

Siam Wellness Group Public Company Limited
and its subsidiaries

Review report and interim financial statements

For the three-month and six-month periods ended
30 June 2015

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Siam Wellness Group Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Siam Wellness Group Public Company Limited and its subsidiaries as at 30 June 2015, and the related consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2015, the consolidated statements of changes in shareholders' equity, and cash flows for the six-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Siam Wellness Group Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.



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Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Other Matter

The consolidated statement of financial position of Siam Wellness Group Public Company Limited and its subsidiaries and the separate statement of financial position of Siam Wellness Group Public Company Limited as at 31 December 2014, presented as comparative information, was audited by another auditor who expressed an unqualified opinion on that statement, under his report dated 25 February 2015. The consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2014, the consolidated statements of changes in shareholders' equity, and cash flows for the six-month period then ended of Siam Wellness Group Public Company Limited and its subsidiaries, and the separate financial statements of Siam Wellness Group Public Company Limited presented herein as comparative information, were also reviewed by the aforementioned auditor who concluded, under his report dated 14 August 2014, that nothing had come to his attention that caused him to believe that the interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Sumana Punpongsanon

Certified Public Accountant (Thailand) No. 5872

EY Office Limited

Bangkok: 13 August 2015

Siam Wellness Group Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2015

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2015	31 December 2014	30 June 2015	31 December 2014
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		86,727	104,039	68,147	89,819
Current investments	3	101,333	100,000	101,333	100,000
Trade and other receivables	4	2,957	6,324	1,912	4,183
Short term loans to and interest receivables from subsidiary	5	-	-	-	5,023
Inventories	6	9,838	7,483	8,507	6,886
Other current assets		9,190	3,159	9,044	2,977
Total current assets		210,045	221,005	188,943	208,888
Non-current assets					
Investments in subsidiaries	7	-	-	101,705	101,705
Leasehold rights on land	8	5,614	4,641	5,614	4,641
Property, plant and equipment	9	360,609	358,977	293,710	291,952
Computer software and rights		484	538	287	304
Deferred tax assets		228	209	-	-
Other non-current assets	10	36,744	15,486	36,744	15,486
Total non-current assets		403,679	379,851	438,060	414,088
Total assets		613,724	600,856	627,003	622,976

The accompanying notes are an integral part of the financial statements.



บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Signature

ประเสริฐ จักรวรรดิรัตน์
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Siam Wellness Group Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2015

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2015	31 December 2014	30 June 2015	31 December 2014
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	11	31,994	31,916	30,763	30,552
Current portion of long-term loans	12	8,004	12,240	8,004	12,240
Current portion of liabilities under financial lease agreements	13	481	468	481	468
Income tax payable		11,627	2,662	9,665	1,068
Advance received		7,919	7,482	6,983	5,794
Other current liabilities		2,291	1,615	1,939	1,112
Total current liabilities		62,316	56,383	57,835	51,234
Non-current liabilities					
Long term loans from financial institution - net of current portion	12	16,255	44,809	16,255	44,809
Liabilities under financial lease agreements - net of current portion	13	998	1,242	998	1,242
Provision for long-term employee benefits	14	4,671	3,760	3,990	3,210
Deferred tax liabilities		6,479	6,497	6,479	6,497
Other non-current liabilities		7,031	5,201	6,564	4,771
Total non-current liabilities		35,434	61,509	34,286	60,529
Total liabilities		97,750	117,892	92,121	111,763
Shareholders' equity					
Share capital					
Registered					
570,000,000 ordinary shares of Baht 0.25 each		142,500	142,500	142,500	142,500
Issued and paid-up					
570,000,000 ordinary shares of Baht 0.25 each		142,500	142,500	142,500	142,500
Share premium		278,906	278,906	278,906	278,906
Retained earnings					
Appropriated - statutory reserve		4,836	4,836	4,836	4,836
Unappropriated		102,323	69,313	75,006	51,337
Other components of shareholders' equity		(12,592)	(12,592)	33,634	33,634
Equity attributable to shareholders' of the Company		515,973	482,963	534,882	511,213
Non-controlling interests of the subsidiaries		1	1	-	-
Total shareholders' equity		515,974	482,964	534,882	511,213
Total liabilities and shareholders' equity		613,724	600,856	627,003	622,976

The accompanying notes are an integral part of the financial statements.

