

# 2021

SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

## ANNUAL REPORT FORM 56-1 ONE REPORT



ANNUAL REGISTRATION  
STATEMENT /  
ANNUAL REPORT





# CONTENT

.....

Message from Chairwoman .....	5
Board of Directors .....	6
News and Events 2021 .....	8
Financial Highlight .....	14
Definition .....	16

## 1 Business Operation and Performance ..... 17

1. Siam Wellness Group Structure and Operation .....	18
2. Risk Management .....	80
3. Sustainability Report .....	86
4. Management Discussion and Analysis (MD&A) .....	109
5. General Information and Other Key Information .....	117

## 2 Corporate Governance ..... 123

6. Corporate Governance Policy .....	124
7. Corporate Governance Structure and Key Information about the Board, Sub-committees, Management, Employees and Other .....	138
8. Report of Corporate Governance .....	166
9. Internal Control and Related Party Transactions .....	178

## 3 Financial Statement ..... 191

## 4 Certificate of Information and Data Accuracy for Submitting One Report ..... 277





# Message from Chairwoman



Dear Shareholders of Siam Wellness Group Public Company Limited [SPA],

On behalf of the Board of Directors of Siam Wellness Group Public Company Limited [SPA], I would like to sincerely thank all of the shareholders for your trust and support in our company. In the year 2021, the COVID-19 epidemic became more severe leading to the 2nd wave of outbreaks in January, the 3rd wave in April - June, and the 4th wave with new variants (Delta) in July - September causing a slowdown of the economy in the country and around the world. The tourism industry has been heavily impacted as foreign tourists, who are our key target customer segment, cannot travel to Thailand. Moreover, all branches of Spa were temporarily shut down after the Notification to close spas and massages throughout Thailand by resolution of the Cabinet for over 6 months. Thus, resulting in continued net operating loss. In 2021, the total revenue is 174.94 million baht, an increase of 59.62% from 2020 and the total net loss is 286.72 million baht, an increase of 37.13% from 2020.

In 2021, Siam Wellness Group Public Company Limited focused on creating new customer experiences with confidence and safety in the New Normal era after the highest number of infected people per day recorded. We are the first spa to offer the COVID-19 Saliva ATK test (test by taking saliva samples) for every customers and daily test for our frontline staff (before service commencement) after the Reopening on October 1. We also launched a new Customer Relationship Management (CRM) program, WellnessMe, a loyalty program for customers using the services under the Siam Wellness Group in order to maintain the existing customer base and increase the new loyal customer base.

In terms of Corporate Governance, we are honored to receive the Outstanding Investor Relations Awards for Listed Company in mai at SET Awards 2021 and Best CFO-mai at IAA Awards for Listed Companies 2020. Moreover, Thai Investors Association has rated our Annual General Meeting of Shareholders as 98 points out of 100 points.

Lastly, I would like to sincerely thank our management and staff for their contributions to the Company in the challenging time as well as our advisors for their continuous support for the Company to overcome this crisis. These will be a great willpower and encouragement for the Company to continue to achieve its business vision of providing accessible wellness services rooted in Thai wisdom & hospitality so that people have better well-being

On behalf of the Board of Directors  
Yours sincerely,

A handwritten signature in black ink, appearing to read 'Pranee Suphawatanakiat'.

(Mrs. Pranee Suphawatanakiat)  
Chairwoman

# BOARD OF DIRECTORS

As of December 31, 2021,  
The Board of Directors composed of 9 Directors:

**Mrs. Pranee Suphawatanakiat**  
Chairman of the Board of Directors



**Mr. Wiboon Utsahajit**

- Director
- President of the Executive Committee
- Chief Executive Office



**Mr. Prasert Jiravanstit**

- Director
- Member of the Executive Committee
- Member of the Nominations and  
Compensations Committee
- Managing Director



**Mrs. Thanit Amorntirasan**

- Director
- Member of the Executive  
Committee
- Member of the Corporate  
Governance Committee



**Mr. Narun Wiwattanakrai**

- Director
- Member of the Executive Committee
- Member of the Risk Management Committee
- Deputy Managing Director



**Mr. Polchet Likittanasombat**

- Director
- Chairman of the Audit Committee  
(Audit Committee with Accounting Knowledge)
- Chairman of the Nominations and Compensations Committee
- Member of the Corporate Governance Committee
- Independent Director



**M.R. Pensiri Chakrabandhu**

- Director
- Member of the Audit Committee
- Chairman of the Corporate Governance Committee
- Member of the Nominations and Compensations Committee
- Independent Director



**Mrs. Kobboon Srichai**

- Director
- Member of the Audit Committee
- Chairman of the Risk Committee
- Independent Director



**Mr. Phumiphan Bunjapamai**

- Director
- Member of the Risk Committee
- Independent Director

# NEWS & EVENTS 2021



**Launched**  
**"WELLNESS ME",**  
a new loyalty program  
for customers.

**Annual General  
Meeting**  
for Shareholders  
2021 (e-AGM)



**Minister of Tourism  
and Sports visited**  
Let's Relax Phuket in  
the Phuket Sandbox  
project



FEBRUARY

MARCH

APRIL

JUNE

AUGUST



**SPA received  
Best CFO - mai**  
at IAA Awards  
for Listed Companies 2020



**Let's Relax Spa  
and Affiliated Brands  
encouraged**  
our service personnels  
to receive vaccinations  
against COVID-19



**Being the first spa providing COVID-19 Saliva ATK (Antigen Test Kit)** for customers before receiving the service



**Donated and joined** in supporting the delivery of medical supplies

**SPA awarded Outstanding Investor Relations Awards** for listed Company in mai at SET Awards 2021



## OCTOBER



**Opened 66th branch,** Let's Relax Pattaya Veranda Resort Na Jomtien - MGallery

## NOVEMBER

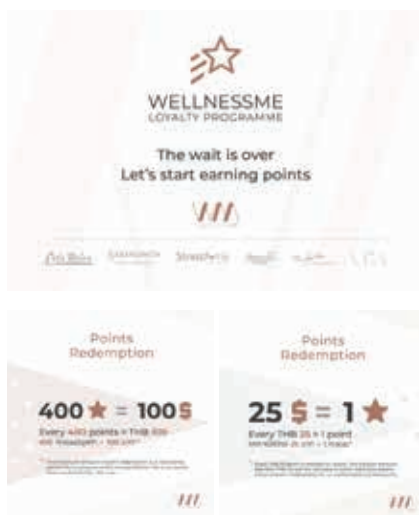


**Opened 67th branch,** Let's Relax Bangkok Novotel Platinum Pratunam



**"Siam Wellness Group (SPA)" launched "WELLNESS ME", a new loyalty program for customers.**

Siam Wellness Group (SPA), Thailand's leading spa and wellness operators, has launched "WellnessMe", a new online loyalty program. Customers can collect points for every spending at all Spa and Wellness brands in the Group. For every 25 baht spent, earn 1 point. Points then can be exchanged for cash coupons or discounts on services and goods.



### **SPA received Best CFO - mai at IAA Awards for Listed Companies 2020**

Ms. Yonlwan Ahemalongkorn, CFO, Siam Wellness Group (SPA) received Best CFO - mai at IAA Awards for Listed Companies 2020 held at Stock Exchange of Thailand



### **Siam Wellness Group PCL ["SPA"] held its Annual General Meeting for Shareholders 2021 (e-AGM)**

Mrs. Pranee Suphawatanakiat (Sitting, 3rd from the Left), Chairwoman, Mr. Wiboon Utsahajit (Sitting, 2nd from the Right), CEO, and Board of Directors of Siam Wellness Group PCL presented 2020 Operating Results and the 2021 Business Plan at Annual General Meeting of Shareholders 2021 held in the form of electronic meetings. (E-AGM) in accordance with safety measures under the COVID-19 epidemic on April 30th, 2021.



**JUNE**



**Let's Relax Spa and Affiliated Brands encouraged our service personnels to receive vaccinations against COVID-19**



**AUGUST**



**Minister of Tourism and Sports visited Let's Relax Phuket in the Phuket Sandbox project**

Hon. Phiphat Ratchakitprakarn, Minister of Tourism and Sports, visited Let's Relax Porto de Phuket branch during his mission 14 Days in Happy Paradise in Phuket Sandbox to oversee the new measures of spa management in the New Normal era under the concept of 'A Place You can trust'. Let's Relax Spa, Thailand's leading boutique day spa chain, received SHA Plus certification from the Tourism Authority of Thailand (TAT) and the Department of Health, Ministry of Public Health



**OCTOBER**



**SPA boosted confidence for customers by being the first spa providing COVID-19 Saliva ATK (Antigen Test Kit) for customers before receiving the service, strengthening our campaign "A Place you can trust"**

Let's Relax and affiliated spas have rebuilt Customer confidence by offering COVID-19 Self-test Saliva ATK testing (Salivation Testing) for every customers and daily test for every front-line staff as well other cleaning and disinfecting measures for the highest safety of all customers under "A Place you can trust" Campaign





### SPA opened 66th branch, Let's Relax Pattaya Veranda Resort Na Jomtien – MGallery

Located in Veranda Resort Pattaya Na Jomtien M gallery, Chonburi near Na Jomtien Beach, Customers will experience the chill atmosphere of the sea waves. surrounded by white sand and premium relaxation from Let's Relax Spa. Decorated in a unique modern style, giving you a feeling of peace, simplicity, waiting for you to experience the most relaxing atmosphere. This branch is an expansion in the form of Spa Operating in Hotel.



### Siam Wellness Group Plc. (SPA) donated and joined in supporting the delivery of medical supplies

Mr. Wiboon Utsahajit, Chief Executive Officer and Mr. Prasert Jiravansthit, Managing Director of Siam Wellness Group Plc. (SPA) donated a 10 liter oxygen concentrator to Dr. Siripoj Sribunditkul, Deputy Medical Director of Nakornping Hospital, Chiang Mai Province. Moreover, SPA has joined in supporting the delivery of medical supplies from the Faculty of Medicine Ramathibodi Hospital to Maharaj Nakorn Chiang Mai Hospital to alleviate the situation of the covid epidemic in the Chiang Mai Province.



### SPA opened 67th branch, Let's Relax Bangkok Novotel Platinum Pratunam

Located on the 9th Floor of Novotel Platinum Pratunam, Bangkok with the City View of Bangkok offering the convenience for City Dwellers looking for a relaxing escape. This branch is an expansion in the form of Spa Operating in Hotel.







**SPA awarded Outstanding Investor Relations Awards for listed Company in mai at SET Awards 2021**

Siam Wellness Group PCL ["SPA"] received Outstanding Investor Relations Awards for Listed Company in mai in SET Awards 2021 Award Ceremony held as Virtual Ceremony. This is the 5th consecutive year that SPA has received this award from Stock Exchange of Thailand and Money & Banking Magazine



# FINANCIAL HIGHLIGHT

## 2021

### TOTAL ASSET

**2,257,837**

(THOUSAND BAHTS)

### TOTAL LIABILITIES

**1,639,345**

(THOUSAND BAHTS)

### TOTAL SHAREHOLDER'S EQUITY

**618,492**

(THOUSAND BAHTS)

### TOTAL REVENUE



**174,943**

(THOUSAND BAHTS)

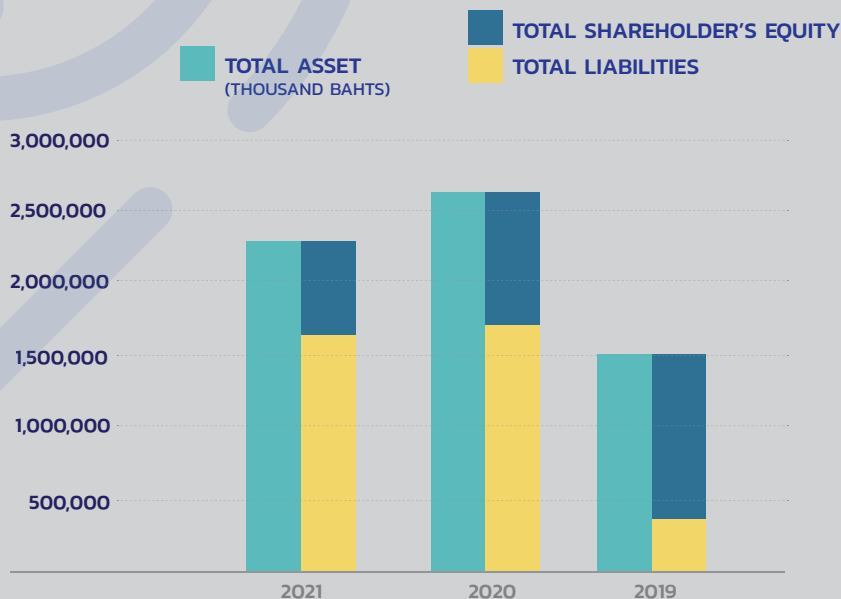
Net Profit for  
the Year Attributable  
to Shareholder  
of Parent

**-286,718**

Net Earning per Share  
for the Profit of the  
Year Attributable  
to Shareholder  
of the Parent

**-0.34**

## FINANCIAL POSITION

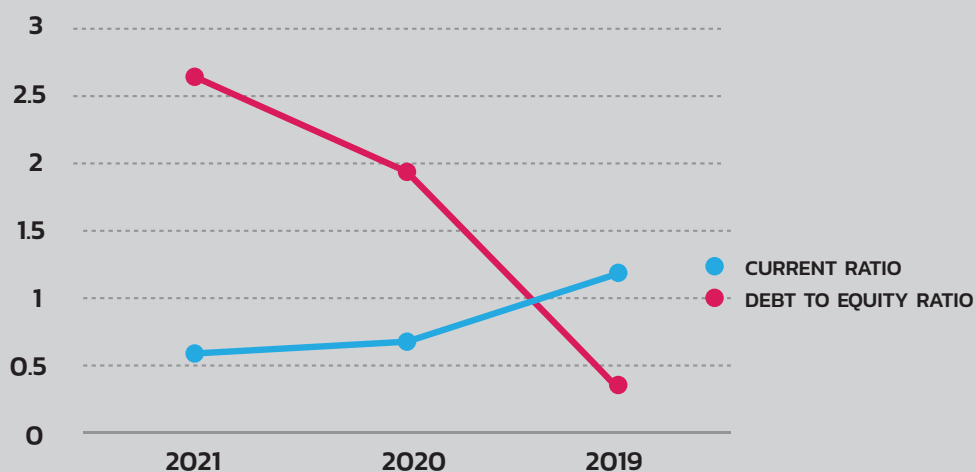
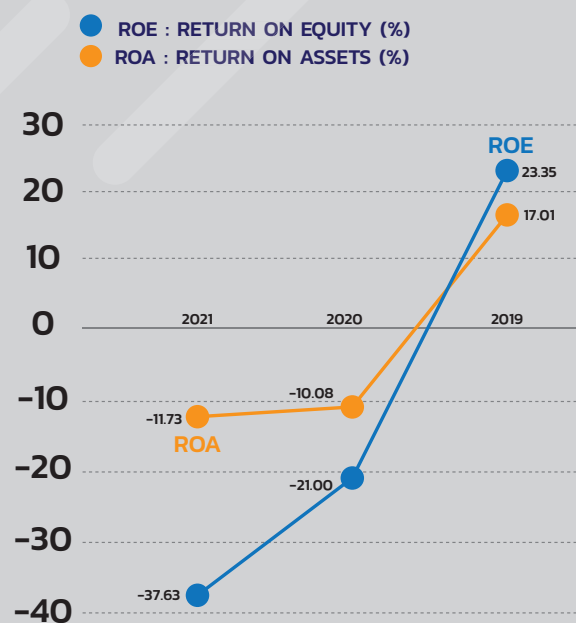
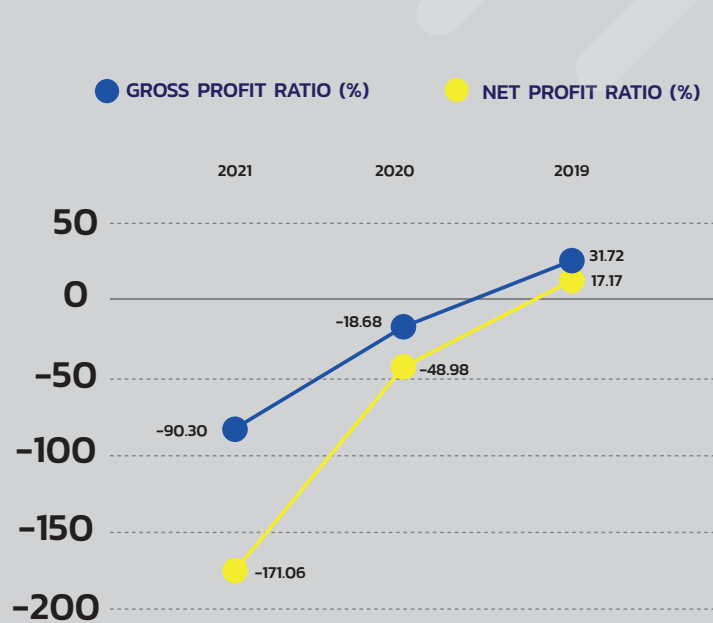


