounting alternatives relating to:

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses.
- Not to use information relating to the COVID-19 situation that may affect financial forecasts used in measuring the fair values of land.
- Not to account for any reduction in lease payments by lessors resulting from the COVID-19 situation as a lease modification, with the lease liabilities that come due in each period reduced in proportion to the reduction and depreciation of right-of-use assets and interest on lease liabilities recognised in each period reversed in proportion to the reduction, with any differences then recognised in profit or loss.
- Not to use information relating to the COVID-19 situation in determining whether sufficient taxable profits will be available in future periods against which deferred tax assets can be utilised.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.
- Not to use information relating to the COVID-19 situation that may affect the cash flow forecasts used in testing goodwill for impairment.

In the fourth quarter of 2020, the Group assessed the financial impacts of the uncertainties of the COVID-19 pandemic on the valuation of receivables, property plant and equipment, right-of-use assets, deferred tax assets, and goodwill. As a result, in preparing the financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of the temporary relief measures on accounting alternatives relating to determining expected credit losses, in cases where the Group uses a simplified approach, measuring the fair values of land, reversal of deferred tax assets, impairment of assets, and impairment of goodwill, which the Company elected to apply during the first quarter to the third quarter of 2020.

Such discontinuance application on accounting alternatives has no significant impact on the Group's financial statements.


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However, the Group has elected to continue to apply the temporary relief measures on a lease modification.

b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 3 to the consolidated financial statements, during the current year, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts of changes in accounting policies on the statements of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:



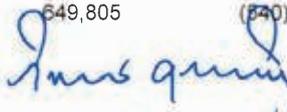
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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

(Unit: Thousand Baht)

	Consolidated financial statements			
	The impacts of			
	31 December 2019	Financial reporting standards related to financial instruments	TFRS 16	1 January 2020
Statement of financial position				
Assets				
Current assets				
Trade and other receivables	37,213	(160)	-	37,053
Other current assets	14,824	2,022	-	16,486
Non-current assets				
Share return receivables - net				
current portion	15,000	(517)	-	14,483
Leasehold rights	9,265	-	(9,265)	-
Property, plant and equipment	1,082,797	-	(1,599)	1,081,198
Right-of-use assets	-	-	1,192,289	1,192,289
Deposits	79,466	(4,098)	-	75,368
Other non-current assets	1,023	2,078	-	3,101
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables	96,718	-	(12,325)	84,393
Current portion of liabilities under				
finance lease agreements	120	-	(120)	-
Current portion of lease liabilities	-	-	155,077	155,077
Non-current liabilities				
Liabilities under finance lease				
agreements, net of current portion	260	-	(260)	-
Lease liabilities, net of current				
portion	-	-	1,039,053	1,039,053
Deferred tax liabilities	17,995	(135)	-	17,860
Shareholders' equity				
Retained earnings - unappropriated	649,805	(540)	-	649,265

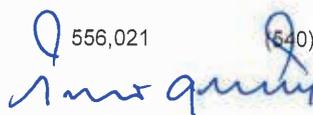

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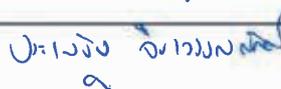


บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2019	The impacts of		
		Financial reporting standards related to financial instruments	TFRS 16	
Statement of financial position				
Assets				
Current assets				
Trade and other receivables	35,972	(160)	-	35,812
Current portion of lease receivables	-	-	124	124
Other current assets	11,186	2,022	-	13,028
Non-current assets				
Lease receivables, net of current portion	-	-	26,274	26,274
Share return receivables - net current portion	15,000	(517)	-	14,483
Leasehold rights	9,265	-	(9,265)	-
Property, plant and equipment	1,004,421	-	(1,550)	1,002,871
Right-of-use assets	-	-	1,152,401	1,152,401
Deposits	78,922	(4,098)	-	74,824
Other non-current assets	932	2,078	-	3,010
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables	95,029	-	(12,206)	82,823
Current portion of liabilities under finance lease agreements	120	-	(120)	-
Current portion of lease liabilities	-	-	152,306	152,306
Non-current liabilities				
Liabilities under finance lease agreements, net of current portion	260	-	(260)	-
Lease liabilities, net of current portion	-	-	1,028,264	1,028,264
Deferred tax liabilities	18,005	(135)	-	17,870
Shareholders' equity				
Retained earnings - unappropriated	556,021	(540)	-	555,481


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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

4.1 Financial instruments

Details of the impact on retained earnings as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Recognition of an allowance for expected credit losses on financial assets	(540)	(540)
Impacts on retained earnings as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments	(540)	(540)

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The classifications, measurement basis and carrying values of financial assets and liabilities in accordance with TFRS 9 as at 1 January 2020, and with the carrying amounts under the former basis, are as follows:

(Unit: Thousand Baht)

Consolidated financial statements		Classification and measurement in accordance with TFRS 9				Total
Carrying amounts under the former basis	Fair value through other comprehensive income		Amortised cost			
	Fair value through profit or loss	Fair value through other comprehensive income				
Financial assets as at 1 January 2020						
Cash and cash equivalents	52,561	-	52,561	52,561	52,561	
Current investments	73,098	-	-	-	73,098	
Trade and other receivables	37,213	-	37,053	37,053	37,053	
Share return receivables - current portion	39,200	-	39,200	39,200	39,200	
Restricted deposits of financial institution	5,105	-	5,105	5,105	5,105	
Share return receivables - net of current portion	15,000	-	14,483	14,483	14,483	
Deposits	79,466	-	75,368	75,368	75,368	
Total financial assets	301,643	73,098	223,770	223,770	296,868	


 Ms. Anusorn
 Director



บริษัท สยามเวลเนส กรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

(Unit: Thousand Baht)

	Separate financial statements				Total
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	
Financial assets as at 1 January 2020					
Cash and cash equivalents	44,617	-	-	44,617	44,617
Current investments	15,391	15,391	-	-	15,391
Trade and other receivables	35,972	-	-	35,812	35,812
Share return receivables - current portion	39,200	-	-	39,200	39,200
Current portion of lease receivables	-	-	-	124	124
Share return receivables - net current portion	15,000	-	-	14,483	14,483
Lease receivables - net of current portion	-	-	-	26,274	26,274
Deposits	78,922	-	-	74,824	74,824
Total financial assets	229,102	15,391	-	235,334	250,725

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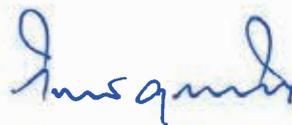
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SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

4.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases that previously classified as operating leases measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as of 1 January 2020. For leases that previously classified as finance leases, the Group recognised the carrying amount of the lease assets and lease liabilities before transition as right-of-use assets and lease liabilities, respectively at the date of initial application.

	(Unit: Thousand Baht)	
	Consolidated financial statement	Separate financial statement
Operating lease commitments as at 31 December 2019	655,488	651,527
Less: Short-term leases and leases of low-value assets	(323)	(323)
Add: Option to extend lease term	750,306	740,064
Less: Contracts reassessed as service agreements	(64,067)	(64,243)
Less: Deferred interest expenses	(147,654)	(146,835)
Increase in lease liabilities due to TFRS 16 adoption	1,193,750	1,180,190
Liabilities under finance lease agreements as at 31 December 2019	380	380
Lease liabilities as at 1 January 2020	1,194,130	1,180,570
Weighted average incremental borrowing rate (percent per annum)	2.05 - 3.38	2.05 - 3.38
Comprise of:		
Current lease liabilities	155,077	152,306
Non-current lease liabilities	1,039,053	1,028,264
	1,194,130	1,180,570



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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

The adjustments of right-of-use assets due to TFRS 16 adoption as at 1 January 2020 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statement	Separate financial statement
Land and land improvement	96,166	72,584
Office building and leasehold improvement	1,083,570	1,068,061
Furniture, fixtures and office equipment	12,553	11,756
Total right-of-use assets	1,192,289	1,152,401

5. Significant accounting policies

5.1 Revenue and expense recognition

a) Revenues from contracts with customers

The Group accounts for a contract with a customer when it has entered into an agreement between counter parties that creates enforceable rights and obligations. The Group has to identify its performance obligations and allocate a transaction price to each obligation on an appropriate basis.

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, net of value added tax ("VAT"). Depending on the terms of the contract and the laws that apply to the contract, control of the asset may be transferred over time or at a point in time.

Detail of revenue recognition of the Group are as follows:

Revenue from sale

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

Revenue from spa service

Spa service revenue is recognised at a point in time upon completion of the service.

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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Revenue from franchise agreement

Initial fee from franchise agreement is recognised throughout the period of the agreement. In addition, monthly revenue sharing is recognised in the amount to which the Company has a right to invoice as it corresponds directly with the franchisee's revenues in accordance with the substance of the relevant franchise agreement.

Revenue from other services that the control of services are transferred to customers at a point in time

The Group recognises revenue from other services that the contract of services are transferred to customers at a point in time upon completion of the services.

b) Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

c) Finance cost

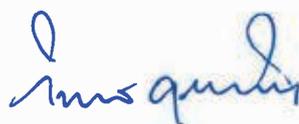
Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

d) Other expenses

Other expenses are recognised on an accrual basis.

e) Dividend income

Dividend income is recognised when the right to receive the dividends is established.



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บริษัท สยามเวลเนส จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

5.2 Cost to fulfill a contract with customer

The Group recognises costs that relate to satisfied performance obligations in the contract in profit or loss when incurred except that the Group can identify that the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify, the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future, and the costs are expected to be recovered. Therefore, the Group recognises an asset from the costs incurred to fulfil a contract and amortised to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An allowance for loss on impairment of assets is recognised to the extent that the carrying amount of assets exceeds the remaining amount of consideration that the entity expects to receive less direct costs.

5.3 Balances of contracts with customers

Contract assets

Trade receivables

Trade receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

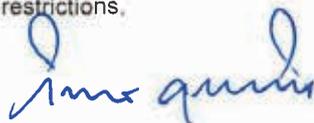
Contract liabilities

Advance received from customers

The Group recognises a contract liability when the billings to date exceed the cumulative revenue earned which presented under the caption of "Advance received from customers" in the statements of financial position and the Group has an obligation to transfer goods or services to a customer. Contract liabilities are recognised as revenue when the Group fulfils their performance obligations under the contracts.

5.4 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, due cheques which are not yet deposited and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.



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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

5.5 Inventories

Inventories are valued at the lower of cost under the first-in, first-out method and net realisable value.

5.6 Non-current assets classified as held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale when the Company receives economic benefits through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

5.7 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

5.8 Leasehold rights

Leasehold rights on land is stated at cost less accumulated amortisation and allowance for impairment (if any). Amortisation is charged to profit or loss on a straight-line basis over a period of lease.

