

Siam Wellness Group Public Company Limited
and its subsidiaries
Review report and interim consolidated financial statements
For the three-month period ended 31 March 2019

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 2019, 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*.

Emphasis of Matter

I draw attention to Note 3 to interim financial statements regarding the acquisition of a company by the Company in January 2019. At present, the Company is in the process of assessing the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date.

My conclusion is not qualified in respect of this matter.



Sumana Punpongsanon

Certified Public Accountant (Thailand) No. 5872

EY Office Limited

Bangkok: 13 May 2019

Siam Wellness Group Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2019

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2019 (Unaudited but reviewed)	31 December 2018 (Audited)	31 March 2019 (Unaudited but reviewed)	31 December 2018 (Audited)
Assets					
Current assets					
Cash and cash equivalents		59,570	79,444	42,033	67,865
Current investments	5	78,338	32,032	35,182	33
Trade and other receivables	4, 6	26,319	23,512	25,164	20,570
Inventories	7	49,548	31,039	31,551	30,653
Other current assets		15,643	9,652	14,314	9,277
Total current assets		229,418	175,679	148,244	128,398
Non-current assets					
Long-term loan to and interest receivable from a related party	4	-	-	8,245	8,164
Restricted deposits of financial institution	8	5,105	5,053	-	-
Investments in subsidiaries	3, 9	-	-	226,705	101,705
Excess of acquisition cost over estimated value of interest acquired in net assets of a subsidiary	3	90,368	-	-	-
Leasehold rights	10	8,429	8,131	8,429	8,131
Property, plant and equipment	11	1,095,024	1,067,091	981,256	981,130
Goodwill		24,536	24,536	20,340	20,340
Intangible assets		10,089	8,963	9,896	8,772
Deferred tax assets		1,420	1,392	-	-
Deposits		94,971	77,745	84,718	77,026
Other non-current assets		632	620	627	615
Total non-current assets		1,330,574	1,193,531	1,340,216	1,205,883
Total assets		1,559,992	1,369,210	1,488,460	1,334,281

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

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Siam Wellness Group Public Company Limited and its subsidiaries

Statement of financial position (continued)

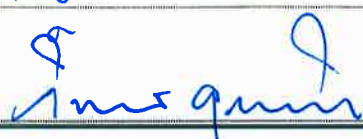
As at 31 March 2019

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2019 (Unaudited but reviewed)	31 December 2018 (Audited)	31 March 2019 (Unaudited but reviewed)	31 December 2018 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts from financial institution	12	1,992	1,342	-	-
Short-term loans from and interest payable to related parties	4	4,465	4,415	-	-
Trade and other payables	4, 13	154,421	83,386	150,361	82,314
Current portion of long-term loans	14	84,240	84,240	84,240	84,240
Current portion of liabilities under finance lease agreements		88	87	88	87
Income tax payable		28,212	17,010	24,601	14,784
Dividend payable	19	85,500	-	85,500	-
Advance received		45,847	24,961	32,331	23,205
Other current liabilities		8,512	8,615	7,400	7,707
Total current liabilities		413,277	224,056	384,521	212,337
Non-current liabilities					
Long term loans - net of current portion	14	149,930	125,990	149,930	125,990
Liabilities under finance lease agreements - net of current portion		243	265	243	265
Provision for long-term employee benefits	15	15,576	14,446	12,628	11,685
Deferred tax liabilities		17,259	19,583	17,259	19,583
Other non-current liabilities		15,605	14,505	14,718	13,626
Total non-current liabilities		198,613	174,789	194,778	171,149
Total liabilities		611,890	398,845	579,299	383,486
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		16,381	16,381	14,250	14,250
Unappropriated		454,900	488,234	382,938	424,572
Other components of shareholders' equity		90,567	90,567	90,567	90,567
Equity attributable to shareholders' of the Company		937,028	970,362	909,161	950,795
Non-controlling interests of the subsidiaries		11,074	3	-	-
Total shareholders' equity		948,102	970,365	909,161	950,795
Total liabilities and shareholders' equity		1,559,992	1,369,210	1,488,460	1,334,281

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

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Directors



(Unaudited but reviewed)

Siam Wellness Group Public Company Limited and its subsidiaries

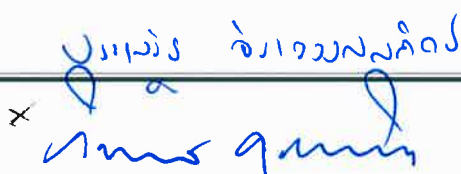
Statement of comprehensive income

For the three-month period ended 31 March 2019

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Profit or loss:					
Revenues					
Revenue from sales		23,030	22,770	14,834	13,599
Revenue from services		317,561	256,349	291,873	245,508
Other income		4,486	1,719	6,076	3,575
Total revenues		345,077	280,838	312,783	262,682
Expenses					
Cost of sales		10,889	12,520	8,495	7,974
Cost of services		219,667	161,893	206,601	161,606
Selling and distribution expenses		12,318	10,730	10,560	9,611
Administrative expenses		29,656	26,764	24,466	21,997
Total expenses		272,530	211,907	250,122	201,188
Profit before finance cost and income tax expenses		72,547	68,931	62,661	61,494
Finance cost		(2,387)	(2,172)	(2,308)	(2,051)
Profit before income tax expenses		70,160	66,759	60,353	59,443
Income tax expenses	16	(10,953)	(10,606)	(9,580)	(9,377)
Profit for the period		59,207	56,153	50,773	50,066
Other comprehensive income:					
Other comprehensive income		-	-	-	-
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		59,207	56,153	50,773	50,066
Profit attributable to:					
Equity holders of the Company		59,073	56,153	50,773	50,066
Non-controlling interests of the subsidiaries		134	-	-	-
		59,207	56,153		
Total comprehensive income attributable to:					
Equity holders of the Company		59,073	56,153	50,773	50,066
Non-controlling interests of the subsidiaries		134	-	-	-
		59,207	56,153		
(Unit: Baht)					
Earnings per share					
17					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.10	0.10	0.09	0.09