## OPERATION PERFORMANCE

	2021	2020	2019
(THOUSAND BAHTS)			
TOTAL REVENUE	174,943	435,625	1,403,141
COST OF SALES AND SERVICES	318,517	506,641	942,564
SELLING EXPENSE	23,769	34,201	52,453
ADMINISTRATION EXPENSE	83,925	84,457	110,112
TOTAL EXPENSE	426,211	625,299	1,105,129
FINANCIAL EXPENSE	44,172	21,496	10,485
TAX	-8,720	-2,084	45,194
Net Profit for the Year Attributable to Shareholder of Parent	-286,718	-209,085	242,329
Net Earning per Share for the Profit of the Year Attributable to Shareholder of the Parent	-0.34	-0.25	0.43

# RATIO ANALYSIS

RATIO ANALYSIS	2021	2020	2019
CURRENT RATIO (times)	0.54	0.64	1.18
GROSS PROFIT RATIO (%)	-90.03	-18.68	31.72
NET PROFIT RATIO (%)	-171.06	-48.98	17.17
RETURN ON EQUITY (%)	-37.63	-21	23.35
RETURN ON ASSETS (%)	-11.73	-10.08	17.01
DEBT TO EQUITY RATIO (Times)	2.65	1.95	0.34



# Definition



SPA	means	Siam Wellness Group Public Company Limited
SWR	means	Siam Wellness Resort Co., Ltd.
SWL	means	Siam Wellness Lab Co., Ltd.
SWE	means	Siam Wellness Education Company Limited
TGT	means	Tiger Eyes Trading (Thailand) Company Limited.

Spa Business means \*Businesses providing health massage and the use of water for health and complementary services such as Steam & Sauna, Exercise, Nutrition, Diet, Yoga and meditation as well as use of herbs or other health products and alternative medicine

Day Spa means Spas with no overnight accommodations providing quick, convenient and hassle-free spa procedures. They are often conveniently located in residential areas, commercial buildings, shopping malls in the city, business district or airport. Customers usually spend 30 minutes to 4 hours for a variety of spa services with relaxation and beauty objectives

Wellness Spa means \*\*Hotel & Resort Spa (“Wellness Spa”) located within or in the same area as the hotel or resort to accommodate customers who want to use the spa to relax. They are usually larger than general day spas and are located in tourist attractions or community areas. Especially 4 - 5 star hotels, Resort Spa focuses on relaxation and massage. Most of the venues are arranged with beautiful views and landscapes. Along with providing body and skin care services, they take more time to provide services than a day spa service.

Therapist means masseuse

\* According to the Act

\*\* According to the announcement of the Ministry of Public Health Classification of business operations according to the nature of the place of business is Hotel & Resort and spa, which corresponds to the nature of the company’s operations. which the company called “WELLNESS SPA SERVICE”

# Part 01

## Business Operation and Performance



# 01

Siam Wellness Group  
Structure and Operation



# 1 SIAM WELLNESS GROUP STRUCTURE AND OPERATION

## ● 1.1 Siam Wellness Group Structure and Operation

### 1.1.1 The Vision and Objective of the Business Operation of the Group of Companies

Siam Wellness Group of Companies (Plc) operates a health spa and Wellness-related businesses as well as other related business such as hotel, spa products and spa academy. For this purpose, the Group of Companies defines its operational vision and objective for expansion and growth of the business in the future as follows:

#### THE VISION

“To provide accessible wellness services rooted in Thai wisdom & hospitality so that people have better well-being.”

The Group of Companies has defined 4 missions of its business operation, namely,

- As an organization that creates the standard of Thai spa to be recognized internationally and builds reputation for Thai spa at international level and ultimately at global level.
- As an organization that focuses on the integration of the Western and Thai sciences to enable the service of the Company to be increasingly developed.
- As an organization that promotes and gives support to personnel of every part to enable them to learn and develop themselves consistently and continually in the best interest of the Company and for ultimate maximized benefit of the customers.
- As an organization that attaches importance to the fundamental regulations, the law by adhering to the operation of its business with integrity, precision and ethics with awareness of impact on its personnel, on the environment and community being of paramount importance.

#### ITS BUSINESS OBJECTIVE

##### SIAM WELLNESS GROUP PLC. : SPA

SPA defines its business objective to be increasingly on expansion by setting forth its objective to be the leader of Asian spa and wellness with brand symbol impressed on the mind of the customers and to further want to expand its health spa and wellness business to provide services to fully meet all demands of the target customers through division of service brands; starting from the upper level customers who have plenty of time to be admitted to receive services and with more purchasing power to the customers with less purchasing power. This is to gain access to customers of every needs through emphasis on good staff training from the Company as to provide the best services to the customers and to build the customer base of new customers as to increase the growth of income for every branch of spa on a continual basis and for further growth in net profit continually in the future.

##### SIAM WELLNESS RESORT CO., LTD. : SWR

SWR defines the target for its hotel operation business by emphasizing growth in occupancy rate and average room rate at the hotel by the customers through a launch of publicity for room occupancy sale, through the organizing of MICE for both private and government sectors, both nationally and internationally; As for the restaurant business, SWR will emphasize on growth in occupancy rate and average bill per person. through organizing sales promotion during various festivity periods as to increase operating income for SWR.

##### SIAM WELLNESS LAB CO., LTD. : SWL

SWL defines the objective of its spa-related and therapeutic personal care products distribution business and health-related products distribution with an aim to expand distribution channels of both domestic and abroad. For the domestic market, it focuses on expanding the distribution channel in a spa place of business established in a hotel;

the distribution of goods in medium spa shops in department stores, the distribution of souvenir goods during various festivities such as during the New Year festival and other festive occasions, etc. As for overseas market, SWL is planning to recruit additional distribution agents to handle the export of goods to places of the spa business in leading hotels abroad as to increase income for SWL and to create a business opportunity for expansion and continual growth in the future.

#### SIAM WELLNESS EDUCATION CO., LTD. : SWE

SWE defines its objective to operate a Thai traditional massage school by emphasizing staff training as to maintain the massage standard and to teach job applicants for the Company's therapeutic staff and to accommodate the launch of SPA branches to promote SPA future growth.

#### TIGER EYES TRADING (THAILAND) CO.,LTD : TGT

TGT defines its objective to operate a business of importing and distributing facial, body, slimming, wax, nail products as well as spa equipment such as electric blankets, massage bed sheets, facial and slimming devices. The Company distributes to Hair Salons, Beauty Clinics, Hospitals and Spas throughout Thailand. This supports SWL future growth

## 1.1.2 Business Overview

The details of the operation of each company are as follows:

#### 1) Siam Wellness Group Plc. ("Company") or ("SPA")

Founded on 28th November 2001 to operate a health spa business. Currently its registered capital is 213.75 million Baht and 213,749,982 million Baht was paid up. The Company's service is divided into 5 Brands as follows:

**"RarinJinda Wellness Spa"**, a 5-star Premium and Innovative Wellness Spa situated in 5-stars Hotels and Resorts targeted the upper segment. Fully equipped with all of the latest spa technologies and facilities at high international standards, yet deeply rooted in the Thai Massage and healing traditions, it offers relaxing and therapeutic spa treatments that harmonize all life sense.

- **"Let's Relax"**, a 4-star Boutique Day Spa situated in Shopping Malls, Hotels as well as Standalone in tourist areas targeted upper middle segments. It delicately offers fineness spa pleasure to perfectly balance the body and soul, offers high quality of equipment, products and treatments with experienced and well-trained therapists for a unique and remarkable experience for customers.

- **"Baan Suan Massage"**, a 3-star Neighborhood Massage Outlet is a standalone in highly populated area targeted middle segment. It offers relaxing massage therapy for local consumers.

- **"Stretch me by Let's Relax"**, a stretching studio providing stretching and trigger point pressuring for guests of any lifestyle such as office, sport or traveller by certified therapists. "Stretch me Clinic" offering a variety of bespoke programmes that combined hands-on therapy with physical modality machine such as Ultrasound, High Power Laser etc. under the supervision of experienced Physiotherapist

- **"Dr. Spiller Pure Skin Care Solutions"** offering facial indulgence experience to enhance the long-term benefits of youthful skin using Dr. Spiller, a sophisticated skincare brand from Germany

### Summary of the details of "Rarinjinda Wellness Spa"

Branch No.	Year of Opening	Branch	Location
1	2005	Chiang Mai	RarinJinda Wellness Spa Resort, Charoenraj Road
2	2007	Ratchadamri	Grande Centre Point Hotel Ratchadamri, Ratchadamri Road
3	2014	Ploenchit	Grande Centre Point Hotel Ploenchit, Wireless Road



## Summary of the details of “Let’s Relax”

Branch No.	Year of Opening	Branch	Location
1	2001	Pavillion	Chiang Mai Pavillion Night Bazaar, Chiang Mai
2	2003	Patong 2nd Street	Raj-u-thit Road, Patong, Phuket
3	2004	Pattaya	Sunshine Garden Hotel, Pattaya
4	2004	Sukhumvit 39	Soi Sukhumvit 39, Bangkok
5	2011	Terminal 21	Terminal 21 Shopping Mall, Bangkok
6	2013	Mandarin	Mandarin Hotel Bangkok, Bangkok
7	2014	Siam Square One	Siam Square One Shopping Mall, Bangkok
8	2014	Hua Hin	Hua Hin Market Village, Hua Hin
9	2014	Patong 3rd Street	Pangmuang Sai Kor Road, Patong, Phuket
10	2015	Ekkamai	Park Lane Bangkok, Bangkok
11	2015	Thapae	Ratchadamnoen Road, Chiang Mai
12	2015	Suanplu	Soi Suanplu, Bangkok
13	2015	The Street	The Street Ratchada, Bangkok
14	2016	MBK	MBK Center, Bangkok
15	2016	Pratunam	The Berkeley Hotel Pratunam
16	2016	Phayathai	Airport Link Phayathai Station
17	2016	Thonglor	Grande Centre Point Hotel Sukhumvit 55
18	2017	Wake Up Hotel	Wake Up Hotel, Aonang, Krabi
19	2017	Karon	Karon Road, Phuket
20	2017	Sukhumvit 31	Soi Sukhumvit 31, Bangkok
21	2017	The Sis Kata	The Sis Kata, Phuket
22	2017	Boat Lagoon	Thepkasattri Road, Phuket
23	2017	Millennium Resort	Raj-u-thit 200 years Road, Phuket
24	2017	Nimman	Nimmanhaemin Road, Chiang Mai
25	2018	Pattaya Beachfront	Pattaya Klang Road, Chonburi
26	2018	Beyond Patong	Beyond Patong Hotel, Phuket
27	2018	Arnoma Grand	Arnoma Grand Hotel, Bangkok
28	2018	Hua Hin 100	Phetkasem Road, Prachuab Kiri Khan
29	2018	Terminal 21 Pattaya	1 <sup>st</sup> Floor, Terminal 21 Pattaya, Chonburi
30	2018	The Allez Sukhumvit 13	3 <sup>rd</sup> Floor, Hyatt Regency Sukhumvit, Bangkok
31	2019	The Market Bangkok	4 <sup>th</sup> Floor, The Market, Bangkok
32	2019	Ginza Thonglor	2 <sup>nd</sup> Floor, Nikko Hotel, Bangkok
33	2019	Ibis Huaykwang	2 <sup>nd</sup> Floor, Ibis Styles Huaykwang, Bangkok
34	2019	Central Embassy	LG, Central Embassy, Bangkok
35	2019	Rua Rasada	G, Rua Rasada Hotel, Trang
36	2019	Srilanta	Klongnin Beach, Ko Lanta, Krabi
37	2019	I'm Chinatown	3 <sup>rd</sup> Floor, I'm Chinatown, Bangkok
38	2019	Porto de Phuket	Baandon-Cherngtalay, Phuket
39	2020	Carlton Hotel	10 <sup>th</sup> Floor, Carlton Hotel, Bangkok
40	2020	CentralWorld	2 <sup>nd</sup> Floor, CentralWorld, Bangkok
41	2020	Movenpick	2 <sup>nd</sup> Floor, Movempick Siam Hotel Na Jomtien, Chonburi
42	2020	Mahanakhon Cube	4 <sup>th</sup> Floor, Mahanakhon Cube, Bangkok
43	2021	Veranda Pattaya	1 <sup>st</sup> Floor, Veranda Pattaya, Chonburi
44	2021	Novotel Platinum	9 <sup>th</sup> Floor, Novotel Platinum Pratunam, Bangkok

### Summary of the details of "Baan Suan Massage"

Branch No.	Year of Opening	Branch	Location
1	2015	Nonthaburi	Nakorn-in Road, Nonthaburi
2	2016	Prachanukul	Ratchadaphisek Road, Bangkok
3	2016	Charoennakorn 68	Charoennakorn Road, Bangkok
4	2016	Bharom	Bharomratchachonnane Road, Bangkok
5	2016	Korat	Terminal 21 Korat Shopping Mall
6	2017	Udon Thani	Mill Place Posri, Udon Thani
7	2017	Nongkhai	Prajaksilpakom Road, Nongkhai
8	2017	Phetkasem	Phetkasem Road, Bangkok
9	2020	Ramintra 62	Ramintra Road, Bangkok

### Summary of the details of "Stretch me by Let's Relax"

Branch No.	Year of Opening	Branch	Location
1	2018	CentralWorld	3 <sup>rd</sup> Floor, Central World, Bangkok
2	2019	101	2 <sup>nd</sup> Floor, True Digital Park, Bangkok
3	2019	Ginza Thonglor	2 <sup>nd</sup> Floor, Nikko Hotel, Bangkok
4	2020	The Allez Sukhumvit 13	3 <sup>rd</sup> Floor, Hyatt Regency Sukhumvit, Bangkok

### Summary of the details of "Stretch me Clinic"

Branch No.	Year of Opening	Branch	Location
1	2020	Leisure Space CentralWorld	2 <sup>nd</sup> Floor, Central World, Bangkok

### Summary of the details of "Dr. Spiller Pure Skin Care Solutions"

Branch No.	Year of Opening	Branch	Location
1	2020	Ginza Thonglor	2 <sup>nd</sup> Floor, Nikko Hotel, Bangkok
2	2020	Leisure Space CentralWorld	2 <sup>nd</sup> Floor, Central World, Bangkok
3	2020	Terminal 21 Pattaya	1 <sup>st</sup> Floor, Terminal 21 Pattaya, Chonburi

### Summary of the details of "Let's Relax" Overseas Branches ("Franchised Store")

Branch No.	Year of Opening	Branch	Location
1	2018	Mao Tse Toung	Mao Tse Toung Boulevard, Phnom Penh, Cambodia
2	2018	Norodom	Norodom Boulevard, Phnom Penh, Cambodia
3	2018	Tonle Bassac	St.294, Phnom Penh, Cambodia
4	2019	KER Rendezvous	KER Rendezvous, Yangon, Myanmar
5	2020	Xi-an	9th Street, Xi-an, Chin

## **2) Siam Wellness Resort Co., Ltd. ("SWR")**

It was founded on 30th March 2005 to operate a boutique hotel resort in the name of "RarinJinda Wellness Spa Resort", managed "Rarin Villas". It also operates a restaurant under the name of "Deck One" and cafe "ORB" in Chiangmai province. Currently SWR has authorized paid up capital of 60 million Baht.

