

Siam Wellness Group Public Company Limited
and its subsidiaries

Review report and interim consolidated financial statements
For the three-month period ended
31 March 2016



Building a better
working world

EY Office Limited
33rd Floor, Lake Rajada Office Complex
193/136-137 Rajadapisek Road
Klongtoey, Bangkok 10110
G.P.O.Box 1047, Bangkok 10501, Thailand
Tel: +66 2264 9090
Fax: +66 2264 0789-90
ey.com

บริษัท สำนักงาน อีวาย จำกัด
ชั้น 33 อาคารเลคไรซ์ดา
193/136-137 ถนนรัชดาภิเษก
คลองเตย กรุงเทพฯ 10110
ต.ป.ณ. 1047 กรุงเทพฯ 10501
โทรศัพท์: +66 2264 9090
โทรสาร: +66 2264 0789-90
ey.com

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 31 March 2016, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-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 period. 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.

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*.

Sumana Punpongsanon
Certified Public Accountant (Thailand) No. 5872

EY Office Limited
Bangkok: 16 May 2016

Siam Wellness Group Public Company Limited and its subsidiaries


Statement of financial position

As at 31 March 2016

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2016	31 December 2015	31 March 2016	31 December 2015
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		74,627	60,246	44,053	36,563
Current investments	4	26,343	26,246	26,343	26,246
Trade and other receivables	3,5	4,806	4,085	4,371	2,450
Inventories	6	17,700	13,827	14,964	11,066
Other current assets		8,756	9,219	8,234	8,736
Total current assets		132,232	113,623	97,965	85,061
Non-current assets					
Investments in subsidiaries	7	-	-	101,705	101,705
Leasehold rights	8	13,371	14,134	13,371	14,134
Property, plant and equipment	9	498,492	480,017	430,604	410,926
Goodwill		20,340	20,340	20,340	20,340
Intangible assets		4,867	5,022	4,616	4,743
Deferred tax assets		194	212	-	-
Other non-current assets	10	23,766	21,670	23,764	21,668
Total non-current assets		561,030	541,395	594,400	573,516
Total assets		693,262	655,018	692,365	658,577

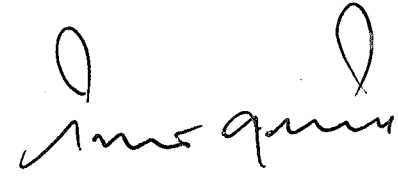
The accompanying notes are an integral part of the financial statements.



SIAM WELLNESS

 บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)

 SIAW WELLNESS GROUP PUBLIC COMPANY LIMITED



 นางสาว อรุณรัตน์

 ผู้จัดการทั่วไป

Siam Wellness Group Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2016

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2016	31 December 2015	31 March 2016	31 December 2015
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	3,11	37,863	39,137	36,376	34,410
Current portion of liabilities under financial lease agreements		501	494	501	494
Income tax payable		22,694	14,343	19,000	11,858
Dividend payable	16	28,500	-	28,500	-
Advance received		14,460	14,847	13,272	12,984
Other current liabilities		4,009	6,592	3,399	6,009
Total current liabilities		108,027	75,413	101,048	65,755
Non-current liabilities					
Liabilities under financial lease agreements - net of current portion		620	748	620	748
Provision for long-term employee benefits	12	4,648	4,173	3,941	3,543
Deferred tax liabilities		9,457	9,613	9,457	9,613
Other non-current liabilities		8,859	10,164	8,338	9,654
Total non-current liabilities		23,584	24,698	22,356	23,558
Total liabilities		131,611	100,111	123,404	89,313
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 fully 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		9,919	9,919	9,474	9,474
Unappropriated		135,848	129,104	97,378	97,681
Other components of shareholders' equity		(5,523)	(5,523)	40,703	40,703
Equity attributable to shareholders' of the Company		561,650	554,906	568,961	569,264
Non-controlling interests of the subsidiaries		1	1	-	-
Total shareholders' equity		561,651	554,907	568,961	569,264
Total liabilities and shareholders' equity		693,262	655,018	692,365	658,577