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





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 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 three-month period ended 31 March 2019

(Unit: Thousand Baht)

Consolidated financial statements

Equity attributable to shareholders of the Company

	Equity attributable to shareholders of the Company										Total shareholders' equity	
	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
					Appropriated - statutory reserve	Unappropriated	Income	Surplus on revaluation of assets	Total other components of shareholders' equity	Equity attributable to non-controlling interests of the subsidiaries		
Balance as at 1 January 2018	142,500	278,906	(46,226)	14,783	324,135	40,703	40,703	2	754,801	2	754,803	
Profit for the period	-	-	-	-	56,153	-	-	-	56,153	-	56,153	
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	-	56,153	-	-	-	56,153	-	56,153	
Dividend paid (Note 19)	-	-	-	-	(39,900)	-	-	-	(39,900)	-	(39,900)	
Balance as at 31 March 2018	142,500	278,906	(46,226)	14,783	340,388	40,703	40,703	2	771,054	2	771,056	
Balance as at 1 January 2019	142,500	278,906	(46,226)	16,381	488,234	90,567	90,567	3	970,362	3	970,365	
- as previously reported	-	-	-	-	(6,907)	-	-	-	(6,907)	-	(6,907)	
Cumulative effect of change in accounting policy for revenue recognition (Note 2)	-	-	-	-	481,327	90,567	90,567	3	963,455	3	963,458	
Balance as at 1 January 2019 as restate	142,500	278,906	(46,226)	16,381	59,073	-	-	134	59,073	134	59,207	
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	
Other comprehensive income	-	-	-	-	59,073	-	-	-	59,073	-	59,073	
Total comprehensive income for the period	-	-	-	-	59,073	-	-	-	59,073	134	59,207	
Dividend paid (Note 19)	-	-	-	-	(85,500)	-	-	-	(85,500)	-	(85,500)	
Increase in equity attributable to non-controlling interests of subsidiary due to purchase of investment in a subsidiary	-	-	-	-	-	-	-	-	-	-	-	
Balance as at 31 March 2019	142,500	278,906	(46,226)	16,381	454,900	90,567	90,567	10,937	937,028	11,074	948,102	

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



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(Unaudited but reviewed)

Siam Wellness Group Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2019

(Unit: Thousand Baht)

	Separate financial statements						
	Other components of shareholders' equity						
	Other comprehensive income						
	Issued and fully paid-up share capital	Share premium	Retained earnings	Surplus on revaluation of assets	Other components of shareholders' equity	Total	
			Appropriated - statutory reserve	Unappropriated			
Balance as at 1 January 2018	142,500	278,906	14,250	258,956	40,703	735,315	
Profit for the period	-	-	-	50,066	-	50,066	
Other comprehensive income	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	50,066	-	50,066	
Dividend paid (Note 19)	-	-	-	(39,900)	-	(39,900)	
Balance as at 31 March 2018	142,500	278,906	14,250	269,122	40,703	745,481	
Balance as at 1 January 2019	142,500	278,906	14,250	424,572	90,567	950,795	
- as previously reported							
Cumulative effect of change in accounting policy for revenue recognition (Note 2)	-	-	-	(6,907)	-	(6,907)	
Balance as at 1 January 2019 as restate	142,500	278,906	14,250	417,665	90,567	943,888	
Profit for the period	-	-	-	50,773	-	50,773	
Other comprehensive income	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	50,773	-	50,773	
Dividend paid (Note 19)	-	-	-	(85,500)	-	(85,500)	
Balance as at 31 March 2019	142,500	278,906	14,250	382,938	90,567	909,161	

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



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(Unaudited but reviewed)

Siam Wellness Group Public Company Limited and Its subsidiaries

Statement of cash flows

For the three-month period ended 31 March 2019

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from operating activities				
Profit before tax	70,160	66,759	60,353	59,443
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	30,925	21,991	25,903	20,129
Unrealised gain on the change in fair value of trading securities	(244)	(275)	(87)	(180)
Bad debts and allowance for doubtful accounts	956	-	843	-
Reduction of inventories to net realisable value (reversal)	(112)	(10)	36	(91)
Impairment loss on assets	-	147	-	-
Gain on disposal of property, plant and equipment	(3)	(21)	-	(21)
Loss on write-off of property, plant and equipment	19	11	19	8
Long-term employee benefits expenses	1,130	1,066	943	806
Interest income	(58)	-	(80)	-
Interest expenses	2,387	2,172	2,308	2,051
Profit from operating activities before changes in operating assets and liabilities	105,160	91,840	90,238	82,145
Decrease (increase) in operating assets				
Current investments	(46,062)	(34,000)	(35,062)	(30,000)
Trade and other receivables	5,141	(3,334)	(4,897)	(4,083)
Inventories	(9,429)	(2,181)	(934)	(2,348)
Other current assets	(6,863)	(9,812)	(5,909)	(9,838)
Deposits	(17,226)	(1,088)	(7,692)	(1,088)
Other non-current assets	7,985	(4,817)	(12)	(4,815)
Increase (decrease) in operating liabilities				
Trade and other payables	12,271	(15,157)	9,876	(14,104)
Advance received	21	7,669	492	8,730
Other current liabilities	(104)	3,422	(307)	3,380
Other non-current liabilities	907	1,003	901	982
Cash flows from operating activities	51,801	33,545	46,694	28,961
Cash paid for interest expenses	(2,196)	(2,120)	(2,170)	(2,050)
Cash paid for income tax	(376)	(450)	(360)	(433)
Net cash flows from operating activities	49,229	30,975	44,164	26,478

