

SWG 086/2568

November 14, 2025

Subject: Management Discussion and Analysis of Siam Wellness Group Public Company Limited for Year 2025 ended 30 September 2025 and to explain the causes of performance that is changed more than 20% from the same period last year

To: President
The Stock Exchange of Thailand

SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED (“The Company”) would like to give details of the Management Discussion and Analysis of the financial statements of the Company and subsidiaries for Year 2025 ended 30 September 2025 and to explicate the causes of performance that has changed more than 20% from the same period last year. The Company and subsidiaries have the total revenue of 414.12 million baht, a decrease of 28.02 million baht from the same period last year (or a decrease of 6.34%). The net profit is 46.13 million baht, a decrease of 35.57 million baht from the same period last year. Net profit is accounted as 11.32% of sales and services’ revenue. Details as below:

Summary of Quarter 3, 2025

Revenue

The Company and subsidiaries had total revenue in the 3Q25 of 414.12 million baht, a decrease of 28.02 million baht from same period last year (or a decrease of 6.34%). Spa Business contributed to 90% of Total Revenue.

As of 30 September 2025, Company has 83 branches (81 domestic branches and 2 overseas branches). There were 7 new branch openings and 1 branch closure of domestic branches. As of 30 September 2023, Company had 78 branches (76 domestic branches and 2 overseas branches)

(Thousands Baht)							
Operating Results							
	Q3'25		Q3'24		Q3'23		Chg (%)
							25 vs 24
							24 vs 23
Revenue from sales and service	407,420		424,543		383,814		(4.0%)
Other income	6,698		17,595		5,222		(62%)
Total revenues	414,118		442,138		389,036		(6%)
Cost of sales and service	300,226	74%	285,531	67%	261,039	68%	5%
Gross profit	113,892	28%	139,012	33%	122,775	32%	(18%)
Selling and administrative expenses	47,800	12%	47,363	11%	36,177	9%	1%
Profit before income tax and finance cost	66,092	16%	91,649	22%	91,820	24%	(28%)
Finance cost	8,875	2%	7,911	2%	10,107	3%	12%
Income tax expense (revenue)	11,084	3%	19,628	5%	(43)	(0%)	(44%)
Net profit (loss) for the year	46,133	11%	81,705	19%	81,499	21%	(44%)
NCI	2	0%	3	0%	1	0%	
Net profit for the year attributable to the Company	46,131	11%	81,702	19%	81,498	21%	(44%)

- Siam Wellness Group Public Co.,Ltd (“SWG”), the operator of Spa Business, Revenue decreased 4%
- Siam Wellness Resort Co.,Ltd (“SWR”), the operator of RarinJinda Wellness Spa Resort and Deck One in Chiang Mai and the restaurant management of OHB in Chiang Mai, Pattaya and Bangkok, Revenue is similar to previous period
- Siam Wellness Lab Co.,Ltd (“SWL”) and subsidiary companies, the operator of Spa Products Sale, Revenue is similar to previous period
- Other Revenue decreased 2%

The SSG Stores Revenue decreased 14% compared to previous year, where as Expansion Stores Revenue increased 10%

In terms of Revenue by Brand, Let’s Relax’s Revenue decreased 4%, whereas other’s brands’ revenue is similar to previous period

In terms of Revenue by Locations, Bangkok branches’ Revenue increased 2% and Upcountry branches’ Revenue decreased 6%.

Resort and Restaurant Business contributed to 4% of Total Revenue.

Spa Product Business contributed to 4% of Total Revenue.

Cost of Sales and Services

In the 3Q25, the Company and subsidiaries had the cost of sales and services of 300.23 million baht, accounting for to 73.69% of sales and services’ revenue. This is an increase of 14.69 million baht from the same quarter of the previous year (or an increase of 5.15%). Some variable expenses, such as therapist service costs, decreased due to a drop in revenue. However, fixed expenses and branch operating expenses increased due to the expansion of branches during the year, including rent, utilities, maintenance costs, and depreciation.

Selling and Administrative Expenses

In the 3Q25, the Company and subsidiaries had the selling and administrative expenses of 56.67 million baht, accounted to 13.91% of the revenue from sales and services. This is an increase of 1.40 million baht from the same period last year. This is mainly from sales and promotion expenses and depreciation from the expansion of Head Office and Warehouse.

Net Profit

In the 3Q25, the Company and subsidiaries had a net profit of 46.13 million baht, accounting for 11.32 percent of revenue from sales and services. This is a decrease of 35.57 million baht from the same quarter of the previous year (or a decrease of 43.54%). The main cause was the reduction in revenue due to the lower number of Chinese tourists,

who are the company's main foreign customer group. However, when comparing the company's revenue drop to the overall decrease in Chinese tourists within the tourism industry, the company is still considered to have managed the risk by shifting to other customer segments quite well. Additionally, the company had to bear higher fixed expenses due to branch expansion, which resulted in a decrease in net profit this quarter.