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

[Signature]

ปองสวัสดิ์ จันทมนต์

Directors



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

(Unaudited but reviewed)

Siam Wellness Group Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2016

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Profit or loss:					
Revenues					
Revenue from sales		17,078	11,696	8,107	4,742
Revenue from services		154,227	103,874	143,582	94,145
Other income		4,710	2,033	6,780	3,625
Total revenues		<u>176,015</u>	<u>117,603</u>	<u>158,469</u>	<u>102,512</u>
Expenses					
Cost of sales		10,108	6,545	4,585	2,857
Cost of services		99,386	63,414	97,954	61,598
Selling expenses		6,660	4,637	5,892	3,847
Administrative expenses		16,216	12,886	14,687	11,392
Total expenses		<u>132,370</u>	<u>87,482</u>	<u>123,118</u>	<u>79,694</u>
Profit before finance cost and income tax expenses		<u>43,645</u>	<u>30,121</u>	<u>35,351</u>	<u>22,818</u>
Finance cost		(52)	(624)	(52)	(624)
Profit before income tax expenses		<u>43,593</u>	<u>29,497</u>	<u>35,299</u>	<u>22,194</u>
Income tax expenses	13	(8,349)	(5,829)	(7,102)	(4,574)
Profit for the period		<u>35,244</u>	<u>23,668</u>	<u>28,197</u>	<u>17,620</u>
Other comprehensive income:					
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		<u>35,244</u>	<u>23,668</u>	<u>28,197</u>	<u>17,620</u>
Profit attributable to:					
Equity holders of the Company		35,244	23,668	28,197	17,620
Non-controlling interests of the subsidiaries		-	-	-	-
		<u>35,244</u>	<u>23,668</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		35,244	23,668	28,197	17,620
Non-controlling interests of the subsidiaries		-	-	-	-
		<u>35,244</u>	<u>23,668</u>		
					(Unit: Baht)
Earnings per share	14				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.06</u>	<u>0.04</u>	<u>0.05</u>	<u>0.03</u>

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



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

[Signature]
รองเลขาธิการ
จิรวัฒน์ นิลคำ

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements											
Equity attributable to shareholders of the Company											
Other components of shareholders' equity											
Other comprehensive income											
Note	Issued and fully 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 2015	142,500	278,906	4,836	69,313	(46,226)	33,634	(12,592)	482,963	1	482,964	
Profit for the period	-	-	-	23,668	-	-	-	23,668	-	23,668	
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	23,668	-	-	-	23,668	-	23,668	
Dividend paid	-	-	-	(14,250)	-	-	-	(14,250)	-	(14,250)	
Balance as at 31 March 2015	142,500	278,906	4,836	78,731	(46,226)	33,634	(12,592)	492,381	1	492,382	
Balance as at 1 January 2016	142,500	278,906	9,919	129,104	(46,226)	40,703	(5,523)	554,906	1	554,907	
Profit for the period	-	-	-	35,244	-	-	-	35,244	-	35,244	
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	35,244	-	-	-	35,244	-	35,244	
Dividend paid	-	-	-	(28,500)	-	-	-	(28,500)	-	(28,500)	
Balance as at 31 March 2016	142,500	278,906	9,919	135,848	(46,226)	40,703	(5,523)	561,650	1	561,651	

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



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

α

(Unaudited but reviewed)

Siam Wellness Group Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2016

(Unit: Thousand Baht)