Directors



บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

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ประเวศ จันทวรรณศักดิ์

(Unaudited but reviewed)

Siam Wellness Group Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2015

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Profit or loss:					
Revenues	5				
Revenue from sales		9,780	7,284	4,617	2,723
Revenue from services		111,737	61,588	104,061	56,223
Other income		3,607	1,636	5,276	3,043
Total revenues		<u>125,124</u>	<u>70,508</u>	<u>113,954</u>	<u>61,989</u>
Expenses	5				
Cost of sales		5,748	5,338	2,730	1,903
Cost of services		69,713	44,326	67,610	43,250
Selling expenses		4,464	5,411	3,994	4,029
Administrative expenses		15,211	12,216	13,650	10,540
Total expenses		<u>95,136</u>	<u>67,291</u>	<u>87,984</u>	<u>59,722</u>
Profit before finance cost and income tax expenses		<u>29,988</u>	<u>3,217</u>	<u>25,970</u>	<u>2,267</u>
Finance costs		(415)	(1,276)	(415)	(1,211)
Profit before income tax expenses		<u>29,573</u>	<u>1,941</u>	<u>25,555</u>	<u>1,056</u>
Income tax expenses	15	(5,981)	(527)	(5,256)	(243)
Profit for the period		<u>23,592</u>	<u>1,414</u>	<u>20,299</u>	<u>813</u>
Other comprehensive income:					
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		<u>23,592</u>	<u>1,414</u>	<u>20,299</u>	<u>813</u>
Profit attributable to:					
Equity holders of the Company		23,592	1,414	20,299	813
Non-controlling interests of the subsidiaries		-	-	-	-
		<u>23,592</u>	<u>1,414</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		23,592	1,414	20,299	813
Non-controlling interests of the subsidiaries		-	-	-	-
		<u>23,592</u>	<u>1,414</u>		
					(Unit: Baht)
Earnings per share	16				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.041</u>	<u>0.004</u>	<u>0.036</u>	<u>0.002</u>

The accompanying notes are an integral part of the financial statements.



บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

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ปวงพัฒน์ จันทนกุลกิจ

ປະເພນີ ຈັດການບຸນກິດຈະ

(Unaudited but reviewed)

Siam Wellness Group Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

Consolidated financial statements

Equity attributable to shareholders of the Company												
	Note	Other components of shareholders' equity										
		Issued and paid-up share capital	Share premium	Retained earnings		Discount on business combination under common control	Other comprehensive income		Total components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated		Surplus on revaluation of assets					
Balance as at 1 January 2014		100,000	38,706	-	81,323	(46,226)	31,396	(14,830)	205,199	1	205,200	
Profit for the period		-	-	-	6,273	-	-	-	6,273	-	6,273	
Other comprehensive income		-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the period		-	-	-	6,273	-	-	-	6,273	-	6,273	
Appropriation of retained earnings	18	-	-	3,749	(3,749)	-	-	-	-	-	-	
Dividend paid		-	-	-	(40,000)	-	-	-	(40,000)	-	(40,000)	
Balance as at 30 June 2014		100,000	38,706	3,749	43,847	(46,226)	31,396	(14,830)	171,472	1	171,473	
Balance as at 1 January 2015		142,500	278,906	4,836	69,313	(46,226)	33,634	(12,592)	482,963	1	482,964	
Profit for the period		-	-	-	47,260	-	-	-	47,260	-	47,260	
Other comprehensive income		-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the period		-	-	-	47,260	-	-	-	47,260	-	47,260	
Dividend paid	18	-	-	-	(14,250)	-	-	-	(14,250)	-	(14,250)	
Balance as at 30 June 2015		142,500	278,906	4,836	102,323	(46,226)	33,634	(12,592)	515,973	1	515,974	

The accompanying notes are an integral part of the financial statements.



บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Signature

วิมลรัตน์ จักรวรรดิ

(Unaudited but reviewed)

Siam Wellness Group Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

Separate financial statements									
Other components of shareholders' equity									
Other comprehensive income									



Signature of the Representative Director

Signature of the Representative Director

บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Siam Wellness Group Public Company Limited and its subsidiaries

