

Siam Wellness Group Public Company Limited
and its subsidiaries
Review report and interim consolidated financial statements
For the three-month and six-month periods ended
30 June 2018

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 2018, and the related consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2018 and the consolidated statements of changes in shareholders' equity and cash flows for the six-month periods 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.

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: 14 August 2018

Slam Wellness Group Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2018

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2018	31 December 2017	30 June 2018	31 December 2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		48,862	66,733	36,262	53,511
Current investments	4	61,332	75,966	20,005	47,822
Trade and other receivables	5	21,322	12,391	16,909	9,343
Inventories	6	27,948	27,838	26,305	25,282
Other current assets		13,043	8,300	12,244	7,266
Total current assets		172,507	191,228	111,725	143,224
Non-current assets					
Long-term loan to and interest receivable from subsidiary	3	-	-	5,013	-
Restricted deposits of financial institution	7	5,001	5,001	-	-
Investments in subsidiaries	8	-	-	101,705	101,705
Leasehold rights on land	9	9,008	10,120	9,008	10,120
Property, plant and equipment	10	920,341	889,259	843,726	809,366
Goodwill		24,536	24,536	20,340	20,340
Intangible assets		9,557	9,245	9,352	9,012
Deferred tax assets		470	368	-	-
Deposits		64,125	45,511	58,283	45,499
Other non-current assets		317	234	317	234
Total non-current assets		1,033,355	984,274	1,047,744	996,276
Total assets		1,205,862	1,175,502	1,159,469	1,139,500

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

Siam Wellness Group Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2018

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2018	31 December 2017	30 June 2018	31 December 2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts from financial institution	11	2,642	3,749	-	-
Short-term loans from and interest payable to related parties	3	4,315	4,215	-	-
Trade and other payables	3, 12	74,338	85,882	72,718	84,415
Current portion of long-term loans	13	70,200	68,850	70,200	68,850
Current portion of liabilities under finance lease agreements		86	310	86	310
Income tax payable		16,675	14,329	15,004	13,329
Advance received		26,946	24,154	24,707	21,758
Other current liabilities		6,467	5,023	5,610	4,150
Total current liabilities		201,669	206,512	188,325	192,812
Non-current liabilities					
Long-term loans, net of current portion	13	151,300	185,050	151,300	185,050
Liabilities under finance lease agreements - net of current portion		309	352	309	352
Provision for long-term employee benefits	14	12,910	10,886	10,358	8,745
Deferred tax liabilities		7,662	6,044	7,662	6,068
Other non-current liabilities		12,576	11,855	11,790	11,158
Total non-current liabilities		184,757	214,187	181,419	211,373
Total liabilities		386,426	420,699	369,744	404,185
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
Discount on business combination under common control		(46,226)	(46,226)	-	-
Retained earnings					
Appropriated - statutory reserve		14,783	14,783	14,250	14,250
Unappropriated		388,768	324,135	313,366	258,956
Other components of shareholders' equity		40,703	40,703	40,703	40,703
Equity attributable to shareholders' of the Company		819,434	754,801	789,725	735,315
Non-controlling interests of the subsidiaries		2	2	-	-
Total shareholders' equity		819,436	754,803	789,725	735,315
Total liabilities and shareholders' equity		1,205,862	1,175,502	1,159,469	1,139,500

The accompanying notes are an integral part of the financial statements

[Signature]

นางสาว จิราวรรณ สวัสดิ์
อ.

Directors



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

Siam Wellness Group Public Company Limited and its subsidiaries

For the three-month period ended 30 June 2018

Consolidated financial statements

Separate financial statements

(Unit: Baht)

Accompanying notes are an integral part of this document.

Amir Qureshi



כחלק מהנכד, וכן

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 six-month period ended 30 June 2018

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Profit or loss:					
Revenues					
Revenue from sales		43,628	43,970	27,900	19,561
Revenue from services		500,073	404,698	482,046	388,574
Other income		8,375	7,917	11,641	11,590
Total revenues		552,076	456,585	521,587	419,725
Expenses					
Cost of sales		23,865	28,958	16,599	12,222
Cost of services		326,126	260,398	325,838	257,334
Selling expenses		23,248	17,827	21,276	15,582
Administrative expenses		50,935	45,608	42,052	38,806
Total expenses		424,174	352,791	405,765	323,944
Profit before finance cost and income tax expenses		127,902	103,794	115,822	95,781
Finance cost		(4,460)	(2,317)	(4,230)	(2,044)
Profit before income tax expenses		123,442	101,477	111,592	93,737
Income tax expenses	15	(18,909)	(15,991)	(17,282)	(15,032)
Profit for the period		104,533	85,486	94,310	78,705
Other comprehensive income:					
Other comprehensive income		-	-	-	-
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		104,533	85,486	94,310	78,705
Profit attributable to:					
Equity holders of the Company		104,533	85,486	94,310	78,705
Non-controlling interests of the subsidiaries		-	-	-	-
		104,533	85,486		
Total comprehensive income attributable to:					
Equity holders of the Company		104,533	85,486	94,310	78,705
Non-controlling interests of the subsidiaries		-	-	-	-
		104,533	85,486		
(Unit: Baht)					
Earnings per share	16				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.18	0.15	0.17	0.14