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

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 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 three-month period ended 31 March 2019

(Unit: Thousand Baht)


	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from investing activities				
Increase in restricted deposits at financial institution	(52)	-	-	-
Net cash paid to purchase of investments by subsidiaries	(60,449)	-	(62,500)	-
Cash paid for acquisition of property, plant and equipment	(31,707)	(6,776)	(29,905)	(6,459)
Cash paid for acquisition of intangible assets	(1,525)	(988)	(1,510)	(988)
Proceeds from disposal of property, plant and equipment	3	21	-	21
Cash received from interest income	58	-	-	-
Net cash flows used in investing activities	(93,672)	(7,743)	(93,915)	(7,426)
Cash flows from financing activities				
Increase in bank overdrafts from financial institution	650	130	-	-
Cash paid for liabilities under financial lease agreements	(21)	(156)	(21)	(156)
Cash received from long-term loans from financial institution	45,000	-	45,000	-
Cash paid for repayment of long-term loans from financial institution	(21,060)	(14,850)	(21,060)	(14,850)
Net cash flows from (used in) financing activities	24,569	(14,876)	23,919	(15,006)
Net increase (decrease) in cash and cash equivalents	(19,874)	8,356	(25,832)	4,046
Cash and cash equivalents at beginning of period	79,444	66,733	67,865	53,511
Cash and cash equivalents at end of period	59,570	75,089	42,033	57,557

Supplemental cash flows information

Non-cash transactions

Increase in liabilities from acquisition of property, plant and equipment	3,777	(4,666)	4,329	(4,877)
Increase in provision for dismantling, removing and restoring of leasehold improvements	193	53	191	53
Dividend payable	85,500	39,900	85,500	39,900
Payable for purchase of investment in a subsidiary	62,500	-	62,500	-

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

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Siam Wellness Group Public Company Limited and its subsidiaries
Notes to interim consolidated financial statements
For the three-month period ended 31 March 2019

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 31 March 2019, the Company has a total of 51 branches in Bangkok and upcountry (31 December 2018: 49 branches) and 6 foreign branches according to the franchise agreement (31 December 2018: 6 branches).

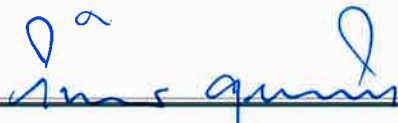
The Company registered in the Stock Exchange of Thailand on 31 October 2014 and its common shares had been approved to be listed in the MAI (MAI: Market of Alternative Investment).

1.2 Basis for the preparation of interim financial statements

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

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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 2018 except the change in the composition of the Company as disclosed in Note 3 to interim financial statements.

1.4 New financial reporting standards

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

During the period, the Company and its subsidiaries have adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements. However, the new standard involves changes to key principles, which are summarised below:

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

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Siam Wellness Group Public Company Limited

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.

The Company adopted TFRS 15 using the modified retrospective method of adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2019, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2 to interim financial statements.

(b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These new standards involve changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

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These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company and its subsidiaries is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

IFRS 16 Leases

IFRS 16 supersedes IAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under IAS 17.

The management of the Company and its subsidiaries is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

1.5 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 2018, except for the change in the accounting policies due to the adoption of IFRS 15, *Revenue from Contracts with Customers*, as follow:

Franchise income

Franchise income is recognised over the period of the agreement.

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2. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standard

As described in Note 1.4 to interim financial statements, during the current period, the Company and its subsidiaries have adopted TFRS 15 using the modified retrospective method of adoption. The cumulative effect of initially applying TFRS 15 is recognised as an adjustment to retained earnings as at 1 January 2019. Therefore, the comparative information was not restated.

The effect of the changes in accounting policies due to the adoption of TFRS 15 on the beginning balance of retained earnings for 2019 comprises:

	(Unit: Million Baht)
	Consolidated/ Separate financial statements
Impact on retained earnings as at 1 January 2019	
Franchise income	(8.6)
Related tax	1.7
Total	(6.9)

The amounts of adjustments affecting the statements of financial position as at 31 March 2019 and the statements of comprehensive income for the three-month period ended 31 March 2019 are summarised below.

	(Unit: Million Baht)		
	Consolidated financial statements		
	Previous accounting policy	Increase (decrease)	TFRS 15
Statement of financial position			
Liabilities			
Advance received	37.7	8.1	45.8
Deferred tax liabilities	18.9	(1.6)	17.3
Shareholders' equity			
Retained earnings - unappropriated	461.4	(6.5)	454.9

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(Unaudited but reviewed)

(Unit: Million Baht)

Consolidated financial statements

	Previous accounting policy	Increase (decrease)	IFRS 15
Statement of comprehensive income			
Profit or loss:			
Revenue from services	317.1	0.5	317.6
Income tax expense	10.9	0.1	11.0
Profit for the period	58.8	0.4	59.2
Earnings per share (Baht):			
Basic earnings per share	0.10	-	0.10

(Unit: Million Baht)

Separate financial statements

	Previous accounting policy	Increase (decrease)	IFRS 15
Statement of financial position			
Liabilities			
Advance received	24.2	8.1	32.3
Deferred tax liabilities	18.9	(1.6)	17.3
Shareholders' equity			
Retained earnings - unappropriated	389.4	(6.5)	382.9
Statement of comprehensive income			
Profit or loss:			
Revenue from services	291.4	0.5	291.9
Income tax expense	9.5	0.1	9.6
Profit for the period	50.4	0.4	50.8
Earnings per share (Baht):			
Basic earnings per share	0.09	-	0.09

The nature of these adjustments are described below:

Franchise income - The Company has determined that service-type warranties should be recognised as revenue over the periods in which the service will be provided. Previously, revenue was recognised on an accrual basis in accordance with the substance of the relevant franchise agreements.