Statement of cash flows

For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from operating activities				
Profit before tax	59,070	8,093	47,749	2,712
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	16,823	12,363	14,764	9,905
Unrealised gain on the change in fair value of trading securities	(381)	-	(381)	-
Bad debts and allowance for doubtful accounts (reversal)	52	(141)	(3)	1
Reduction of inventories to net realisable value	30	323	30	173
Impairment loss on assets	-	2,565	-	2,565
Loss on write-off of property, plant and equipment	50	-	-	-
Long-term employee benefit expenses	911	620	780	506
Interest income	(946)	(55)	(944)	(36)
Interest expenses	1,039	2,497	1,039	2,283
Profit from operating activities before changes in operating assets and liabilities	76,648	26,265	63,034	18,109
Decrease (increase) in operating assets				
Current investments	(952)	-	(952)	-
Trade and other receivables	3,317	2,006	2,271	(1,048)
Inventories	(2,385)	462	(1,651)	30
Other current assets	(6,033)	(3,202)	(6,065)	(2,987)
Other non-current assets	(1,138)	(521)	(1,138)	(525)
Increase (decrease) in operating liabilities				
Trade and other payables	3,352	(2,623)	3,485	(269)
Advance received	437	(244)	1,189	56
Other current liabilities	676	(1,085)	827	(745)
Other non-current liabilities	1,830	(491)	1,793	(543)
Cash flows from operating activities	75,752	20,567	62,793	12,078
Cash paid for interest expenses	(1,039)	(2,658)	(1,039)	(2,243)
Cash paid for income tax	(2,882)	(9,478)	(1,250)	(8,595)
Net cash flows from operating activities	71,831	8,431	60,504	1,240

The accompanying notes are an integral part of the financial statements.



บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

ปวงพัฒน์ จันทะนาคกุลรัตน์
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(Unaudited but reviewed)

Siam Wellness Group Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from investing activities				
Decrease (increase) in loans to and interest receivables from subsidiary	-	-	5,023	(500)
Cash paid for acquisition of leasehold rights on land	(1,697)	-	(1,697)	-
Cash paid for acquisition of property, plant and equipment	(20,996)	(31,350)	(19,050)	(31,214)
Cash paid for acquisition of computer software and rights	(5)	(1,317)	(5)	(1,304)
Cash paid in advance for acquisition of assets	(20,120)	-	(20,120)	-
Cash received from interest	946	56	944	36
Net cash flows used in investing activities	(41,872)	(32,611)	(34,905)	(32,982)
Cash flows from financing activities				
Repayment of short-term loans from financial institution	-	(6,000)	-	-
Decrease in liabilities under financial lease agreements	(231)	(219)	(231)	(219)
Increase in long-term loans from financial institution	-	35,000	-	35,000
Repayment of long-term loans from financial institution	(32,790)	(7,365)	(32,790)	(7,365)
Cash paid for dividend	(14,250)	-	(14,250)	-
Net cash flows from (used in) financing activities	(47,271)	21,416	(47,271)	27,416
Net decrease in cash and cash equivalents	(17,312)	(2,764)	(21,672)	(4,326)
Cash and cash equivalents at beginning of period	104,039	19,633	89,819	12,832
Cash and cash equivalents at end of period	86,727	16,869	68,147	8,506

Supplemental cash flows information

Non-cash transactions

Increase (decrease) in liabilities from acquisition of property, plant and equipment	(3,274)	3,965	(3,274)	3,965
Dividend payable	-	40,000	-	40,000

The accompanying notes are an integral part of the financial statements.



บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

นางสาว อังภาวรรณ นนทวัฒน์

Siam Wellness Group Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month and six-month periods ended 30 June 2015

1. General information

1.1 The Company's general information

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 massage for health. Its registered head office is at No. 483, Soi Suthiporn, Pracha-Songkroh Road, Dindang, Dindang, Bangkok. As at 30 June 2015, the Company has a total of 13 branches in Bangkok and upcountry (31 December 2014: 13 branches).

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 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2014) Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.



บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

นางสาว อรุณรัตน์ นาคีรักษ์
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1.3 Basis of consolidation of interim financial statements

These interim consolidated financial statements include the financial statements of Siam Wellness Group Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2014. There have been no changes in the composition of the subsidiaries during the current period.

1.4 New financial reporting standards

During the period, the Company has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements. However, some of these standards involve changes to key principles, which are summarised below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognises actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in either profit or loss, or in other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognise actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 *Consolidated and Separate Financial Statements* dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee 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, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company



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and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on the Company's and its subsidiaries' financial statements.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

2. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2014.