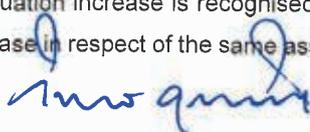
5.9 Property, plant and equipment/Depreciation

Land is stated at revalued amount. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to its fair value. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Surplus on revaluation of assets". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.









บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Surplus on revaluation of assets" in respect of the same asset.

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Land improvement	-	5 years
Buildings and building on rental land	-	20 years and a period of lease
Buildings improvement	-	5, 20 years and a period of lease
Furniture, fixtures and office equipment	-	5 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

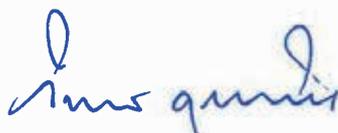
5.10 Intangible assets

Intangible intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Licenses	5 and 10 years
Trademark	10 years
Computer software	5 and 10 years


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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

5.11 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

The recoverable amount of each cash generating unit is determined based on a value-in-use calculation, using cash flow projections extracted from financial budgets approved by the management. The cash flow projections based on key assumptions regarding revenue growth rates and discount rates.

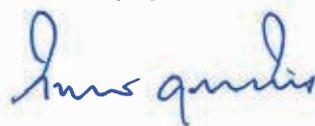
5.12 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

Accounting policies adopted since 1 January 2020

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.



นางสาวกัญญา
จิระวรรณกุล



บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land and land improvement	4 - 24 years
Buildings and building improvement	2 - 12 years
Furniture, fixtures and office equipment	3 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

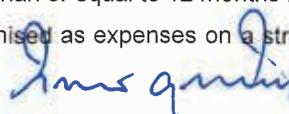
Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.


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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Accounting policies adopted before 1 January 2020

The Group as a lessee

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease period.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

The Group as a lessor

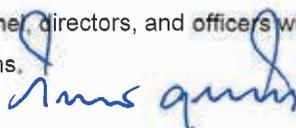
A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

5.13 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the Group's operations.



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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

5.14 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

5.15 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use asset, and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss. However, in cases where property, plant and equipment were previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

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5.16 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

5.17 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

5.18 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

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23

บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognised deferred tax liabilities for all taxable temporary differences while they recognised deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.19 Financial instruments**Accounting policies adopted since 1 January 2020**

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

5.20 Investments

Accounting policies adopted before 1 January 2020

Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.

The fair value of unit trusts is determined from their net asset value.

The weighted average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

5.21 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

6.1 Revenue from contracts with customers

Identification of performance obligations

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

Signature

ชื่อ: อนุชิต วัฒนกุล



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SIAM WELLNESS GROUP PUBLIC COMPANY LTD.

Determination of timing of revenue recognition

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Group recognises revenue over time in the following circumstances:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs
- the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

In calculating the revenue recognised over time, the management is required to use judgement regarding measuring progress towards complete satisfaction of a performance obligation.

6.2 Leases***Determining the lease term with extension and termination options - The Group as a lessee***

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

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SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Lease classification - The Group as lessor

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

6.3 Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

6.4 Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Group measures land at revalued amounts. Such amounts are determined by the independent value using the comparable market approach.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

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บริษัท สยามเวลเนส กรุ๊ป จำกัด (มหาชน)
STAM WELLNESS GROUP PUBLIC COMPANY LIMITED

6.5 Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

6.6 Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

6.7 Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to property, plant and equipment, right-of-use assets and goodwill recognised by the Group. The key assumptions used to determine the recoverable amount, including a sensitivity analysis, are disclosed and further explained in Note 17 to the consolidated financial statements.

6.8 Post-employment benefits under defined benefit plans

The obligation under the defined benefit is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

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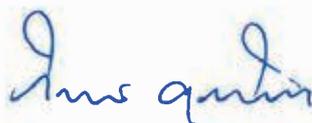
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SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

7. Related party transactions

The relationships between the Company and its related parties are summarised below.

Name of related parties	Type of business	Type of relationship
Siam Wellness Lab Co., Ltd.	Manufacturer and sale of spa products	A subsidiary
Siam Wellness Education Co., Ltd.	A school for Thai massage	A subsidiary
Siam Wellness Resort Co., Ltd.	Hotel and restaurant operations	A subsidiary
Chaba Elegance Co., Ltd.	Nail polish, hand and foots spa and eyelash extension business	A subsidiary (cancellation of related party since October 2019)
Siam Wellness Group (Hong Kong) Co., Ltd.	Investment for overseas expansion of the spa business	A subsidiary
Siam Wellness Group (Cambodia) Co., Ltd.	Spa business and sale of spa products	A subsidiary
Tiger Eyes Trading (Thailand) Co., Ltd.	Import and sale of spa products	A subsidiary (held by a subsidiary)
Shanghai Jia Tai Health Management Co., Ltd.	Nutritional health and beauty consulting and management service	A subsidiary (held by a subsidiary)
Blooming Intergift Co., Ltd.	Property rental	Common shareholders
Blooming Co., Ltd.	Sale of gift, a blessed card and a notebook	Common shareholders
B.U. Enterprise Co., Ltd.	Property rental	Common shareholders
Cyberprint Group Co., Ltd.	Printing business	Common shareholders
Asian Fortune Property Co., Ltd.	Real estate development	Common shareholders
Klom Kliao Pattana Co., Ltd.	Property rental	Common directors
G.G.P. Property Co., Ltd.	Property rental	Common directors
Sawangasuk Co., Ltd.	Food and beverages products	Close family member of director
Directors of the Company and its subsidiaries		Directors of the Company and its subsidiaries
A related person		Close family member of director

During the years, the Group had significant business transactions with related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Company and those related parties. Below is a summary of those transactions.



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(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing Policy
	2020	2019	2020	2019	
Transactions with subsidiaries (Being eliminated from the consolidated financial statements)					
Revenue from sales	-	-	1.2	0.9	Contract price
Revenue from services	-	-	0.1	0.1	Contract price
Revenue from rental and utilities	-	-	1.5	7.0	Contract price
Other income	-	-	4.0	2.4	Contract price
Interest income	-	-	-	0.3	Contract rate
Dividend income	-	-	23.7	1.6	Declared rate
Purchase of goods	-	-	20.8	36.0	Contract price
Service expenses	-	-	3.8	21.8	Contract price
Commission expenses	-	-	0.2	1.0	Contract price
Advertising expenses	-	-	0.2	0.2	Contract price
Interest expenses	-	-	0.2	0.2	Contract price
Transactions with related parties					
Revenue from sales and services	5.1	0.5	0.6	0.3	Contract price
Other income	0.7	-	-	-	Actual price
Purchase of goods	5.7	17.9	3.2	15.9	Contract price
Service expenses	4.8	4.3	1.6	2.2	Contract price
Rental and utilities expenses	12.9	28.2	10.0	24.8	Contract price
Interest expenses	0.2	0.2	-	-	Contract rate

The balances of the accounts as at 31 December 2020 and 2019 between the Company, subsidiaries and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables - subsidiaries (Note 11) (Being eliminated from the consolidated financial statements)				
Siam Wellness Resort Co., Ltd.	-	-	389	589
Siam Wellness Lab Co., Ltd.	-	-	2,459	61
Siam Wellness Education Co., Ltd.	-	-	-	4
Tiger Eyes Trading (Thailand) Co., Ltd.	-	-	1,963	679
Total	-	-	4,811	1,333

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นางสาวจิราพร วัฒนกุล



บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2020	2019	2020	2019
Trade receivables - related parties (Note 11)				
Blooming Co., Ltd.	2,397	135	-	-
Cyberprint Group Co., Ltd.	251	175	251	175
B.U. Enterprise Co., Ltd.	5	5	5	-
Sawangasuk Co., Ltd.	1,082	-	39	-
Director of subsidiaries	22	7	-	-
Total	3,757	322	295	175
Other receivables - subsidiaries (Note 11)				
(Being eliminated from the consolidated financial statements)				
Siam Wellness Resort Co., Ltd.	-	-	10	21
Siam Wellness Group (Hong Kong) Co., Ltd.	-	-	255	245
Siam Wellness Group (Cambodia) Co., Ltd.	-	-	230	230
Total	-	-	495	496
Other receivables - related parties (Note 11)				
Klom Kliao Pattana Co., Ltd.	300	-	300	-
Directors of the Company	84	-	-	-
Total	384	-	300	-
Lease receivables - subsidiaries				
(Being eliminated from the consolidated financial statements)				
Current	-	-	160	-
Non-current	-	-	26,115	-
Total	-	-	26,275	-
Short-term loans from and interest payable to related parties				
Director of the Company	-	1,143	-	-
Director of subsidiaries	-	3,472	-	-
Total	-	4,615	-	-
Long-term loans from subsidiaries				
Siam Wellness Resort Co., Ltd.	-	-	15,000	-
Siam Wellness Lab Co., Ltd.	-	-	10,000	-
Siam Wellness Education Co., Ltd.	-	-	5,000	-
Total	-	-	30,000	-

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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Trade payables - subsidiaries (Note 21) (Being eliminated from the consolidated financial statements)				
Siam Wellness Resort Co., Ltd.	-	-	886	114
Siam Wellness Lab Co., Ltd.	-	-	6,831	3,248
Siam Wellness Education Co., Ltd.	-	-	2,227	2,025
Tiger Eyes Trading (Thailand) Co., Ltd.	-	-	438	484
Total	-	-	10,382	5,871
Trade payables - related parties (Note 21)				
Blooming Co., Ltd.	277	1,540	82	1,411
Blooming Intergift Co., Ltd.	502	9	502	9
B.U. Enterprise Co., Ltd.	47	105	47	70
Cyberprint Group Co., Ltd.	182	406	147	387
Asian Fortune Property Co., Ltd.	21	201	20	201
G.G.P. Property Co., Ltd.	-	160	-	160
Klom Kliao Pattana Co., Ltd.	18	-	-	-
Total	1,047	2,421	798	2,238
Payables for purchase of fixed assets - related party (Note 21)				
Cyberprint Group Co., Ltd.	6	75	6	75
Total	6	75	6	75
Other payables - a subsidiary (Note 21) (Being eliminated from the consolidated financial statement)				
Siam Wellness Resort Co., Ltd.	-	-	195	-
Total	-	-	195	-
Other payables - related parties (Note 21)				
Directors of the Company	397	148	372	123
Total	397	148	372	123
Accrued expenses - a subsidiary (Note 21) (Being eliminated from the consolidated financial statement)				
Siam Wellness Education Co., Ltd.	-	-	-	25
Total	-	-	-	25
Lease liabilities - a subsidiary (Being eliminated from the consolidated financial statements)				
Siam Wellness Education Co., Ltd.	-	-	2,223	-
Total	-	-	2,223	-

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นางสาว อรุณรัตน์ อัครกุล



บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<u>Lease liabilities - related parties</u>				
Blooming Intergift Co., Ltd.	3,269	-	3,269	-
B.U. Enterprise Co., Ltd.	18,675	-	6,591	-
Asian Fortune Property Co., Ltd.	50,994	-	50,994	-
Klom Kliao Pattana Co., Ltd.	67,247	-	66,320	-
G.G.P. Property Co., Ltd.	3,651	-	3,651	-
Related directors of the Company	10,964	-	10,964	-
Total	154,800	-	141,789	-

Short-term loans from and interest payable to related parties

As at 31 December 2020 and 2019, the balance of long-term loan from and interest payable between the subsidiary and those related parties and the movement is as follows:

(Unit: Thousand Baht)

Lender	Consolidated financial statements			
	Balance as at	During the year		Balance as at
	31 December	Increase	Decrease	31 December
	2019			2020
Directors of the Company	1,143	44	(1,187)	-
Director of subsidiaries	3,472	132	(3,604)	-
Total	4,615	176	(4,791)	-

Short-term loans from and interest payable to related parties are in the form of an unsecured loan, carrying interest at the rate of 5% per annum and due at call.