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3. Investment acquisition of Chaba Elegance Co., Ltd.

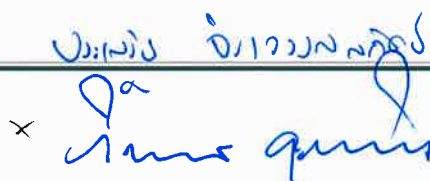
On 17 December 2018, the meeting of the Company's Board of Directors No. 7/2018 passed the resolutions approving the acquisition of 349,600 ordinary shares of Chaba Elegance Co, Ltd. which principally engaged in nails polish, hand and foot spa, and eyelash extension business, or 76% of total share capital, in order to beneficially expand the Company's current business. This investment acquisition was approximately amounting to Baht 125 million. The Company made partial payment for the shares totalling Baht 62.5 million on 3 January 2019 and 5 February 2019. The remaining is due for payment on 30 April 2019 and 30 September 2019. The Company recorded this transaction as "Payable for purchase of investment in a subsidiary" which was under "Trade and other payables" in the statement of financial position.

At present, the Company is in the process of assessing the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date, in order to allocate costs of the business acquisition to the identifiable items. It is to be completed within the period of twelve months from the acquisition date allowed under TFRS 3 (revised 2016) Business Combinations. During the measurement period, if the Company obtains additional information relating to facts and circumstances that existed as of the acquisition date, the Company will adjust the provisional values recognised at the acquisition date, to reflect this new information. As at 31 March 2019, the Company recorded the excess of the consideration transferred for the acquisition of Chaba Elegance Co, Ltd. over its estimated value of interest acquired in its net assets, amounting to Baht 90.4 million under the caption of "Excess of acquisition cost over estimated value of interest acquired in net assets of a subsidiary" in the consolidated statement of financial position.

4. Related party transactions

The relationships between the Company and its related parties are summarised below.

Name of Related parties	Type of business	Type of relationship
Siam Wellness Lab Co., Ltd.	Manufacturer and sale of spa products	A subsidiary
Siam Wellness Education Co., Ltd.	A school for Thai massage	A subsidiary
Siam Wellness Resort Co., Ltd.	Hotel and restaurant operations	A subsidiary
Chaba Elegance Co., Ltd.	Nails polish, hand and foots spa and eyelash extension business	A subsidiary
Siam Wellness Group (Hong Kong) Co., Ltd.	Investment for overseas expansion of the spa business	A subsidiary
Siam Wellness Group (Cambodia) Co., Ltd.	Spa business and sale of spa products	A subsidiary


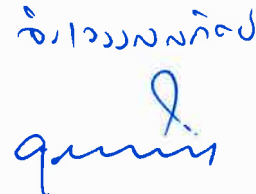




Name of Related parties	Type of business	Type of relationship
Tiger Eyes Trading (Thailand) Co., Ltd.	Import and sale of spa products	A subsidiary (held by a subsidiary)
Tiger Eyes Education Co., Ltd.*	Institution of spa and beauty business	A subsidiary (held by a subsidiary)
Blooming Intergift Co., 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.	Property rental	Common directors
G.G.P. Property Co., Ltd.	Property rental	Common directors
Chaba Nail Wellness Spa at the East Co., Ltd.	Nails polish business	Common directors
Directors of the Company and its subsidiaries	-	Directors of the Company and its subsidiaries
A related person	-	Close family member of director

- * On 19 December 2018, the Extraordinary General Meeting of shareholders of Tiger Eyes Education Co., Ltd. (a subsidiary which held by a subsidiary) passed a resolution approving the dissolution of this subsidiary. The Company's subsidiary registered the dissolution with the Ministry of Commerce and the registrar registered it on 8 January 2019. Currently, it was during the dissolution process.

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 31 March				
Consolidated		Separate		Transfer pricing policy
financial statements	financial statements	financial statements	financial statements	
2019	2018	2019	2018	

Transactions with subsidiaries

(Being eliminated from the consolidated financial statements)

Revenue from sales and services	-	-	0.1	-	Contract price
Revenue from rental and utilities	-	-	1.6	1.7	Contract price
Other income	-	-	0.6	0.6	Contract price
Interest income	-	-	0.1	-	Contract rate
Purchase of goods	-	-	7.3	8.6	Contract price
Service expenses	-	-	3.2	1.9	Contract price
Commission expenses	-	-	0.3	0.3	Contract price

Transactions with related parties

Revenue from sales and services	0.1	0.4	-	0.3	Contract price
Purchase of goods	4.4	3.5	3.7	3.1	Contract price
Service expenses	0.5	2.2	0.5	0.9	Contract price
Rental and utilities expenses	7.0	6.1	6.2	6.1	Contract price

The balances of the accounts as at 31 March 2019 and 31 December 2018 between the Company, subsidiaries and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
Trade receivables - subsidiaries (Note 6)				
(Being eliminated from the consolidated financial statements)				
Siam Wellness Resort Co., Ltd.	-	-	274	281
Siam Wellness Lab Co., Ltd.	-	-	4	6
Chaba Elegance Co., Ltd.	-	-	592	-
Tiger Eyes Trading (Thailand) Co., Ltd.	-	-	4	4
Total	-	-	874	291
Trade receivables - related parties (Note 6)				
Cyberprint Group Co., Ltd.	256	216	256	216
B.U. Enterprise Co., Ltd.	1	-	-	-
Directors of the Company	1	-	-	-
Total	258	216	256	216