3. Current investments

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Fixed deposits	-	100,000	-	100,000
Trading securities				
Investment units	100,952	-	100,952	-
Add: Unrealised gain on the change in fair value of investments	381	-	381	-
Investment units - net	101,333	-	101,333	-
Total trading securities	101,333	-	101,333	-
Total current investments	101,333	100,000	101,333	100,000



Signature

4. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
<u>Trade receivables - related parties (Note 5)</u>				
Aged on the basis of due dates				
Not yet due	-	51	733	351
Past due				
Up to 3 months	5	2	5	-
Total trade receivables - related parties, net	5	53	738	351
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	1,021	1,996	533	469
Past due				
Up to 3 months	577	956	101	364
3 - 6 months	16	126	-	109
6 - 12 months	114	6	4	6
Over 12 months	105	105	1	1
Total	1,833	3,189	639	949
Less: Allowance for doubtful debts	(159)	(108)	(1)	(4)
Total trade receivables - unrelated parties, net	1,674	3,081	638	945
Total trade receivable - net	1,679	3,134	1,376	1,296
<u>Other receivables</u>				
Other receivables - unrelated parties				
	1,515	3,426	772	3,123
Less: Allowance for doubtful debts	(237)	(236)	(236)	(236)
Total other receivables, net	1,278	3,190	536	2,887
Total trade and other receivables - net	2,957	6,324	1,912	4,183



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5. 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
Blooming Co., Ltd.	Sale of gift , a blesses card and a notebook	Common shareholders
B.U. Enterprise Co., Ltd.	Properties rental	Common shareholders
Cyberprint Co., Ltd.	Printing business	Common shareholders
Asian Fortune Property Co., Ltd.	Real estate development	Common shareholders
Rarinjinda Ordinary Partnership	Properties rental	Common directors

During the periods, the Company and its subsidiaries 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.

(Unit: Million Baht)

For the three-month periods ended 30 June				Transfer pricing policy
Consolidated financial statements		Separate financial statements		
2015	2014	2015	2014	

Transactions with subsidiaries

(Being eliminated from the consolidated financial statements)

Revenue from services	-	-	-	0.1	Market price
Revenue from rental and utility	-	-	1.5	1.5	Contract price
Other income	-	-	0.3	0.5	Actual price
Purchase of goods	-	-	2.7	2.1	Market price
Service expenses	-	-	1.0	0.6	Contract price
Commission expenses	-	-	0.5	0.2	Contract price

Transactions with related parties

Revenue from sales	-	0.1	-	-	Market price
Purchase of goods	2.5	0.5	2.3	0.7	Market price
Service expenses	0.6	0.1	0.6	-	Contract price
Rental and utility expenses	2.7	2.8	2.7	2.8	Contract price



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(Unit: Million Baht)

Consolidated		Separate		Transfer pricing policy ^e
financial statements		financial statements		
2015	2014	2015	2014	

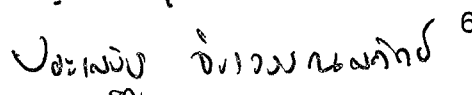
Revenue from services	-	-	0.2	0.1	Market price
Revenue from rental and utility	-	-	2.9	2.8	Contract price
Other income	-	-	0.8	0.9	Actual price
Purchase of goods	-	-	5.4	3.6	Market price
Service expenses	-	-	2.3	1.1	Contract price
Commission expenses	-	-	0.8	0.5	Contract price

The balances of the accounts as at 30 June 2015 and 31 December 2014 between the Company, subsidiaries and those related companies are as follows:

Consolidated financial statements		Separate financial statements	
30	31	30	31
June	December	June	December
2015	2014	2015	2014

Siam Wellness Resort Co., Ltd.	-	-	712	320
Siam Wellness Lab Co., Ltd.	-	-	8	7
Siam Wellness Education Co., Ltd.	-	-	14	-
Total	-	-	734	327

Siam Wellness Resort Co., Ltd.	-	-	174	112
Siam Wellness Lab Co., Ltd.	-	-	1,248	1,575
Siam Wellness Education Co., Ltd.	-	-	488	287
Total	-	-	1,910	1,974



(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	June	December	June	December
	2015	2014	2015	2014
<u>Trade receivables - Related parties (Note 4)</u>				
Blooming Co., Ltd.	1	2	-	-
Cyberprint Co., Ltd.	-	49	-	24
B.U. Enterprise Co., Ltd.	4	2	4	-
Total	5	53	4	24
<u>Trade payables - Related parties (Note 11)</u>				
Blooming Co., Ltd.	1,013	703	950	635
B.U. Enterprise Co., Ltd.	65	65	50	48
Cyberprint Co., Ltd.	179	354	54	247
Asian Fortune Property Co., Ltd.	-	77	-	77
Total	1,257	1,199	1,054	1,007
<u>Other payables - Related parties (Note 11)</u>				
Directors of the Company	58	362	47	276
Total	58	362	47	276
<u>Short-term loans to and interest receivables from related parties</u>				
(Being eliminated from the consolidated financial statements)				
Siam Wellness Resort Co., Ltd.				
Short-term loans	-	-	-	5,000
Interest receivables	-	-	-	23
Total	-	-	-	5,023