Separate financial statements

	Note	Issued and fully paid-up share capital	Share premium	Retained earnings			Other components of shareholders' equity		
				Appropriated - statutory reserve	Unappropriated	Surplus on revaluation of assets	Total other components of shareholders' equity	Total	Total shareholders' equity
Balance as at 1 January 2015		142,500	278,906	4,836	51,337	33,634	33,634	511,213	
Profit for the period		-	-	-	17,620	-	-	17,620	
Other comprehensive income		-	-	-	-	-	-	-	
Total comprehensive income for the period		-	-	-	17,620	-	-	17,620	
Dividend paid	16	-	-	-	(14,250)	-	-	(14,250)	
Balance as at 31 March 2015		142,500	278,906	4,836	54,707	33,634	33,634	514,583	
Balance as at 1 January 2016		142,500	278,906	9,474	97,681	40,703	40,703	569,264	
Profit for the period		-	-	-	28,197	-	-	28,197	
Other comprehensive income		-	-	-	-	-	-	-	
Total comprehensive income for the period		-	-	-	28,197	-	-	28,197	
Dividend paid	16	-	-	-	(28,500)	-	-	(28,500)	
Balance as at 31 March 2016		142,500	278,906	9,474	97,378	40,703	40,703	568,961	

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



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

Signature
นางสาวกมลวรรณ วัฒนศิริกุล

(Unaudited but reviewed)

Siam Wellness Group Public Company Limited and its subsidiaries

Statement of cash flows

For the three-month period ended 31 March 2016

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from operating activities				
Profit before tax	43,593	29,497	35,299	22,194
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	12,745	8,127	11,433	7,106
Unrealised gain on the change in fair value of trading securities	(97)	-	(97)	-
Reversal of bad debts and doubtful accounts	(111)	(3)	-	(3)
Reduction of inventories to net realisable value (reversal)	(90)	5	(37)	(6)
Gain on disposal of property, plant and equipment	(495)	-	(495)	-
Loss on write-off of property, plant and equipment	28	50	28	-
Long-term employee benefits expenses	475	456	398	390
Interest income	(16)	(732)	(16)	(732)
Interest expenses	52	624	52	624
Profit from operating activities before changes in operating assets and liabilities	56,084	38,024	46,565	29,573
Decrease (increase) in operating assets				
Trade and other receivables	(611)	2,497	(1,921)	1,701
Inventories	(3,783)	541	(3,861)	815
Other current assets	463	(5,162)	502	(4,962)
Other non-current assets	(2,096)	(142)	(2,096)	(137)
Increase (decrease) in operating liabilities				
Trade and other payables	65	3,802	3,403	3,960
Advance received	(387)	729	288	1,760
Other current liabilities	(2,583)	751	(2,610)	876
Other non-current liabilities	(1,490)	976	(1,501)	958
Cash flows from operating activities	45,662	42,016	38,769	34,544
Cash paid for interest expenses	(17)	(600)	(17)	(600)
Cash paid for income tax	(135)	(112)	(116)	(96)
Net cash flows from operating activities	45,510	41,304	38,636	33,848

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 (continued)

For the three-month period ended 31 March 2016

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from investing activities				
Decrease in loans to and interest receivables from subsidiary	-	-	-	5,023
Cash paid for acquisition of property, plant and equipment	(31,519)	(16,475)	(31,536)	(15,030)
Cash paid for acquisition of intangible assets	-	(5)	-	(5)
Proceeds from disposal of property, plant and equipment	495	-	495	-
Cash received from interest income	16	732	16	732
Net cash flows used in investing activities	(31,008)	(15,748)	(31,025)	(9,280)
Cash flows from financing activities				
Decrease in liabilities under financial lease agreements	(121)	(116)	(121)	(116)
Repayment of long-term loans from financial institution	-	(21,051)	-	(21,051)
Net cash flows used in financing activities	(121)	(21,167)	(121)	(21,167)
Net increase in cash and cash equivalents	14,381	4,389	7,490	3,401
Cash and cash equivalents at beginning of period	60,246	104,039	36,563	89,819
Cash and cash equivalents at end of period	74,627	108,428	44,053	93,220

Supplemental cash flows information

Non-cash transactions

Decrease in liabilities from acquisition of property,

plant and equipment

1,339 3,489 1,437 3,489

Increase in provision for dismantling, removing and

restoring of leasehold improvements

185 24 185 24

Dividend payable

28,500 14,250 28,500 14,250

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



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

Signature

พงษ์วิทย์ จันทนสมบูรณ์
๒

Siam Wellness Group Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2016

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 31 March 2016, the Company has a total of 23 branches in Bangkok and upcountry (31 December 2015: 21 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 2015) 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

นางสาวจิราวรรณ นิลรัตน์
อ

1.3 Basis of consolidation

These 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 2015. 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 and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. 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 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 2015.