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 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Long-term loans from related parties

As at 31 December 2020 and 2019, the balance of long-term loan from subsidiaries and those related parties and the movement is as follows:

(Unit: Thousand Baht)

Lender	Interest rate (% p.a)	Separate financial statements			Balance as at 31 December 2020
		Balance as at 31 December 2019	During the year		
			Increase	Decrease	
Siam Wellness Resort Co., Ltd.	2.25	-	15,000	-	15,000
Siam Wellness Lab Co., Ltd.	1.52	-	10,000	-	10,000
Siam Wellness Education Co., Ltd.	2.25	-	5,000	-	5,000
Total		-	30,000	-	30,000

The outstanding balance as at 31 December 2020 and 2019 of long-term loans from subsidiaries are in the form of an unsecured loans due within 5 years from the date of signing the contracts.

Directors and management's benefits

During the years 2020 and 2019, employee benefit expense payable to their directors and management of the Company and its subsidiaries are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term employee benefits	7.4	19.4	7.4	19.4
Post-employment benefits	0.6	1.4	0.6	1.4
Total	8.0	20.8	8.0	20.8

Guarantee obligations with related parties

The Company has guarantee obligations to subsidiaries as disclosed in Note 22 to the consolidated financial statements.


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9. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Cash	2,129	5,820	1,975	5,397
Bank deposits	112,397	46,741	89,158	39,220
Total	114,526	52,561	91,133	44,617

As at 31 December 2020, bank deposits in saving accounts carried interests between 0.05 and 0.70 percent per annum (2019: between 0.50 and 0.70 percent per annum).

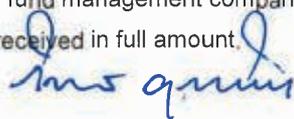
10. Current investments

	(Unit: Thousand Baht)	
	2020	
	Consolidated	Separate
	financial statement	financial statement
Investment measured at fair value through profit or loss		
Unit trusts	4	1
		(Unit: Thousand Baht)
		2019
	Consolidated	Separate
	financial statement	financial statement
Trading securities		
Unit trusts	72,898	15,344
Add: Unrealised gain on the change in fair value of investments	200	48
Unit trusts - net	73,098	15,392
Total current investments	73,098	15,392

Investment in unit trusts were measured at fair value using by level 2.

Outstanding balance of investments in unit trusts as at 31 December 2019 are unit trusts of General Fixed Income Fund which a fund management company announced the termination of fund on 27 March 2020 and the liquidation period on July 2020. Therefore, a fund management company has received approval for a 90 days extension of the liquidation period until October 2020.

On 13 November 2020, the fund management company announced the last refund to its unit trusts holders that already received in full amount.



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 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

11. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables - related parties (Note 7)				
Aged on the basis of due dates				
Not yet due	348	314	3,747	1,232
Past due				
Up to 3 months	1,021	7	1,320	239
3 - 6 months	2,388	1	2	-
6 - 12 months	-	-	37	37
Total trade receivables - related parties, net	3,757	322	5,106	1,508
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	4,891	3,463	4,325	2,125
Past due				
Up to 3 months	5,276	26,740	4,869	25,521
3 - 6 months	705	1,409	486	1,231
6 - 12 months	1,693	2,724	1,678	2,680
Over 12 months	4,525	2,566	4,225	2,411
Total	17,090	36,902	15,583	33,968
Less: Allowance for expected credit loss				
(2019: Allowance for doubtful debts)	(1,154)	(1,093)	(844)	(947)
Total trade receivables - unrelated parties, net	15,936	35,809	14,739	33,021
Total trade receivable - net	19,693	36,131	19,845	34,529
Other receivables				
Other receivables - related parties (Note 7)	384	-	795	496
Other receivables - unrelated parties	1,934	1,318	1,469	1,183
Less: Allowance for expected credit loss				
(2019: Allowance for doubtful debts)	(236)	(236)	(236)	(236)
Total other receivables, net	2,082	1,082	2,028	1,443
Total trade and other receivables - net	21,775	37,213	21,873	35,972

Dr. Siam Wellness

Dr. Siam Wellness



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SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Set out below is the movement in the allowance for expected credit losses of trade and other receivables.

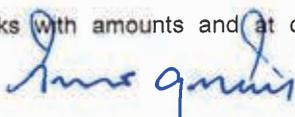
	(Unit: Thousand Baht)	
	Consolidated financial statement	Separate financial statement
As at 1 January 2020	1,489	1,343
Provision for expected credit losses	1,477	565
Amount recovered	(1,576)	(828)
As at 31 December 2020	1,390	1,080

12. Share return receivables / Discontinued operation

On 17 December 2018, the meeting of the Company's Board of Directors No. 7/2018 passed the resolutions approving the acquisition of 349,600 ordinary shares of Chaba Elegance Co., Ltd. which principally engaged in nails polish, hand and foot spa, and eyelash extension business, or 76% of total share capital, in order to beneficially expand the Company's current business. This investment acquisition was approximately amounting to Baht 125 million. The Company made partial payment for the shares totalling Baht 93.75 million on 3 January 2019, 5 February 2019, and 2 May 2019. The Company had the remaining amount of the shares totalling Baht 31.25 million. The Company received shares of Chaba Elegance Co., Ltd. from the former shareholders on 1 January 2019.

Later, on 4 October 2019, the meeting of the Company's Board of Directors No. 7/2019 passed a resolution approving the cancellation of investment in Chaba Elegance Co., Ltd. since such business needs a high expertise and competency level, resulting in the slowing down of the business expansion which does not follow the Company's objective. The Company entered into the separation agreement for the investment in Chaba Elegance Co., Ltd. with the former shareholders on 6 October 2019.

Under the separation agreement, the former shareholders agreed to cancel the remaining amount of shares totalling Baht 31.25 million that the Company has not yet paid according to the share purchase agreement and the former shareholders agreed to return the Company amount of Baht 93.75 million that the former shareholders received to the Company in 8 installments i.e., within 2019 totaling Baht 43.75 million, within 2020 totaling Baht 35 million, and within 2021 totaling 15 million. The former shareholders agreed to pay the Company with 8 advance dated checks with amounts and at due dates specified in the separation agreement.


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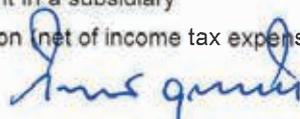

As at 31 December 2020, the Company cannot draw the money from the cheque which was due on 30 June 2020, 30 September 2020, and 31 December 2020. The management of the Company has followed up and filed a lawsuit against the former shareholders for these two cheques that cannot be drawn on August 2020, October 2020, and January 2021, respectively. The former shareholders informed that they are in the process of arranging their assets and following procedures in order to pay for such amounts due to the Company. The management of the Company considers that the former shareholders have an ability to pay for such share returns to the Company in full amount. The Company expected to be received within one year amounting to Baht 9.5 million.

The movement of share return receivables from the former shareholders for the year ended 31 December 2020 are as detailed below.

	(Unit: Thousand Baht)
	Consolidated and Separate financial statements
Share return receivables as at 1 January 2020	54,200
Cumulative effect from the financial reporting standards related to financial instruments	(517)
Net book value as at 1 January 2020 - as restated	53,683
Decrease from fair value change during the period	(2,434)
Received during the year	(9,200)
Share return receivables as at 31 December 2020	42,049
Less: Current portion	(9,462)
Share return receivables - net of current portion	32,587

Details of discontinued operation as presented in the statement of comprehensive income for the year ended 31 December 2019 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statement
Discontinued operation	
Revenues	46,500
Expenses	(41,791)
Profit before income tax expenses	4,709
Income tax expenses	(573)
	4,136
Loss from disposal of investment in a subsidiary	(492)
Profit from discontinued operation (net of income tax expenses)	3,644
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 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

(Unit: Thousand Baht)
Consolidated
financial statement

Cash flows from (used in) discontinued operation

Net cash flows from operating activities	7,900
Net cash flows used in investing activities	(8,090)
	(190)

13. Inventories

(Unit: Thousand Baht)

Consolidated financial statements

	Cost		Reduce cost to net realisable value		Inventories - net	
	2020	2019	2020	2019	2020	2019
Finished goods	21,507	16,412	(2,994)	(1,146)	18,513	15,266
Service materials and supplies	23,062	23,246	(2,199)	(382)	20,863	22,864
Food and beverage	414	562	(3)	(4)	411	558
Products during packaging and packages	696	1,362	(185)	(149)	511	1,213
Total	45,679	41,582	(5,381)	(1,681)	40,298	39,901

(Unit: Thousand Baht)

Separate financial statements

	Cost		Reduce cost to net realisable value		Inventories - net	
	2020	2019	2020	2019	2020	2019
Finished goods	15,875	12,447	(1,888)	(113)	13,987	12,334
Service materials and supplies	24,863	24,851	(2,178)	(377)	22,685	24,474
Food and beverage	11	14	(3)	(4)	8	10
Products during packaging and packages	3	530	-	-	3	530
Total	40,752	37,842	(4,069)	(494)	36,683	37,348

During the current year, the Group reduced cost of inventories by Baht 4.3 million (2019: Baht 0.5 million) (The Company only: Baht 3.9 million (2019: Baht 0.3 million)), to reflect the net realisable value. This was included in cost of sales. In addition, the Group reversed the write-down of cost of inventories by Baht 0.6 million (2019: Baht 0.8 million) (The Company only: Baht 0.3 million (2019: Baht 0.3 million)), and reduced the amount of inventories recognised as expenses during the year.

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14. Restricted deposits at financial institution

These represent the fixed deposit of a subsidiary pledged with a financial institution to secure bank overdrafts from financial institution of another subsidiary as disclosed in Note 20 to the consolidated financial statements.

15. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements as at 31 December 2020 and 2019 are as follows:

Company's name	Country of incorporation	Called-up share capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received during the year	
		2020	2019	2020	2019	2020	2019	2020	2019
				(%)	(%)				
Siam Wellness Lab Co., Ltd.	Thailand	1,000	1,000	99.99	99.99	2,000	2,000	8,100	-
Siam Wellness Education Co., Ltd.	Thailand	1,000	1,000	99.97	99.97	1,000	1,000	6,000	-
Siam Wellness Resort Co., Ltd.	Thailand	60,000	60,000	99.99	99.99	98,705	98,705	9,600	-
Siam Wellness Group (Hong Kong) Co., Ltd.	Hong Kong	1	1	100.00	100.00	-	-	-	-
		(Hong Kong Dollar)	(Hong Kong Dollar)						
Siam Wellness Group (Cambodia) Co., Ltd.	Cambodia	-	-	100.00	100.00	-	-	-	-
Total						101,705	101,705	23,700	-

16. Leasehold rights

The reconciliation of leasehold rights for the year ended 31 December 2019 is presented below.

	(Unit: Thousand Baht) Consolidated and Separate financial statements
Net book value as at 1 January 2020	9,265
Effect from the adoption of TFRS 16	(9,265)
Net book value as at 1 January 2020 - restated	-

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17. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						Total
	Revaluation basis		Cost basis			Assets under installation and under construction	
	Land	Land improvements	Buildings and building improvements	Furniture, fixtures and equipment	Motor vehicles		
Cost/Revalued amount:							
1 January 2019	278,766	2,684	1,019,306	156,716	19,174	23,075	1,499,721
Additions	-	-	382	30,990	849	130,707	162,928
Disposals/Write-off	-	-	(898)	(1,967)	(42)	-	(2,907)
Transfer to non-current assets classified as held for sale	-	-	(38,782)	-	-	-	(38,782)
Transfer in (out)	-	-	132,716	-	-	(132,716)	-
31 December 2019	278,766	2,684	1,112,724	185,739	19,981	21,066	1,620,960
Effect from the adoption of TFRS 16	-	-	(2,380)	(582)	-	-	(2,962)
Additions	-	-	14,331	19,978	459	92,489	127,257
Disposals/Write-off	-	-	(36,246)	(4,245)	-	-	(40,491)
Transfer in (out)	-	-	102,969	1,260	-	(104,229)	-
31 December 2020	278,766	2,684	1,191,398	202,150	20,440	9,326	1,704,764
Accumulated depreciation:							
1 January 2019	-	2,684	324,229	94,414	11,303	-	432,630
Depreciation for the year	-	-	89,356	22,056	2,502	-	113,914
Depreciation on disposals/write-off	-	-	(500)	(1,352)	(42)	-	(1,894)
Depreciation for transferring to non-current assets classified as held for sale	-	-	(6,487)	-	-	-	(6,487)
31 December 2019	-	2,684	406,598	115,118	13,763	-	538,163
Effect from the adoption of TFRS 16	-	-	(1,148)	(215)	-	-	(1,363)
Depreciation for the year	-	-	99,627	24,460	2,517	-	126,604
Depreciation on disposals/write-off	-	-	(30,701)	(2,886)	-	-	(33,587)
31 December 2020	-	2,684	474,376	136,477	16,280	-	629,817
Allowance for impairment loss							
1 January 2019	-	-	-	-	-	-	-
31 December 2019	-	-	-	-	-	-	-
Increase during the year	-	-	346	9	4	-	359
31 December 2020	-	-	346	9	4	-	359

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(Unit: Thousand Baht)

Consolidated financial statements							
Revaluation basis	Cost basis					Assets under installation and under construction	Total
Land	Land improvements	Buildings and building improvements	Furniture, fixtures and equipment	Motor vehicles			
Net book value:							
31 December 2019	278,766	-	706,126	70,621	6,218	21,066	1,082,797
31 December 2020	278,766	-	716,676	65,664	4,156	9,326	1,074,588
Depreciation for the year							
2019 (Baht 107.2 million included in cost of sales and cost of services, and the balance in selling and administrative expenses)							113,914
2020 (Baht 120.1 million included in cost of sales and cost of services, and the balance in selling and administrative expenses)							126,604

(Unit: Thousand Baht)

Separate financial statements						
Revaluation basis	Cost basis				Assets under installation and under construction	Total
Land	Buildings and building improvements	Furniture, fixtures and equipment	Motor vehicles			
Cost/Revalued amount:						
1 January 2019	278,766	871,550	132,497	16,964	23,075	1,322,852
Additions	-	381	30,193	849	129,540	160,963
Disposals/Write-off	-	(790)	(1,640)	(42)	-	(2,472)
Transfer to non-current assets classified as held for sale	-	(38,782)	-	-	-	(38,782)
Transfer in (out)	-	131,549	-	-	(131,549)	-
31 December 2019	278,766	963,908	161,050	17,771	21,066	1,442,561
Effect from the adoption of TFRS 16	-	(2,317)	(582)	-	-	(2,899)
Additions	-	8,575	16,749	459	90,562	116,345
Disposals/write-off	-	(32,212)	(2,688)	-	-	(34,900)
Transfer in (out)	-	101,042	1,260	-	(102,302)	-
31 December 2020	278,766	1,038,996	175,789	18,230	9,326	1,521,107

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(Unit: Thousand Baht)

	Separate financial statements					Total
	Revaluation basis	Cost basis				
	Land	Buildings and building improvements	Furniture, fixtures and equipment	Motor vehicles	Assets under installation and under construction	
Accumulated depreciation:						
1 January 2019	-	256,225	75,106	10,391	-	341,722
Depreciation for the year	-	81,999	20,209	2,161	-	104,369
Depreciation on disposals/write-off	-	(394)	(1,028)	(42)	-	(1,464)
Depreciation for transferring to non-current assets classified as held for sale						
Depreciation on disposals/write-off	-	(6,487)	-	-	-	(6,487)
31 December 2019	-	331,343	94,287	12,510	-	438,140
Effect from the adoption of TFRS 16	-	(1,133)	(215)	-	-	(1,348)
Depreciation for the year	-	92,108	22,691	2,175	-	116,974
Depreciation on disposals/write-off	-	(26,702)	(1,922)	-	-	(28,624)
31 December 2020	-	395,616	114,841	14,685	-	525,142
Allowance for impairment loss						
1 January 2019	-	-	-	-	-	-
31 December 2019	-	-	-	-	-	-
Increase during the year	-	346	9	4	-	359
31 December 2020	-	346	9	4	-	359
Net book value:						
31 December 2019	278,766	632,565	66,763	5,261	21,066	1,004,421
31 December 2020	278,766	643,034	60,939	3,541	9,326	995,606
Depreciation for the year						
2019 (Baht 97.9 million included in cost of sales and cost of services, and the balance in selling and administrative expenses)						104,369
2020 (Baht 110.6 million included in cost of sales and cost of services, and the balance in selling and administrative expenses)						116,974

On 29 October 2019, the Meeting of Executive Committee has the resolution to approve the Company to sell its condominium unit. On 31 December 2019, the Company entered into the sales and purchase agreement of condominium unit with a non-related person with the amount of Baht 36.5 million. During the year ended 31 December 2020 and 2019, the Company received the deposit amounted Baht 1.8 million and Baht 0.2 million, respectively. According to the agreement, the buyer shall pay for the remaining amount of Baht 34.5 million within 31 December 2020. However, on 16 January 2021, the Company entered into the memorandum of the agreement with the buyer to postpone the settlement for the remaining amount to be within 1 July 2021 due to the COVID-19 pandemic situation. As at 31 December 2020 and 2019, the Company classified such condominium unit with its net book value of Baht 32.3 million as "Non-current assets classified as held for sale" under current assets in the consolidated and separate statement of financial position.

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 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

The Company arranged for an independent professional value to appraise the value of land in 2018. Land was revalued using the comparable market approach for the basis of the revaluation.

Had the lands carried in the financial statements on a historical cost basis, their net book value as of 31 December 2020 and 2019 would have been as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	2020	2019
Land	165,557	165,557

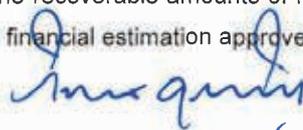
A breakdown of the land carried on a revaluation basis is as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	2020	2019
Original costs	165,557	165,557
Surplus from revaluations	113,209	113,209
Revalued amount	278,766	278,766

As at 31 December 2019, certain items of building and building improvements, furniture, fixtures and equipment and motor vehicles were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 206 million (2018: Baht 178 million) (The Company only: Baht 142 million (2018: Baht 112 million)).

As at 31 December 2020, the Company has pledged its land and structures thereon amounting to Baht 264 million (2018: Baht 243 million) as collateral against its bank overdrafts facilities and long-term loans facilities as disclosed in Note 20 and Note 22 to the consolidated financial statements, respectively.

During the year 2020, the Company recognises an impairment loss for property, plant and equipment amounting to Baht 0.4 million (2019: Nil) to reduce the carrying amount of the assets to their recoverable amounts. This is because the COVID-19 pandemic situation that significantly impact the business operations that led to the recognition of the impairment loss. The Company has determined the recoverable amounts of its assets based on value in use using cash flow projections from financial estimation approved by management.


 บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Key assumption used in value in use calculation is discount rate for which 2020 using at the rate of 8.0% (2019: 7.7%). The sensitivity analysis of impairment losses of property, plant and equipment and right-of-use assets for 2020 increased of Baht 1.6 million for the increasing of 0.1% of discount rate.

18. Goodwill

A reconciliation of net book value of goodwill for the years ended 31 December 2020 and 2019 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2019	24,536	20,340
Net book value as at 31 December 2019	24,536	20,340
Net book value as at 31 December 2020	24,536	20,340

The Company allocated goodwill acquired in business combination to group of cash generating units for the purpose of impairment testing as follows.

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Spa services business under "Baan Suan Massage" brand		Spa services and sale of spa products business		Total	
	2020	2019	2020	2019	2020	2019
Goodwill	20,340	20,340	4,196	4,196	24,536	24,536

	(Unit: Thousand Baht)	
	Separate financial statements	
	Spa services business under "Baan Suan Massage" brand	
	2020	2019
Goodwill	20,340	20,340

The Company estimates the recoverable amount of group of cash-generating units from value in use. In determining value in use, the estimated future cash flows are referred from financial estimation with significant assumptions using in relating to revenue growth rate and discount rate approved by the management. The discount rate used for this year was 8.0% (2019: 7.7%).

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 SIAM WELLNESS GROUP PUBLIC CO., LTD.