During the current period, movements of short-term loans and interest receivables from related party were as follows:

(Unit: Thousand Baht)

	Separate financial statements		
	Balance as at	During the period	
	1 January 2015	Increase	Decrease
			Balance as at 30 June 2015
<u>Short-term loans to and interest receivables from related parties</u>			
Siam Wellness Resort Co., Ltd.	5,023	-	(5,023)
Total	5,023	-	(5,023)

Directors and management's benefits

During the three-month and six-month periods ended 30 June 2015 and 2014, employee benefit expenses payable to their directors and management of the Company and its subsidiaries are as follows:



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ประเสริฐ จันทรรคนานนท์

(Unaudited but reviewed)

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated financial		Separate financial	
	statements		statements	
	2015	2014	2015	2014
Short-term employee benefits	4.4	3.8	4.4	3.8
Post-employment benefits	0.2	0.1	0.2	0.1
Total	4.6	3.9	4.6	3.9

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated financial		Separate financial	
	statements		statements	
	2015	2014	2015	2014
Short-term employee benefits	9.0	7.0	9.0	7.0
Post-employment benefits	0.4	0.2	0.4	0.2
Total	9.4	7.2	9.4	7.2

Significant agreements with related parties

1. On 1 January 2013, the Company entered into a lease agreement with Rarinjinda Ordinary Partnership (formerly known as "Rarinjinda, A Body of Persons") for the period of 30 years, due in December 2042 and such agreement is renewable by a formal notice letter not less than 3 years before term due of agreement. Under the agreement, the Company committed to pay an annual rental fee amounting to Baht 2.9 million and not more than 15% of rental fee can be increased every 3 years.

Furthermore, on 1 January 2013, the Company made a sublease agreement with Siam Wellness Resort Co., Ltd. for the period of 30 years, due in December 2042 and such agreement is renewable by a formal notice letter 3 years before term due of agreement. Under the agreement, Siam Wellness Resort Co., Ltd. committed to pay an annual rental fee amounting to Baht 1.9 million and not more than 15% of rental fee can be increased every 3 years.

Under the lease and sublease agreements, assets which the Company and the subsidiary build or modify will be transferred the rights to Rarinjinda Ordinary Partnership on maturity date.



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2. On 1 January 2013, the Company entered into a head office rental agreement with a related person for the period of 3 years due in December 2015 and such agreement is renewable twice for every 3 years. Under the agreement, the Company committed to pay an annual rental fee amounting to Baht 1.3 million and not more than 15% of rental fee can be increased every 3 years.

Furthermore, on 1 January 2013, the Company made sublease agreements with Siam Wellness Lab Co., Ltd. and Siam Wellness Education Co., Ltd. ("sublessees") for the period of 3 years, due in December 2015 and such agreements are renewable twice for every 3 years. Under the agreements, the sublessees committed to pay an annual rental fee amounting to Baht 0.7 million.

3. On 23 January 2014, the Company has entered into rental agreements for residence for employees with a related person for the period of 3 years, due in December 2016, and such agreement is renewable by a formal notice letter not less than 2 months before term due of agreement. Under the agreement, the Company committed to pay an annual rental fee amounting to Baht 0.5 million.
4. On 1 February 2014, the Company has entered into a rental and service agreement with Asian Fortune Property Co., Ltd. for the period of 3 years, due in January 2017 and such agreement is renewable twice for every 3 years. Under the agreement, the Company committed to pay an annual rental and service fees amounting to Baht 6 million.

6. Inventories

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Finished goods	2,144	1,928	2,634	2,880
Supplies	6,536	5,012	6,214	4,623
Food and beverage	150	154	-	-
Others	2,106	1,457	306	-
Less: Reduce cost to net realisable value	(1,098)	(1,068)	(647)	(617)
Inventories - net	9,838	7,483	8,507	6,886



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(Unaudited but reviewed)

Movements in the allowance for diminution in value of inventories account during the six-month period ended 30 June 2015, are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2015	1,068	617
Add: Allowance for diminution in value of inventories made during the period	6,470	3,814
Less: Reversal of allowance for diminution in value of inventories made during the period	(6,440)	(3,784)
Balance as 30 June 2015	1,098	647

7. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements as at 30 June 2015 and 31 December 2014 are as follows:

Company's name	Type of business	Called-up share capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Net book value (cost method)	
		30	31	30	31	30	31	30	31
		June	December	June	December	June	December	June	December
		2015	2014	2015	2014	2015	2014	2015	2014
				(%)	(%)				
Siam Wellness Lab Co., Ltd.	Manufacturer and sale of spa products	1,000	1,000	99.98	99.98	2,000	2,000	2,000	2,000
Siam Wellness Education Co., Ltd.	Thai massage school	1,000	1,000	99.97	99.97	1,000	1,000	1,000	1,000
Siam Wellness Resort Co., Ltd.	Hotel and restaurant operations	60,000	60,000	99.98	99.98	98,705	98,705	98,705	98,705
Total						101,705	101,705	101,705	101,705

All subsidiary companies are incorporated in Thailand.