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

Signature
 นายสุวิทย์ วัฒนศิริ
 2



(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 2018

(Unit: Thousand Baht)

Consolidated financial statements											
Equity attributable to shareholders of the Company											
	Issued and fully paid-up share capital	Share premium	Discount on business combination under common control	Retained earnings		Other components of shareholders' equity			Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated	Income	Surplus on revaluation of assets	Total other components of shareholders' equity			
Balance as at 1 January 2017	142,500	278,906	(46,226)	14,783	208,205	40,703	40,703	40,703	638,871	1	638,872
Profit for the period	-	-	-	-	85,486	-	-	-	85,486	-	85,486
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	85,486	-	-	-	85,486	-	85,486
Dividend paid (Note 18)	-	-	-	-	(28,500)	-	-	-	(28,500)	-	(28,500)
Balance as at 30 June 2017	142,500	278,906	(46,226)	14,783	265,191	40,703	40,703	40,703	695,857	1	695,858
Balance as at 1 January 2018	142,500	278,906	(46,226)	14,783	324,135	40,703	40,703	40,703	754,801	2	754,803
Profit for the period	-	-	-	-	104,533	-	-	-	104,533	-	104,533
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	104,533	-	-	-	104,533	-	104,533
Dividend paid (Note 18)	-	-	-	-	(39,900)	-	-	-	(39,900)	-	(39,900)
Balance as at 30 June 2018	142,500	278,906	(46,226)	14,783	388,768	40,703	40,703	40,703	819,434	2	819,436

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


นางสาว อรุณรัตน์ นาคสวัสดิ์
Siam Wellness Group Public Company Limited


SIAM WELLNESS
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

(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 2018

(Unit: Thousand Baht)

Separate financial statements

	Other components of shareholders' equity						
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other comprehensive income		Total
			Appropriated - statutory reserve	Unappropriated	Surplus on revaluation of assets	other components of shareholders' equity	
Balance as at 1 January 2017	142,500	278,906	14,250	156,535	40,703	632,894	
Profit for the period	-	-	-	78,705	-	78,705	
Other comprehensive income	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	78,705	-	78,705	
Dividend paid (Note 18)	-	-	-	(28,500)	-	(28,500)	
Balance as at 30 June 2017	142,500	278,906	14,250	206,740	40,703	683,099	
Balance as at 1 January 2018	142,500	278,906	14,250	258,956	40,703	735,315	
Profit for the period	-	-	-	94,310	-	94,310	
Other comprehensive income	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	94,310	-	94,310	
Dividend paid (Note 18)	-	-	-	(39,900)	-	(39,900)	
Balance as at 30 June 2018	142,500	278,906	14,250	313,366	40,703	789,725	

Siam Wellness



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

นางสาว อธิวิมล นาคกุล

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

(Unaudited but reviewed)

Siam Wellness Group Public Company Limited and its subsidiaries

Statement of cash flows

For the six-month period ended 30 June 2018

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit before tax	123,442	101,477	111,592	93,737
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	44,998	36,187	41,264	32,588
Unrealised gain on the change in fair value of trading securities	(13)	(167)	170	(32)
Bad debts and allowance for doubtful accounts	6	-	-	-
Reduction of inventories to net realisable value (reversal)	51	150	(68)	103
Impairment loss on assets	147	-	-	-
Gain on disposal of property, plant and equipment	(1,353)	(67)	(792)	-
Loss on write-off of property, plant and equipment	105	78	77	78
Long-term employee benefit expenses	2,024	1,010	1,613	850
Interest income	(162)	(132)	(145)	(120)
Interest expenses	4,460	2,317	4,230	2,044
Profit from operating activities before changes in operating assets and liabilities	173,705	140,853	157,941	129,248
Decrease (increase) in operating assets				
Current investments	14,647	(41,521)	27,647	(40,036)
Trade and other receivables	(8,432)	(3,317)	(7,566)	(1,728)
Inventories	(161)	(3,521)	(955)	(3,300)
Other current assets	(4,775)	(4,696)	(5,010)	(4,750)
Deposits	(18,614)	(4,241)	(12,784)	(4,237)
Other non-current assets	(83)	-	(83)	-
Increase (decrease) in operating liabilities				
Trade and other payables	(14,857)	(9,209)	(13,605)	(7,156)
Advance received	2,792	2,277	2,949	3,583
Other current liabilities	1,444	1,338	1,460	1,456
Other non-current liabilities	604	(320)	515	(327)
Cash flows from operating activities	146,270	77,643	150,509	72,753
Cash paid for interest expenses	(4,289)	(2,114)	(4,159)	(1,933)
Cash paid for income tax	(15,047)	(9,879)	(14,013)	(9,651)
Net cash flows from operating activities	126,934	65,650	132,337	61,169