19. Intangible assets

The net book value of intangible assets as at 31 December 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements			
	Computer				Computer			
	Licenses	software	Trademark	Total	Licenses	software	Trademark	Total
As at 31 December 2020:								
Cost	9,943	1,804	4,780	16,527	9,194	1,676	4,780	15,650
Less: Accumulated amortisation	(4,294)	(602)	(2,545)	(7,441)	(3,570)	(559)	(2,545)	(6,674)
Net book value	5,649	1,202	2,235	9,086	5,624	1,117	2,235	8,976

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements			
	Computer				Computer			
	Licenses	software	Trademark	Total	Licenses	software	Trademark	Total
As at 31 December 2019:								
Cost	8,122	1,985	4,697	14,804	8,020	1,178	4,697	13,895
Less: Accumulated amortisation	(2,548)	(1,051)	(2,066)	(5,665)	(2,528)	(348)	(2,066)	(4,942)
Net book value	5,574	934	2,631	9,139	5,492	830	2,631	8,953

A reconciliation of the net book value of intangible assets for the years 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Net book value at beginning of year	9,139	8,963	8,953	8,772
Acquisition during the year	1,788	1,820	1,788	1,773
Write-off during the year	(40)	-	(9)	-
Amortisation	(1,801)	(1,644)	(1,756)	(1,592)
Net book value at end of year	9,086	9,139	8,976	8,953

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20. Bank overdrafts from financial institutions

(Unit: Thousand Baht)

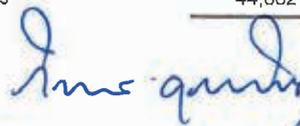
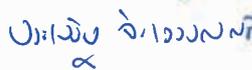
	Consolidated financial statements	
	2020	2019
Bank overdrafts from financial institution	-	32

Bank overdrafts of a subsidiary has interest at the MOR per annum and MLR plus 1.5% per annum (2019: MLR plus 1.5% per annum) which are secured by fixed deposit of another subsidiary as disclosed in Note 14 to the consolidated financial statements and by the lands and structures thereon of the Company as the collateral as disclosed in Note 17 to the consolidated financial statements.

21. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade accounts payable - unrelated parties	21,625	21,755	19,300	17,517
Trade accounts payable - related parties (Note 7)	1,047	2,421	11,180	8,109
Payables for purchase of fixed assets - unrelated parties	188	1,176	188	954
Payables for purchase of fixed assets - related parties (Note 7)	6	75	6	75
Payables for construction and retention	8,044	25,606	7,791	25,010
Other payables - unrelated parties	2,013	2,131	1,878	1,995
Other payables - related parties (Note 7)	397	148	567	123
Accrued payroll and bonus expenses	3,432	22,367	3,348	21,698
Accrued rental expenses	-	12,362	-	12,219
Other accrued expenses - unrelated parties	7,910	8,677	6,904	7,304
Other accrued expenses - related parties (Note 7)	-	-	-	25
Total trade and other payables	44,662	96,718	51,162	95,029


บริษัท สยามเวลเนส กรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

22. Long-term loans

Loan no.	Facility amount (Million Baht)	Loan agreement date	Interest rate (% per annum)	Amendment of loan agreement		Consolidated financial statements			Separate financial statements	
				Date	Repayment	2020	2019	2020	2019	
1	240	27 April 2016	1st-2nd year: MLR - 3 and 3rd year onwards: MLR - 2.2	27 March 2020	Revised its principle repayment condition since March 2020 onwards, with the first repayment will be proceeded in March 2021. The last repayment of principle and interests will be in December 2021.	56,900	65,900	56,900	65,900	
2	80	31 August 2017	1st-2nd year: MLR - 3 and 3rd year onwards: MLR - 2.2	27 March 2020	Revised its principle repayment condition since March 2020 onwards, with the first repayment will be proceeded in March 2021. The last repayment of principle and interests will be in February 2021.	47,600	50,300	47,600	50,300	




 บริษัท สยามเวลเนส กรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Loan no.	Facility amount (Million Baht)	Loan agreement date	Interest rate (% per annum)	Repayment	Amendment of loan agreement		Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
					Date	Repayment	2020	2019	2020	2019
3	160	22 May 2019	1st-2nd year: MLR - 3.75 and 3rd year onwards: MLR - 3	Pay the interest every month since the first drawdown and repayment of principle and interests within 60 periods after each drawdown. The last repayment of principle and interests will be in March 2025.	26 October 2020	Revised its principle repayment condition since April 2020 onwards, with the first repayment will be proceeded in October 2020. The last repayment of principle and interests will be in November 2025.	151,667	44,167	151,667	44,167
4	20	9 April 2020	1st-2nd year: 2 and 3rd year onwards: MLR	Pay the interest every month since the first drawdown and repayment of principle and interests within 36 periods since April 2022. The last repayment of principle and interests will be in March 2025.			20,000		20,000	
5	10	9 April 2020	1st-2nd year: 2 and 3rd year onwards: MLR	Pay the interest every month since the first drawdown and repayment of principle and interests within 36 periods since April 2022. The last repayment of principle and interests will be in March 2025.			10,000			

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Loan no.	Facility amount (Million Baht)	Loan agreement date	Interest rate (% per annum)	Repayment	Amendment of loan agreement		Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
					Date	Repayment	2020	2019	2020	2019
6	5	11 April 2020	1st-2nd year: 2 and 3rd year onwards: MLR	Pay the interest every month since the first drawdown and repayment of principle and interests within 36 periods since April 2022. The last repayment of principle and interests will be in March 2025.	-	-	5,000	-	-	-
7	10	11 April 2020	1st-2nd year: 2 and 3rd year onwards: MLR	Pay the interest every month since the first drawdown and repayment of principle and interests within 36 periods since April 2022. The last repayment of principle and interests will be in March 2025.	-	-	10,000	-	-	-
8	23	18 November 2020	1st-2nd year: 2 and 3rd year onwards: MLR-2	Pay the interest every month since the first drawdown and repayment of principle and interests monthly basis within 48 periods since November 2021. The last repayment of principle and interests will be in October 2025.	-	-	23,000	-	-	-
9	89	20 November 2020	MLR-2	Pay the interest every month since the first drawdown and repayment of principle and interests within 48 periods since December 2021. The last repayment of principle and interests will be in November 2025, if fully drawdown.	-	-	67,000	-	-	-
<p>Total</p> <p>Less: Current portion</p> <p>Long term loans, net of current portion</p>										
							391,167	160,367	160,367	160,367
							(103,354)	(80,200)	(93,354)	(80,200)
							287,813	80,167	272,813	80,167

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The loan agreement contains several covenants which, among other things, require the Company and subsidiaries to maintain debt-to-equity ratio (the Company only) and debt service coverage ratio at the rate prescribed in the agreements.

As at 31 December 2020, the Company and two subsidiaries have been unable to maintain some financial ratios covenants under the loan agreements (unrelated to principle and interest payment) for loan facilities No. 1 to No. 5 and No. 7 to No. 9 which in December 2020, the Company and one subsidiary have received waiver letters for not complying with such covenants from the Bank. As a result, the outstanding balances as at 31 December 2020 of loan facility No. 1 to No. 5 and No.8 to No.9 are classified as current liabilities according to the conditions specified in the loan agreements.

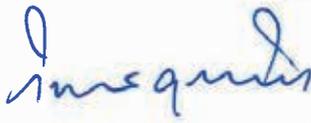
However, another subsidiary has received waiver letter for not complying with such covenants for loan facility No. 7 from the bank on 22 February 2021. As a result, the total outstanding balances of such loan facility as at 31 December 2020 amounting to Baht 10 million has fully presented as current liabilities in the consolidated statement of financial position for the purpose of reporting under Thai Financial Reporting Standards.

The loan facility No. 1 to No. 3 and No. 8 to No. 9 are secured by the mortgage of land and structures thereon of the Company as disclosed in the Note 17 to the consolidated financial statements, the loan facility No. 4 has no collateral, and the loan facility No. 5 to No. 7 which are long-term loans of its subsidiaries are guaranteed by the Company.

As at 31 December 2020, long-term credit facilities of a Company which have not yet been drawn down amounted to Baht 31 million (2019: Baht 110 million).

Movements in the long-term loans from financial institution during the year ended 31 December 2020 is summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statement	Separate financial statement
Balance as at 1 January 2020	160,367	160,367
Add: Increase during the year	245,000	220,000
Less: Repayment	(14,200)	(14,200)
Balance as at 31 December 2020	391,167	366,167


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 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

23. Leases

23.1 The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 2-30 years.

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statement			
	Land	Buildings	Machinery and equipment	Total
1 January 2020	96,166	1,083,570	12,553	1,192,289
Additions	-	173,387	-	173,387
Effect of modification of lease agreements	-	(9,925)	-	(9,925)
Effect from cancellation of lease agreement	-	(3,846)	-	(3,846)
Depreciation for the year	(7,708)	(172,034)	(2,406)	(182,148)
Impairment loss	(201)	-	-	(201)
31 December 2020	88,257	1,071,152	10,147	1,169,556

(Unit: Thousand Baht)

	Consolidated financial statement			
	Land	Buildings	Machinery and equipment	Total
1 January 2020	72,584	1,068,061	11,756	1,152,401
Additions	-	173,387	-	173,387
Effect of modification of lease agreements	-	(9,925)	-	(9,925)
Effect from cancellation of lease agreement	-	(3,846)	-	(3,846)
Depreciation for the year	(6,303)	(168,957)	(2,362)	(177,622)
Impairment loss	(201)	-	-	(201)
31 December 2020	66,080	1,058,720	9,394	1,134,194


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b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Lease payments	1,338,526	407	1,327,241	407
Less: Deferred interest expenses	(140,675)	(27)	(140,178)	(27)
Total	1,197,851	380	1,187,063	380
Less: Portion due within one year	(169,179)	(120)	(166,176)	(120)
Lease liabilities - net of current portion	1,028,672	260	1,020,887	260

A maturity analysis of lease payments is disclosed in Note 35 to the consolidated financial statements under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

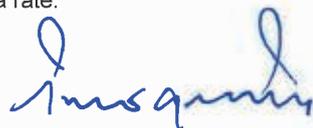
	(Unit: Thousand Baht)	
	For the year ended 31 December 2020	
	Consolidated	Separate
	financial statement	financial statement
Depreciation expenses of right-of-use assets	75,961*	73,384*
Interest expenses on lease liabilities	12,817*	13,244*
Expenses relating to short-term leases	292	292
Expenses relating to variable lease payments	10,711	10,711

* Net of rental discount during the year.

The Group has lease contracts for office building space that contains variable payments based on sales or gross profit margins. The lease term is 4 - 15 years.

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2020 of Baht 82 million (The Company only: Baht 84 million), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.