## **3) Siam Wellness Lab Co., Ltd. ("SWL")**

It was founded on 6th December 2007 to operate a business of the distribution of spa-related products and therapeutic personal care products under the brand "LRL" (Let's Relax Lifestyle) for distribution both domestically and abroad. Currently SWL has paid up authorized capital of 1 million Baht.

## **4) Siam Wellness Education Co., Ltd. ("SWE")**

It was founded on 6th July 2011 to operate a business of Thai massage training school recognized by the Ministry of Education in the name of "Blooming Thai Massage School" as to impart knowledge of spa and massage both in theory and practice to members of the staff. Currently SWE has paid-up authorized capital of 1 million Baht.

## **5) Tiger Eyes Trading (Thailand) Co., Ltd. ("TGT")**

It was founded on 18th August 1994 to operate a business of importing and distributing facial, body, slimming, wax, nail products as well as spa equipment such as electric blankets, massage bed sheets, facial and slimming devices from France, UK, USA and Canada. The Company distributes to Hair Salons, Beauty Clinics, Hospitals and Spas throughout Thailand. It also acts as Sole Agents for many brands in Thailand and CLMV such as Dr. Spiller, Biometric Skin Care Solutions. Key customers including Hotel Spa and Day Spas in 3-6 stars. Currently TGT has paid-up authorized capital of 2 million Baht.

## **1.1.3 Significant Changes and Developments**

Siam Wellness Group Plc. the "Company" or "SPA", previously was named "Blooming Spa Co., Ltd. It was established in 2001 by the group of Utsahajit Family and the group of Jiravanstit Family with an authorized capital of 3 million Baht. It operated the spa for health business under the brand "Let's Relax", which emphasized the provision of day-spa type service. It is the 4-star service in the format of the service-user having little time, mostly the customers used about 1-2 hours of service time.

In 2006, as the Company envisioned a channel for providing service to customers who increasingly wish to have more comprehensive healthcare, it expanded its business by establishing more places for providing spa service under the brand of "RarinJinda Wellness Spa", by emphasizing the provision of wellness-type spa service. It is a 5-star spa service of leading standard integrating increasingly new technology in the spa service circle and the time of service provided is 1 hour and a half hour upwards.

In 2007, the Company founded Siam Wellness Lab Co., Ltd. or "SWL", previously "Blooming Lab Co., Ltd." with an authorized capital of 1 million Baht to operate a spa-related products, health products and crispy snack distribution business under the brand of "Blooming" for distribution domestically and abroad.

In 2008, the Company increased the authorized capital to 40 million Baht for working capital funding and for branch expansion.

In 2011, the Company founded Siam Wellness Education Co., Ltd. or "SWE", previously named "Blooming Spa Education Co., Ltd." with an authorized capital of 1 million Baht. It operates an educational institute-type school teaching Thai traditional massages recognized by the Ministry of Education. It has the objective to train employees to be service staff of the Company to accommodate the expansion of SPA branches.

In 2013, the Group of Companies underwent the shareholding restructuring in preparation for listing in the Stock Exchange of Thailand. For this purpose, Siam Wellness Group Limited issued shares for increase of the authorized capital in order to buy the share of Siam Wellness Resort Co., Ltd. previously "RarinJinda Co., Ltd." in the ratio of 99.99 percentage of the authorized capital.

In 2015, the Company acquired Baan Suan Massage, a 3-stars Massage in Bangkok and metropolitan area to expand its spa services for the domestic market.

In 2016, the Company opened its first overseas shop under Franchise Model in Kunming, Yunnan Province, People's Republic of China. Moreover, the Company expanded its branch through a new model "Spa Operating in Hotel".

In 2017, the Company acquired Tiger Eyes Trading (Thailand) Co.,Ltd and Tiger Eyes Education Co.,Ltd to expand the distribution channel of its spa products and expand the training capabilities. Moreover, the Company signed its second overseas shop under Franchise Model in Tianjin, Tianjin Province, People's Republic of China.

In 2018, the Company has expanded the business model into Stretch me by Let's Relax, a stretching studio for health and Face Care by Let's Relax, a facial care center to reflect the changing lifestyle of consumers.

In 2019, the Company has opened its first overseas shop under Franchise Model in Myanmar (Yangon) and launched its new Therapeutic Personal Care to suit the new generation under brand LRL – Let's Relax Lifestyle

In 2020, the company increased its registered capital to 213.75 million THB and expanded the business model into Stretch me Clinic and rebranded Face Care by Let's Relax to Dr. Spiller Pure Skin Care Solutions. In addition, the Company also expanded e-commerce channels for LRL – Let's Relax Lifestyle and Dr. Spiller.

## SIGNIFICANT CHANGES AND DEVELOPMENTS DURING THE PAST 3 YEARS ARE AS FOLLOWS:

Year	Significant changes and developments
2019	<ul style="list-style-type: none"> <li>• The Company opened “Stretch me by Lets Relax” 101 True Digital Park, Bangkok</li> <li>• The Company opened “Lets Relax” The Market, Bangkok</li> <li>• The Company opened “Lets Relax” Ginza Thonglor (Nikko Hotel), Bangkok</li> <li>• The Company opened “Stretch me by Lets Relax” Ginza Thonglor (Nikko Hotel), Bangkok</li> <li>• The Company signed a Spa Operating in Hotel Agreement and opened “Let’s Relax” in Ibis Styles Huaykwang, Bangkok</li> <li>• The Company opened “Lets Relax” Central Embassy, Bangkok</li> <li>• The Company opened “Lets Relax” KER Rendezvous, Yangon, Myanmar (“Franchised Store”)</li> <li>• The Company signed a Spa Operating in Hotel Agreement and opened “Let’s Relax” in Rua Rasada Hotel, Trang</li> <li>• The Company signed a Spa Operating in Hotel Agreement and opened “Let’s Relax” in Srilanta Resort, Krabi</li> <li>• The Company opened “Lets Relax” I’m Chinatown, Bangkok</li> <li>• The Company opened “Lets Relax” Porto de Phuket, Phuket</li> </ul>
2020	<ul style="list-style-type: none"> <li>• The Company opened “Baan Suan Massage” Ramintra 62, Bangkok</li> <li>• The Company signed a Spa Operating in Hotel Agreement and opened “Let’s Relax” in Carlton Hotel, Bangkok</li> <li>• The Company opened “Dr. Spiller Pure Skin Care Solutions” Ginza Thonglor (Nikko Hotel), Bangkok</li> <li>• The Company opened “Stretch me by Let’s Relax” The Allez Sukhumvit 13, Bangkok</li> <li>• The Company opened “Leisure Space CentralWorld” composed of “Lets Relax” “Stretch me Clinic” and “Dr. Spiller Pure Skin Care Solutions” at CentralWorld, Bangkok</li> <li>• The Company signed a Spa Operating in Hotel Agreement and opened “Let’s Relax” in Movenpick Siam Hotel Na Jomtien, Chonburi</li> <li>• The Company opened “Lets Relax” Mahanakhon Cube, Bangkok</li> <li>• The Company rebranded “Face Care by Let’s Relax” Terminal 21 Pattaya to Dr. Spiller Pure Skin Care Solutions” Terminal 21 Pattaya, Chonburi</li> </ul>
2021	<ul style="list-style-type: none"> <li>• The Company signed a Spa Operating in Hotel Agreement and opened “Let’s Relax” in Veranda Pattaya Na Jomtien, M Gallery</li> <li>• The Company signed a Spa Operating in Hotel Agreement and opened “Let’s Relax” in Novotel Platinum Pratunam</li> </ul>

**As of 31 December 2021, the Company had its places of operation opened as follows:**

- 3 branches of “RarinJinda Wellness Spa” brand.
- 49 branches of “Let’s Relax” brand (44 branches in Thailand and 5 branches Overseas)
- 4 branches of “Stretch me by Let’s Relax” brand and 1 branch of “Stretch me Clinic”
- 3 branches of “Dr. Spiller Pure Skin Care Solutions” brand
- 9 branches of “Baan Suan Massage” brand.

**Branches in the process of being prepared for opening**

- “Let’s Relax” Upperground Chatuchak, Bangkok
- “Let’s Relax” Terminal 21 Rama 3, Bangkok
- “Let’s Relax” Grande Centre Point Space Pattaya, Chonburi

## 1.1.4 Company Information

Siam Wellness Group Public Company Limited

Head Office: 565,567 BU Place 22<sup>nd</sup> Floor, Soi Sutiporn Prachasongkhon Road, Dindang District, Dindang Sub-District Bangkok 10400

Tel: 02-641-6619-20

Website: [www.siamwellnessgroup.com](http://www.siamwellnessgroup.com)

Core Business: Massage & Spa

Company Registration No: 0107557000144

Capital Registration: 213,750,000

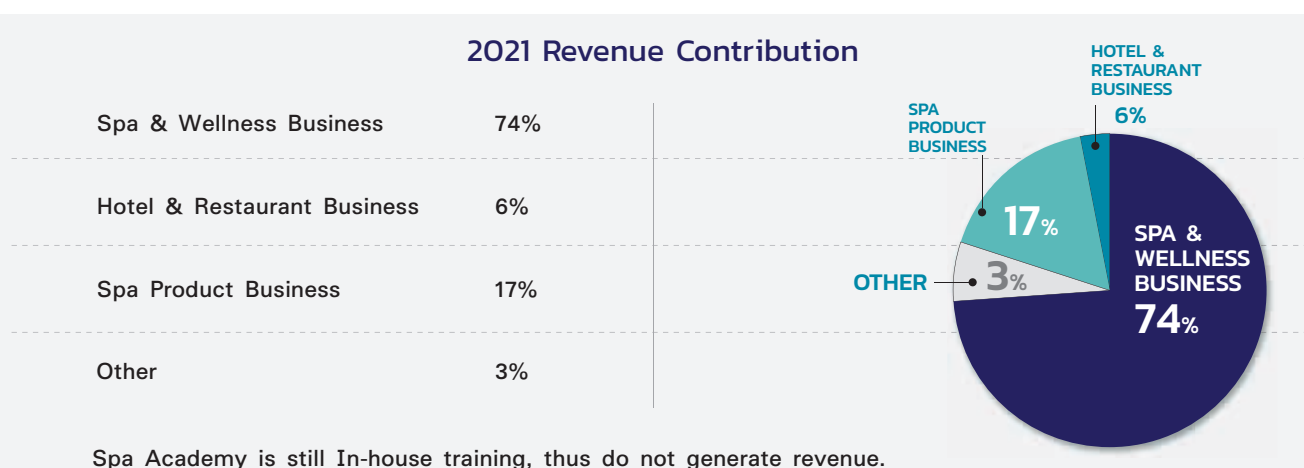
Shares Registration: 855,000,000 shares and 0.25 baht per share

Name registered in SET: SPA

Investor can review the Company's information at Annual Registration Statement / Annual Report 2021 (56-1 Form One Report) shown in [www.sec.or.th](http://www.sec.or.th) or [www.siamwellnessgroup.com](http://www.siamwellnessgroup.com)

## 1.2 The Characteristics of the Business Operation

### 1.2.1 Revenue Structure



### 1.2.2 The Business Operation of the Company

Siam Wellness Group Plc. ("SPA") operates a health spa business and a business secondary to the spa business. The groups of business are divided into 4 principal businesses, namely,

#### 1. Spa and Wellness business

The spa business provides the spa service to Thai and foreign customers under the brand "RarinJinda Wellness Spa", "Let's Relax", "Baan Suan Massage", "Stretch me by Let's Relax", "Stretch me Clinic" and "Dr. Spiller Pure Skin Care Solutions"

#### 2. Hotel and restaurant businesses

Siam Wellness Resort Co., Ltd. ("SWR") operates the Boutique Hotel Resort business in Chiangmai province in the name of "RarinJinda Wellness Spa Resort", managed "Rarin Villas". It also operates a restaurant under the name of "Deck One" and cafe "ORB" in Chiangmai province.

### 3. Distribution of spa products business

Siam Wellness Lab Co., Ltd. ("SWL") operates the business of distributing the spa products and therapeutic personal care products under the brand "LRL" (Let's Relax Lifestyle) for customers in the country and abroad and Tiger Eyes Trading (Thailand) Co., Ltd ("TGT") operates the business of distributing imported spa products such as Dr. Spiller, Biomimetic Skin Care Solutions for customers in the country and abroad

### 4. Thai massage school business

Siam Wellness Education Co., Ltd. ("SWE") operates the Thai Massage School Business in the name of "Siam Wellness Thai Massage and Spa School," to provide training on Thai massage and spa to therapist as to accommodate the expansion of the business

The overview of the business operation of the Group of Companies is as follows:

## BUSINESS



## A. SPA AND WELLNESS BUSINESS HEALTH MASSAGE AND BEAUTY MASSAGE

### 1. Business Licences

The spa business is the principal business of the Group of Companies. It provides service under 5 brands, i.e., “RarinJinda Wellness Spa”, “Let’s Relax”, “Baan Suan Massage”, “Stretch me by Let’s Relax”, “Stretch me Clinic” and “Dr. Spiller Pure Skin Care Solutions”. The operation of the business must have a certificate of standard of the health massage parlor. As of 31st December 2021, the details are as follows:

#### Summary of the License: the Certificate of the Standard of the place of business of “RarinJinda Wellness Spa”

Branch No.	Branch	The Certificate		Remarks
		Issue Date	Expiry Date	
1	Chiang Mai	25 Jul 2017	24 Jul 2022	Health Spa Certificate
2	Ratchadamri 1	3 Jul 2018	2 Jul 2023	Health Spa Certificate
3	Ratchadamri 2	3 Jul 2018	2 Jul 2023	Health Spa Certificate
4	Ploenchit	22 Jun 2018	21 Jun 2023	Health Spa Certificate

#### Summary of the License: the Certificate of the Standard of the place of business of “Let’s Relax”

Branch No.	Branch	The Certificate		Remarks
		Issue Date	Expiry Date	
1	Pavillion	25 Sep 2017	24 Sep 2022	Health Massage Certificate
2	Patong2 <sup>nd</sup> Street	27 Dec 2018	26 Dec 2023	Health Spa Certificate
3	North Pattaya	9 Dec 2019	8 Dec 2024	Health Massage Certificate
4	Sukhumvit 39	7 May 2019	6 May 2024	Health Spa Certificate
5	Terminal 21	14 Jun 2018	13 Jun 2023	Health Spa Certificate
6	Mandarin	14 Jun 2018	13 Jun 2023	Health Spa Certificate
7	Siam Square One	13 Jun 2019	12 Jun 2024	Health Massage Certificate
8	Hua Hin	26 Jul 2017	25 Jul 2022	Health Spa Certificate
9	Patong 3 <sup>rd</sup> Street	27 Dec 2018	26 Dec 2023	Health Spa Certificate
10	Thapae	25 Sep 2017	24 Sep 2022	Health Massage Certificate
11	Ekkamai	14 Jun 2018	13 Jun 2023	Health Spa Certificate
12	Suanplu	31 May 2018	30 May 2023	Health Spa Certificate
13	The Street Ratchada	29 Mar 2018	28 Mar 2023	Health Massage Certificate
14	MBK	10 Sep 2018	9 Sep 2023	Health Massage Certificate
15	Pratunam	29 Mar 2018	28 Mar 2023	Health Massage Certificate
16	Phayathai	5 Mar 2018	4 Mar 2023	Health Massage Certificate
17	Thonglor	13 Mar 2018	12 Mar 2023	Health Spa Certificate
18	Wake Up	17 Nov 2017	17 Nov 2022	Health Massage Certificate
19	Karon	31 Jul 2019	30 Jul 2024	Health Massage Certificate
20	Kata			For the certificate, it's in the application process



Summary of the License: the Certificate of the Standard of the place  
of business of "Let's Relax"