3. 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



[Handwritten signature]
จ.วิจิตร จ.วัฒนศิริกุล

(Unaudited but reviewed)

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				
	31 March				
	Consolidated		Separate		Transfer pricing
	financial		financial		
	statements		statements		policy
	2016	2015	2016	2015	
<u>Transactions with subsidiaries</u>					
(Being eliminated from the consolidated financial statements)					
Revenue from services	-	-	0.1	0.2	Market price
Revenue from rental and utilities	-	-	1.9	1.4	Contract price
Other income	-	-	0.5	0.5	Contract price
Purchase of goods	-	-	6.0	2.7	Market price
Service expenses	-	-	1.5	1.3	Contract price and market price
Commission expenses	-	-	0.4	0.3	Contract price
<u>Transactions with related parties</u>					
Revenue from sales and services	0.2	0.2	0.2	-	Market price
Purchase of goods	3.1	2.1	2.4	1.9	Market price
Service expenses	0.4	0.3	0.4	0.3	Contract price
Rental and utilities expenses	4.0	3.0	4.0	3.0	Contract price

The balances of the accounts as at 31 March 2016 and 31 December 2015 between the Company, subsidiaries and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31	31	31	31
	March	December	March	December
	2016	2015	2016	2015
<u>Trade receivables - subsidiaries (Note 5)</u>				
(Being eliminated from the consolidated financial statements)				
Siam Wellness Resort Co., Ltd.	-	-	902	631
Siam Wellness Lab Co., Ltd.	-	-	7	7
Siam Wellness Education Co., Ltd.	-	-	6	6
Total	-	-	915	644



(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
Trade receivables - related parties (Note 5)				
Blooming Co., Ltd.	1	1	1	-
Cyberprint Co., Ltd.	-	112	-	96
B.U. Enterprise Co., Ltd.	-	-	-	-
Total	1	113	1	96
Trade payables - subsidiaries (Note 11)				
(Being eliminated from the consolidated financial statements)				
Siam Wellness Resort Co., Ltd.	-	-	166	187
Siam Wellness Lab Co., Ltd.	-	-	2,399	1,828
Siam Wellness Education Co., Ltd.	-	-	510	339
Total	-	-	3,075	2,354
Trade payables - related parties (Note 11)				
Blooming Co., Ltd.	661	898	490	767
B.U. Enterprise Co., Ltd.	71	63	51	47
Cyberprint Co., Ltd.	731	305	292	135
Asian Fortune Property Co., Ltd.	278	243	278	243
Total	1,741	1,509	1,111	1,192
Other payables - related parties (Note 11)				
Directors of the Company	48	246	-	169
Total	48	246	-	169

Directors and management's benefits

During the three-month periods ended 31 March 2016 and 2015, employee benefit expenses payable to their directors and management of the Company and its subsidiaries are as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Short-term employee benefits	4.2	4.6	4.2	4.6
Post-employment benefits	0.2	0.2	0.2	0.2
Total	4.4	4.8	4.4	4.8



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

[Handwritten signature]
นางสาว อรุณรัตน์ อรุณรัตน์

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 increase 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.

2. On 13 November 2015, the Company entered into a head office rental agreement with a related person for the period of 3 years due in December 2018 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 increase every 3 years.

Furthermore, on 13 November 2015, 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 2018 and such agreements are renewable twice for every 3 years. Under the agreements, the sublessees committed to pay an annual rental fee totalling to Baht 0.7 million.