Unit: Million Baht
 * Siam Wellness



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(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
<u>Other receivables - subsidiaries (Note 6)</u>				
(Being eliminated from the consolidated financial statements)				
Chaba Elegance Co., Ltd.	-	-	270	-
Siam Wellness Group (Hong Kong) Co., Ltd.	-	-	245	199
Total	-	-	515	199
<u>Other receivables - related parties (Note 6)</u>				
Directors of the Company	-	142	-	142
Total	-	142	-	142
<u>Long-term loans to and interest receivable from related party</u>				
Siam Wellness Education Co., Ltd.	-	-	8,245	8,164
Total	-	-	8,245	8,164
<u>Short-term loans from and interest payable to related parties</u>				
Director of the Company	1,105	1,093	-	-
Director of subsidiaries	3,360	3,322	-	-
Total	4,465	4,415	-	-
<u>Trade payables - subsidiaries (Note 13)</u>				
(Being eliminated from the consolidated financial statements)				
Siam Wellness Resort Co., Ltd.	-	-	124	107
Siam Wellness Lab Co., Ltd.	-	-	1,823	2,464
Siam Wellness Education Co., Ltd.	-	-	1,358	1,999
Chaba Elegance Co., Ltd.	-	-	52	-
Tiger Eyes Trading (Thailand) Co., Ltd.	-	-	552	1,047
Total	-	-	3,909	5,617
<u>Trade payables - related parties (Note 13)</u>				
Blooming Co., Ltd.	1,387	1,290	1,169	1,183
Blooming Intergift Co., Ltd.	10	10	10	10
B.U. Enterprise Co., Ltd.	77	63	57	49
Cyberprint Group Co., Ltd.	836	643	555	559
Asian Fortune Property Co., Ltd.	256	231	256	231
Total	2,566	2,237	2,047	2,032
<u>Other payables - related parties (Note 13)</u>				
Directors of the Company	534	758	534	744
Directors of the subsidiary	824	-	-	-
Total	1,358	758	534	744

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(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
<u>Accrued expenses - a subsidiary (Note 13)</u>				
Tiger Eyes Trading (Thailand) Co., Ltd.	-	-	-	125
Total	-	-	-	125
<u>Payable for investment in subsidiary - a related party (Note 13)</u>				
Chaba Nail Wellness Spa at the East Co., Ltd.	62,500	-	62,500	-
Total	62,500	-	62,500	-

Long-term loan to and interest receivable from a related party

As at 31 March 2019 and 30 December 2018, the balance of long-term loan to and interest receivable between the Company and its related party and the movement is as follow:

(Unit: Thousand Baht)

Borrower	Separate financial statements			Balance as at 31 March 2019
	Balance as at 31 December 2018	During the period		
		Increase	Decrease	
<u>Subsidiary</u>				
Siam Wellness Education Co., Ltd.	8,164	81	-	8,245
Total	8,164	81	-	8,245

The outstanding balance as at 31 March 2019 and 30 December 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 and August 2023.

Short-term loans from and interest payable to related parties

As at 31 March 2019 and 31 December 2018, the balance of short-term loans from and interest payable between the subsidiary and those related parties and the movement are as follows:

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(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements

Borrower	Balance as at	During the period		Balance as at
	31 December	Increase	Decrease	31 March
	2018			2019
Directors of the Company	1,093	12	-	1,105
Director of subsidiaries	3,322	38	-	3,360
Total	4,415	50	-	4,465

The outstanding balance as at 31 March 2019 and 31 December 2018 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 periods ended 31 March 2019 and 2018, employee benefit expenses payable to their directors and management of the Company and its subsidiaries are as follows:

	Consolidated		(Unit: Million Baht) Separate	
	financial statements	financial statements	financial statements	financial statements
	2019	2018	2019	2018
Short-term employee benefits	4.8	4.7	4.8	4.7
Post-employment benefits	0.3	0.3	0.3	0.3
Total	5.1	5.0	5.1	5.0

Significant agreements with related parties

1. On 1 January 2013, the Company entered into a lease agreement with Klom Kliao Pattana Co., Ltd. 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 at the rate specified in the agreement and not more than 15% of rental fee can be increased every 3 years.

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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 at the rate specified in the agreement and not more than 15% of rental fee can be increase every 3 years.

On 28 December 2018, the Company renewed the agreement with this related company for the period of 3 years due in December 2021. As at 31 March 2019, the Company committed to pay an annual rental fee amounting to Baht 3.6 million, accounting to the carnet effective agreement.

Furthermore, on 27 February 2019, the Company renewed sublease agreements with Siam Wellness Resort Co., Ltd. ("sub leases") for partial ares for the period of 3 years, due in December 2021. As at 31 March 2019, the sub leases committed to pay an annual rental fee totaling to Baht 2.3 million, accounting to the current effective agreements.

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. The Company committed to pay an annual rental fee at the rate specified in the agreement and not more than 15% of rental fee can be increase every 3 years.

Furthermore, on the same date, 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. The sub lessees committed to pay an annual fee at the rate specified in the agreements.

Moreover, on 15 August 2018, the Company made sublease agreement with Tiger Eyes Trading (Thailand) Co., Ltd. ("sub lessee") for partial areas for the period of 4 months, due in December 2018 and such agreement is renewable twice for every 3 years. The sub lessee committed to pay an annual rental fee at the rate specified in the agreement.

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On 28 December 2018, the Company renewed the agreement with this related person for the period of 3 years due in December 2021. As at 31 March 2019, the Company committed to pay an annual rental fee amounting to Baht 1.4 million, according to the current effective agreement.

Furthermore, on this date, the Company renewed sublease agreements with Siam Wellness Lab Co., Ltd., Siam Wellness Education Co., Ltd. and Tiger Eyes Trading (Thailand) Co., Ltd. ("sub lessees") for partial areas for the period of 3 years, due in December 2021 and such agreements are renewable twice for every 3 years. As at 31 March 2019, the sub lessees committed to pay an annual rental fee totaling to Baht 0.7 million, according to the current effective agreements.