Branch No.	Branch	The Certificate		Remarks
		Issue Date	Expiry Date	
21	Boat Lagoon	25 Dec 2019	24 Dec 2024	Health Massage Certificate
22	Sukhumvit 31	31 May 2018	30 May 2023	Health Massage Certificate
23	Millennium	31 Jul 2019	30 Jul 2024	Health Spa Certificate
24	One Nimman	12 Jul 2018	11 Jul 2023	Health Massage Certificate
25	Pattaya Beachfront	9 Dec 2019	8 Dec 2024	Health Massage Certificate
26	Beyond Patong	31 Jul 2019	30 Jul 2024	Health Massage Certificate
27	Arnoma	26 Mar 2019	25 Mar 2024	Health Massage Certificate
28	Hua Hin 100	28 Nov 2018	27 Nov 2023	Health Massage Certificate
29	The Allez Sukhumvit 13	20 Aug 2019	19 Aug 2024	Health Massage Certificate
30	The Market	23 Aug 2019	22 Aug 2024	Health Massage Certificate
31	Ginza Thonglor			For the certificate, it's in the application proces
32	Ibis Huaykwang	10 Mar 2020	9 Mar 2025	Health Massage Certificate
33	Central Embassy	6 Dec 2019	5 Dec 2024	Health Massage Certificate
34	Rua Rasada	16 Mar 2020	15 Mar 2025	Health Spa Certificate
35	Srilanta	20 Feb 2020	19 Feb 2025	Health Massage Certificate
36	I'm Chinatown	30 Nov 2020	29 Nov 2025	Health Massage Certificate
37	Porto de Phuket			For the certificate, it's in the application proces
38	Mahanakhon Cube	22 Mar 2021	21 Mar 2026	Health Massage Certificate
39	Leisure Space Central World	5 Jan 2021	4 Jan 2026	Health Massage Certificate
40	Terminal 21 Pattaya	9 Dec 2019	8 Dec 2024	Health Massage Certificate
41	Movenpick			For the certificate, it's in the application proces
42	Veranda Pattaya			For the certificate, it's in the application proces
43	Novotel Platinum			For the certificate, it's in the application proces

Summary of the License: the Certificate of the Standard of the place of business of "Baan Suan Massage"

Branch No.	Branch	The Certificate		Remarks
		Issue Date	Expiry Date	
1	Prachanukul	13 Mar 2018	12 Mar 2023	Health Massage Certificate
2	Charoennakorn68	14 Jun 2018	13 Jun 2023	Health Massage Certificate
3	Phetkasem	16 Oct 2018	15 Oct 2023	Health Massage Certificate
4	Bharom	5 Mar 2018	5 Mar 2023	Health Massage Certificate
5	Ramintra 62	13 Mar 2020	12 Mar 2025	Health Massage Certificate
6	Terminal21 Korat	24 Nov 2018	23 Nov 2023	Health Massage Certificate
7	Nonthaburi	25 Apr 2018	25 Apr 2023	Health Massage Certificate
8	Udon Thani	6 Nov 2017	5 Nov 2022	Health Massage Certificate
9	Nongkhai	27 Nov 2018	26 Nov 2023	Health Massage Certificate

Summary of the License: the Certificate of the Standard of the place of business of "Stretch me by Let's Relax"

Branch No.	Branch	The Certificate		Remarks
		Issue Date	Expiry Date	
1	CentralWorld	26 Nov 2019	25 Nov 2024	Health Massage Certificate
2	101	26 Nov 2019	25 Nov 2024	Health Massage Certificate
3	Ginza Thonglor	23 Mar 2020	22 Mar 2024	Health Massage Certificate

Summary of the License: the Certificate of the Standard of the place of business of "Face Care by Let's Relax"

Branch No.	Branch	The Certificate		Remarks
		Issue Date	Expiry Date	
1	Terminal 21 Pattaya	10 Aug 2021	9 Aug 2026	Beauty Massage Certificate

Summary of the License: the Certificate of the Standard of the place of business of "Stretch me Clinic"

Branch No.	Branch	The Certificate		Remarks
		Issue Date	Expiry Date	
1	Leisure Space CentralWorld	20 Oct 2020	31 Dec 2029	Clinic Certificate

- REMARKS:

- 1. As for the Certificate are in the process of being applied for. The Company has already furnished the supporting documents to apply for the License and the Certificate to the competent officer. Currently, the matter is being considered by the local competent officer and the public health officer.

## **2. Characteristics of the Products or Services**

The Company operates a health spa business by providing the “Wellness Spa” under the brand of “RarinJinda wellness Spa, “day spa” service under the brand of “Let’s Relax” and the “Massage Outlet” under the brand of “Baan Suan Massage”. The service of the Company is prominently unique as its therapeutic science is derived from the Thai wisdom of traditional medicine integrated in massaging and service combined with Western and Eastern techniques to create a uniquely new service experience of international standard in which new technology is integrated in the spa service coupled with the use of Thai herbs in massaging service for relaxation and massaging for health promotion provided to both Thai and foreign customers.

### **2.1 Characteristics of Wellness Spa service**

It is the 5-star service under the brand of “RarinJinda Wellness Spa”. It is the spa located within or on the premises of the same hotel or resort to accommodate guests of the hotel who want to use the spa service for relaxation. It is of larger size than the DAY SPA generally. It is located at the place of tourist attractions or in the community area. In particular, mostly for 4-star or 5-star hotels, the service emphasizes the ambience of a place for relaxation and massage; the place is so arranged to have good atmosphere, beautiful view and landscaped surrounding in tandem with service to care for the body and complexion. Moreover, the Company also integrates the new technology in the spa circle, e.g. the services of Quartz Bed, Hydrotherapy Pool, Vichy Shower with the science of multi-type Thai massage coupled with the use of Thai herbs for relaxation and health promoting massage including aesthetic treatment to both Thai and foreign customer.

### **Categories of Service of the branches under the brand “RarinJinda Wellness Spa”**

The branches which provide service under the brand “RarinJinda Wellness Spa” offers relaxing and therapeutic treatments which combines the latest spa technologies from the West and East with the Thai massage techniques and traditions. Menu includes:

1. Hydrotherapy Service

- Hydrotherapy pool (only at Chiangmai branch)
- Hydro Glow & Tone therapy
- Splashy Vichy Massage

2. Sauna Service

- Detoxifying Infared Sauna
- Herbal Rainforest Steam Sauna

3. Shirodhara Treatment

4. Warm Sand bed Therapy & Tibetan Sound Therapy

5. Four-Hands Aromatherapy Warm Oil Massage

6. Onsen Service (Service is open particularly for Chiangmai Branch). Mineral water is filled in 3 services ponds alternately according to the need of the customer, namely,

- Gero Hot Springs Bath
- Soda Bath
- Cold Bath

7. Thai Massage

8. Thai Massage with Herbal Compress

9. Aromatherapy Oil Massage

10. Aromatic Hot Stone Massage
11. Back & Shoulder Massage
12. Facial Relaxation
13. Foot Reflexology
14. Body Scrub
15. Body Mask
16. Floral Bath

Currently, "RarinJinda Wellness Spa" has a total of 3 branches in Chiangmai and in Bangkok. Every branch is open for service from 10.00 hrs. to 24.00 hrs. The details of the branches are as follows:

- Chiangmai Branch is situated in the part of the front area adjacent to the RarinJinda Wellness Spa Resort with approx. size of 3,500 sq.m.
- Rajdamri Branch is situated on the 6<sup>th</sup> and 8<sup>th</sup> floor of the Grand Center Point Hotel, Rajdamri with approx. size of 903 sq.m.
- Ploenchit Branch is situated on 30<sup>th</sup> and 31<sup>st</sup> floor the Grand Center Point Hotel Ploenchit, with approx. size of 1,087 sq.m.

## 2.2 Characteristics of Day Spa service

The characteristics of providing service under the brand of "Let's Relax"

The provision of Day Spa type service is a 4-star spa service of the format that can be seen generally in locations where travel to use the service is convenient. The use of this type of Day Spa is characterized by short period of service lasting for 1 to 2 hours for use of one type of the spa service or the longest period of use is 4 hours for a full cycle spa service consisting of massage and spa to Thai and foreign customers. Let's Relax integrates Thai massaging wisdom and service together with technique of massage derived from the science of the West and the East as to create the unique service experience.

Categories of the provision of service of "Let's Relax"

1. Thai massage
2. Thai massage with hot herbal ball
3. Aromatherapy Oil Massage
4. Aromatic Hot Stone Massage
5. Back & Shoulder Massage
6. Facial Relaxation Massage
7. Foot Reflexology Massage
8. Body Scrub
9. Body Mask
10. Floral Bath
11. Onsen (For Thonglor branch only) including Gero Hot Springs Bath, Cold Bath, Soda Bath, Whirlpool Bath and Silk Bath

Currently, Let's Relax has a total of 49 branches (44 branches in Thailand and 5 branches outside Thailand). Let's Relax Spa is conveniently located across Bangkok and in major tourist destinations of Thailand, namely, Chiang Mai, Pattaya, Phuket, Krabi, Trang and Hua Hin with overseas expansion franchised stores in China, Cambodia and Myanmar. Every branch is open for service from 10.00 hrs. to 24.00 hrs. and there are 3 branches under construction. The details of the branches are as follows:

### Branches in Thailand

- Terminal 21 Branch is situated on the 6<sup>th</sup> floor of Terminal 21 Shopping Mall with approx. size of 752 sq.m.
- Sukhumvit 39 Branch is situated on Soi Sukhumvit 39 (Phromphong) with approx. size of 806.82 sq.m.
- Mandarin Branch is situated in Mandarin Hotel with approx. size of 1,100 sq.m.
- Pavilion Branch is situated in the Pavilion Night with approx. size of 668 sq.m.

- Pattaya Branch is situated on the premises on Sunshine Garden Hotel with approx. size of 540 sq.m.
- Patong 2<sup>nd</sup> Street is situated near Jungceylon Mall with approx. size of 1,292 sq.m.
- Siam Square One Branch is located on the 6<sup>th</sup> floor, Siam Square One Mall with approx. size of 400 sq.m.
- Hua Hin Branch is located at Hua Hin Market Village (Phase 2- on 2nd and 3rd floor) with approx. size of 743 sq.m.,
- Patong 3rd Street branch is located near Jungceylon Mall with approx. size of 2,418 sq.m.
- Ekkamai branch is located on 2<sup>nd</sup> Floor of Park Lane Bangkok with approx. size of 578 sq.m.
- Thapae branch is located on on Sunday Chiang Mai Walking Street with approx. size of 560 sq.m.
- Suanplu branch is located on in Soi Suanplu with approx. size of 560 sq.m.
- The Street branch is located on 3<sup>rd</sup> Floor of The Street Ratchada Bangkok with approx. size of 714 sq.m.
- MBK branch is located on 5<sup>th</sup> Floor of MBK Center with approx. size of 615 sq.m.
- Pratunam branch is located on 10<sup>th</sup> Floor of Berkeley Hotel Pratunam with approx. size of 440 sq.m.
- Phayathai branch is located near Airport Link Phayathai Station and BTS Phayathai Station with approx. size of 969 sq.m.
- Thonglor branch is located on 5<sup>th</sup> Floor of Grande Centre Point Hotel Sukhumvit 55 with approx. size of 1,820 sq.m.
- Wake Up branch is located on 1<sup>st</sup> Floor of Wake Up Hotel Krabi with approx. size of 698 sq.m.
- Karon branch is located on Karon Road, Phuket with approx. size of 41 sq.w.
- Kata branch is located on 1<sup>st</sup> Floor of The Sis Kata with approx. size of 300 sq.m.
- Boat Lagoon branch is located inside Boat Lagoon Phuket with approx. size of 2.84 rai
- Sukhumvit 31 branch is located in Soi Sukhumvit 31 with approx. size of 332 sq.w.
- Millennium Resort branch is located on 4<sup>th</sup> Floor of Millennium Resort Patong Phuket with approx. size of 654 sq.m.
- Nimman branch is located on 1<sup>st</sup> Floor of One Nimman with approx. size of 812 sq.m.
- Pattaya Beachfront branch is located on Pattaya Klang Road, Chonburi with approx. size of 848 sq.m.
- Beyond Patong branch is located on B Floor of Beyond Patong with aprox. size of 597 sq.m.
- Arnoma branch is located on 4<sup>th</sup> Floor of Arnoma Grand Hotel with approx. size of 162 sq.m.
- Hua Hin 100 branch is located on Phetkasem Road, Prachuab Khiri Khan with approx.. size of 400 sq.m.
- Terminal 21 Pattaya branch is located on 1<sup>st</sup> Floor of Terminal21 Pattaya with approx.. size of 1,195 sq.m.
- The Allez branch is located on 3<sup>rd</sup> Floor of The Allez Sukhumvit 13 in front of Hyatt Regency Bangkok Sukhumvit with approx. size of 851 sq.m.
- The Market branch is located on 4<sup>th</sup> Floor of The Market, Bangkokwith approx. size of 675 sq.m.
- Ginza Thonglor branch is located on 2<sup>nd</sup> Floor of Nikko Hotel, Bangkok with approx. size of 1,186 sq.m.
- Ibis Huaykwang branch is located on 2<sup>nd</sup> Floor of Ibis Styles Huaykwang Hotel, Bangkok with approx. size of 475sq.m.
- Central Embassy branch is located on LG Floor of Central Embassy, Bangkok with approx. size of 242 sq.m.
- Rua Rasada branch is located on G Floor of Rua Rasada Hotel, Trang with approx. size of 200 sq.m.
- Srilanta branch is located in Srilanta Resort, Ko Lanta, Krabi with approx. size of 1,318sq.m.
- I'm Chinatown branch is located on 3<sup>rd</sup> Floor of I'm Chinatown, Bangkok with approx. size of 537 sq.m.
- Porto de Phuket branch is located within Porto de Phuket, Phuket of with approx. size of 746 sq.m.
- Carlton Hotel branch is located on 10<sup>th</sup> Floor of Carlton Hotel, Bangkok with approx. size of 390 sq.m.
- CentralWorld branch is located on 2<sup>nd</sup> Floor Dazzle Zone of CentralWorld, Bangkok with approx. size of 1,400 sq.m.
- Movenpick Pattaya branch is located on 2<sup>nd</sup> Floor of Movenpick Hotel Siam Na Jomtien, Chonburi with approx. size of 200 sq.m.
- Mahanakhon Cube branch is located on 4<sup>th</sup> Floor of Mahanakhon Cube, Bangkok with approx. size of 500 sq.m.
- Veranda Pattaya branch is located on 1<sup>st</sup> Floor of Veranda Pattaya Na Jomtien, Chonburi with approx. size of 200 sq.m.

• Novotel Platinum branch is located on 9<sup>th</sup> Floor of Novotel Platinum Pratunam, Bangkok with approx. size of 200 sq.m.

#### **Branches in the Process of being Prepared for Opening**

- Let's Relax Upperground, Bangkok
- Let's Relax Terminal 21 Rama 3, Bangkok
- Let's Relax Grande Centre Point Space Pattaya, Chonburi

#### **Branches outside Thailand (Under Franchise Contract)**

• Xi-An branch is located on the 2<sup>nd</sup> floor of B Building in Xi-an, Changxi, PRC China with approx. size of 500 sq.m.

• Mao Tse Toung branch is located on Mao Tse Toung Boulevard, Phnom Penh, Cambodia with approx. size of 400 sq.m.

• Norodom branch is located on Norodom Boulevard, Phnom Penh, Cambodia with approx. size of 700 sq.m.

• Tonle Bassac branch is located on St. 294, Phnom Penh, Cambodia with approx. size of 400 sq.m.

• KER Rendezvous branch is located on 65 Kabye A Pagoda Road, Yangon, Myanmar with approx. size of 400 sq.m.

### **2.3 Characteristics of Massage Outlet service**

The characteristics of providing service under the brand of "Baan Suan Massage"

The provision of Massage Outlet type service is a 3-star spa service of the format that can be seen generally in locations where locals live. The use of this type of Day Spa is characterized by short period of service lasting for 1 to 2 hours for use of one type of the massage service to Thai and foreign customers using the Thai massage wisdom.