3. On 23 January 2014, the Company has entered into rental agreement 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 0.4 million.

4. On 22 January 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 6.6 million.

5. On 1 October 2015, the Company has entered into a rental agreement with Asian Fortune Property Co., Ltd. for the period of 3 years, due in January 2019 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 2.3 million
6. On 17 August 2015, the Company has entered into a rental agreement with Asian Fortune Property Co., Ltd. for the period of 3 years, due in September 2018 and such agreement is renewable for another 3 years. Under the agreement, the Company committed to pay an annual rental and service fees amounting to Baht 1.6 million.

Furthermore, on this date, the Company made a sublease agreement with Siam Wellness Resort Co., Ltd. for partial areas for the period of 3 years, due in September 2018 and such agreement are renewable for another 3 years. Under the agreement, Siam Wellness Resort Co., Ltd. committed to pay an annual rental and service fee amounting to Baht 1.1 million.

4. Current investments

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2016	2015	2016	2015
Trading securities				
Unit trusts	25,947	25,947	25,947	25,947
Add: Unrealised gain on the				
change in fair value				
of investments	396	299	396	299
Unit trusts - net	26,343	26,246	26,343	26,246
Total current investments	26,343	26,246	26,343	26,246



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

[Handwritten signature]

นางสาว อรุณรัตน์ งามวงศ์
อ

5. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
<u>Trade receivables - related parties (Note 3)</u>				
Aged on the basis of due dates				
Not yet due	-	113	916	740
Past due				
Up to 3 months	1	-	-	-
Total trade receivables - related parties, net	1	113	916	740
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	2,698	1,997	1,683	1,051
Past due				
Up to 3 months	892	318	711	101
3 - 6 months	15	38	15	-
6 - 12 months	11	11	-	-
Over 12 months	12	122	1	1
Total	3,628	2,486	2,410	1,153
Less: Allowance for doubtful debts	(17)	(128)	(1)	(1)
Total trade receivables - unrelated parties, net	3,611	2,358	2,409	1,152
Total trade receivable - net	3,612	2,471	3,325	1,892
<u>Other receivables</u>				
Other receivables - unrelated parties	1,430	1,850	1,282	794
Less: Allowance for doubtful debts	(236)	(236)	(236)	(236)
Total other receivables, net	1,194	1,614	1,046	558
Total trade and other receivables - net	4,806	4,085	4,371	2,450



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

Signature
นางสาววิมล จันทมนต์
α

(Unaudited but reviewed)

6. Inventories

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
Finished goods	6,014	4,339	6,406	4,433
Supplies	8,447	7,185	8,206	6,948
Food and beverage	407	438	-	-
Packages	2,478	2,246	-	-
Others	1,338	693	976	346
Less: Reduce cost to net realisable value	(984)	(1,074)	(624)	(661)
Inventories - net	17,700	13,827	14,964	11,066

Movements in the allowance for diminution in value of inventories account during the three-month period ended 31 March 2016, are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2016	1,074	661
Add: Allowance for diminution in value of inventories made during the period	85	85
Less: Reversal of allowance for diminution in value of inventories made during the period	(175)	(122)
Balance as 31 March 2016	984	624



[Signature]
นางสาว อรุณรัตน์ อัครกุล
อ

7. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

Company's name	Called-up		Shareholding		Cost		(Unit: Thousand Baht) Net book value - cost method - net	
	share capital		percentage					
	31	31	31	31	31	31	31	31
	March	December	March	December	March	December	March	December
	2016	2015	2016	2015	2016	2015	2016	2015
			(%)	(%)				
Siam Wellness Lab								
Co., Ltd.	1,000	1,000	99.99	99.99	2,000	2,000	2,000	2,000
Siam Wellness Education								
Co., Ltd.	1,000	1,000	99.97	99.97	1,000	1,000	1,000	1,000
Siam Wellness Resort								
Co., Ltd.	60,000	60,000	99.99	99.99	98,705	98,705	98,705	98,705
Total					101,705	101,705	101,705	101,705

All subsidiary companies are incorporated in Thailand.