Balance Sheet Summary

Consolidated Financial Statements						
	(Thousand)					
	2025	C/S	2024	C/S	change 25 vs 24	%Change 25 vs 24
Assets						
Current assets						
Cash and cash equivalents	101,265	4%	157,520	7%	(56,255)	(36%)
Trade and other receivables	22,486	1%	33,329	2%	(10,843)	(33%)
Share return receivables-current portion	10,000	0%	20,000	1%	(10,000)	(50%)
Inventories	44,423	2%	49,296	2%	(4,873)	(10%)
Other current assets	44,367	2%	21,878	1%	22,489	103%
Total current assets	222,541	9%	282,023	13%	(59,482)	(21%)
Non current assets						
Share return receivables-net of current portion	18,684	1%	9,342	0%	9,342	100%
Property plant and equipment	1,262,409	51%	1,175,240	55%	87,169	7%
Right-of-use assets	810,643	33%	535,437	25%	275,206	51%
Goodwill	24,536	1%	24,536	1%	0	0%
Intangible assets	4,289	0%	5,526	0%	(1,237)	(22%)
Deferred tax assets	1,601	0%	1,269	0%	332	26%
Deposits	86,741	4%	81,875	4%	4,866	6%
Advance payment for purchase of assets	18,245	1%	17,598	1%	647	4%
Other non-current assets	6,640	0%	3,522	0%	3,118	89%
Total non-current assets	2,233,788	91%	1,854,345	87%	379,443	20%
Total assets	2,456,329	100%	2,136,368	100%	319,961	15%

As of 30 September 2025, The Company and Subsidiaries had a total asset of 2,456.33 million baht, an increase of 319.96 million baht from 2024 (an increase of 14.98%) with details as followed:

- Cash and Cash Equivalent is 101.27 million baht. This is a decrease of 56.26 million baht. In addition to operating expenses, the Company withdrew loans, paid dividends, and invested in expanding branches opened during the year.
- Trade and Other Receivables slightly decreased from 33.33 million baht in 2024 to 22.49 million baht in 2025 (a decrease of 32.53%) resulting from normal operating activities such as Credit Terms to Agent and Franchisee. In the Appendix, there were Trade Receivables due over 12 months total 8 million baht under collection. The Company set up Allowance for Doubtful accounts under Management's discretion.
- Receivable from shares waiting to be repaid in the amount of 28.68 million baht from the sale of shares of Chaba Elegance Company Limited back to the group of existing shareholders. At present, it is in the process of suing the group of existing shareholders to pay for the shares.

- Land, Buildings and Equipment are approximately 51% of Total Assets. This is slightly high as Company has been expanding many branches over the past few years. Value of Land, Building and Equipment has increased from branch expansion deducts depreciation
- Right of Use Assets is 810.64 million baht or approximately 33% of Total Assets from TFRS16 Adoption in Financial Statements Reporting since 2020

Consolidated Financial Statements						
	(Thousand)					
					change	%Change
	2025	C/S	2024	C/S	25 vs 24	25 vs 24
Liabilities and shareholders' equity						
Current liabilities						
Trade and other payables	117,571	5%	134,488	6%	(16,917)	(13%)
Current portion of long-term loans	30,180	1%	0	0%	30,180	
Current portion of lease liabilities	135,883	6%	154,091	7%	(18,208)	(12%)
Income tax payable	30,252	1%	634	0%	29,618	4672%
Advance received-current portion	47,496	2%	44,444	2%	3,052	7%
Other current liabilities	8,692	0%	11,202	1%	(2,510)	(22%)
Total current liabilities	370,074	15%	344,859	16%	25,215	7%
Non-current liabilities						
Long-term loans-net of current portion	203,665	8%	0	0%	203,665	
Long-term loans from related parties	70,000	3%	100,000	5%	(30,000)	(30%)
Lease liabilities-net of current portion	567,389	23%	453,393	21%	113,996	25%
Provision for long term employee benefits	4,368	0%	4,235	0%	133	3%
Deferred tax liabilities	11,496	0%	11,253	1%	243	2%
Other non- current liabilities	26,135	1%	24,227	1%	1,908	8%
Total non-current liabilities	883,053	36%	593,108	28%	289,945	49%
Total liabilities	1,253,127	51%	937,967	44%	315,160	34%

As of 30 September 2025, The Company and Subsidiaries had total liabilities of 1,253.13 million baht, an increase of 315.16 million baht (an increase of 33.60%) with details as followed:

- Trade and Other Payables are 117.57 million baht which is from normal operating activities such as building and decoration expenses, product and raw materials cost, rentals etc.
- Loan from Financial Institutions and from related entity, both due within 1 year and more than 1 year, is 233.85 million baht. Loan from Financial Institutions is the main source of Funds in the event of business expansion or cash imbalance as the interest rate is relatively low compared to other sources which Company deemed appropriate
- Liabilities under the lease agreement, both due within a year and more than 1 year, is 703.27 million baht from the adoption of TFRS16 Rental Contracts in Financial Statements Reporting since 2020

Consolidated Financial Statements						
	(Thousand)					
	2025	C/S	2024	C/S	change 25 vs 24	%Change 25 vs 24
Share capital						
Registered						
1,282,499,928 ordinary shares of Baht 0.25 each (2023: 855,000,000 ordinary shares of Baht 0.25 each)	320,625	13%	320,625	15%	0	0%
Issued and paid-up						
1,282,499,124 ordinary shares of Baht 0.25 each (2023: 854,999,928 ordinary shares of Baht 0.25 each)	320,625	13%	320,625	15%	0	0%
Share premium	278,906	11%	278,906	13%	0	0%
Discount on business combination under common control	(46,226)	-2%	(46,226)	-2%	0	0%
Retained earnings						
Appropriated- statutory reserve	32,062	1%	32,062	2%	0	0%
Unappropriated	492,452	20%	487,648	23%	4,804	1%
Other components of shareholders' equity	125,378	5%	125,378	6%	0	0%
Equity attributable to shareholders' of the company	1,203,197	49%	1,198,393	56%	4,804	0%
Non-controlling interests of the subsidiaries	5	0%	8	0%	(3)	(38%)
Total shareholders' equity	1,203,202	49%	1,198,401	56%	4,801	0%
Total liabilities and shareholders' equity	2,456,329	100%	2,136,368	100%	319,961	15%

As of 30 September 2025, The Company and Subsidiaries had a total equity of 1,203.20 million baht, an increase of 4.80 million baht (an increase of 0.40%) from reported net profit deducted dividend during the year.

Cash Flows Summary

As of 30 September 2025, The Company and Subsidiaries had a total cash and cash equivalents of 101.27 million baht, a decrease of 56.26 million baht. The main activities are the withdrew loans deducted paid dividends and paid for branches expansion.

Key Financial Ratio

Ratio	Q3'25	Q2'25	Q1'25	2024	2023
Liquidity Ratio					
Current Ratio	0.60	0.70	0.87	0.82	0.97
Receivable turnover	14.60	13.44	12.93	51.80	48.42
Collection period (Days)	6	7	7	7	7
Inventory turnover	0.45	0.35	0.36	1.53	1.64
Holding period (Days)	204	259	250	235	220

- 3Q25 Current Ratio is 0.6, a decrease from 2024's. Liabilities under lease agreement due within 1 year is 135.88 million baht after adoption of TFRS16 Rental Contracts since 2020. If exclude this, the current ratio is 0.95
- Receivable Turnover and Collection Period is similar to 2024's, approximately 6 days
- Inventory Turnover and Holding Period in 3Q25 is lower

Ratio	Q3'25	Q2'25	Q1'25	2024	2023
Profitability Ratio					
Gross Profit Margin	26.31%	24.76%	28.87%	32.41%	30.15%
Net profit Margin	11.32%	9.89%	13.43%	18.97%	22.97%
Return on Asset	9.94%	12.85%	14.06%	15.04%	15.12%
Return on Equity	19.47%	23.87%	25.74%	29.45%	45.18%

- Profitability Ratio has decreased because Net Profit in 2025 was lower compared to the previous year. This was due to a reduction in the number of Chinese tourists, who are the company's main foreign customers, leading to a decrease in revenue. However, the company had to bear fixed costs from both existing branches and those expanded during the year.

Ratio	Q3'25	Q2'25	Q1'25	2024	2023
Debt Management Ratio					
Debt to Equity Ratio	1.04	0.84	0.73	0.78	1.41
Interest coverage Ratio	7.45	6.74	9.61	12.66	7.01

- 3Q25 Debt to Equity Ratio is 1.04, an increase from 0.78 from previous year mainly from loan withdrawal, liabilities under lease agreement and the increase in shareholder's equity from Reported Net Profit deducted Interim Dividend. If exclude the lease liability within 1 year of expiry, the Debt to Equity Ratio is 0.46. The Company is confident that it has sufficient liquidity to carry out its operations, provided there are no events that materially impact the business
- 3Q25 Interest Coverage Ratio is 7.45, a decrease as a result of lower reported Net Profit