Categories of the provision of service of "Baan Suan Massage"

1. Thai massage
2. Thai massage with hot herbal ball
3. Aromatherapy Oil Massage
4. Foot Reflexology Massage
5. Body Scrub
6. Body Mask

Currently, Baan Suan Massage has a total of 9 branches in Bangkok and Second Tier City area. Every branch is open for service from 09.00 hrs. to 23.00 hrs. The details of the branches are as follows:

- Nonthaburi branch is situated on Nakorn-in Road with approx. size of 465 sq.m.
- Prachanukul branch is situated on Ratchadaphisek Road with approx. size of 453 sq.m.
- Charoennakorn 68 branch is situated on Charoennakorn Road with approx. size of 187 sq.m.
- Bharom branch is situated on Bharomratchachonnane Road with approx. size of 583 sq.m.
- Korat branch is situated in Terminal 21 Korat Shopping Mall with approx. size of 349 sq.m.
- Udonthani branch is located on 2<sup>nd</sup> Floor of Mill Place Posri with approx. size of 720 sq.m.
- Nongkhai branch is located on Prajaksilpakom Road with approx. size of 1 ngarn 51 sq.w.
- Phetkasem branch is located on Phetkasem Road with approx. size of 3 ngarn 77 sq.w.
- Ramintra 62 branch is located on Ramintra Road with approx. size of 1 rai.

### **2.4 Characteristics of Stretching Studio service**

The characteristics of providing service under the brand of "Stretch me by Let's Relax"

The provision of Stretching Studio type service is a combination of stretching technique and trigger point pressuring to release tension and pain of muscles from injuries caused from office, sport or travelling. On average, customers use approximately 1-2 hours for service. Service provided by physio therapists or sport science specialists

### **Categories of the provision of service of “Stretch me by Let’ s Relax”**

1. Office Stretch
2. Sport Stretch
3. Traveller Stretch
4. Hot Pack

Currently, Stretch me by Let’s Relax has a total of 4 branches in Bangkok. Every branch is open for service from 10.00 hrs. to 22.00 hrs. The details of the branches are as follows:

- CentralWorld branch is situated on 3<sup>rd</sup> Floor, Forum Zone, CentralWorld, Bangkok with approx. size of 130 sq.m.
- 101 True Digital Park branch is situated on 2<sup>nd</sup> Floor, True Digital Park, Bangkok with approx. size of 220 sq.m.
- Ginza Thonglor branch is situated on 2<sup>nd</sup> Floor, Nikko Hotel Thonglor, Bangkok with approx. size of 200 sq.m.
- The Allez 13 branch is situated on 3<sup>rd</sup> Floor, The Allez Sukumvit 13 in front of Hyatt Regency Bangkok Sukhumvit, Bangkok with approx. size of 150 sq.m.

### **Characteristics of Stretching Clinic service**

The characteristics of providing service under the brand of “Stretch me Clinic”

The provision of Stretching Clinic type service is an extension of “Stretch me Studio”. “Stretch me Clinic” offers a variety of bespoke programmes that combined hands-on therapy with physical modality machine such as Ultrasound, High Power Laser etc. under the supervision of experienced Physiotherapist. Program is customized to each individual whom are consulted and analyzed. Programs composed of:

- Massage and Trigger Point Techniques
- Joint Mobilization
- Exercise
- High Power Laser, Ultrasound, Electrical Stimulation Therapy

### **Categories of the provision of service of “Stretch me Clinic”**

1. Customized Physical Therapy Program
2. Signature Physical Therapy Program
3. Signature Plus Physical Therapy Program

Currently, Stretch me Clinic has a total of 1 branch in Bangkok. Every branch is open for service from 10.00 hrs. to 22.00 hrs. The details of the branches are as follows:

- Leisure Space CentralWorld branch is situated on 2<sup>nd</sup> Floor, Dazzle Zone, CentralWorld, Bangkok with approx. size of 150 sq.m.

### **2.5 Characteristics of Facial Spa service**

The characteristics of providing service under the brand of “Dr. Spiller Pure Skin Care Solutions”

The provision of Facial Spa type service is a relaxing and rejuvenating facial massage and treatment with the use of Aloe Vera. “Dr. Spiller Pure Skin Care Solutions” offering facial indulgence experience to enhance the long-term benefits of youthful skin using Dr. Spiller, a sophisticated skincare brand from Germany by skilled facial therapists.

### **Categories of the provision of service of “Dr. Spiller Pure Skin Care Solutions”**

1. Royal Youthful Balancing Treatment
2. Carotene Regenerating and Refreshing Treatment
3. Aloe Vera Soothing Treatment
4. Sensitive Beauty Care Treatment
5. Azulene Treatment
6. Balancing & Clarifying Treatment
7. Balancing & Calming Treatment

8. Care & Repair Treatment
9. Fresh & Fruit Treatment
10. Revitalizing and Relaxing Intense Treatment
11. Aloe Vera Lifting Treatment
12. Whitening Peel Off Treatment
13. Vitamin C Plus Treatment
14. Pore Refining Beauty Treatment
15. Cellular Treatment

Currently, Dr. Spiller Pure Skin Care Solutions has a total of 3 branches in Pattaya. Every branch is open for service from 10.00 hrs. to 22.00 hrs. The details of the branches are as follows:

- Ginza Thonglor branch is situated on 2<sup>nd</sup> Floor, Nikko Hotel Thonglor, Bangkok with approx. size of 150 sq.m.
- Leisure Space CentralWorld branch is situated on 2<sup>nd</sup> Floor, Dazzle Zone, CentralWorld, Bangkok with approx. size of 150 sq.m.
- Terminal 21 Pattaya branch is situated on 1<sup>st</sup> Floor, Terminal 21 Pattaya with approx. size of 220 sq.m.

### **3. Marketing**

#### **3.1 Marketing Policy**

Siam Wellness Group implemented its marketing plan based in the Information obtained from its Spa Management System which can analyze marketing trends from customer information in depth as the main guideline in formulating marketing policies, media planning, public relations, promotion and market penetration of the target market clearly and concretely, which can be applied as a marketing communication strategy and strategies to penetrate specific markets (Niche Market) resulting in marketing planning effective with purpose in marketing communications (Integrated Marketing Communications) as follows:

#### **♦ Offer a unique form of health care services such as**

- RarinJinda Wellness Spa (Affordable Luxury – Value Proposition: Innovative, World-class Standard and Professionalism)
- Let's Relax Spa (Value for Money – Value Proposition: Convenient, Cleanliness and Professionalism)
- Baan Suan Massage (Cozy and Warm Neighborhood Spa)
- RarinJinda Resort (Affordable Luxury – Value Proposition: Health Conscious, Personalized Service, Privacy)

#### **♦ Communicate and publicize to promote a good image of Thai spas with international standards.**

- Global Awards Winner of World Luxury Spa Awards
- Regional Award Winner of Asia Spa & Wellness Festival Gold Awards
- National Award Thailand Tourism Awards and Thailand Spa & Well-being Gold Awards - National Standard World Class Thai Spa Gold Awards 2010 from Ministry of Health
- National standard Thailand Trust Mark Certificate from DITP (we are the first spa)

#### **♦ expand new customer base and maintain good relationship with old customers**

- Existing Customer – Hong Kong, Japan, Singapore, Taiwan, Thai (Executive)
- New Customer – China, India, Russia, Thai (Teenager)

#### **♦ To create brand loyalty (Brand Loyalty)**

- WellnessMe loyalty program

There are marketing activities in the form of communication. save cost efficient and continuous

#### **♦ Build good relationship with customers, business, partners and society.**

The company has set up an online sales system. so that the management and marketing departments can view, analyze, follow up with convenience, speed and up-to-date (Real-time). In addition, marketing goals are set. Sales targets and continuous sales comparisons are made in order to formulate an appropriate strategy.



The company has also managed to make customer information, check, follow up and review. customer change continuously which will receive the Company's newsletter via E-mail Marketing. various promotions, etc., which are considered as another way to build relationships with customers continuously (Customer Relationship Management)

The Company has also conducted market research and customer research by conducting Market Research for our own customers (Current User) and target groups. (TargetGroup) continuously through companies with expertise in this area. (Outsourcing)

### 3.2 Competitive Landscape

In the spa business, Siam Wellness Group maintains its position as a leader in the spa business. (Currently, there are more than 60 branches in the country, penetrating a variety of customer groups) compared to the number of branches and sales, with the 2nd and 3rd ranks having about 10 branches, only in large cities such as Bangkok and Pattaya, which mainly single target customer groups. Most of the players are middle and small players whom have market share less than 1 percent (see details in the competition conditions and industrial conditions)

### 3.3 Target Customer

The Company has a majority of foreign customers, mostly coming from Asia such as China, Hong Kong, Taiwan, Japan, South Korea, Singapore, Malaysia and Europe. The target is F.I.T. (Free Independent Travellers) who travel as a couple, with family or with friends. The Company has made an analysis of the target customers.

But due to the COVID-19 crisis, tourists were unable to travel to Thailand for two consecutive years, the company has adjusted by increasing sales Marketing and public relations with local customers, resulting in 2021, Thai customers account for more than 90 percent of all customers. The rest are foreign customers residing or working in Thailand (Ex-pat) and foreign customers traveling to Thailand under the Sandbox and Test & Go projects.

According to target customer analysis, the customers are divided into 3 main principal groups based on the income according to the service format and the brand positioning, that is to say:

Customer Group	Income per month (Baht)	Brand of Service
1. A- to A+	>75,000	RarinJinda Wellness Spa
2. B to A-	30,000 – 75,000	Let's Relax / Stretch me /
3. C+ to B+	15,000 – 50,000	Dr. Spiller Baan Suan Massage

### 3.4 Distribution Channels

Majority of the Company's customers are foreigners and eventually turning to local consumers . Our spa brands have been widespread from Word of Mouth to various media such as in magazines and participations in various spa booth events both domestic and abroad with principal objective to publicize the Company's spa business; therefore, the Company's spa brands become well-known among the group of foreign tourists and locals. The overall distribution channels of the Company are summarized as follows:

1. Distribution through the service booking system via the Internet.
2. Direct sale to the customers.
3. Distribution through agents.

### **3.5 Price Determination**

The Company fixes the price by calculation based on cost of lease of the premises or the depreciation in the case of the construction of a building for use in the operation of the business plus personnel labor cost and incidental expenses coupled with price comparison of the competitor's spa and wellness business in combination with the marketing analysis as to determine the price strategy, taking into account surrounding factors concerned such as the location of the spa business, marketing opportunities, groups of target customers and the operating costs.

### **3.6 Factors Affecting Competition**

The Spa and wellness business makes the difference in each provider of service in terms of location, the location of the shop; the convenience of travel, the vicinity of popular tourist attractions in Thailand. The provision of good service for the masseur or stretching specialists who provide service, the experience of the provider of service, the quality of service and trust from the customers, the management of the Group of Companies therefore considers the factors affecting the competition in the business to be used as a strategy as to create the difference and to promote the strength for business competition of the Group of Companies as follows:

#### **1. Experience and Professionalism in the Conduct of Business**

As the Company has had more than 20 years of spa business experience, it is able to offer various types of massage service to be provided by able and skilled therapist staff that has been trained properly according to the school's training course of the subsidiary company (SWE) in tandem with the premium grade spa products of the subsidiary company (SWL) to create confidence in the consumers and to effectively respond to their needs. This is to make a good impression and create brand loyalty to the business and to the goods. When the customers are impressed with the goods, they are able to buy more for further consumption, thus, resulting in increased distribution of the products for the Group of Companies.

#### **2. Location**

The choice of the location for spa business, for "RarinJinda Wellness Spa", the Company would choose the location inside the 5-stars hotel which matches the targeted customer group. The customer prefers premium services with one-on-one service and seeks treatments that harmonize all life senses. For "Let's Relax", "Stretch me" and "Dr. Spiller" the locations are chosen with convenience and the vicinity of tourist attractions factor. For example, for the branches in Bangkok, the Company would choose a location of the spa to be near to the BTS station. For the branches in the provinces of tourist attraction, they will be located in the vicinity of a tourist attraction or a department store. For "Baan Suan Massage", the location is chosen in main streets with highly populated area of middle class with great sight.

#### **3. Creation of the difference in terms of quality**

To use the spa service for relaxation and for healthcare due to stress and health problem caused by socio-economic condition and current business competition, the Company therefore provides service that emphasizes safety and reliability when providing the service as the principal service of the spa and wellness is involved massaging. Each type of massage or stretching requires contacts with various parts of the body. As for RarinJinda Wellness Spa, emphasis will be made on the provision of service for relaxation and massage with full format of services of world standard with integration of new spa technology such as Quartz Bed, Hydrotherapy Pool and Vichy Shower combined with Thai massage science in tandem with the use of herbs.

#### **4. Sales Promotion**

The Company arranges for sales promotion such as Loyalty Program offering special price discounts to encourage the customers to decide tentatively to use the spa service with increased ease and to help increase the rate of service use during the tourist Low Season and there is an organized sales promotion during the period of publicity campaign in various tourist events both domestically and abroad with offers of discount coupons through magazines.

## 4. Industry Situation and Competition

### 4.1 Industry situation

Before COVID-19, the global spa industry grew 8.7 percent year-on-year, reaching \$111 billion in revenues at 165,714 spas worldwide, but in the face of the COVID-19 crisis. As a result, revenue fell -39%. However, the health and beauty industry There is still a trend to improve after the Covid-19 crisis.

Emergence of covid-19 and an order to announce the closure of the spa establishment for health by the Center for Covid-19 Situation Administration (CCSA) and the governor's order Province for a period of more than 10 months in four outbreaks in the past two years, the spa industry, which is a business with high and close contact between Service providers and clients were hit hard in 2020-2021, revenue continued to decline and spa establishments dropped to 160,100, with the loss of more than 4,000 spas worldwide.

According to the data of the Thai Spa Association, in 2020, income has dropped -39% from previous period since we have the Health Establishment Act B.E. There are about 9,000 licenses from 2013, which is more than 3,000. We are number 16 in the world and today ranked At the same time, about 30 percent of the 9,000 spas are closed today.

Thailand recognizes the importance of Tourism industry as one of the major driver of Thailand's economy. In 2017, Tourism generated 2.75 trillion bahts in Revenue and ranked 34 from 136 in Travel & Tourism Competitiveness Index. This illustrates that the development of Tourism business in Thailand has been efficient. However, with the rapid changes in the World Environment and consumer behavior, Thailand's tourism sector shall adjust itself and develop to maintain its competitiveness.

### 4.2 Industry trends and future competitive conditions

The adjustment of the establishment to the New Normal era, including the rate of vaccination against COVID-19 of the population and the opening of the country welcoming tourists again in the form of Sandbox and Test & Go. In the second half of 2021, the spa business is now reviving. It is expected that The spa business will see record global growth of around 17% every year through 2025, and revenue will more than double to around \$150.5 billion. which this time is important to see which sector demand is heading. Personnel who will come to help support must be qualified personnel to ensure high quality tourists

"Wellness matters". Today people in the world have changed, self care behavior becomes more evident. The potential of Thailand still has many opportunities in many areas, whether in the South, North, Northeast or the Central Region, diversity is a key selling point. If jointly create, it will help uplift the country's economy and confidence.

The increasing trend of health care for Thai people lead spa business to expand out of the hotel and expanding rapidly in business and tourist areas under the concept of providing a variety of services. It's eye-catching that the spa business will be one of the health services business with high growth potential and revenue from the spa business in the tourism market is expected to expand continuously because demand tends to industry growth "Tourism" that the government has continuously promoted and supported. It is also one of the health service businesses that the government has targeted to make Thailand the Wellness Capital of Asia.

### 4.3 Market Value of the Spa Business

The overall market of the World's Spa Industry has been increasing from 19 trillions baht to 27 trillions bahts today as local and foreign consumers are becoming more health-conscious. Thailand's Spa Industry has been growing faster than peers especially in Spa and Beauty sector which is the result in growing tourist numbers and unique Thai herbal products.

Amount of over 3.5 billion baht per year distributed in the Thai spa business becomes a point of interest for the government to want to upgrade the Thai spa industry to international standards. The players hope to use the strengths of diverse natural resources to help raise the level of income for people in the nation from upstream, Mid and downstream. Through a comprehensive service business called "spa", the relevant departments have combined to develop the potential of the industry leaders to achieve the target.

Thai spa and massage business is considered one of the industries that are important and driving the national economy. Also creating a career for general people to earn income. At the same time, it also generates income, including other industries that are linked in the process. Spa from upstream to downstream in many agricultural and tourism industries.