During the three-month and six-month periods ended 30 June 2015 and 2014, the Company did not receive dividends from its subsidiaries.



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8. Leasehold rights on land

A reconciliation of net book value of leasehold rights on land for the six-month period ended 30 June 2015 is presented below.

	(Unit: Thousand Baht)
	Consolidated and Separate financial statements
Net book value as at 1 January 2015	4,641
Acquisition during period	1,697
Amortisation for period	(724)
Net book value as at 30 June 2015	5,614

9. Property, plant and equipment

A reconciliation of net book value of property, plant and equipment for the six-month period ended 30 June 2015 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2015	358,977	291,952
Acquisition during period	17,722	15,776
Write-off during period (net book value as at write-off date)	(50)	-
Depreciation for period	(16,040)	(14,018)
Net book value as at 30 June 2015	360,609	293,710

As at 30 June 2015, the Company had vehicles with net book value of Baht 1.9 million (31 December 2014: Baht 2.2 million), which were acquired under finance lease agreements.

As at 30 June 2015, the Company has pledged its land and structures thereon amounting to Baht 77.7 million (31 December 2014: Baht 78.5 million) as collateral against its bank overdraft, the letter of guarantees issuance, and long-term loans facility received from financial institution as disclosed in Note 12 and Note 19.3 to interim financial statements.

(Unaudited but reviewed)

10. Other non-current assets

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	
	30 June	31 December
	2015	2014
Deposits - lease agreements	16,061	14,519
Advance paid for acquisition of assets (Note 22)	20,120	-
Others	563	967
Total other non-current assets	36,744	15,486

11. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	June	December	June	December
	2015	2014	2015	2014
Trade accounts payable	11,404	11,343	9,407	9,366
Trade accounts payable - related parties				
(Note 5)	1,257	1,199	2,964	2,981
Retention	3,580	4,766	3,580	4,766
Other payables - related parties				
(Note 5)	58	362	47	276
Accrued payroll and bonus expenses	6,839	7,455	6,601	7,265
Accrued expenses - others	7,684	5,241	7,237	4,914
Others payables	1,172	1,550	927	984
Total trade and other payables	31,994	31,916	30,763	30,552

(Unaudited but reviewed)

12. Long-term loans from financial institution

(Unit: Thousand Baht)

Loan	Facility amount (Million Baht)	Interest rate (% p.a.)	Consolidated and Separate financial statements	
			30 June 2015	31 December 2014
1.	80	MLR - 1.30	-	13,250
2.	10	MLR - 1.40	-	5,800
3.	55	MLR - 1.40	24,259	37,999
Total			24,259	57,049
Less: Current portion			(8,004)	(12,240)
Long-term loans, net of current portion			16,255	44,809

The loans are secured by the mortgage of land and structures thereon of the Company as disclosed in the Note 9 to interim financial statements, and guaranteed by the Company's directors.

The loan agreements contain several covenants which, among other things, require the Company to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

As at 30 June 2015, the long-term credit facilities of a Company which have not yet been drawn down amounted to Baht 15.5 million (31 December 2014: Baht 15.5 million).

Movements in the long-term loans from financial institution during the six-month period ended 30 June 2015 are summarised below:

(Unit: Thousand Baht)

	Consolidated and Separate financial statements
Balance as at 1 January 2015	57,049
Less: Repayments	(32,790)
Balance as at 30 June 2015	24,259



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SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

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13. Liabilities under finance lease agreements

(Unit: Thousand Baht)

Consolidated and Separate
financial statements

	30 June 2015	31 December 2014
Liabilities under finance lease agreements	1,603	1,878
Less : Deferred interest expenses	(124)	(168)
Total	1,479	1,710
Less : Portion due within one year	(481)	(468)
Liabilities under finance lease agreements - net of current portion	998	1,242

The Company has entered into the finance lease agreement with leasing company for rental of motor vehicle for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreement is 5 years.