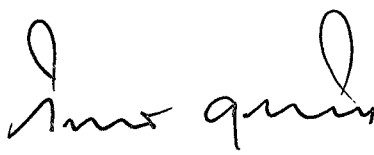
During the three-month periods ended 31 March 2016 and 2015, the Company did not receive dividends from its subsidiaries.

8. Leasehold rights

A reconciliation of net book value of leasehold rights on land for the three-month period ended 31 March 2016 is presented below.

	(Unit: Thousand Baht) Consolidated and Separate financial statements
Net book value as at 1 January 2016	14,134
Amortisation for period	(763)
Net book value as at 31 March 2016	13,371


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


 จีรพรรณ สรีดร์
 ๙

9. Property, plant and equipment

A reconciliation of net book value of property, plant and equipment for the three-month period ended 31 March 2016 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2016	480,017	410,926
Acquisition during period	30,330	30,249
Write-off during period (net book value as at write-off date)	(28)	(28)
Depreciation for period	(11,827)	(10,543)
Net book value as at 31 March 2016	498,492	430,604

As at 31 March 2016, the Company had vehicles with net book value of Baht 1.4 million (31 December 2015: Baht 1.5 million), which were acquired under finance lease agreements.

As at 31 March 2016, the Company has pledged its land and structures thereon amounting to Baht 84.7 million (31 December 2015: Baht 85.1 million) as collateral against its bank overdraft facilities, long-term loans facilities and the letter of guarantees issuance, as disclosed in Note 17.3 to interim financial statements.

10. Other non-current assets

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
Deposits - lease agreements	23,493	21,034	23,493	21,034
Others	273	636	271	634
Total other non-current assets	23,766	21,670	23,764	21,668



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

[Handwritten signature]

นางสาว อรุณรัตน์ อัครกุล

(Unaudited but reviewed)

11. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
Trade accounts payable - unrelated parties	9,526	12,833	7,525	8,074
Trade accounts payable - related parties				
(Note 3)	1,741	1,509	4,186	3,546
Retention	4,143	3,071	4,143	3,071
Other payables - related parties				
(Note 3)	48	246	-	169
Accrued payroll and bonus expenses	12,382	10,309	11,889	9,794
Accrued expenses - others	9,108	10,169	8,467	9,579
Other payables	915	1,000	166	177
Total trade and other payables	37,863	39,137	36,376	34,410

12. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 March 2016 which is compensations on employees' retirement, was as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Provision for long-term employee benefits		
as at 1 January 2016	4,173	3,543
Current service cost	421	353
Interest cost	54	45
Provision for long-term employee benefits		
as at 31 March 2016	4,648	3,941

Long-term employee benefit expenses included in profit or loss for the three-month period ended 31 March 2016 amounted to Baht 0.5 million (the Company only: Baht 0.4 million).

13. 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 period ended 31 March 2016 and 2015 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Current income tax:				
Interim corporate income tax charge	8,486	5,906	7,258	4,640
Deferred tax:				
Relating to origination and reversal of temporary differences	(137)	(77)	(156)	(66)
Income tax expenses reported in the statements of comprehensive income	8,349	5,829	7,102	4,574

14. 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.

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

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Profit for the period (Thousand Baht)	35,244	23,668	28,197	17,620
Weighted average number of ordinary shares (Thousand shares)	570,000	570,000	570,000	570,000
Profit per share (Baht/share)	0.06	0.04	0.05	0.03

15. 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.



[Handwritten signature]
นางสาว อรุณรัตน์ อรุณรัตน์

(Unaudited but reviewed)

The following table presents revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month periods ended 31 March 2016 and 2015.