Most recently, on 12 December 2019, a joint committee meeting between the governments under the Convention on the Protection of Intangible Cultural Heritage of The 14th UNESCO, 8-14 December 2019 in Bogota, Colombia Announcement of the results of the consideration of the registration of the intangible cultural heritage in 2019, totaling 51 items and Thai massage proposed by Thailand has received approval to register in the said group It is the second program following Khon which was registered at the end of 2018, with Thai massage certified by UNESCO with the qualifications meeting the criteria. It is a wisdom that has developed at the family and agricultural level. Continuous development until it is a science of health care that uses hands or parts of the body. To adjust the power and structure of the body without using medication Reflecting the creative ability of humans Which will make Thai massage one of the tourism products and services that will be popular for foreign tourists.

4.4 Analysis of the market value of Thai spa business according to the compilation of data by the relevant organizations, namely,



## Market Value of Medical – Wellness Tourism Thailand

SERVICE	TOURIST NUMBER (Million)	REVENUE
Medical Tourism	3.6	41 Billion
Wellness Tourism	12.5	409.2 Billion



## EMPLOYMENT (PAX)

Medical Tourism	9,195
Wellness Tourism	530,000

Remark: Medical Tourism Data 2019 By Kasikorn Research.  
Wellness Tourism Data 2017 By Global Wellness Institute

Registered  
Massage & Spa  
in Thailand  
**8**  
Thousands



**SPA**  
Managers **12** Thousands



**Therapist 120**

Remark: THAN | INFO GRAPHIC

Data from the World Health Institute Showed that Thailand's Health tourism sector creates spending over \$ 12 billion, or more than 357 billion baht. In 2017, more than Indonesia's and Malaysia's spending together in this industry. It also employs about 530,000 directly, accounting for approximately 1.4% of the country's total employment rate and 2.6% of Thailand's annual gross domestic product (GDP).

While the Ministry of Public Health estimated that the Thai massage, spa and medical businesses that make up the Wellness Tourism industry are valued at approximately \$ 1.3 billion, or more than 40 billion baht, out of approximately 10,000 Thai massage centers and 2,800 luxury spas.

Thai Spa Association revealed to the "Thansettakij" that the number of licensed spa operators is 8 thousands, and the number of trained and licensed spa operators is 1.2 thousand pax. There are 2 times more businesses that have not been registered correctly, although according to the Spa Act 2016 It will require the business owner to have a business license. But found that in practice there is a flabby practice.

## **5. Procurement of Products or Services**

In conducting a spa business, the Company has the operational factors as to acquire the said services, namely,

1. In the matter of acquiring a location to be used for operating the spa business, the space needed for providing service.
2. Therapist staff.
3. Accessories for providing service.
4. The spa products used in the service branches of the Company.

The Company, therefore, procures various factors as follows:

### **5.1 A location to be used to operate a spa business**

The location of the spa business for each branch has importance for choice of use of service by customers. The Company therefore takes into account the said factors by selecting a location of the branch of the spa with convenient communication, ease of travel in the neighborhood of important tourist attractions or is located within a hotel. The location will be arranged to have a good environment and safety including beautiful design and decoration of the branch. These are important factors that would influence the decision to choose the spa service by the customers. Furthermore, the Company is acquiring the area, which is divided into 2 formats as follows:

#### **• Lease of the space**

Currently, there has been executed the agreement for long-term lease of the area to operate approximately 90% of branches of the spa service. Most of the agreement for lease of the area is a 3-year lease. There is negotiation for renewal of the lease agreement for newly opened branches for around 3-6 years of lease (a 3-year lease with a further 3-year renewal and/or with a further 3-year renewal). This is for worthy returns on investment in terms of decoration for opening the spa branch; but thereafter, generally, the lease agreement can be renewed once for 2-3 years of lease each. Due to good consistent relationship with the lessor, during the past, there was no problem encountered with the renewal of the lease agreement. For some branches, more than 20 years continuing lease is renewed to operate the business. The details are shown in the Table as follows:

### Brand "RarinJinda Wellness Spa"

Brand	Branch	Year of Operation	Total Space (sqm.)	Lease Period	Start and Expiry Date of Lease	Remarks
RarinJinda Wellness Spa	Chiang Mai	2005	3,500	30 years	1 Jan 2013 – 31 Dec 2042	<ul style="list-style-type: none"> <li>- Lease of land from Klom Kliaw Pattana Co.,Ltd, affiliated person and improvement made on the wreckage of the building to be used as a place for operating a spa business and to sub-let part of the space connected to the subsidiary company to be converted into a hotel.</li> <li>- Renewal of the lease agreement is subject to a notice to be given by the lessee to the lessor not less than 3 years in advance prior to the expiry of the Lease Agreement.</li> </ul>
	Ratcha-damri	2007	903	3 years	1 Jan 2020 – 31 Dec 2022	- Lease is renewable for renewal of 3 years
	Ploenchit	2014	1,087	3 years	1 Oct 2021 - 30 Sep 2024	- Lease is renewable for renewal of 3 years

### Brand "Let's Relax"

Brand	Branch	Year of Operation	Total Space (sqm.)	Lease Period	Start and Expiry Date of Lease	Remarks
Let's Relax	Pavillion	1998	667	9months	1 Apr 2021 - 31 Dec 2021	- 5 lease agreements (expansion of area with renewal of the agreement to expire simultaneously)
	Pattaya	2004	540	3 years	1 May 2021 - 30 Apr 2024	
	Sukhumvit 39	2004	806.82	3 years	1 Jan 2020 – 31 Dec 2022	
	Terminal 21	2011	752	3 years	11 Oct 2020– 10 Oct 2023	
	Mandarin	2013	1,100	3 years	1 Jan 2020 – 31 Dec 2022	- Lease is renewable for renewal of 3 years each.
	Siam Square One	2014	424.43	3 years	1 Aug 2021 - 31 Jul 2024	
	Hua Hin	2014	743	3 years	21 Jun 2020 – 20 Jun 2023	- Lease is renewable for renewal of 3 years each.
	Patong 3rd Street	2014	2,418	3 years	1 Feb 2020 – 31 Jan 2022	

Brand	Branch	Year of Operation	Total Space (sqm.)	Lease Period	Start and Expiry Date of Lease	Remarks
Let's Relax	Ekkamai	2015	578.25	3 years	1 Jul 2021 – 30 Jun 2024	
	Thapae	2015	920	3 years	1 Oct 2021 – 30 Sep 2024	- Lease is renewable for renewal of 3 years.
	Suanplu	2015	560	3 years	1 Jan 2019 – 31 Dec 2021	- Lease is renewable for renewal of 3 years
	The Street Ratchada	2015	714	3 years	15 Dec 2019 – 14 Dec 2022	
	MBK	2016	615.49	3 years	1 Feb 2019 – 31 Jan 2022	- Lease is renewable for renewal of 3 years
	The Berkeley Pratunam	2016	260.90	3 years	18 Jul 2019 – 17 Jul 2022	- Lease is renewable for renewal of 3 years
	Phayathai	2016	969	3 years	14 Nov 2019 – 14 Nov 2022	- Lease is renewable for one renewal of 3 years each.
	Thonglor	2016	1,819.5	3 years	15 Nov 2019 – 14 Nov 2022	- Lease is renewable for three renewals of 3 years each.
	Wake Up Krabi	2017	698	3 years	19 Nov 2019 – 18 Nov 2022	- Lease is renewable for two renewals of 3 years each.
	Sukhumvit 31	2017	60 sq.wah	3 years	1 Apr 2020 – 31 Mar 2023	- Lease is renewable for one renewal of 3 years each.
	The Sis Kata Phuket	2017	300	2 years	17 Jun 2021 – 16 Jun 2023	- Lease is renewable for one renewal of 2 years each.
	Boat Lagoon Phuket	2017	2.84 rai	3 years	1 Jan 2020 – 31 Dec 2022	- Lease is renewable for two renewals of 3 years each.
	Millennium Phuket	2017	654.23			- Hotel is temporarily closed
	One Nimman Chiang Mai	2017	812	1 year	1 Dec 2021 – 30 Nov 2022	
	Arnoma	2018	154.50	3 years	9 Jul 2021 – 8 Jul 2024	- Lease is renewable for one renewal of 3 years each.
	Beyond Patong	2018	597	3 years	20 Sep 2018 – 19 Sep 2021 (Hotel is temporarily closed)	- Lease is renewable for two renewals of 3 years each.
	Hua Hin 100	2018	934.8	3 years	1 Jul 2021 – 30 Jun 2024	- Lease is renewable for one renewal of 3 years each.
	Terminal 21 Pattaya	2018	1,213	3 years	1 Dec 2021 – 30 Nov 2024	- Lease is renewable for one renewal of 3 years each.
	The Allez	2018	851	1 year	1 Sep 2021– 31 Aug 2022	- Lease is renewable for two renewals of 2 years and 3 years.
	The Market	2019	765	3 years	14 Feb 2019 – 13 Feb 2022	- Lease is renewable for two renewals of 3 years each.
	Ginza Thonglor	2019	1,481	3 years	1 Apr 2019 – 31 Mar 2022	- Lease is renewable for two renewals of 3 years each.
	Ibis Huaykwang	2019	420	3 years	12 Feb 2019 – 13 Feb 2022	- Lease is renewable for two renewals of 3 years each.
	Central Embassy	2019	241.48	3 years	17 Jul 2019 – 16 Jul 2022	- Lease is renewable for another 3 years.
	Srilanta	2019	1,318	3 years	1 Oct 2019 – 30 Sep 2022	- Lease is renewable for four renewals of 3 years each.

Brand	Branch	Year of Operation	Total Space (sqm.)	Lease Period	Start and Expiry Date of Lease	Remarks
Let's Relax	Rua Rasada	2019	200	3 years	15 Sep 2019 – 14 Sep 2022	- Lease is renewable for another 3 years.
	I'm China-town	2019	536.33	3 years	15 Nov 2019 – 14 Nov 2022	- Lease is renewable for two renewals of 3 years each.
	Porto de Phuket	2019	746	3 years	1 Jan 2020 - 31 Dec 2022	- Lease is renewable for another 3 years.
	Carlton	2020	452	3 years	19 Feb 2020 – 18 Feb 2023	- Lease is renewable for another 3 years.
	CentralWorld Leisure Space	2020	860	3 years	1 Oct 2020 – 30 Sep 2023	- Lease is renewable for two renewals of 3 years each.
	Mahanakhon Cube	2020	663	3 years	16 Dec 2020– 15 Dec 2023	- Lease is renewable for two renewals of 3 years each.
	Movenpick	2020	287	3 years	1 Dec 2020 -31 Dec 2023	- Lease is renewable for another 3 years.
	Veranda Pattaya	2021	267	3 years	15 Oct 2021 - 14 Oct 2024	- Lease is renewable for another 3 years.
	Novotel Platinum	2021	197.20	3 years	1 Nov 2021 - 31 Oct 2024	

### Brand “Baan Suan Massage”

Brand	Branch	Year of Operation	Total Space (sqm.)	Lease Period	Start and Expiry Date of Lease	Remarks
Baan Suan Massage	Nonthaburi	2015	465	3 years	1 Aug 2021 – 31 Jul 2024	- Lease is renewable for renewals of 3 years.
	Prachanukul	2015	453	3 years	1 Jan 2019 – 31 Dec 2021	
	Charoenna-korn 68	2016	187	3 years	1 Apr 2019 – 31 Mar 2022	- Lease is renewable for two renewals of 3 years each.
	Bharom	2016	583.3	3 years	1 Aug 2019 – 31 Jul 2022	- Lease is renewable for two renewals of 3 years each.
	Terminal 21 Korat	2016	349	3 years	19 Dec 2019 – 18 Jul 2022	- Lease is renewable for one renewal of 3 years each.
	Udon Thani	2017	712.27	3 years	15 Dec 2019 – 14 Dec 2022	- Lease is renewable for one renewal of 3 years each.
	Phetkasem	2017	3 Ngarn 77 sq.wah	3 years	1 Jul 2019 – 30 Jun 2022	- Lease is renewable for three renewals of 3 years each.

### Brand “Stretch Me”

Brand	Branch	Year of Operation	Total Space (sqm.)	Lease Period	Start and Expiry Date of Lease	Remarks
Stretchme studio	CentralWorld	2018	123.44	3 years	1 Nov 2018 – 31 Oct 2021	Under renewal of contract
	101	2019	207	3 years	1 Feb 2019 – 31 Jan 2022	No contract renewal



Brand	Branch	Year of Operation	Total Space (sqm.)	Lease Period	Start and Expiry Date of Lease	Remarks
Stretchme Clinic	CentralWorld	2020	175	3 years	1 Oct 2020 – 30 Sep 2023	- Lease is renewable for two renewals of 3 years each.-

### Brand “Dr. Spiller”

Brand	Branch	Year of Operation	Total Space (sqm.)	Lease Period	Start and Expiry Date of Lease	Remarks
Dr.Spiller	Terminal 21 Pattaya	2018	212	1 year	19 Oct 2021 – 18 Oct 2022	- Lease is renewable for two renewals of 2 years and 3 years each.
	CentralWorld	2020	112	3 years	1 Oct 2020 – 30 Sep 2023	

REMARKS: The details of the lease and terms of lease are according to the details shown in 1.2.3 Asset used in business operation.

#### • Purchase Of Property

- The company made a capital investment to purchase 3 compartments in the commercial building located on Rat-Uthid 200 year road in Tambon Patong, Katu district, Phuket province, to operate “Let’s Relax”, Patong 2<sup>nd</sup> Street Branch, of the space of 1,292 sq.m. opened in 2002.
- The company made a capital investment to purchase asset located on 207/47 Rat-Uthid 200 year Road, Patong sub-district, Katu district, Phuket province, to operate “Let’s Relax” Patong 2nd Street (expansion) branch in 2012
- The company made a capital investment to purchase a commercial building located on 1245-1245/1 Moo 5 Naimuang sub-district, Muang district, Nongkhai with the total area of 1 Ngarn 51 Sq. wah. Currently, it has opned in 2016 for “Baan Suan Massage” Nongkhai Branch
- The company made a capital investment to purchase a commercial building located on 224/27/28 Nhongpru sub-district, Banglamung district, Chonburi province with the total area of 53 Sq. wah. Currently, it is under renovation for “Let’s Relax Pattaya Beachfront”.

#### 5.2. Therapist Staff

The therapist staff (the massage staff) is one of the important factors that will enable the Company to provide for spa service. Mostly the Company’s staffs have been working for the Company for a long time. Moreover, the Company had opened subsidiary companies in the name of Siam Wellness Education Co., Ltd. (SWE) to operate a massage training school to support the recruitment of therapist staff of the Company to replace the personnel who resigned and to prime additional staff in anticipation of the expansion of the Company’s branches in the future including its being used as a facility for training the Company’s therapists to provide service and maintain the standard of the therapists for the Company’s spa business to enable the staff to be knowledgeable both in theory and in practice; they can learn to massage according to the correct method for safety to both the provider of service and the recipient of service to the extent that the provider of service is skilled and able to provide advice on relevant matters to the users of service. Moreover, the in case of some branches with great number of the service users, the Company will be able to relocate its therapist personnel from other branches to provide service in the branches as required to ensure smooth service and in timely manner.

As of 31 December 2021, the Company has approximately 1,800 therapist including massage therapists, stretching specialists and facial technicians stationed at various branches of the spa and wellness business.

#### 5.3. Accessories for Providing Services

To ensure that required spa services can be provided to the customers, the Company must procure the equipment and accessories needed for providing said spa service according the Brand “RarinJinda Wellness Spa”, Let’s Relax”,

“Baan Suan Massage”, “ Stretch me by Let’s Relax” “Stretch me Clinic” and “Dr. Spiller Pure Skin Care Solutions”. The total treatment beds as of 31 December 2021 is approximately 2,500 beds.

#### 5.4. Spa products used in the Company’s service branches

The spa products used in the Company’s spa business is one of important factors to create an impression with customers in the Company’s service such as massage oil and essential oil, the body scrub and body mask products including fresh herbal ball. By relying on its expertise, experience, Company has developed the quality of its products to have unique characteristics in collaboration with a team of pharmacists in the country and in the case of the said products are not consistent with the established requirement, the Group of Company is able to supply the substitute for said products thanks to numerous producers of the same products.