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


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


SIAM
WELLNESS
กรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

(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 2018**

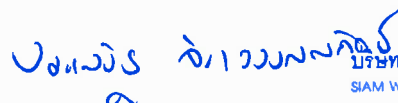
(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from investing activities				
Increase in restricted deposits at financial institution	-	(5,001)	-	-
Net cash paid to purchase of investments by subsidiaries	-	(219)	-	-
Cash paid for acquisition of leasehold rights on land	(57)	-	(57)	-
Cash paid for acquisition of property, plant and equipment	(71,089)	(78,618)	(71,891)	(75,896)
Cash paid for acquisition of intangible assets	(999)	(962)	(999)	(940)
Proceed from disposal of property, plant and equipment	852	67	796	-
Cash received from interest income	162	132	132	120
Net cash flows used in investing activities	(71,131)	(84,601)	(72,019)	(76,716)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts from financial institution	(1,107)	12	-	-
Increase in short-term loans from related parties	-	1,000	-	-
Cash paid for liabilities under financial lease agreements	(267)	(257)	(267)	(257)
Increase in long-term loan to subsidiary	-	-	(5,000)	-
Cash received from long-term loan from financial institution	-	63,900	-	63,900
Cash paid for repayment of long-term loans from financial institution	(32,400)	(12,000)	(32,400)	(12,000)
Cash paid for dividend	(39,900)	(28,500)	(39,900)	(28,500)
Net cash flows from (used in) financing activities	(73,674)	24,155	(77,567)	23,143
Net increase (decrease) in cash and cash equivalents	(17,871)	5,204	(17,249)	7,596
Cash and cash equivalents at beginning of period	66,733	32,851	53,511	23,859
Cash and cash equivalents at end of period	48,862	38,055	36,262	31,455

Supplemental cash flows information**Non-cash transactions**

Increase in liabilities from acquisition of property, plant and equipment	(3,381)	(469)	(1,976)	(992)
Increase in provision for dismantling, removing and restoring of leasehold improvements	117	131	117	131

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

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

Siam Wellness Group Public Company Limited and its subsidiaries
Notes to interim consolidated financial statements
For the three-month and six-month periods ended 30 June 2018

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 spa services business. Its registered head office is at No. 483, Soi Suthiporn, Pracha-Songkroh Road, Dindang, Dindang, Bangkok. As at 30 June 2018, the Company has a total of 41 branches in Bangkok and upcountry (31 December 2017: 40 branches) and 4 foreign branches according to the franchise agreement (31 December 2017: 1 branch).

The Company registered in the Stock Exchange of Thailand on 31 October 2014 and its common shares had been approved to be listed in the MAI (MAI: Market of Alternative Investment).

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 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.

1.3 Basis of preparation of the interim consolidated 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 2017.

1.4 New financial reporting standards

(a) Financial reporting standards that became effective in the current year

During the period, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

(b) Financial reporting standard that will become effective in the future

During the period, the Federation of Accounting Professions issued the financial reporting standard TFRS 15 Revenue from Contracts with Customers, which is effective for fiscal years beginning on or after 1 January 2019. Key principles of this standard are summarised below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes TAS 11 Construction Contracts and TAS 18 Revenue, together with related Interpretations. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

At present, the management of the Company and its subsidiaries is evaluating the impact of this standard to the financial statements in the year when it is adopted.

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 2017.

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
Siam Wellness Group (Hong Kong) Co., Ltd.	Investing	A subsidiary
Siam Wellness Group (Cambodia) Co., Ltd.	Spa business and sale of spa products	A subsidiary
Tiger Eyes Trading (Thailand) Co., Ltd.	Import and sale of spa products	A subsidiary (held by a subsidiary)
Tiger Eyes Education Co., Ltd.	Institution of spa and beauty business	A subsidiary (held by a subsidiary)
Blooming Intergift Co., Ltd.	Property rental	Common shareholders
Blooming Co., Ltd.	Sale of gift , a blessed card and a notebook	Common shareholders
B.U. Enterprise Co., Ltd.	Property rental	Common shareholders
Cyberprint Group Co., Ltd.	Printing business	Common shareholders
Asian Fortune Property Co., Ltd.	Real estate development	Common shareholders
Klom Kliao Pattana Co., Ltd. (formerly known as "Rarinjinda Ordinary Partnership")	Property rental	Common directors
Directors of the Company and its subsidiaries	-	Directors of the Company and its subsidiaries

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.