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.

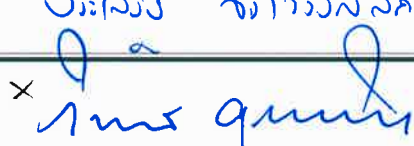
On 25 May 2018, the Company cancelled the agreement with this related person.

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 fee at the rate specified in the agreement.

As at 31 March 2019, the Company committed to pay an annual rental fee amounting to Baht 7.6 million, according to the current effective agreement.

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 fee at the rate specified in the agreement.

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 at the rate specified in the agreement. However, on 30 September 2018, the Company discontinued the agreement with Siam Wellness Resort Co., Ltd.

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On 1 October 2018, the Company renewed the rental agreement with this related company for the period of 3 years due in September 2021.

As at 31 March 2019, the Company committed to pay and annual rental fee amounting to Baht 1.7 million, according to the current effective agreement.

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 at the rate specified in the agreement and not more than 15% of rental fee can be increase every 3 years.

On 1 February 2019, the Company renewed the agreement with this related company for the period of 1 year due in, January 2020. As at 31 March 2019, the Company committed to pay and annual rental fee amounting to Baht 2.6 million, according to the current effective agreement.

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 fee at the rate specified in the agreement and not more than 10% of rental fee can be increase every 3 years.

As at 31 March 2019, the Company committed to pay and annual rental fee amounting to Baht 3.0 million, according to the current effective agreement.

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. However, on 30 May 2018, the Company cancelled the agreement with this related party.

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 fee at the rate specified in the agreement and not more than 10% of lastest rental fee can be increased. Under the agreement, the Company committed to pay and annual rental fee amounting to Baht 0.6 million.

Signature of the representative of the Company, including a handwritten 'x' mark.

9. On 31 October 2018, the Company entered into a land lease agreement for residence for employees with G.G.P. Property Co., Ltd. for the period of 1 years due in October 2019 and such agreement is renewable once for every 3 years. Under the agreement, the Company has an annual fee at the rate specified in the agreement and not more than 10% of lastest rental fee can be increase. Under the agreement, the Company committed to pay and annual rental fee amounting to Baht 1.0 million.
10. On 1 June 2018, Siam Wellness Education Co., Ltd. has entered into another rental and service agreement for its massage school with B.U. Enterprise Co., Ltd. for the period of 3 years due in July 2021 and such agreement is renewable once for every 3 years. Under the agreement, the subsidiary committed to pay an annual fee at the rate specified in the agreement and not more than 10% of latest rental fee can be increased. Under the agreement, the subsidiary committed to pay and annual rental fee amounting to Baht 3.2 million.

5. Current investments

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
Trading securities				
Investment trusts	77,939	31,877	35,095	33
Add: Unrealised gain on the change in fair value of investments	399	155	87	-
Investment units - net	78,338	32,032	35,182	33
Total current investments	78,338	32,032	35,182	33

6. Trade and other receivables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
<u>Trade receivables - related parties</u> (Note 4)				
Aged on the basis of due dates				
Not yet due	-	216	235	470
Past due				
Up to 3 months	258	-	895	37
Total trade receivables - related parties, net	258	216	1,130	507
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	2,930	3,896	2,018	2,699
Past due				
Up to 3 months	18,309	15,317	17,041	13,552
3 - 6 months	1,956	1,965	1,903	1,815
6 - 12 months	2,703	1,036	2,540	945
Over 12 months	463	403	373	364
Total	26,361	22,617	23,875	19,375
Less: Allowance for doubtful debts	(1,370)	(414)	(1,237)	(394)
Total trade receivables - unrelated parties, net	24,991	22,203	22,638	18,981
Total trade receivable - net	25,249	22,419	23,768	19,488
<u>Other receivables</u>				
Other receivables - related parties (Note 4)				
	-	142	515	341
Other receivables - unrelated parties				
	1,306	1,187	1,117	977
Less: Allowance for doubtful debts	(236)	(236)	(236)	(236)
Total other receivables, net	1,070	1,093	1,396	1,082
Total trade and other receivables - net	26,319	23,512	25,164	20,570

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7. Inventories

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
Finished goods	12,135	10,800	9,431	9,914
Service materials and supplies	37,581	20,610	22,369	21,202
Food and beverage	348	510	21	22
Products during packaging and packages	1,367	1,114	277	26
Less: Reduce cost to net realisable value	(1,883)	(1,995)	(547)	(511)
Inventories - net	<u>49,548</u>	<u>31,039</u>	<u>31,551</u>	<u>30,653</u>

Movements in the allowance for diminution in value of inventories account during the three-month period ended 31 March 2019, are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2019	1,995	511
Add: Allowance for diminution in value of inventories made during the period	70	36
Less: Reversal of allowance for diminution in value of inventories made during the period	(182)	-
Balance as 31 March 2019	<u>1,883</u>	<u>547</u>

8. 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 12 to interim financial statements.

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9. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements as at 31 March 2019 and 31 December 2018 are as follows:

Company's name	Country of incorporation	(Unit: Thousand Baht)							
		Called-up share capital		Shareholding percentage		Cost		Net book value - cost method - net	
		31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018
				(%)	(%)				
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
Chaba Elegance Co., Ltd.	Thailand	46,000	-	76.00	-	125,000	-	125,000	-
Siam Wellness Group (Hong Kong) Co., Ltd.	Hong Kong	1 (Hong Kong Dollar)	1 (Hong Kong Dollar)	100.00	100.00	-	-	-	-
Siam Wellness Group (Cambodia) Co., Ltd.	Cambodia	-	-	100.00	100.00	-	-	-	-
Total						226,705	101,705	226,705	101,705

Siam Wellness Group (Cambodia) Co., Ltd.