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SIAM WELLNESS
 บริษัท สยามเวลเนส จำกัด
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

23.2 Group as a lessor

The Company entered into lease agreements of land and office spaces with related parties and also entered into sub-lease agreements for partial leased assets with its subsidiaries. In 2020, the Company had income from such sub-lease agreements with its subsidiaries amounting to Baht 2 million (2019: Baht 5 million). In case the Company and its subsidiaries made sub-leasing continuously throughout the lease period of which the Company made lease agreements with related parties (the lease period was between 12 years to 30 years), the future minimum received under such sub-leasing as at 31 December 2020 were as follows:

	(Unit: Million Baht)
Within 1 year	3
Over 1 and up to 5 years	13
Over 5 years	52
Total	68


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24. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

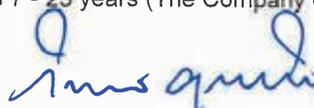
	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2020	2019	2020	2019
Provision for long-term employee benefits at beginning of year	8,556	14,446	7,683	11,685
Included in profit or loss:				
Current service cost	1,431	3,780	1,239	3,228
Interest cost	137	670	121	545
Past service cost	-	260	-	157
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Financial assumptions changes	-	(12,386)	-	(10,205)
Experience adjustments	-	1,786	-	2,273
Provision for long-term employee benefits at end of year	10,124	8,556	9,043	7,683

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2020	2019	2020	2019
Cost of sales	13	201	-	-
Cost of services	450	1,520	359	1,366
Selling and administrative expenses	1,105	2,989	1,001	2,564
Total expenses recognised in profit or loss	1,568	4,710	1,360	3,930

The Company and its subsidiaries expect not to pay long-term employee benefits during the next year (2019: Baht 0.9 million (The Company only: Baht 0.8 million)).

As at 31 December 2020 and 2019, the weighted average duration of the liabilities for long-term employee benefit is 7 - 25 years (The Company only: 7 - 25 years).


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 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Significant actuarial assumptions are summarised below:

	Consolidated		(Unit: Percent per annum)	
	financial statements		Separate	
	2020	2019	2020	2019
Discount rate	1.36 - 2.15	1.36 - 2.15	1.36	1.36
Salary increase rate	6.00	6.00	6.00	6.00
Turnover rate	13.00 - 57.00	13.00 - 57.00	13.00 - 57.00	13.00 - 57.00

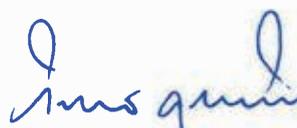
The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 and 2019 are summarised below:

	Consolidated financial statements				Separate financial statements			
	Increase 0.5%		Decrease 0.5%		Increase 0.5%		Decrease 0.5%	
	2020	2019	2020	2019	2020	2019	2020	2019
Discount rate	(0.2)	(0.2)	0.2	0.2	(0.2)	(0.2)	0.2	0.2
Salary increase rate	0.2	0.2	(0.2)	(0.2)	0.2	0.2	(0.2)	(0.2)
Turnover rate	(0.3)	(0.3)	0.3	0.3	(0.3)	(0.2)	0.3	0.2

25. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

According to the Thai Civil and Commercial Code, the subsidiaries are required to set aside to a statutory reserve an amount equal to at least five percent of its net profit each time the subsidiaries pay out a dividend, until such reserve reaches ten percent of its registered share capital. The statutory reserve cannot be used for dividend payment.


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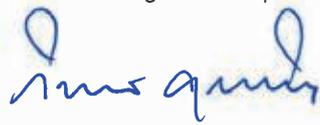

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 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

26. Dividends/Share capital

Dividends	Approved by	Cash dividends (Million Baht)	Cash dividend per share (Baht per share)	Share dividends (Million share)	Share dividends pay out rate (Existing share per share dividend)	Total amount share dividends
						(Million Baht)
Final dividends for 2018	Annual General Meeting of the Company's shareholders on 29 March 2019	85.50	0.15	-	-	-
Total dividend for 2019		85.50	0.15	-	-	-
Final dividends for 2019	Annual General Meeting of the Company's shareholders on 30 April 2020	17.10	0.03	285	2:1	71.25
Total dividend for 2020		17.10	0.03	285	2:1	71.25

On 30 April 2020, the Annual General Meeting of the Company's shareholders passed a resolution to increase the Company's registered share capital by Baht 71.25 million, from the existing registered share capital of Baht 142.50 million to Baht 213.75 million, by issuing up to 285 million new ordinary shares with a par value of Baht 0.25, to accommodate the stock dividend payment.

The Company registered the increase in its registered capital with the Ministry of Commerce on 12 May 2020.



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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Reconciliation of share capital

	Number of ordinary shares (Shares)	Amount (Baht)
<u>Registered share capital</u>		
As of 1 January 2019	570,000,000	142,500,000
As of 31 December 2019	570,000,000	142,500,000
Increase in registered ordinary shares	285,000,000	71,250,000
As of 31 December 2020	855,000,000	213,750,000
<u>Issued and paid-up share capital</u>		
As of 1 January 2019	570,000,000	142,500,000
As of 31 December 2019	570,000,000	142,500,000
Share dividend paid	284,999,928	71,249,982
As of 31 December 2020	854,999,928	213,749,982

27. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2020	2019	2020	2019
Interest expenses on borrowings	8,364	10,471	7,927	10,136
Interest expenses on lease liabilities	13,132	15	13,560	15
Total	21,496	10,486	21,487	10,151

28. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2020	2019	2020	2019
Changes in inventories	(4,097)	(8,548)	(2,910)	(6,678)
Purchases of inventories	52,242	101,342	36,476	108,655
Depreciation of property, plant and equipment	126,604	113,914	116,974	104,369
Amortisation of intangible assets	1,801	1,644	1,756	1,592
Amortisation of leasehold rights	2,160	2,069	2,160	2,069
Loss on impairment of assets	560	-	560	-
Employee expenses	214,089	490,817	199,468	482,139
Directors' remuneration	1,866	2,168	1,866	2,168
Expenses related to lease and service agreements - net of discount	116,730	210,373	112,821	207,765
Public utilities	20,707	35,227	19,840	34,062
Maintenance and decorate locations expenses	17,389	32,525	17,114	31,835
Advertising and promotion expenses	19,756	29,553	14,991	27,913
Laundry expenses	10,244	37,173	10,244	37,062
Consulting fees	6,823	7,402	3,618	3,647

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 60
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 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED



29. Income tax

29.1 Income tax expenses

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current income tax:				
Current income tax charge	4,129	46,477	-	43,301
Deferred tax:				
Relating to origination and reversal of temporary differences	(6,213)	(1,283)	(6,121)	(1,438)
Tax income (expenses) from continuing operations reported in profit or loss	(2,084)	45,194	(6,121)	41,863
Current income tax from discontinued operation (Note 12)	-	573	-	-
Total current tax income (expenses)	(2,084)	45,767	(6,121)	41,863

29.2 Income tax relating to each component of other comprehensive income and shareholders' equity

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax relating to				
- Actuarial gain	-	2,091	-	1,586
Total	-	2,091	-	1,586

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SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

29.3 Reconciliation between accounting profit (loss) and tax income (expenses)

The reconciliation between accounting profit and tax income (expenses) is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Accounting profit (loss) before tax	(211,170)	287,527	(185,949)	259,374
Applicable tax rate	0%, 15%, 20%	0%, 15%, 20%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	(35,129)	56,705	(37,190)	51,875
Effects of:				
Tax loss carry forward for the last period which utilised in the current year	-	(523)	-	-
Exempt dividend income	(4,740)	-	(4,740)	-
Non-deductible expenses	140	490	134	136
Additional expenses deductions allowed	(10,826)	(11,478)	(10,011)	(10,148)
Total	(15,426)	(11,511)	(14,617)	(10,012)
Unused tax losses that may not be sufficient to allow utilisation	48,471	-	45,866	-
Tax income (expenses) reported in profit or loss	(2,084)	45,194	(6,121)	41,863
Current income tax from discontinued operation (Note 12)	-	573	-	-
Total current tax income (expenses)	(2,084)	45,767	(6,121)	41,863


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 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

29.4 Deferred tax assets / liabilities

The components of deferred tax assets and deferred tax liabilities as at 31 December 2020 and 2019 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax assets				
Allowance for expected credit losses (2019: Allowance for doubtful accounts)	278	266	216	237
Allowance for diminution in value of inventories	1,413	691	814	99
Provision for long-term employee benefits	1,975	1,680	1,809	1,536
Lease agreements	6,909	2,442	6,914	2,449
Interest and depreciation from decommissioning estimation	544	450	544	450
Allowance for impairment loss on property, plant and equipment	72	-	72	-
Allowance for impairment loss on right-of-use assets	40	-	40	-
Allowance for expected credit losses - Share return receivables	487	-	487	-
Total	11,718	5,529	10,896	4,771
Deferred tax liabilities				
Surplus on revaluation of land	22,642	22,642	22,642	22,642
Rental revenue on the straight-line method	-	-	2	4
Unrealised gain from revaluation of trading investments	-	40	-	10
Deferred sales and marketing revenues	-	120	-	120
Total	22,642	22,802	22,644	22,776
Deferred tax assets - net	820	722	-	-
Deferred tax liabilities - net	11,744	17,995	11,748	18,005


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As at 31 December 2020, the Group has deductible temporary differences and unused tax losses totaling Baht 49 million (The Company only: Baht 46 million), on which deferred tax assets have not been recognised as the Group considers there is an uncertainty for the sufficiency of future taxable profits to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses amounting to Baht 49 million (the Company only: Baht 46 million) will expire in 2025.

30. Earnings per share

Basic earnings per share is calculated by dividing profit (loss) for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares in proportion to the change in the number of shares as a result of the distribution of the stock dividend in accordance with the resolutions of the Annual General Meeting of the Company's shareholders held on 30 April 2020, as disclosed in Note 26 to the consolidated financial statements. The number of ordinary shares of the prior year used for the calculation, as presented for comparative purposes, has been adjusted in proportion to the change in the number of shares, as if the shares comprising such stock dividends had been issued at the beginning of the earliest period reported.

The following table sets forth the computation of basic earnings per share:

	Consolidated financial statements					
	Continuing operations		Discontinued operation		Total	
	2020	2019	2020	2019	2020	2019
		(Restated)		(Restated)		(Restated)
Profit (loss) for the year (Thousand Baht)	(209,085)	242,329	-	3,140	(209,085)	245,469
Weighted average number of ordinary share (Thousand shares)	855,000	855,000	-	855,000	855,000	855,000
Profit (loss) per share (Baht/share)	(0.245)	0.283	-	0.004	(0.245)	0.287

(Unit: Thousand Baht)

	Separate financial statements	
	2020	2019
		(Restated)
Profit (loss) for the year (Thousand Baht)	(179,828)	217,511
Weighted average number of ordinary share (Thousand shares)	855,000	855,000
Profit (loss) per share (Baht/share)	(0.210)	0.254

64

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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)

31. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Board of Directors.