(Unaudited but reviewed)

(Unit: Million Baht)

	For the three-month periods ended 30 June				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2018	2017	2018	2017	
<u>Transactions with subsidiaries</u>					
(Being eliminated from the consolidated financial statements)					
Revenue from services	-	-	0.1	0.1	Market price
Revenue from rental and utilities	-	-	1.9	1.8	Contract price
Other income	-	-	0.6	0.6	Contract price
Purchase of goods	-	-	7.3	7.4	Market price
Service expenses	-	-	2.7	0.6	Contract price and market price
Commission expenses	-	-	0.3	0.3	Contract price
Advertising expenses	-	-	0.1	0.1	Contract price
Entertainment expenses	-	-	-	0.1	Actual price
<u>Transactions with related parties</u>					
Purchase of goods	3.3	5.2	3.3	2.5	Market price
Service expenses	0.8	0.7	0.7	0.3	Contract price and market price
Rental and utilities expenses	6.1	5.8	6.1	5.8	Contract price
Interest expenses	0.1	0.1	-	-	Contract rate

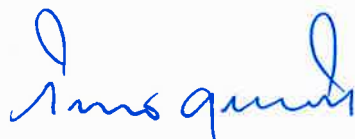
(Unit: Million Baht)

	For the six-month periods ended 30 June				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2018	2017	2018	2017	
<u>Transactions with subsidiaries</u>					
(Being eliminated from the consolidated financial statements)					
Revenue from services	-	-	0.1	0.1	Market price
Revenue from rental and utilities	-	-	3.6	3.5	Contract price
Other income	-	-	1.2	1.2	Contract price
Purchase of goods	-	-	15.9	14.3	Market price
Service expenses	-	-	4.6	1.4	Contract price and market price
Commission expenses	-	-	0.6	0.6	Contract price
Advertising expenses	-	-	0.1	0.1	Contract price
Entertainment expenses	-	-	-	0.1	Actual price
<u>Transactions with related parties</u>					
Revenue from sales and services	0.4	0.3	0.3	0.2	Market price
Purchase of goods	6.8	10.1	6.4	5.3	Market price
Service expenses	1.6	2.2	1.6	1.6	Contract price and market price
Rental and utilities expenses	12.2	10.9	12.2	10.9	Contract price
Interest expenses	0.1	0.1	-	-	Contract rate

The balances of the accounts as at 30 June 2018 and 31 December 2017 between the Company, subsidiaries and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
<u>Trade receivables - subsidiaries (Note 5)</u>				
(Being eliminated from the consolidated financial statements)				
Siam Wellness Resort Co., Ltd.	-	-	413	752
Siam Wellness Lab Co., Ltd.	-	-	5	5
Siam Wellness Education Co., Ltd.	-	-	5	4
Total	-	-	423	761
<u>Trade receivables - related parties (Note 5)</u>				
Blooming Co., Ltd.	1,052	1	3	-
Cyberprint Group Co., Ltd.	-	8	-	8
B.U. Enterprise Co., Ltd.	-	4	-	-
Total	1,052	13	3	8
<u>Other receivables - subsidiaries (Note 5)</u>				
(Being eliminated from the consolidated financial statements)				
Siam Wellness Resort Co., Ltd.	-	-	148	121
Siam Wellness Group (Hong Kong) Co., Ltd.	-	-	85	67
Siam Wellness Group (Cambodia) Co., Ltd.	-	-	67	67
Total	-	-	300	255
<u>Other receivables - related parties (Note 5)</u>				
Director of the Company	-	153	-	-
Total	-	153	-	-
<u>Long-term loan to and interest receivable from subsidiary</u>				
Siam Wellness Education Co., Ltd.	-	-	5,013	-
Total	-	-	5,013	-
<u>Short-term loans from and interest payable to related parties</u>				
Director of the Company	1,068	1,043	-	-
Director of subsidiaries	3,247	3,172	-	-
Total	4,315	4,215	-	-



นางสาว รุ่งเรือง วัฒนศิริ
๒



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

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
<u>Trade payables - subsidiaries (Note 12)</u>				
(Being eliminated from the consolidated financial statements)				
Siam Wellness Resort Co., Ltd.	-	-	115	145
Siam Wellness Lab Co., Ltd.	-	-	1,823	1,751
Siam Wellness Education Co., Ltd.	-	-	584	560
Tiger Eyes Trading (Thailand) Co., Ltd.	-	-	948	838
Tiger Eyes Education Co., Ltd.	-	-	49	150
Total	-	-	3,519	3,444
<u>Trade payables - related parties (Note 12)</u>				
Blooming Co., Ltd.	1,040	962	1,012	962
Blooming Intergift Co., Ltd.	11	8	11	8
B.U. Enterprise Co., Ltd.	89	359	89	347
Cyberprint Group Co., Ltd.	1,024	377	964	340
Asian Fortune Property Co., Ltd.	308	931	308	931
Total	2,472	2,637	2,384	2,588
<u>Other payables - related parties (Note 12)</u>				
Directors of the Company	249	544	160	465
Total	249	544	160	465
<u>Accrued expenses – subsidiaries (Note 12)</u>				
Tiger Eyes Trading (Thailand) Co., Ltd.	-	-	262	-
Total	-	-	262	-

Long-term loan to and interest receivable from subsidiary

As at 30 June 2018 and 31 December 2017, the balance of long-term loan to and interest receivable between the Company and the subsidiary and the movement is as follow:

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 31 December 2017	Increase during the period	Decrease during the period	Balance as at 30 June 2018
Loan to subsidiary				
Siam Wellness Education Co., Ltd.	-	5,013	-	5,013
Total	-	5,013	-	5,013

Signature

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

The outstanding balance as at 30 June 2018 of long-term loan to and interest receivable from subsidiary is in the form of an unsecured loan, carrying interest at the rate of MLR - 2.175 per annum and due in June 2023.