On 6 June 2018, Siam Wellness Group (Cambodia) Co., Ltd., a subsidiary of the Company, filed an application for company dissolution with a relevant unit in Cambodia because the Company changed its business plan from investing by the subsidiary to selling the Company's franchise to a franchisee in Cambodia. The dissolution process is currently being carried out.

During the three-month periods ended 31 March 2019 and 2018, the Company did not receive dividends from its subsidiaries.

10. Leasehold rights

A reconciliation of net book value of leasehold rights for the three-month period ended 31 March 2019 is presented below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2019	8,131
Increase during period	803
Amortisation for period	(505)
Net book value as at 31 March 2019	8,429

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(Unaudited but reviewed)

11. Property, plant and equipment

A reconciliation of net book value of property, plant and equipment for the three-month periods ended 31 March 2019 is presented below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2019	1,067,091	981,130
Acquisition during period	28,052	25,698
Increase from purchase of investment by subsidiary	29,922	-
Disposals/write-off during period (net book value as at disposals/write-off date)	(19)	(559)
Depreciation for period	(30,022)	(25,013)
Net book value as at 31 March 2019	1,095,024	981,256

As at 31 March 2019, the Company had equipment with net book value of Baht 0.3 million (31 December 2018: Baht 0.3 million), which were acquired under finance lease agreement.

As at 31 March 2019, the Company has pledged its land and structures thereon amounting to Baht 285 million (31 December 2018: Baht 239 million) as collateral against its long-term loans facilities as disclosed in Note 14 to interim financial statements and against its bank guarantees and bank overdrafts from financial institution.

12. Bank overdrafts from financial institution

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
Bank overdrafts from financial institution	1,992	1,342	-	-
Total	1,992	1,342	-	-

Bank overdrafts of a subsidiary has interest at the Minimum loan rate (MLR) plus 1.5% per annum which are secured by fixed deposit of another subsidiary as disclosed in Note 8 to interim financial statements.

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13. Trade and other payables

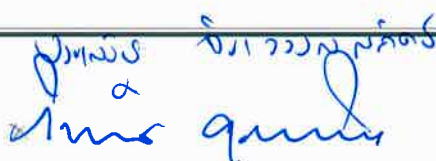
(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
Trade accounts payable - unrelated parties	34,947	26,994	31,648	22,874
Trade accounts payable - related parties (Note 4)	2,566	2,237	5,956	7,649
Payables for purchase of fixed assets	280	563	250	563
Payables for construction and retention	12,825	16,320	11,743	15,758
Other payables - unrelated parties	1,259	1,806	1,091	1,197
Other payables - related parties (Note 4)	1,358	758	534	744
Investment payables in subsidiary - related parties (Note 3 and 4)	62,500	-	62,500	-
Accrued payroll and bonus expenses	20,522	19,679	19,970	19,003
Accrued rental expenses	12,131	11,933	11,775	11,698
Other accrued expenses - unrelated parties	6,033	3,096	4,894	2,703
Other accrued expenses - related parties (Note 4)	-	-	-	125
Total trade and other payables	154,421	83,386	150,361	82,314

14. Long-term loans

(Unit: Thousand Baht)

Loan	Facility amount (Million Baht)	Interest rate (% p.a.)	Consolidated and Separate	
			financial statements	
			31 March 2019	31 December 2018
1	240	MLR - 3 and MLR - 2.2	106,400	119,900
2	80	MLR - 3	62,450	66,500
3	70	MLR - 3.25	65,320	23,830
Total			234,170	210,230
Less: Current portion			(84,240)	(84,240)
Long-term loan, net of current portion			149,930	125,990



Credit facility amount of Baht 240 million

During the year 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 11 to 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 31 March 2019, this long-term credit facilities of a Company which have not yet been drawn down amounted to Baht 12 million (31 December 2018: Baht 12 million).

Credit facility amount of Baht 80 million

During the year 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 11 to 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 31 March 2019 and 31 December 2018, this long-term credit facilities of a Company had been fully drawn down.

Credit facility amount of Baht 70 million

During the year 2018, the Company had entered into the loan agreement with credit facility amount of Baht 70 million with a financial institution.

The principal repayment is due on monthly basis, with 60 equal installments. The first repayment is due in December 2018. The loan is secured by the mortgage of land and structures thereon of the Company as disclosed in the Note 11 to 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.

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As at 31 March 2019, this long-term credit facilities of a Company had been fully drawn down (31 December 2018: long-term credit facilities which have not yet been drawn down amounted to Baht 45 million).

Credit facility amount of Baht 100 million

During the three-month period ended 31 March 2019, the Company had entered into the loan agreement with credit facility amount to Baht 100 million with a financial institution.

The principal repayment is due on monthly basis with 60 periods under condition as specified in the loan agreement. The loan is secured by the mortgage of land and structures thereon of the Company as disclosed in the Note 11 to 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 31 March 2019, this long-term credit facilities have not yet been drawn down.

Movements in the long-term loans from financial institution during the three-month periods ended 31 March 2019 is summarised below:

(Unit: Thousand Baht)

	Consolidated and Separate financial statements
Balance as at 1 January 2019	210,230
Add: Increase during the period	45,000
Less: Repayment	(21,060)
Balance as at 31 March 2019	234,170

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15. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 March 2019 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 2019	14,446	11,685
Current service cost	962	807
Interest cost	168	136
Provision for long-term employee benefits as at 31 March 2019	15,576	12,628

Long-term employee benefit expenses included in profit or loss for the three-month period ended 31 March 2019 amounted to Baht 1.1 million (the Company only: Baht 0.9 million).