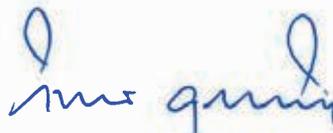
For management purposes, the Group is organised into business units based on its products and services and have three reportable segments as follows:

- Spa services, which operates day spa and destination spa. Also, provides spa management and spa consultancy services.
- Sales of spa products and healthy products, which distributes natural spa products both and spa equipment for domestic and international market.
- Hotel and restaurant, which operates boutique resort and restaurant.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.


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The following tables present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2020 and 2019, respectively.

(Unit: Million Baht)

	Spa services		Sales of spa products and healthy products		Hotel and restaurant		Elimination		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	Revenues from external									
Customers	349	1,263	61	70	17	51	-	-	427	1,384
Internal - segment revenues	3	21	23	37	-	1	(26)	(59)	-	-
Total revenues	352	1,284	84	107	17	52	(26)	(59)	427	1,384
Segment profit (loss)	(113)	381	36	42	(3)	18	-	-	(80)	441
Revenues and expenses which have not been allocated:										
Interest income									2	-
Other income									6	19
Selling and distribution expenses									(34)	(52)
Administrative expenses									(84)	(110)
Finance cost									(21)	(11)
Profit (loss) before tax income (expenses)									(211)	287
Tax income (expenses)									2	(45)
Profit (loss) for the year of continuing operations									(209)	242
Profit for the year of discontinued operation									-	4
Total profit (loss) for the year									(209)	246

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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Contract assets / Contract liabilities

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2020	2019	2020	2019
Contract assets				
Trade receivables - net	19,693	36,131	19,845	34,529
Total contract assets - net	19,693	36,131	19,845	34,529
Contract liabilities				
Advance received - current portion	38,978	28,922	38,187	27,740
Advance received - net of current portion	9,759	12,162	9,759	12,162
Total contract liabilities	48,737	41,084	47,946	39,902

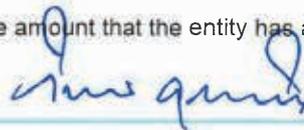
Disaggregated revenue from contracts with customers

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2020	2019	2020	2019
Timing of revenue recognition:				
Revenue recognised at a point in time				
Sale	68,604	90,320	21,427	61,048
Services				
Spa Service	341,865	1,251,955	341,905	1,250,952
Hotel and restaurant	9,770	30,900	-	-
Revenue recognised over time				
Franchise income	6,673	10,512	6,673	10,512
Management Fee	842	-	3,987	2,373
Total revenue from contracts with customers	427,754	1,383,687	373,992	1,264,885

Revenue to be recognised for the remaining performance obligations

As at 31 December 2020, revenue totaling Baht 10 million (2019: Baht 12 million) is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (or partially unsatisfied) The Group expects to satisfy these performance obligations within 3-5 years.

The above information does not include revenue to be recognised for the unsatisfied portions of performance obligations related to contracts with a duration of one year or less and where the revenue is recognised in the amount that the entity has a right to invoice.


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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

The segment assets of the Group as at 31 December 2020 and 2019 are as follows:

(Unit: Million Baht)

	Spa services and sales of spa products and healthy products*		Hotel and restaurant		Elimination		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	Property, plant and equipment	1,003	1,015	71	68	-	-	1,074
Right-of-use assets	1,149	-	23	-	(2)	-	1,170	-
Lease receivables	26	-	-	-	(26)	-	-	-
Other assets	422	409	25	39	(59)	(15)	388	433
Total assets	2,600	1,424	119	107	(87)	(15)	2,632	1,516
Other material non-cash item:								
Write-off of property, plant and equipment	(6)	(1)	-	-	-	-	(6)	(1)
Depreciation of property, plant and equipment and right-of-use assets	(197)	(111)	(7)	(7)	-	-	(204)	(118)
Loss on impairment	(1)	-	-	-	-	-	(1)	-

* Spa services business had jointly used of assets with sales of spa products and health product business.

Geographic information

The Group operates mainly in Thailand. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major Customer

For the years 2020 and 2019, the Group has no major customer with revenue of 10 percent or more of an entity's revenues.

32. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contributes to the fund monthly at the rate of 3 percent of basic salary. The fund, which is managed by SCB Asset Management Company Limited., will be paid to employees upon termination in accordance with the fund rules.

During the years 2020 and 2019, the contributions to the fund which were recognised as expenses are as follows:


 นางสาวกัญญา จันทมนต์กุล

 บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

(Unit: Million Baht)

	Consolidated and Separate financial statements	
	2020	2019
Contributions to provident fund	1.3	1.6

33. Commitments and contingent liabilities**33.1 Capital commitments**

As at 31 December 2020 and 2019, the Company has the outstanding commitments for construction, which the contracts have already been signed. These are summarised as follows:

(Unit: Million Baht)

	Consolidated and Separate financial statements	
	2020	2019
Construction costs	4	12

33.2 Operating lease commitments

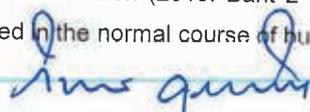
As at 31 December 2020, the Group has future minimum payments under service agreement, short-term lease agreements and low-value assets lease agreement other than recorded as lease liabilities in the statements of financial position as follows:

(Unit: Million Baht)

	31 December 2020 Consolidated and Separate financial statements	
	Payable:	
In up to 1 year		27
In over 1 and up to 5 years		47
In over 5 years		22

33.3 Letters of guarantees

As at 31 December 2020, there were outstanding bank guarantees of Baht 2 million (2019: Baht 2 million) (The Company only: Baht 2 million (2019: Baht 2 million)) issued by the banks on behalf of the Group as required in the normal course of business.


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69
**SIAM
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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)

34. Fair value hierarchy

As at 31 December 2020 and 2019, the Company had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	31 December 2020			
	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Lands	-	279	-	279
Liabilities disclosed fair value				
Loans from financial institution				
- fixed interest rates	-	64	-	64

(Unit: Million Baht)

	31 December 2020			
	Separate financial statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Lands	-	279	-	279
Liabilities disclosed fair value				
Loans from financial institution				
- fixed interest rates	-	40	-	40

(Unit: Million Baht)

	31 December 2019			
	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Trading securities				
Current investments - Unit trusts	-	73	-	73
Lands	-	279	-	279

Signature

นางสาว อรุณรัตน์ นาคกุล



บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

(Unit: Million Baht)

31 December 2019

Separate financial statements

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Trading securities				
Current investments - unit trusts	-	15	-	15
Lands	-	279	-	279

Valuation techniques and inputs to Level 2 valuation

The fair value of investment in unit trusts has been determined by using the net asset values of the last working day of the reporting period as announced by the asset management company.

The fair value of lands was revalued using the comparable market approach appraised by an independent professional valuer.

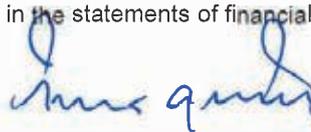
During the current year, there were no transfers within the fair value hierarchy.

35. Financial instruments**35.1 Financial risk management**

The Group's financial instruments, principally comprise cash and cash equivalents, current investments, trade and other receivables, share return receivables, long-term loan to related party, restricted deposits of financial institution, bank overdrafts from financial institution, short-term loans from related parties, trade and other payables, liabilities under finance lease agreements, and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to deposit at financial institutions trade and other receivables, share return receivables, and long-term loan to related party. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Group does not have high concentrations of credit risk since their businesses are sales and services to minor customers. The maximum exposure to credit risk is limited to the carrying amounts of deposit at financial institutions, trade and other receivables, share return receivables and long-term loan to a related party as stated in the statements of financial position.



นางสาวจิราภา วัฒนวิเศษกิจ



บริษัท สยามเวลเนส กรุ๊ป จำกัด (มหาชน)
S I A M WELLNESS GROUP PUBLIC COMPANY LIMITED

Trade receivables

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and does not hold collateral as security. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Cash deposits

The credit risk on debt instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies

Interest rate risk

The Group's exposure to interest rate risk relates primarily to their deposit at financial institutions, restricted deposits of financial institution, long-term loan to related party, bank overdrafts from financial institution, short-term loans from related parties, long-term loans, and liabilities under finance lease agreements. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2020 and 2019, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statement							
31 December 2020							
Fixed interest rates							
	Within	1-5	Over	Floating	Non-		
At call	1 year	years	5 years	interest rate	interest bearing	Total	Interest rate
							(% per annum)
Financial assets							
Cash and cash equivalent	-	-	-	110	4	114	0.05-0.70
Trade and other receivables	-	-	-	-	22	22	-
Share return receivables	-	-	-	-	42	42	-
Restricted deposits of financial institution	-	5	-	-	-	5	1.05
	5	-	-	110	68	183	

(Signature)

บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)



บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

(Unit: Million Baht)

Consolidated financial statement

31 December 2020

	Fixed interest rates					Non-interest bearing	Total	Interest rate (% per annum)
	At call	Within 1 year	1-5 years	Over 5 years	Floating interest rate			
Financial liabilities								
Trade and other payables	-	-	-	-	-	45	45	-
Lease liabilities	-	169	682	347	-	-	1,198	2.60-3.38
Long-term loans	10	-	58	-	323	-	391	Note 22
	10	169	740	347	323	45	1,634	

(Unit: Million Baht)

Separate financial statement

31 December 2020

	Fixed interest rates					Non-interest bearing	Total	Interest rate (% per annum)
	At call	Within 1 year	1-5 years	Over 5 years	Floating interest rate			
Financial assets								
Cash and cash equivalent	-	-	-	-	89	2	91	0.05-0.70
Trade and other receivables	-	-	-	-	-	22	22	-
Lease receivables	-	-	2	24	-	-	26	10 - 19
Share return receivables	-	-	-	-	-	42	42	-
	-	-	2	24	89	66	181	
Financial liabilities								
Trade and other payables	-	-	-	-	-	51	51	
Long-term loans from related parties	-	-	30	-	-	-	30	1.52-2.25
Lease liabilities	-	166	674	347	-	-	1,187	2.60-3.38
Long-term loans	-	-	-	-	366	-	366	Note 22
	-	166	704	347	366	51	1,634	

Signature

นายสุวิทย์ วิวัชรวงศ์



(Unit: Million Baht)

Consolidated financial statement

31 December 2019

	Fixed interest rates					Non- interest bearing	Total	Interest rate (% per annum)
	At call	Within 1 year	1-5 years	Over 5 years	Floating interest rate			
Financial assets								
Cash and cash equivalent	-	-	-	-	46	7	53	0.05 - 0.70
Current investments	-	-	-	-	-	73	73	-
Trade and other receivables	-	-	-	-	-	37	37	-
Share return receivables	-	-	-	-	-	54	54	-
Restricted deposits of financial institution	-	5	-	-	-	-	5	1.05
	-	5	-	-	46	171	222	
Financial liabilities								
Short-term loans from and interest payable to related parties	5	-	-	-	-	-	5	Note 7
Trade and other payables	-	-	-	-	-	97	97	-
Long-term loans	-	-	-	-	160	-	160	Note 22
	5	-	-	-	160	97	262	

(Unit: Million Baht)

Separate financial statement

31 December 2019

	Fixed interest rates					Non- interest bearing	Total	Interest rate (% per annum)
	At call	Within 1 year	1-5 years	Over 5 years	Floating interest rate			
Financial assets								
Cash and cash equivalent	-	-	-	-	39	6	45	0.05 - 0.70
Current investments	-	-	-	-	-	15	15	-
Trade and other receivables	-	-	-	-	-	36	36	-
Share return receivables	-	-	-	-	-	54	54	-
	-	-	-	-	39	111	150	
Financial liabilities								
Trade and other payables	-	-	-	-	-	95	95	-
Long-term loans	-	-	-	-	160	-	160	Note 22
	-	-	-	-	160	95	255	

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 นายวิวัฒน์ จิตตมณฑล



บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of market rate affected as at 31 December 2020 with all other variables held constant.