Short-term loans from and interest payable to related parties

As at 30 June 2018 and 31 December 2017, the balance of short-term loans from and interest payable between the subsidiary and those related parties and the movement are as follows:

(Unit: Thousand Baht)

Lender	Consolidated financial statements			
	Balance as at 31 December 2017	Increase during the period	Decrease during the period	Balance as at 30 June 2018
Directors of the Company	1,043	25	-	1,068
Director of subsidiaries	3,172	75	-	3,247
Total	4,215	100	-	4,315

The outstanding balance as at 30 June 2018 and 31 December 2017 of short-term loans from and interest payable to related parties are in the form of an unsecured loan, carrying interest at the rate of 5% per annum and due at call.

Directors and management's benefits

During the three-month and six-month periods ended 30 June 2018 and 2017, employee benefit expenses payable to their directors and management of the Company and its subsidiaries are as follows:

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Short-term employee benefits	4.6	5.6	4.6	5.6
Post-employment benefits	0.3	0.3	0.3	0.3
Total	4.9	5.9	4.9	5.9

Consolidated		Separate	
financial statements		financial statements	
2018	2017	2018	2017
9.3	10.2	9.3	10.2
0.6	0.5	0.6	0.5
9.9	10.7	9.9	10.7

1. On 1 January 2013, the Company entered into a lease agreement with Klom Kliao Pattana Co., Ltd. (formerly known as “Rarinjinda Ordinary Partnership”) 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 3.3 million and not more than 15% of rental fee can be increased every 3 years.

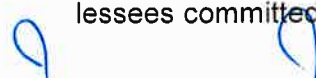
Furthermore, on 1 January 2013, the Company made a sublease agreement with Siam Wellness Resort Co., Ltd. for partial areas for the period of 30 years, due in December 2042 and such agreement is renewable by a formal notice letter 3 years before term due of agreement. Under the agreement, Siam Wellness Resort Co., Ltd. committed to pay an annual rental fee amounting to Baht 2.1 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 Klom Kliao Pattana Co., Ltd. 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. (“sub lessees”) for partial areas for the period of 3 years, due in December 2018 and such agreements are renewable twice for every 3 years. Under the agreements, the sub lessees committed to pay an annual rental fee totaling to Baht 0.7 million.

lessees committed to pay an annual rental fee to


นาย อนุชา นาคาศัย
อ. อนุชา นาคาศัย

 SIAM
WELLNESS

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

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.

On 29 December 2016, the Company renewed the agreement with this related person for the period of 3 years due in December 2019. Under the agreement, the Company committed to pay an annual rental fee amounting to Baht 0.4 million.

On 25 May 2018, the Company cancelled the agreement with this related person.

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.

On 1 September 2016 and 1 October 2016, the Company renewed the agreement with this related company for the period of 3 years due in January 2020. Under the agreement, the Company committed to pay an annual rental fee amounting to Baht 7.6 million.

5. 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. (sub lessees) for partial areas for the period of 3 years, due in September 2018 and such agreement are renewable for every 3 years. Under the agreement, the sub lessees to pay an annual rental and service fee amounting to Baht 1.1 million.

6. 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 every 3 years. Under the agreement, the Company committed to pay an annual rental and service fees amounting to Baht 2.3 million.

7. On 14 November 2016, the Company entered into a rental and service agreement for its office space with B.U. Enterprise Co., Ltd. for the period of 3 years due in December 2019 and such agreement is renewable once for every 3 years. Under the agreement, the Company committed to pay an annual rental and service fee amounting to Baht 3.0 million and not more than 10% of rental fee can be increase every 3 years.

In addition, on 13 March 2017, the Company entered into another rental and service agreement for its office space with B.U. Enterprise Co., Ltd. for the period of 3 years due in March 2020 and such agreement is renewable once for 3 years. Under the agreement, the Company committed to pay an annual rental and service fee amounting to Baht 0.2 million and not more than 15% of rental fee can be increase every 3 years.

8. On 29 December 2016, the Company has entered into rental agreement for warehouse with Blooming Intergift Co., Ltd. for the period of 3 years due in December 2019 and such agreement is renewable twice every 3 years. Under the agreement, the Company committed to pay an annual rental fee amounting to Baht 0.6 million and not more than 10% of latest rental fee can be increase.