Sustainability Policy and Goals

SPA has established a Sustainability Policy and Goals to serve as a guideline for implementing business strategies aimed at achieving stable and sustainable growth across all dimensions—economy, society, and the environment. This involves integrating the concept of sustainable development into every core function by elevating the importance of sustainability throughout the entire Value Chain. There is a focus on adding value to activities within the process of providing services and selling products (In-process Activities). Additionally, emphasis is placed on prioritizing stakeholders. The Working Group, operating under the supervision of the Corporate Governance Committee, serves as the creator of the Implementation Guidelines. This group lays out the framework and goals to drive sustainability in three key areas:

Economic Development/Regulatory	Social Development	Environmental Development
(1) Health and safety of customers (2) Enterprise Risk Management (3) Cyber Security and protection of personal information (4) Structural Policy and Corporate Governance	(5) Customer Responsibility (6) Providing access to treatment and good health (7) Local employment, including people with disabilities and underprivileged individuals. (8) Providing access to information	(9) Product Responsibility (10) Use of eco-friendly packaging (11) Waste management (12) Water management policy

Economic/Regulatory Dimension	Policy
Customer health and safety	Focus on creating an establishment that is hygienic and safe for customers by enhancing customer hygiene and safety measures to be in line with the current situation under the measure “A Place you can trust”
Enterprise Risk Management	Focus on building the organization for sustainable growth, regularly assess organizational risks with information, analyze and track the situation closely
Cyber Security and Personal Data Protection	Focus on creating an organization with cyber security and protection of personal information. PDPA Working group monitors and updates cybersecurity and personal information protection in accordance with the law and policy of practice.
Structural Policy and Corporate Governance	Focus on building an organization to be able to operate under a stable organizational structure. Focus on all stakeholders by adhering to the good corporate governance policy

Social dimension	Policy
Customer responsibility	Focus on creating an establishment that is responsible to customers throughout the process by focusing on providing a standard service, friendly service, clean, hygienic place, reasonable price. Gives importance to safety and customer privacy.
Providing access to treatment and good health	Focus on building an organization that cares about the health of employees and staff. Coverage of health benefits as staff benefits and building a great workplace for employees.
Local Employment, including people with disabilities and underprivileged individuals.	Focus on hiring local personnel to increase skills, knowledge, expertise which can be extended to community development
Providing access to information	Focus on creating an organization that provides equal access to information. for complete work and judgment

Environmental Dimension	Policy
Product Responsibility	Present accurate information about the products and services, deliver a variety of products in order to provide services to customers that meet their needs
Use of eco-friendly packaging	Focus on creating a corporate culture that cares about the environment. Create quality products and services using packaging that is good for the environment under 3R (Reduce, Reuse, Recycle)
Waste management	Focus on creating an organizational culture that cares about the environment. Supervise and manage the use of natural resources to achieve maximum benefit. Improve business processes to reduce environmental impact

Environmental Dimension	Policy
Water management policy	<p>Focus on creating an organizational culture that cares about the environment.</p> <p>Supervise and manage the use of natural resources to achieve maximum benefit.</p> <p>Improve business processes to reduce environmental impact</p>

Analysis of Factors Affecting the Company's Future Operations

1. Economic and Tourism Factors

- **Number of Tourists:** SPA's revenue is correlated with the number of tourists visiting Thailand, both domestic and international. Any increase or decrease in tourist numbers will impact the company's revenue.
- **Tourism Seasonality:** The spa business is affected by seasonal tourism fluctuations. During the high season, revenue tends to increase, while in the low season, performance may slow down.
- **Consumer Purchasing Power:** Overall economic conditions and consumers' purchasing power influence decisions to use spa and wellness services. An economic slowdown may negatively affect the company's sales.

2. Internal Organizational Factors

- **Branch Expansion:** Opening new branches domestically and internationally is a key growth strategy. The analysis should outline the number of newly opened branches, future expansion plans, and the anticipated impact on revenue and costs.
- **Cost Management:** Controlling costs such as rent, labor, therapist service cost and selling and administrative expenses (SG&A) affects the company's gross profit margin and net profit. The analysis should highlight changes in costs and their impact on operations.
- **Business Diversification:** Diversifying into new products and services, such as Stretch me Clinic or hotel and restaurant businesses, helps increase revenue sources and reduce risks from relying solely on the core business.
- **Personnel:** The availability of qualified service staff is critical for the spa business. Labor and therapist shortages may pose a risk factor to consider.

3. Competitive Factors

- **Market Competition:** The spa market is highly competitive, with both direct competitors and other businesses offering similar services. The analysis should outline the company's competitive strategies to maintain its market position.

4. Risk Factors

- **Risk of Lease Renewal:** Most of SPA's branches are located in leased spaces. Failure to renew leases or changes in rental costs could impact expenses and operational plans.
- **Policy Risks:** Government policies related to the tourism industry and regulations may affect the company's operations.

Please be informed accordingly,

Yours sincerely,

(Mr.Wiboon Utsahajit)

Siam Wellness Group Public Company Limited