Currency	Consolidated and Separate financial statements	Consolidated financial statement	Separate financial statement
	Increase/decrease (%)	Effect on profit before tax (Million Baht)	
Baht	0.5	(2.4)	(2.3)
	(0.5)	2.4	2.3

The above analysis has been prepared assuming that the amounts loans from and all other variables remain constant over one year. Moreover, the floating legs of these loans are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions and should be used with care.

Foreign currency risk

The Group's exposure to foreign currency risk arises from deposit at overseas banks, purchase and service transactions that are denominated in foreign currencies. The Group does not expect to incur material losses from the exchange rates as their businesses are sales and services to minor customers. The Group had no forward contracts outstanding balance as at the end of reporting period.

As at 31 December 2020 and 2019, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currencies	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2020	2019	2020	2019	2020	2019
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US Dollar	7	1	-	-	30.04	30.15
Hong Kong Dollar	706	675	-	-	3.88	3.87
Euro	-	-	3	19	36.88	33.73
Pound sterling	-	-	4	-	40.64	39.52

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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Foreign currencies	Separate financial statements			
	Financial assets		Average exchange rate	
	2020	2019	2020	2019
	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US Dollar	-	1	-	30.15
Hong Kong Dollar	706	675	706	3.87

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, bank loans and lease contracts. Approximately 19 % of the Group's debt will mature in less than one year at 31 December 2020 (2019: 69%) (the Company only: 19%, 2019: 69%) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and the Group's operating, the Group concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities instruments as at 31 December 2020 based on contractual undiscounted cash flows:

(Unit: Million Baht)

	Consolidated financial statement				
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Trade and other payables	-	45	-	-	45
Lease liabilities	-	169	682	347	1,198
Interest on lease liabilities	-	32	77	32	141
Long-term loans	10	93	288	-	391
Interest on long-term loans	-	10	15	-	25
Total	10	349	1,062	379	1,800


 ฐิติมา อธิพานิชกุล



บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

(Unit: Million Baht)

	Separate financial statement				Total
	On demand	Less than 1 year	1 to 5 years	Over 5 years	
Trade and other payables	-	51	-	-	51
Lease liabilities	-	166	674	347	1,187
Interest on lease liabilities	-	32	76	32	140
Long-term loans	-	93	273	-	366
Interest on long-term loans	-	10	14	-	24
Long-term loans - related parties	-	-	30	-	30
Interest on long-term loans - related parties	-	1	3	-	4
Total	-	353	1,070	379	1,802

35.2 Fair values of financial instruments

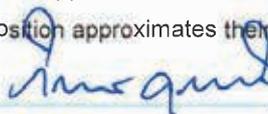
The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and deposit at financial institutions, trade and other receivables, bank overdrafts from financial institution, and trade and other payables, their carrying amounts in the statements of financial position approximate their fair values.
- For current investments, their fair values are generally derived from quoted market prices.
- For share return receivables, their carrying amounts in the statements of financial position approximates their fair values.
- Future cash flow by the current market interest rate of the loans with similar terms and conditions. As at 31 December 2020 and 2019, fixed rate long-term loans are detailed below.

(Unit: Million Baht)

	Consolidated financial statements				Separate financial statements			
	Carrying amount		Fair value		Carrying amount		Fair value	
	2020	2019	2020	2019	2020	2019	2020	2019
Long-term loans from financial institutions - fixed interest rate	68	-	64	-	43	-	40	-

- For long-term loan carrying interest approximate to the market rate, their carrying amounts in the statements of financial position approximates their fair values.


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 บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

During the current year, there were no transfers within the fair value hierarchy.

36. Capital management

The primary objective of the Group's capital management is to ensure that they have appropriate capital structure in order to support their businesses and maximise shareholder value. As at 31 December 2020, the Group's debt-to-equity ratio was 1.91:1 (2019: 0.34:1) and the Company's was 1.94:1 (2019: 0.34:1).

37. Reclassification

Except the reclassification as a result from the adoption of new accounting standards as disclosed in Note 4 to the consolidated financial statements, the Group has reclassified certain accounts in the financial statements for year ended 31 December 2019 to conform to the current year's classification, as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statement	
	As reclassified	As previously Reported
Statement of comprehensive income		
<u>Revenues</u>		
Interest income	735	-
Other income	18,720	19,455

	(Unit: Thousand Baht)	
	Separate financial statement	
	As reclassified	As previously reported
Statement of comprehensive income		
<u>Revenues</u>		
Interest income	631	-
Other income	26,170	26,801

The reclassifications had no effect to previously reported profit for the year or shareholders' equity.


 ปวงพัฒน์ จิตตวงนภกิจ

 บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

38. Event after the reporting period

On 19 February 2021, the Company and its subsidiary have been approved for long term loan facilities of Baht 80 million and 10 million, respectively from a financial institution in order to support the business operations of the Company and its subsidiary.

The loan agreements contain several covenants which, among other things, require the Company and its subsidiary to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

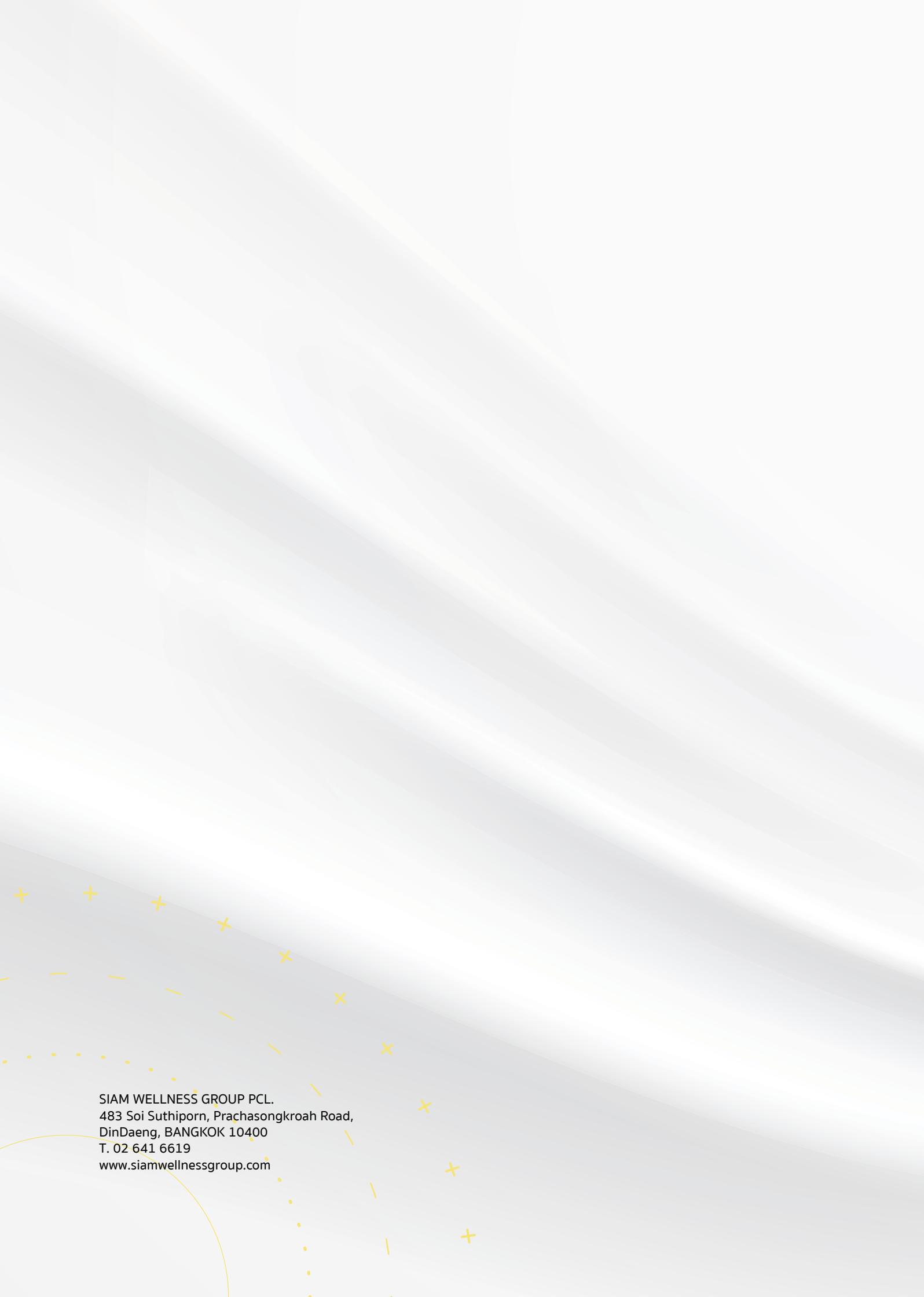
Such above loan facilities will be secured by the mortgage of land and structures thereon and a condominium unit of the Company.

On 22 February 2021, the Board of Directors meeting No. 1/2021 passed the resolution to approve the entering of such loan agreements and the mortgage of such properties.

39. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 22 February 2021.


กฤษณ์ วัฒนศิริกุล
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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

The background features a series of overlapping, wavy, light-colored bands that create a sense of depth and movement. In the bottom-left corner, there are several decorative elements: a solid yellow circle, a dashed yellow circle, and a dotted yellow circle, all partially visible. Scattered throughout the lower half of the page are small yellow symbols, including plus signs (+) and crosses (x).

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