4. Current investments

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
Trading securities				
Investment trusts	60,850	75,497	20,000	47,647
Add: Unrealised gain on the change in fair value of investments	482	469	5	175
Investment trusts - net	61,332	75,966	20,005	47,822
Total current investments	61,332	75,966	20,005	47,822

Handwritten signature and Thai text:
 อนุมัติ
 อนุมัติ

5. Trade and other receivables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
<u>Trade receivables - related parties</u> (Note 3)				
Aged on the basis of due dates				
Not yet due	-	4	411	-
Past due				
Up to 3 months	1,052	9	15	769
Total trade receivables - related parties, net	1,052	13	426	769
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	7,638	8,815	6,593	5,717
Past due				
Up to 3 months	7,920	2,179	5,322	1,572
3 - 6 months	3,038	578	2,914	576
6 - 12 months	754	69	722	47
Over 12 months	29	-	16	-
Total	19,379	11,641	15,567	7,912
Less: Allowance for doubtful debts	(13)	(7)	-	-
Total trade receivables - unrelated parties, net	19,366	11,634	15,567	7,912
Total trade receivable - net	20,418	11,647	15,993	8,681
<u>Other receivables</u>				
Other receivable - related parties (Note 3)	-	153	300	255
Other receivables - unrelated parties	1,140	827	852	643
Less: Allowance for doubtful debts	(236)	(236)	(236)	(236)
Total other receivables, net	904	744	916	662
Total trade and other receivables - net	21,322	12,391	16,909	9,343

Signature

นางสาว
อ

จิราวรรณ วัฒนกุล



6. Inventories

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
Finished goods	7,756	7,482	7,880	7,621
Service materials and supplies	19,778	19,168	18,726	17,842
Food and beverage	374	619	18	19
Products during packaging and packages	1,383	1,861	39	226
Less: Reduce cost to net realisable value	(1,343)	(1,292)	(358)	(426)
Inventories - net	<u>27,948</u>	<u>27,838</u>	<u>26,305</u>	<u>25,282</u>

Movements in the allowance for diminution in value of inventories account during the six-month period ended 30 June 2018, are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2018	1,292	426
Add: Allowance for diminution in value of inventories made during the period	245	23
Less: Reversal of allowance for diminution in value of inventories made during the period	(194)	(91)
Balance as 30 June 2018	<u>1,343</u>	<u>358</u>

7. Restricted deposits at financial institution

These represent the fixed deposit of a subsidiary pledged with a financial institution to secure bank overdrafts from financial institution of another subsidiary as disclosed in Note 11 to interim financial statements.




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

8. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements as at 30 June 2018 and 31 December 2017 are as follows:

Company's name	Country of incorporation	Called-up share capital		Shareholding percentage		Cost		Net book value - cost method - net	
		30	31	30	31	30	31	30	31
		June	December	June	December	June	December	June	December
		2018	2017	2018	2017	2018	2017	2018	2017
				(%)	(%)				
Siam Wellness Lab Co., Ltd.	Thailand	1,000	1,000	99.99	99.99	2,000	2,000	2,000	2,000
Siam Wellness Education Co., Ltd.	Thailand	1,000	1,000	99.97	99.97	1,000	1,000	1,000	1,000
Siam Wellness Resort Co., Ltd.	Thailand	60,000	60,000	99.99	99.99	98,705	98,705	98,705	98,705
Siam Wellness Group (Hong Kong) Co., Ltd.	Hong Kong	1	1	100.00	100.00	-	-	-	-
		(Hong Kong Dollar)	(Hong Kong Dollar)						
Siam Wellness Group (Cambodia) Co., Ltd.	Cambodia	-	-	100.00	100.00	-	-	-	-
Total						101,705	101,705	101,705	101,705

During the three-month and six-month periods ended 30 June 2018 and 2017, the Company did not receive dividends from its subsidiaries.

9. Leasehold rights

A reconciliation of net book value of leasehold rights on land for the six-month period ended 30 June 2018 is presented below.

	(Unit: Thousand Baht)
	Consolidated and Separate financial statements
Net book value as at 1 January 2018	10,120
Acquisition during period	57
Amortisation for period	(1,169)
Net book value as at 30 June 2018	9,008

[Signature]

นางสาว
อ. จันทวรรณ

จิราวรรณ นิลกิจ



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

10. Property, plant and equipment

A reconciliation of net book value of property, plant and equipment for the six-month periods ended 30 June 2018 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2018	889,259	809,366
Acquisition during period	74,480	73,877
Disposal/write-off during period (net book value as at disposal/ write-off date)	(109)	(81)
Depreciation for period	(43,142)	(39,436)
Allowance for impairment loss during period	(147)	-
Net book value as at 30 June 2018	920,341	843,726

As at 30 June 2018, the Company had vehicles with net book value of Baht 0.4 million (31 December 2017: Baht 0.7 million), which were acquired under finance lease agreement.

As at 30 June 2018, the Company has pledged its land and structures thereon amounting to Baht 165 million (31 December 2017: Baht 166 million) as collateral against its bank overdraft facility, long-term loans facility and the letter of guarantees issuance as disclosed in Note 13 and Note 19.3 to interim financial statements.