(Unit: Million Baht)

	For the three-month periods ended 31 March									
	Spa services		Sales of spa products and healthy products		Hotel and restaurant		Elimination		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenues from external customers	143	94	8	5	20	17	-	-	171	116
Internal - segment revenues	1	1	6	3	-	-	(7)	(4)	-	-
Total revenues	144	95	14	8	20	17	(7)	(4)	171	116
Segment profit	47	32	6	4	9	9	-	-	62	45
Revenues and expenses which have not been allocated :										
Other income									4	2
Selling expenses									(7)	(4)
Administrative expenses									(16)	(12)
Finance costs									-	(1)
Profit before income tax expenses									43	30
Income tax expenses									(8)	(6)
Profit for the period									35	24

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

During the three-month periods ended 31 March 2016 and 2015, the Company and its subsidiaries have no major customer with revenue of 10 percent or more of an entity's revenues because their businesses are the sale and service to minor customers.

16. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Final dividends for 2015	Annual General Meeting of the Company's shareholders on 28 March 2016	28.50*	0.050
Final dividends for 2014	Annual General Meeting of the Company's shareholders on 30 March 2015	14.25	0.025

* The dividends for 2015 are to be paid to the Company's shareholders on 25 April 2016. As at 31 March 2016, the Company separately presented this transaction as "Dividend payable" in the statement of financial position.

17. Commitments and contingent liabilities**17.1 Capital commitments**

As at 31 March 2016 and 31 December 2015, 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	
	31 March	31 December
	2016	2015
Construction costs	11.6	20.4

17.2 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 31 March 2016 and 31 December 2015, future minimum payments required under these non-cancellable operating leases agreement and related service agreements were as follows.

	(Unit: Million Baht)	
	Consolidated	
	and Separate	
	financial statements	
	31 March	31 December
	2016	2015
Payable:		
In up to 1 year	79	90
In over 1 and up to 5 years	112	114
In over 5 years	82	84



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

[Handwritten signature]
นางสาว อรุณรัตน์ อัครกุล
อ

In addition, the Company had made operating agreements with certain lessors that the rental and service fees are to be calculated taking into account the proportion of service income that the Company received from the customers relating to its spa services. For the three-month period ended 31 March 2016, such rental and service fees that the Company had to pay to those lessors amounted to Baht 0.1 million (2015: Nil).

As at 31 March 2016, future minimum sublease payments expected to be received under non-cancellable subleases amounting to Baht 54.7 million (31 December 2015: Baht 55.6 million). During the three-month period ended 31 March 2016, the Company recognised rental expenses of Baht 1.5 million (2015: Baht 1.1 million) and subleasing revenue for certain areas of Baht 0.9 million (2015: Baht 0.8 million).

17.3 Letters of guarantees

As at 31 March 2016, there were outstanding bank guarantees of Baht 2.2 million (31 December 2015: Baht 2.2 million) (the Company only: Baht 1.5 million (31 December 2015: Baht 1.6 million)) issued by the banks on behalf of the Company and its subsidiaries as required in the normal course of business.

18. Fair value of financial instruments

The Company uses the market approach to measure its assets and liabilities 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

(Unaudited but reviewed)

As of 31 March 2016 and 31 December 2015, the Company had the following assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	31 March 2016			
	Consolidated and Separate financial statements			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Current investments				
Unit trusts - domestic	-	26,343	-	26,343
Lands	-	68,778	-	68,778

(Unit: Thousand Baht)

	31 December 2015			
	Consolidated and Separate financial statements			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Current investments				
Unit trusts - domestic	-	26,246	-	26,246
Lands	-	68,778	-	68,778

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

19. Event after the reporting period

On 18 April 2016, the Annual General Meeting of shareholders of Siam Wellness Education Co., Ltd., one of the Company's subsidiary, approved the payment of a dividend from the retained earnings as at 31 December 2015 to the Company's shareholders of Baht 65.79 per share, totaling Baht 0.7 million, which to be paid to the Company within May 2016.

20. Approval of interim financial statements

These interim financial statements were authorised to issue by the Company's Board of Directors on 16 May 2016.

 **SIAM WELLNESS**
บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)
16