Future minimum lease payments required under the finance lease agreement as at 30 June 2015 and 31 December 2014 were as follows:

(Unit: Million Baht)

Consolidated and Separate financial
statements

As at 30 June 2015

	Less than		
	1 year	1-5 years	Total
Future minimum lease payments	0.5	1.1	1.6
Deferred interest expenses	(0.1)	-	(0.1)
Present value of future minimum lease payments	0.4	1.1	1.5

(Unit: Million Baht)

Consolidated and Separate financial
statements

As at 31 December 2014

	Less than		
	1 year	1-5 years	Total
Future minimum lease payments	0.6	1.3	1.9
Deferred interest expenses	(0.1)	(0.1)	(0.2)
Present value of future minimum lease payments	0.5	1.2	1.7

14. Provision for long-term employee benefits

Provision for long-term employee benefits as at 30 June 2015 which is compensations on employees' retirement, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Defined benefit obligation as at 1 January 2015	3,760	3,210
Current service cost	799	684
Interest cost	112	96
Provisions for long-term employee benefits as at 30 June 2015	4,671	3,990

Long-term employee benefit expenses included in profit or loss for the three-month and six-month periods ended 30 June 2015 amounted to Baht 0.5 million (2014: Baht 0.3 million) and Baht 0.9 million (2014: Baht 0.6 million), respectively (the Company only: Baht 0.4 million (2014: Baht 0.3 million) and Baht 0.8 million (2014: Baht 0.5 million), respectively).

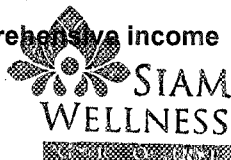
15. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and six-month periods ended 30 June 2015 and 2014 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Current income tax:				
Interim corporate income tax charge	5,940	585	5,208	369
Deferred tax:				
Relating to origination and reversal of temporary differences	41	(58)	48	(126)
Income tax expenses reported in the statements of comprehensive income	5,981	527	5,256	243



(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Current income tax:				
Interim corporate income tax charge	11,847	2,496	9,847	1,348
Deferred tax:				
Relating to origination and reversal of temporary differences	(37)	(676)	(17)	(734)
Income tax expenses reported in the statements of comprehensive income	11,810	1,820	9,830	614

16. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period, after adjusting the number of ordinary shares in proportion to the change in the number of shares as a result of the change in the par value from Baht 100 to Baht 0.25 per share as if the change in par value had occurred since the earliest period reported, in accordance with the resolution of the Extraordinary General Meeting of the Company's shareholders held on 7 May 2014.

The following table sets forth the computation of basic earnings per share:

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Profit for the period (Thousand Baht)	23,592	1,414	20,299	813
Weighted average number of ordinary shares (Thousand shares)	570,000	400,000	570,000	400,000
Profit per share (Baht/share)	0.041	0.004	0.036	0.002



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(Unaudited but reviewed)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Profit for the period (Thousand Baht)	47,260	6,273	37,919	2,098
Weighted average number of ordinary shares (Thousand shares)	570,000	400,000	570,000	400,000
Profit per share (Baht/share)	0.083	0.016	0.067	0.005

17. Segment information

The Company and its subsidiaries are organised into business units based on its products and services. During the current period, the Company and its subsidiaries have not changed the organisation of their reported segments.

The following table presents revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month and six-month periods ended 30 June 2015 and 2014.

(Unit: Million Baht)

	For the three-month periods ended 30 June									
	Spa services		Sales of spa products and healthy products		Hotel and restaurant		Elimination		Total	
			2015	2014	2015	2014	2015	2014	2015	2014
	2015	2014								
Revenues from external customers	104	56	5	3	12	10	-	-	121	69
Internal - segment revenues	1	1	3	2	-	-	(4)	(3)	-	-
Total revenues	105	57	8	5	12	10	(4)	(3)	121	69
Segment profit	37	15	3	2	5	2	-	-	45	19
Revenues and expenses which have not been allocated :										
Other income									4	2
Selling expenses									(4)	(6)
Administrative expenses									(15)	(12)
Finance costs									-	(1)
Profit before income tax									30	2
Income tax expenses									(6)	(1)
Profit for the period									24	1



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ผู้อำนวยการบริหาร

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month periods ended 30 June

	Spa services		Sales of spa products and healthy products		Hotel and restaurant		Elimination		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Revenues from external customers	198	112	10	6	29	25	-	-	237	143
Internal - segment revenues	2	1	6	4	-	-	(8)	(5)	-	-
Total revenues	200	113	16	10	29	25	(8)	(5)	237	143
Segment profit	70	31	7	4	14	9	-	-	91	44
Revenues and expenses which have not been allocated :										
Other income									6	3
Selling expenses									(9)	(10)
Administrative expenses									(28)	(26)
Finance costs									(1)	(3)
Profit before income tax									59	8
Income tax expenses									(12)	(2)
Profit for the period									47	6

Geographic segments

Management considers that the Company and its subsidiaries operate in a single geographic area, mainly in Thailand, and has, therefore, only one major geographic segment.