11. Bank overdrafts from financial institution

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
Bank overdrafts from financial institution	2,642	3,749	-	-
Total	2,642	3,749	-	-

Bank overdrafts of a subsidiary has interest at the deposit rate for individual plus 2.0% per annum which are secured by fixed deposit of another subsidiary as disclosed in Note 7 to interim financial statements.

12. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
Trade accounts payable - unrelated parties	25,155	37,694	21,135	34,348
Trade accounts payable - related parties (Note 3)	2,472	2,637	5,903	6,032
Retention	9,148	9,053	8,932	9,053
Other payables - related parties (Note 3)	249	544	160	465
Accrued payroll and bonus expenses	13,298	16,043	12,924	15,389
Accrued expenses - others	21,090	18,242	20,543	17,615
Accrued expenses - related parties (Note 3)	-	-	262	-
Other payables	2,926	1,669	2,859	1,513
Total trade and other payables	74,338	85,882	72,718	84,415

13. Long-term loans

Loan	Facility amount (Million Baht)	Interest rate (% p.a.)	(Unit: Thousand Baht)	
			Consolidated and Separate	
			financial statements	
			30 June 2018	31 December 2017
1	240	MLR - 3 and MLR - 2.2	146,900	173,900
2	80	MLR - 3	74,600	80,000
Total			221,500	253,900
Less: Current portion			(70,200)	(68,850)
Long-term loan, net of current portion			151,300	185,050

Credit facility amount of Baht 240 million

During the year ended 31 December 2017, there is a revision of principal repayment from Baht 1.7 million per month, with 60 periods to the repayment on monthly basis under condition as specified in the loan agreement (amendment version), with 60

periods. The loan is secured by the mortgage of land and structures thereon of the Company as disclosed in the Note 10 to the interim financial statements.

The loan agreement contains 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 2018, this long-term credit facilities of a Company which have not yet been drawn down amounted to Baht 12 million (31 December 2017: Baht 12 million).

Credit facility amount of Baht 80 million

During the year ended 31 December 2017, the Company had entered into the loan agreement with credit facility amount of Baht 80 million with a financial institution.

The principal repayment is due on monthly basis, with 60 equal installments. The first repayment is due in March 2018. The loan is secured by the mortgage of land and structures thereon of the Company as disclosed in the Note 10 to the interim financial statements.

The loan agreement contains 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 2018, this long-term credit facilities of a Company had been fully drawn down.

Movements in the long-term loans from financial institution during the six-month periods ended 30 June 2018 is summarised below:

(Unit: Thousand Baht)

	Consolidated and Separate financial statements
Balance as at 1 January 2018	253,900
Less: Repayment	(32,400)
Balance as at 30 June 2018	221,500

[Handwritten signature]

กนกนที

วิมลวรรณ



บริษัท สยามเวลเนส กรุ๊ป จำกัด (มหาชน)
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

14. Provision for long-term employee benefits

Provision for long-term employee benefits as at 30 June 2018 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 2018	10,886	8,745
Current service cost	1,787	1,419
Interest cost	237	194
Provision for long-term employee benefits as at 30 June 2018	12,910	10,358

Long-term employee benefit expenses included in profit or loss for the six-month period ended 30 June 2018 amounted to Baht 2.0 million (the Company only: Baht 1.6 million).

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 2018 and 2017 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Current income tax:				
Interim corporate income tax charge	7,713	7,603	7,292	7,613
Deferred tax:				
Relating to origination and reversal of temporary differences	590	(469)	613	(473)
Income tax expenses reported in the statements of comprehensive income	8,303	7,134	7,905	7,140

Signature
 บัญชี
 a



(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Current income tax:				
Interim corporate income tax charge	17,393	16,809	15,688	15,838
Deferred tax:				
Relating to origination and reversal of temporary differences	1,516	(818)	1,594	(806)
Income tax expenses reported in the statements of comprehensive income	18,909	15,991	17,282	15,032

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.

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	
	2018	2017	2018	2017
Profit for the period (Thousand Baht)	48,380	40,332	44,244	38,222
Weighted average number of ordinary shares (Thousand shares)	570,000	570,000	570,000	570,000
Profit per share (Baht/share)	0.08	0.07	0.08	0.07

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Profit for the period (Thousand Baht)	104,533	85,486	94,310	78,705
Weighted average number of ordinary shares (Thousand shares)	570,000	570,000	570,000	570,000
Profit per share (Baht/share)	0.18	0.15	0.17	0.14


 **SIAM¹⁸ WELLNESS**
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

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 2018 and 2017.