## B. HOTEL AND RESTAURANT BUSINESSES

The operation of the hotel and restaurant business of the Group of Companies is managed by Siam Wellness Resort Co., Ltd. (SWR), having the details as follows:

### 1. Characteristics of the Products or Services

The provision of services of SWR can be classified according to the categories of the service characteristics, that is, hospitality (hotel) business and restaurant services in Chiangmai.

#### 1.1 The Hotel Service

It is the hotel service under the name of “RarinJinda Wellness Spa Resort”. It is a boutique-resort hotel of 5-star level and with the maintenance of the ambience of the Northern Lanna style. Every room has the private balcony overlooking the scenic view of Doi Suthep hill and Ping river complete with amenities and conveniences, whether or not it is the high-speed Wi-Fi Internet, the fitness room and Yoga room, an open-air swimming pool, a Limousine service and tour-guide service, laundry service including the library with free computer service and Deck One restaurant including the availability of RarinJinda Wellness Spa, Chiangmai Branch, to provide full-cycle service; it is situated in the area in front of the hotel.

Moreover, inside the hotel, the ancient teak house aged over 150 years is preserved. It is the integration of Burmese and Lanna ambience. It is placed as part of the Drawing Room of the hotel; the meeting room and Thai massage room of RarinJinda Wellness Spa Resort as to preserve it for posterity generation and for foreigner to touch and to be impressed.

On the part of the hotel which is newly constructed, the architect had designed it to blend with the original ancient wooden house including the landscaping design which emphasizes the green foliage of the plants including the water lines meandering along the building, which is the special feature that is distinct from other architecture in Chiangmai province and resulted in RarinJinda Wellness Spa Resort to receive various awards for preservation of the construction of historical importance, the culture and the good tradition as well as the custom of Thailand.

## Hotel Certificate

Type of Certificate	Issue Date	Expiry Date
Hotel Certificate	8 Oct 2021	25 Jul 2026
Certificate of Establishments that can be hazardous to Health	12 May 2021	31 May 2022

## Restaurant Certificate

Type of Certificate	Issue Date	Expiry Date
Selling or Storage of Food	12 May 2021	10 May 2022

In addition, The Company has signed a Hotel Management Contract and Restaurant Management Contract under “RarinVillas”, Private Pool Villas with Private Onsen and Waterfall in 2-Bedrooms and 3 Bedrooms Villa (Total 7 villas) and “ORB” Cafe with total of 40 seats.

### 1.2 Guest Room Service

RarinJinda Wellness Spa Resort provides the guest room service as follows:

Room Type	Size (sq.m.)	No. of rooms	Room Rate (THB)
Deluxe	46	22	6,500
Deluxe Pool Access	53	7	10,000
Wellness Suite	93	5	16,000
RarinJinda Villa	164	1	27,000
Total		35	

REMARKS \* The price of the guest room according to the Website of the Hotel as of 31 December 2020.  
 \*\* The above price does not included 10% of Service Charge and 7% VAT.

### 1.3 Food and Beverage Services

RarinJinda Wellness Spa Resort provides Deck One restaurants service. It is located adjacent to the riverside of Ping River. It emphasizes the open perspective outlook with cozy ambiance both inside and outside of the building. The restaurant provides food and drinks including the catering for the party, wedding party, emphasizing the impressive quality of service and the quality of food prepared by experienced chef to provide service to hotel guests and general customers. The details are as follows:

Deck One provides healthy food like Modern Asian Fusion, open daily from 07.00 hrs. to 24.00 hrs. With total capacity of 80 seats. For festival period, for example, Songkran festival or New Year festival, total capacity can be increased to total of 120 seats and can be divided the period of service as follows:

Breakfast service	07.00 hrs. – 10.00 hrs.
Lunch	11.00 hrs. – 14.00 hrs.
Afternoon snack	14.00 hrs. – 17.00 hrs.
Dinner	17.00 hrs. – 24.00 hrs.

## 2. Marketing

### 2.1 Characteristics of the customers and target groups of the hotel business

The Company has the ratio of foreign customers to the domestic customers of 80:20. As for the proportion of foreign customers, about 60 percent is the customers from Asia such as from China, Hong Kong, Taiwan, Japan and South Korea. The customers from China form the largest part of the customers group while another 10 percentage is the customers from ASIAN countries and Oceania such as Malaysia, Singapore, Australia and New Zealand and the remaining 10 percent will be customers from Europe and the United States of America

But due to the COVID-19 crisis making tourists unable to travel two consecutive years, the company has adjusted by increasing sales Marketing and public relations with more Thai customers, resulting in 2021, Thai customers account for more than 90 percent of all customers. The rest are foreign customers residing or working in Thailand (Ex-pat) and foreign customers traveling to Thailand under the Sandbox and Test & Go projects

## 2.2 Customer Segment

With its Luxury Boutique Hotel service being provided by RarinJinda Wellness Spa Resort which is equivalent to a 5-star hotel comprising luxury rooms complete with various amenities and conveniences, the target customers group therefore for the business will be those with high income, e.g high level staff of the company, the owners of SME businesses including the owners of large-sized business to be in agreement with the price of the guest rooms ranging from 6,500 Baht to 27,000 Baht per month.

## 2.3 Distribution and Distribution Channel of the Hotel Business

The distribution and the distribution channel for customers group of RarinJinda Wellness Spa Resort can be divided as follows:

- 1) Distribution via the room booking system through the Internet
- 2) Distribution via the distribution agents
- 3) Distribution via the Sales and Marketing Department.

## 2.4 Competition Strategy of the Hotel Business

### Price Strategy

For the pricing of guest rooms of SWR, as the Group of Companies is positioning its business as a 5-star Luxury Boutique Hotel by focusing on the customers group having a health awareness lifestyle with the introduction of spa service including Healthy Food for health as well as the service and the privacy of the 5-star hotel standard; the Company therefore opts for the Price Skimming strategy as to create an image of being a luxury 5-star boutique hotel and apply the strategy of price adjustment predicating upon the tourist season and Occupancy Rate with the price for walk-in customers at 6,500 – 27,000 Bhat per night, depending on the size of the room and interior decoration.

### The Strategy to Make the Difference in Terms of Quality and Products

SWR is characterized by creating the difference in terms of quality and products from the hotel on the same premises as to provide complete services to foreign and Thai tourists on the premises of the hotel. This is a strategy that enables the provision of full-cycle services on the premises of SWR.

1. Emphasizing service to be provided to lovers of good health and hygiene.
2. Having the place centrally located in the middle of Chiangmai town; it is convenient, close to the Night Bazaar Market and is only a 15-minute drive to the Airport. Moreover, beauty is emphasized with a private balcony overlooking the swimming pool in the common area, Doi Suthep hlil range and the scenic view of Ping river.
3. Emphasizing decoration with semi-modern style mixed with Thai style incorporating the antiquity or integration of modernism with original Thai style.
4. There is availability of 5-star on the premises of the hotel; it is the most perfect spa of Chiang Mai complete with the latest technology of spa and amenities of high standard, that is, RarinJinda Wellness Spa offering diverse spa services and multi-format therapies by medical specialists and nurses providing consultancy and advice.
5. Providing service of health food by Deck 1 restaurant which offers the Healthy Food cuisine for health.

## 3. Procurement of Products or Services

For the purpose of running hotel business and restaurant of SWR, SWR enters into a sub-lease of parcel of land for a 30-year lease to operate the hotel business and Deck 1 restaurant. Here are the details of importance:

### SUB-LEASE OF LAND AGREEMENT

**Contract party:** Siam Wellness Group Co.,Ltd. (Sub-lessor) (Currently it changed its name to Siam Wellness Group Plc). RarinJinda Co., Ltd. (Lessee) (currently it changed its name to Siam Wellness Resort Co., Ltd.)

**Date of the Contract:** 1 January 2013

**The Objective of the Sub-lease:** To operate the hotel and restaurant businesses.

**Ownership of the Building:** Both parties agree that the building of the hotel and the restaurant building which were constructed on the land as of the date of entry into this Agreement is the ownership of the sub-lessee without the rental being charged on the said buildings from the sub-lessee throughout the period of the sub-lease; but for the land lease, the rental will be charged.

**Sub-lease of the property:** Specifically for the land size of 0-3-96 rai on which the building of the hotel Rarin-Jinda Wellness Spa Resort and Deck 1 Restaurant is situated and the right to utilize some space on Baan Ruan Thai. Incidentally, for the building which the Sub-lessee has renovated, constructed or made any addition to the leased property, the Sub-Lessee agrees to become the property of the Sub-Lessor upon the expiry of the lease.

**Period of Lease:** The overall period of the sub-lease is 30 years with effect from 1 January 2013 to 31 December 2042. Incidentally, if, upon the expiration of the sub-lease, the Sub-lessee wishes to renew the sub-lease, the Sub-lessee must give a written notice of the intention to renew the sub-lease agreement to the Sub-Lessor for information for not less than 3 years prior to the expiry of the Sublease Agreement. If the Sub-lessor wishes to permit the Sub-lessee to continue the sub-lease, both parties agree to allow the various terms and conditions under the new Sub-lease Agreement to be identical to the terms and conditions of this Agreement in every respect except Clause 3 of the Agreement: Period of Sub-lease and Clause 4 re: The sub-lease rental payment, in respect of which there will be further mutual agreement in writing.

**Sub-lease Rental:** The rental payment will be made on a monthly basis subject to rental adjustment to be made by the Sub-Lessor according to the market situation, but not exceeding 15 percent of the sub-lease rental effective for every 3 years.

**Termination of the Agreement:** The lease agreement will be terminated in the following cases:

- Upon the expiration of the sub-lease and there is no exercise of the right to renew the sub-lease according to the terms and conditions of this Agreement.
- Upon the parties mutually agreeing voluntarily to terminate this Agreement.
- When the land is expropriated or the leased property are damaged to the extent that they are rendered useless according to the objective of the lease under this Agreement

## **4. Situation of the Industry and Competition**

### **4.1 Situation of the industry**

The Thai economy as a whole is likely to expand below its potential and lower than previously estimated. It is expected to grow by 2.5 percent. The volume of merchandise exports is likely to recover slower than expected. in line with the decelerating global trade volume from trade protectionism including structural changes of the Thai economy that affect the export sector. Meanwhile, public spending and private investment are likely to expand at a lower rate than previously assessed. However, private consumption in 2019 expanded better than previously assessed due to the positive effects of short-term economic stimulus measures from the government. However, it is likely to slow down in 2020 due to the slowdown in household income and drought. In 2021, the Thai economy is expected to continue to expand following the PPP projects and some government investment projects that have been postponed in the year 2021

The Tourism Authority of Thailand (TAT) has set a target for the income of the Thai tourism sector at the end of 2019 that in 2020, Thailand will have a total tourism income of 3.18 trillion baht composed of (1) International market 2.02 trillion baht from 40.8 million foreign tourists and (2) Domestic market 1.16 trillion baht from 172 million Thai tourists – times/

Due to the coronavirus epidemic (COVID-19) crisis, TAT re-evaluates the situation by establishing the TAT Tourism Recovery Tracker. It estimated 2020's tourism income will be 8.3 hundred billion baht which is divided into (1) International markets of approximately 3.3 hundred billion baht, out of 6.7 million foreign tourists and and (2) Domestic markets Thai travel in Thailand worth about 500 billion baht from the travel of about 95 million Thai tourists - times

At the same time, the situation and income of Thailand's tourism sector for 2021 is expected to generate approximately 1.2 trillion baht in total tourism income, approximately 500 billion baht from overseas markets, approximately 10 Millions foreign tourists and Thai market, about 7 hundred million baht in Thailand from traveling 120 million people - times. Foreign tourists will start to return in the second half of 2021 according to the Overseas Office of TAT. They found that In many countries there is already demand for travel. And most still see Thailand as the top 10 destinations that they are interested in

In addition, the TAT Tourism Recovery Tracker predicts tourism sector revenues will move to 2.5 trillion baht in 2022 or return about 80% of total revenue in 2020, with foreign market revenue expected 1.3 trillion baht from 20.8 million foreign tourists and the domestic market, about 1.2 trillion baht from domestic tourism, 180 million people – times.

However, the tourist group still has to depend on the public health measures to be opened to foreign tourists. Vaccine progress Including the policy of the country of origin whether his people are allowed to leave the country or not.

#### 4.2 Overview of the Competition

Based on the data shown above, it can be seen that although the number of tourists is on the increasing trend, in particular, among the groups of foreign tourists, but the number of places of accommodations and hotels are continuously growing at the higher rate is spurring high competition for the hotel business in Chiang Mai. For survival of the business, therefore, the operators must readjust the operation plan or various strategies as to maintain the level of profitability of the business. The format of competition which has become increasingly more intense is the price cut of the guest room, the competition in the aspect of the service quality, the granting of privileges for using other services of the hotel, etc.

Currently, the increase in the number of boutique hotels undoubtedly has spurred high competition in the market as well as new market in the players such as Airbnb and Homestays. However, in terms of the characteristics of the operation of the boutique hotel which emphasizes the format of being a small-sized luxury hotel, the importance is attached to the prominence of the architecture, the provision of service with close attention from the staff and the presentation of the story through the architecture, the provision of service of the boutique hotel must be able to respond to the lifestyle of the potential guests so that it serves as a place to reflect the personality and the format of living of the potential guests. Therefore most of the boutique hotels do not place emphasis on the price competition; but the emphasis is mainly placed on the quality, the standard and the provision of service. Each hotel has different sales pitch depending on the lifestyle of each customer.

### C. SPA PRODUCTS DISTRIBUTION BUSINESS

The operation of the spa products distribution business is managed by the Company and the subsidiary, that is, Siam Wellness Lab Co., Ltd.: (SWL.) The details are as follows:

#### 1. The Characteristics of the Products or Services

The operation of SWL is characterized by the procurement of the spa-related products and the therapeutic personal care products for distribution to the Company and customers, both of Thai and foreign customers. The distribution of the products is made under the "LRL" (Let's Relax Lifestyle) brand and the purchase is made selectively from among the products of the Group of Companies from the producers expert in the manufacture of the spa products for home use and in the spa shop under the "LRL" (Let's Relax Lifestyle) brand. Most of the products are all of natural products. The goods of SWL can be divided into 3 groups as follows:

##### Spa product for body care

- Massage Oil for Professional Use
- Massage Oil for Home Use
- Essential Oil
- Shower Gel
- Natural Soap
- Body Lotion
- Body Scrub
- Hand Cream
- Aroma Spray
- Body Serum

#### Tiger Eyes Trading (Thailand) Co., Ltd. ("TGT")

It was founded on 18th August 1994 to operate a business of importing and distributing facial, body, slimming, wax, nail products as well as spa equipment such as electric blankets, massage bed sheets, facial and slimming devices from France, UK, USA and Canada. The Company distributes to Hair Salons, Beauty Clinics, Hospitals and Spas throughout Thailand. It also acts as Sole Agents for many brands in Thailand and CLMV such as Dr. Spiller, Biomimetic Skin Care Solutions. Key customers including Hotel Spa and Day Spas in 3-6 stars.

#### **Facial Product Line**

- Ampoule
- Serum
- Cleansing
- Moisturizing
- Celltressor
- SummerGlow
- Manage Your Skin

## **2. Market and Competition Condition**

### **2.1 Characteristics of the customers and customers target group of the Spa Products Business**

Most of the Company's customers will be the customers who are visiting to use the Spa of Let's Relax and RarinJinda Wellness Spa and from the 5-star hotels which distribute the products of the Company, while the remaining number of customers is at the minimum, orders will come from business customers who order the products as a premium item for distributing to the customers and customers from abroad as a result of the goods exhibition booth by the Company.

### **2.2 Distribution and Distribution Outlets of the Spa Products**

1) At the shop branches of Let's Relax and RarinJinda Wellness Spa, all kinds of products are on sale at every shop branch of Let's Relax and RarinJinda Wellness Spa to the customers who come to use the service and those who are interested in the products.

2) Direct sale through sale agents who are experienced in the business, who are reliable and accepted by the customers in the same business.