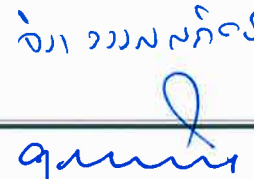
16. Income tax

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 2019 and 2018 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Current income tax:				
Interim corporate income tax charge	11,578	9,680	10,177	8,396
Deferred tax:				
Relating to origination and reversal of temporary differences	(625)	926	(597)	981
Income tax expenses reported in the statements of comprehensive income	10,953	10,606	9,580	9,377

17. 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	
	2019	2018	2019	2018
Profit for the period (Thousand Baht)	59,073	56,153	50,773	50,066
Weighted average number of ordinary shares (Thousand shares)	570,000	570,000	570,000	570,000
Profit per share (Baht/share)	0.10	0.10	0.09	0.09

18. 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 periods ended 31 March 2019 and 2018.

(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	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenues from external customers	307	246	17	15	17	18	-	-	341	279
Internal - segment revenues	3	2	8	9	-	-	(11)	(11)	-	-
Total revenues	310	248	25	24	17	18	(11)	(11)	341	279
Segment profit	91	87	11	10	8	8	-	-	110	105
Revenues and expenses which have not been allocated :										
Other income									4	2
Selling and distribution expenses									(12)	(11)
Administrative expenses									(30)	(27)
Finance costs									(2)	(2)
Profit before income tax expenses									70	67
Income tax expenses									(11)	(11)
Profit for the period									59	56

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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 periods ended 31 March 2019 and 2018, the Company and its subsidiaries have no major customer with revenue of 10 percent or more of an entity's revenues.

19. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Final dividends for 2018	Annual General Meeting of the Company's shareholders on 29 March 2019	85.50*	0.15
Final dividends for 2017	Annual General Meeting of the Company's shareholders on 27 March 2018	39.90	0.07

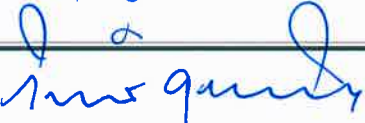
* The dividends for 2018 are to be paid to the Company's shareholders on 26 April 2019. As at 31 March 2019, the Company separately presented this transaction as "Dividend payable" in the statement of financial position.

20. Commitments and contingent liabilities**20.1 Capital commitments**

As at 31 March 2019 and 31 December 2018, 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	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
Construction costs	23	15	21	15

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20.2 Operating lease commitments

20.2.1 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 4 to interim financial statement.

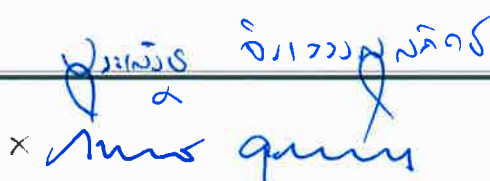
As at 31 March 2019 and 31 December 2018, the Company and its subsidiaries have future minimum payments required under these non-cancellable operating leases agreement and related service agreements were as follows.

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
Payable:				
In up to 1 year	193	180	182	176
In over 1 and up to 5 years	356	338	345	333
In over 5 years	131	141	131	141

As at 31 March 2019, Baht 37 million of the commitments of the Company and the subsidiaries are obligations under lease agreements and service agreements with the related companies (31 December 2018: Baht 40 million) (The Company only: Baht 29 million (31 December 2018: Baht 32 million)).

20.2.2 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 period ended 31 March 2019, the Company recognised rental and service expenses amounting to Baht 6 million (2018: Baht 4 million).

20.2.3 As at 31 March 2019, future minimum sublease payments expected to be received under non-cancellable subleases for partial areas amounting to Baht 9 million (31 December 2018: Baht 3 million). During the three-month period ended 31 March 2019, the Company recognised rental expenses of Baht 2 million (2018: Baht 2 million) and subleasing revenue for partial areas of Baht 0.8 million (2018: Baht 1 million).





20.3 Letters of guarantees

As at 31 March 2019, there were outstanding bank guarantees of Baht 2 million (31 December 2018: Baht 2 million) (the Company only: Baht 2 million (31 December 2018: Baht 2 million)) issued by the banks on behalf of the Company and its subsidiaries as required in the normal course of business.

21. Fair value

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:

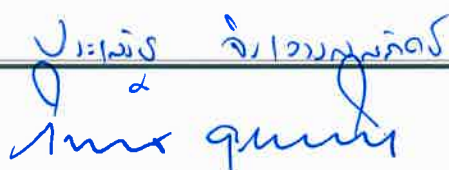
- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

As of 31 March 2019 and 31 December 2018, the Company had the following assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	31 March 2019			
	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current investments - Unit trusts	-	78	-	78
Lands	-	279	-	279

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(Unaudited but reviewed)

(Unit: Million Baht)

31 December 2018

Consolidated financial statements

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current investments - Unit trusts	-	32	-	32
Lands	-	279	-	279

(Unit: Million Baht)

31 March 2019

Separate financial statements

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current investments - Unit trusts	-	35	-	35
Lands	-	279	-	279

(Unit: Million Baht)

31 December 2018

Separate financial statements

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current investments - Unit trusts				
Lands	-	279	-	279

Valuation techniques and inputs to Level 2 valuation

The fair value of investment in unit trusts has been determined by using the net asset values of the last working day of the reporting period as announced by the asset management company.

The fair value of lands was revalued using the comparable market approach appraised by an independent professional valuer.

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

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22. Event after the reporting period

Amendments to the law relating to the legal severance pay rates

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional long-term employee benefit liabilities of Baht 2 million (The Company only: Baht 1 million) as a result. The Company and its subsidiaries will reflect the effect of the change by recognising past service costs as expenses in the income statement of the period in which the law is effective, which is the second quarter of 2019.

23. Approval of interim financial statements

These interim financial statements were authorised to issue by the Company's Board of Directors on 13 May 2019.

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