Major Customer

The Company and its subsidiaries have no major customer because their business is the sale and service to minor customers.

18. Dividends

	Approved by	Dividend (Million Baht)	Dividend per share (Baht)
Final dividends for 2014	Annual General Meeting of the shareholders on 30 March 2015	14.25	0.025
Final dividends for 2013	Annual General Meeting of the shareholders on 19 April 2014	40.00	40.000



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จิราวรรณ วัฒนศิริกุล

19. Commitments and contingent liabilities**19.1 Capital commitments**

As at 30 June 2015 and 31 December 2014, 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	
	30 June 2015	31 December 2014
Construction costs	0.1	12.0

19.2 Operating lease commitments

The Company and its subsidiaries have entered into several operating lease agreements in respect of the lease of service locations and equipment. The terms of the agreements are generally between 1 and 5 years. In addition, the Company has entered into operating lease agreements in respect of the lease of land with 30 years of the term of the agreement.

As at 30 June 2015 and 31 December 2014, future minimum payments required under these non-cancellable operating leases agreement and related service agreements were as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Payable:				
In up to 1 year	53	58	53	58
In over 1 and up to 5 years	47	75	47	75
In over 5 years	65	69	65	69



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As at 30 June 2015, future minimum sublease payments expected to be received under non-cancellable subleases amounting to Baht 51.7 million (31 December 2014: Baht 53.0 million). During the three-month and six-month periods ended 30 June 2015, the Company recognised rental expenses of Baht 1.0 million and Baht 2.0 million, respectively (2014: Baht 1.0 million and Baht 2.0 million, respectively) and subleasing revenue of Baht 0.6 million and Baht 1.2 million, respectively (2014: Baht 0.8 million and Baht 1.6 million, respectively).

19.3 Guarantees

As at 30 June 2015, there were outstanding bank guarantees of Baht 2.2 million (31 December 2014: Baht 4.2 million) (the Company only: Baht 1.6 million (31 December 2014: Baht 3.6 million)) issued by the banks on behalf of the Company and its subsidiaries as required in the normal course of business.

20. Fair value of financial instruments

The Company uses the market approach to measure its assets that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company endeavors to use relevant observable inputs as much as possible. TFRS 13 *Fair Value Measurement* establishes a fair value hierarchy categorising such inputs into three levels as follows:

- Level 1 - Use of quoted market prices in an observable 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



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As of 30 June 2015, the Company had the following assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated and Separate financial statements			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Current investments				
Investment units - domestic	-	101,333	-	101,333

Valuation techniques and inputs to Level 2 valuation

The fair value of investment in investment units 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.

During the current period, there were no transfers within the fair value hierarchy.

21. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 30 June 2015, the Group's debt-to-equity ratio was 0.19:1 (31 December 2014: 0.24:1) and the Company's was 0.17:1 (31 December 2014: 0.22:1).

22. Events after the reporting period

(1) On 29 June 2015, a meeting of the Company's Board of Directors approved an acquisition of assets of S Sense Spa Co., Ltd. for its business expansion. The Company and Sense Spa Co., Ltd. entered into a sales agreement on 1 July 2015.

On 30 June 2015, the Company paid deposits for such asset purchase to the seller at the amount of Baht 17.1 million. This deposit was shown as part of "Non-current assets", as disclosed in Note 10 to the interim financial statements.

(2) On 29 June 2015, a meeting of the Company's Board of Directors approved an acquisition of assets of Sarahn Relax Group Co., Ltd. for its business expansion. The Company and Sarahn Relax Group Co., Ltd. entered into a sales agreement on 23 July 2015.

On 29 May 2015, the Company paid partially for such asset purchase to the seller at the amount of Baht 3.0 million. This amount was shown as part of "Non-current assets", as disclosed in Note 10 to the interim financial statements.

- (3) On 29 June 2015, a meeting of the Company's Board of Directors approved an acquisition of assets of Baan Suan Massage from non-related persons for its business expansion.

The Company and non-related persons entered into these sales agreements on 1 August 2015.

23. Approval of interim financial statements

These interim financial statements were authorised to issue by the Company's Board of Directors on 13 August 2015.



ประเสริฐ จักรวรรดิพงศ์