(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	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Revenues from external customers	236	196	17	16	12	11	-	-	265	223
Internal - segment revenues	2	-	7	7	1	1	(10)	(8)	-	-
Total revenues	238	196	24	23	13	12	(10)	(8)	265	223
Segment profit	75	65	10	8	4	2	-	-	89	75
Revenues and expenses which have not been allocated :										
Other income									6	6
Selling expenses									(12)	(9)
Administrative expenses									(24)	(24)
Finance cost									(2)	(1)
Profit before income tax expenses									57	47
Income tax expenses									(8)	(7)
Profit for the period									49	40

(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	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Revenues from external customers	482	389	32	30	30	30	-	-	544	449
Internal - segment revenues	4	1	16	14	1	1	(21)	(16)	-	-
Total revenues	486	390	48	44	31	31	(21)	(16)	544	449
Segment profit	162	134	20	15	12	10	-	-	194	159
Revenues and expenses which have not been allocated :										
Other income									8	8
Selling expenses									(23)	(18)
Administrative expenses									(51)	(46)
Finance cost									(4)	(2)
Profit before income tax expenses									124	101
Income tax expenses									(19)	(16)
Profit for the period									105	85

Geographic information

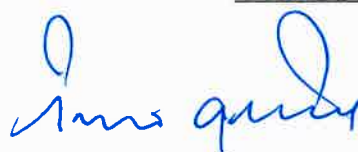
The Company and its subsidiaries operate mainly in Thailand. As a result, all the revenues as reflected in these interim financial statements pertain exclusively to this geographical reportable segment.

Major Customer

During the three-month and six-month periods ended 30 June 2018 and 2017, the Company and its subsidiaries have no major customer with revenue of 10 percent or more of an entity's revenues.

18. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Final dividends for 2017	Annual General Meeting of the Company's shareholders on 27 March 2018	39.9	0.07
Final dividends for 2016	Annual General Meeting of the Company's shareholders on 31 March 2017	28.5	0.05






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

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

As at 30 June 2018 and 31 December 2017, the Company has the outstanding commitments for construction, which the contracts have already been signed. These are summarised as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
Construction costs	31.1	10.8	25.3	10.8

19.2 Operating lease commitments

19.2.1 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.

Moreover, the Company has entered into operating lease agreement in respect of the lease of land with a related party for the period of 30 years as disclosed in the Note 3 to the interim financial statement.

As at 30 June 2018 and 31 December 2017, the Company and its subsidiaries have 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	
	30 June	31 December
	2018	2017
Payable:		
In up to 1 year	131	123
In over 1 and up to 5 years	216	218
In over 5 years	63	51



๒๐๑๘

๒๐๑๗



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

19.2.2 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. During the three-month and six-month period ended 30 June 2018, the Company recognised rental and service expenses amounting to Baht 4.3 million and Baht 8.3 million, respectively (2017: Baht 2.4 million and Baht 4.7 million, respectively).

19.2.3 As at 30 June 2018, future minimum sublease payments expected to be received under non-cancellable subleases for partial areas amounting to Baht 1.7 million (31 December 2017: Baht 3.7 million). During the three-month and six-month periods ended 30 June 2018, the Company recognised rental expenses of Baht 1.6 million and Baht 3.1 million, respectively (2017: Baht 1.6 million and Baht 3.1 million, respectively) and subleasing revenue for partial areas of Baht 1.0 million and Baht 2.0 million, respectively (2017: Baht 1.0 million and Baht 2.0 million, respectively).

19.3 Letters of guarantees

As at 30 June 2018, there were outstanding bank guarantees of Baht 2.4 million (31 December 2017: Baht 2.4 million) (the Company only: Baht 1.9 million (31 December 2017: Baht 1.9 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 and its subsidiaries use the market approach to measure their 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



บงกชวิมล
๒

จิราวรรณ



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

(Unaudited but reviewed)

As of 30 June 2018 and 31 December 2017, the Company had the following assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

30 June 2018				
Consolidated financial statements				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current investments				
Unit trusts	-	61	-	61
Lands	-	216	-	216

(Unit: Million Baht)

31 December 2017				
Consolidated financial statements				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current investments				
Unit trusts	-	76	-	76
Lands	-	205	-	205

(Unit: Million Baht)

30 June 2018				
Separate financial statements				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current investments				
Unit trusts	-	20	-	20
Lands	-	216	-	216

(Unit: Million Baht)

31 December 2017				
Separate financial statements				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current investments				
Unit trusts	-	48	-	48
Lands	-	205	-	205

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]



SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

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.

21. Event after the reporting period

On 6 July 2018, the meeting of the Siam Wellness Resort Company Limited's Board of Directors No. 1/2018 approved the dividend payment from operating results for the period as from 1 January 2015 to 31 December 2017, at a rate of Baht 25.40 per share, totally Baht 15.24 million. This dividend will be paid in 25 July 2018.

On 6 July 2018, the meeting of the Siam Wellness Lab Company Limited's Board of Directors No. 1/2018 approved the dividend payment from operating results for the period as from 1 January 2015 to 31 December 2017, at a rate of Baht 101.80 per share, totally Baht 10.18 million. This dividend will be paid in 25 July 2018.

22. Approval of interim financial statements

These interim financial statements were authorised to issue by the Company's Board of Directors on 14 August 2018.