3) Products exhibition fair or tourism event, both in the country and abroad in which the Company participated including the distribution of the spa products via the online market. The customers can order for the goods and make the payment via the Website of the Company at [www.siamwellnesslab.com](http://www.siamwellnesslab.com)

4) Online such as Line Official Account, Line My Shop, Facebook, Instagram, Lazada, Shopee, King Power etc.

### **2.3 Business Competition Strategy**

The Company has the business operation strategy according to the details as follows:

#### **• The Products strategy**

The strategy of creating the difference in terms of quality and the products.

The Blooming products are natural products and the raw materials of high quality are selected which are devoid of any hazardous substances. The raw materials are used as an ingredient of the products to derive perfect product ready to sooth the mind and body. The products are rich in the values of Thai herbs and therapeutic scent from the pure essential oil in diverse forms which are agreeably blended between the sciences of the East and the West.

#### **• Marketing Strategy**

For the marketing strategy of SWL, the SWL focuses on the marketing of the distribution to groups of consumers who are interested in health care and want to directly consume the products of SWL directly. These are groups of customers who consume the products of good quality, wanting to use the products made from natural raw materials. As they attach lesser importance to the price, SWL is therefore able to make direct sale of the products according to the demand of the groups of the consumers of SWL, thus spurring the increase in sales of the products.

## **3. Procurement of the Products or Services**

The spa products of Siam Wellness Lab Co., Ltd. are such as massage oil, essential oil, body scrub products and body massage pack as well as harbal products such as harbal balls. Orders for domestic products are possible. The formula will be defined by the Company based on its know-how, knowledge, experience in the spa business. Thereafter, several firms are engaged to make to products according to the formula required by the Company. Currently, most of the spa products are produced by the producers who are experienced in the spa products with export profile.



#### 4. Industry Situation and Competition

##### Industry situation

\*Currently, the global demand for herbs is high and there is a trend towards the increase, in particular, the Thai herbs of cosmetic groups are valued as high as 180,000 million Baht, while the herbs for the food supplement groups are valued as consumption and export at 80,000 million baht. As for the herbs of the spa products group and the products has the value of consumption and export at approximately 10,000 million Baht. The herbs of the ancient medicine formula groups according to the local wisdom of Thai traditional medicine are of value totaling 10,000 Baht, etc.

(\*Data available from the Department of Agriculture)

#### D. THAI MASSAGE SCHOOL BUSINESS

The operation of Thai massage school business is run by Siam Wellness Education Co., Ltd. Presently, the teaching course is open for therapist staff to support the spa business of the Company only. There is no teaching course open for outsiders.

Siam Wellness Education Company Limited (SWE) provides educational services both theory and practice by receiving a license to establish Tiger Eyes Beauty School and Spa from Tiger Eyes Education Company Limited (TGE) on July 24, 2018 and changing the school's name and brand to **Siam Wellness Thai Massage and Spa School**. There are 5 courses accredited by relevant authorities: 1. beauty service course 2. Thai massage for health 3. Swedish massage course 4. Aromatherapy massage course 5. Foot massage course for health

In addition to Thai massage course, the therapist staff and trainer of SPA will teach additional techniques for new employees to ensure the performance of diverse services as foot reflexology massage, essential oil massage, hot stone therapy massage, body scrub, body massage pack, learning the spa treatment and hydrotherapy and integrated Thai massage with new technology in the spa business, etc.

### 1.2.3. Assets used in business operations

#### 1. Assets used in business operations

List	Ownership	Net Worth By Account As Of December 31, 2021	Obligation
1. Land *1 1.1) Nor Sor . 3 Kor, No. 5241, 5242, 5243, 5896 5918 and 5919 , total area 112.5 square wa, located at Rat-U-Thit 200 Pee Road , Patong Sub-district, Kathu District, Phuket Province ( Let's Relax Patong Sai 2 and Phuket Employees' House . )	company	99,521	Note 1
1.2) Title deed no. 110538 , area 18.1 square wa, located at North Pattaya Road, Na Kluea Subdistrict, Bang Lamung District Chonburi (Pattaya staff house)	company	6,425	Note 1
1.3 ) Title Deed No. 20725 area 26.4 square wa, located at Rob Koh Road, Bophut Subdistrict, Koh Samui District. Surat Thani Province (Samui staff house)	company	3,196	Note 1
1.4) Title deed no. 90025 , area 54 square wa, located at Soi Yu Charoen Soi 5 , Huai Khwang Subdistrict, Huai Khwang District. Bangkok Province (Bangkok staff residence)	company	11,610	Note 1



List	Ownership	Net Worth By Account As Of December 31, 2021	Obligation
1.5) Title Deed No. 884,885 Karon, Phuket Province	company	24,830	Note 1
1.6) Title Deed No. 42920, 42921, 49922 Ao Nang, Krabi Province	company	22,114	Note 1
1.7) Title Deed No. 1288 , Nong Khai Province	company	18,755	Note 1
1.8) Title Deed No. 29667 , Bang Lamung District, Chonburi Province	company	79,500	Note 1
1.9) Title Deed No. 110539, 110540 , Bang Lamung District, Chonburi Province	company	12,815	Note 1
<b>total land</b>		278,766	
2. Land improvement	subsidiary	0	do not have
3. Buildings and building improvements *1			
3.1) 3 -storey commercial building, 3 booths, no. 209/22-24, 5-storey commercial building with 1 roof deck, no. 207/47 and 4-storey commercial building, 2 booths, no. 207/5-6 (Let's Relax Patong Sai 2 and Phuket staff residence)	company	9,152	do not have
3.2) 4-storey commercial building with 1 roof deck, No. 6/67 ( Pattaya staff residence)	company	397	do not have
3.3) 3-storey commercial building with mezzanine, No. 119/25, Bophut Sub-district, Koh Samui District Surat Thani Province (Samui staff house)	company	1,957	do not have
3.4) RarinJinda Wellness Spa Resort Hotel Building, and Deck 1 Restaurant, No. 14 Charoen Rat Road, Wat Ket Sub-district, Mueang District, Chiang Mai Province	company	46,758	
3.5) Employee housing building at Soi Yu Charoen 5	company	7,925	do not have
3.6) 3-storey commercial building, No. 224/2, 224/3, Karon, Phuket	company	3,152	
3.7) 3 -storey commercial building , No. 437/2-4 Ao Nang, Krabi province.	company	5,488	do not have
3.8) Building on land title deed 1288, Nong Khai Province	company	3,879	do not have
3.9) Commercial Building, 3.5 Floor, 2 Booths, Bang Lamung District, Chonburi Province	company	2,591	do not have
3.10) 4-storey commercial building, 2 booths, land title deed no. 11539-11540, no. 6-65, 6/66	company	3,387	do not have

List	Ownership	Net Worth By Account As Of December 31, 2021	Obligation
3.11) Building improvement consists of - Head Office Building - Let's Relax Pavilion Branch - Let's Relax Phrom Phong Branch - Let's Relax Pattaya Branch - Let's Relax Patong Sai 2 Branch - Let's Relax Terminal 21 branch - Let's Relax Mandarin Branch - Let's Relax Patong Sai 3 Branch - Let's Relax Siam Square One Branch - Let's Relax Hua Hin Branch - Let's Relax Tha Phae Branch - Let's Relax Ekamai Branch - Let's Relax Suanplu Branch - Let's Relax The Street Branch - Let's Relax MBK Branch - Let's Relax Berkeley Pratunam Branch - Let's Relax Phayathai Branch - Let's Relax Thonglor Branch - Let's Relax Wake Up Hotel branch - Let's Relax Nimman Branch - Let's Relax Millennium Hotel Patong branch - Let's Relax Karon Branch - Let's Relax Boat Lagoon branch - Let's Relax Sukhumvit 31 branch - Let's Relax Hua Hin 100 branch - Let's Relax Terminal 21 Pattaya branch - Let's Relax Pattaya Beach Front Branch - Let's Relax Beyond Patong Phuket Branch - Let's Relax Arnoma Hotel Bangkok Branch - Let's Relax The Allez Sukhumvit 13 branch - Let's Relax The Market branch - Let's Relax Ginza Thonglor branch - Let's Relax ibis Huai Khwang branch - Let's Relax Central Embassy branch - Let's Relax Ruae Ratsada Hotel branch - Let's Relax SriLanta Hotel branch - Let's Relax I Am Chinatown branch - Let's Relax Porto de Phuket branch - Let's Relax Carlton Hotel branch - Let's Relax Central World branch - Let's Relax Mövenpick Pattaya Branch - Let's Relax Mahanakhon Cube Branch - Let's Relax Veranda Hotel Pattaya Branch - Let's Relax Novotel Platinum Pratunam branch	Company and Subsidiaries		do not have

List	Ownership	Net Worth By Account As Of December 31, 2021	Obligation
<ul style="list-style-type: none"> <li>- Dr. Spiller Ginza Thonglor</li> <li>- Dr. Spiller Terminal 21 Pattaya</li> <li>- Dr. Spiller Central World</li> <li>- Stretch Me Central World</li> <li>- Stretch me 101</li> <li>- Stretch me Ginza Thonglor</li> <li>- Stretch me The Allez Sukhumvit 13</li> <li>- Stretch me Clinic Central World</li> <li>- Rarinjinda Wellness Spa Chiang Mai Branch</li> <li>- Rarinjinda Wellness Spa Ratchadamri Branch</li> <li>- Rarinjinda Wellness Spa Ploenchit Branch</li> <li>- RarinJinda Wellness Spa Resort Hotel, Deck1 Restaurant</li> <li>- Baan Suan Nonthaburi branch</li> <li>- Baan Suan Prachanukul Branch</li> <li>- Baan Suan Borommaratchachonnani Branch</li> <li>- Baan Suan Charoen Nakhon Branch 68</li> <li>- Baan Suan Terminal Korat branch</li> <li>- Baan Suan Nong Khai Branch</li> <li>- Baan Suan Petchkasem Branch</li> <li>- Baan Suan Udon Thani branch</li> <li>- Container warehouse</li> <li>- Office at B.U. Place</li> </ul>	Company and Subsidiaries		do not have
<b>including buildings and building improvements</b>		<b>610,605</b>	
4. Decorations, fixtures and equipment	Company and Subsidiaries	43,694	do not have
5. Vehicles	Company and Subsidiaries	2,451	do not have
6. Work in progress	Company and Subsidiaries	10,586	do not have
Total property, plant and equipment, net		946,642	

Remark 1: Land and buildings on such land are used as collateral for loan facilities of the Company and its subsidiaries. including overdrafts and Guarantee with a bank

## 2. Land/Building Lease Rights

The company operates a spa business. Most of the branches are leasing building space for operations. The value according to the consolidated financial statements of the Company and its subsidiaries are as follows:

Description	Owner	Accounting Value as of 31 Dec 2021	Obligation
Leasehold rights of land/building (Let's Relax Pattaya, Samui, SQ1, Suan Phlu, Tha Phae, Beyond Patong Phuket, Rarin Jinda Chiang Mai, Baan Suan Massage, Bharomratchachonnanee, Petchkasem and Ramintra 62)	Company	4,856	Leasehold rights are stated at cost less accumulated amortization Calculated by the straight-line method over the lease term.

In this regard, accounting entries in the part of land leasehold rights, It is only the leased assets that require payment of the leasehold right in advance. by the amortization period. The time under the lease includes the right to renew the contract specified in the contract by the Company and its subsidiaries.

There is a land lease agreement. and building to be used as an office building, Therapist's guest house and used in the company's spa business and used to operate hotels and restaurants of the subsidiaries as follows

Contract Date	Description	Contract Period	Renewal
26 Aug 2014	The company has entered into a land and building lease agreement. It is land under Title Deed No. 117, 2875, 8985, 554, 3010, 3009 and 103754, totaling 7 title deeds, total area of 2 rai 3 ngan 62.4 square wa to operate spa business (RarinJinda Wellness Spa, Chiang Mai Branch) and some land for sublease to operate the hotel and restaurant business (RarinJinda Wellness Spa Resort and Deck 1 Restaurant)	30 years from January 2013 to 31 December 2042	have the right to
28 Dec 2018	The Company has entered into a building lease agreement on the 1st and 2nd floors of the building no. 483 – 483/6 and the 3rd floor of the building at 483/6 Soi Sutthiphorn, Prachasongkhro Road, Din Daeng Subdistrict, Din Daeng District, Bangkok. The total usable area is 1,392 square meters to be used as the company's office building and subsidiary.	3 years from 1 January 2019 to 31 December 2021	have the right to
1 Oct 2018	A 3-storey building with mezzanine floors located at 97/2-5 Ratchadamnoen Road, Phra Sing Subdistrict, Mueang Chiang Mai District, Chiang Mai Province with approximately 920 square meters of rental space for use in spa business (Let's Relax Tha Phae Branch).	3 years from 1 October 2018 to 30 September 2021	have the right to
22 Nov 2021		3 years from 1 October 2021 to 30 September 2024	
1 Jan 2020	The company has entered into lease and service agreements for a building located at 184/13, 184/15 Phangmuang Sai Kor Road, Patong Sub-district, Kathu District, Phuket Province. Usable area of Asian Fortune Building, area of 1,468 square meters to be used as staff accommodation (Let's Relax , Patong Sai 3 Branch (Extension Area))	3 years, from February 1, 2020 to January 31, 2023	have the opportunity to request a contract extension
15 Jan 2020	The company has entered into a contract for rental and service of the area, 22nd floor of B.U. Place building, 966 square meters to use as the company's office	3 years from January 1, 2020 to December 31, 2022	have the right to

Contract Date	Description	Contract Period	Renewal
1 Jan 2020	The company has entered into lease and service agreements. It is located at 184/14 Phangmuang Sai Kor Road, Patong Sub-district, Kathu District, Phuket Province. Usable area of Asian Fortune Building, area of 2,418 square meters, for use in spa business (Let's Relax, Patong 3)	3 years, from February 1, 2020 to January 31, 2023 (Renewing the contract for 10-12 years)	have the opportunity to request a contract extension
16 Dec 2019	The company has entered into a lease agreements for a building located in Soi Sutthiphorn which separated from Soi Ratchadaphisek 3 (next to the Chinese Embassy), Ratchadaphisek Road, Din Daeng Subdistrict, Din Daeng District, Bangkok, on the area under Title Deed No. 65264 (1 Ngan 23 Square Wah) and No. 65265 (1 Ngan 17 Square Wah) for storage of the Company's products.	3 years, from January 1, 2020 to December 31, 2022	have the right to
1 Jan 2020	The company has entered into lease and service agreements for lease of space in Mandarin Hotel to operate spa business (Let's Relax, Mandarin Hotel branch)	3 years, from January 1, 2020 to December 31, 2022	have the right to
1 Dec 2019	The company has entered into lease and service agreements for lease of space in Grand Centre Point Ratchadamri Hotel with area of 823 sq.m. and parking space on the 6th floor with area of 80 sq.m. to operate spa business (RarinJinda Wellness Spa, Ratchadamri Branch)	3 years, from January 1, 2020 to December 31, 2022	have the right to
1 Jan 2020	The company has entered into lease and service agreements for lease of space in Centre Point Residence Phromphong building with area of 706.82 sq.m. and parking space on the 3rd floor with area of 100 sq.m. to operate spa business (Let's Relax, Sukhumvit 39 branch)	3 years, from January 1, 2020, to December 31, 2022 (Renewal 16th year – 18th year)	have the opportunity to request a contract extension
	The company has entered into lease and service agreements for lease of space in Terminal 21 with usable area of approximately 752 sq.m. to operate spa business (Let's Relax, Terminal 21 branch)	3 years, from October 11, 2020 to October 10, 2023	have the opportunity to request a contract extension

Contract Date	Description	Contract Period	Renewal
	The company has entered into a memorandum of agreement attached to the lease agreement for building No. 240/9, Village No. 5, Naklua Subdistrict, Bang Lamung District Chonburi. The usable area is approximately 500 square meters for use in the spa business (Let's Relax, Pattaya branch).	3 years, from May 1, 2018 to April 30, 2021	have the opportunity to request a contract extension
		3 years from May 1, 2021 to April 30, 2024	
	The company has entered into a memorandum of agreement attached to the lease agreement for one-story building no. 240/9, Village No. 5, Naklua Subdistrict, Bang Lamung District. The usable area is about 40 square meters to be used as a room for the Pattaya therapists.	3 years, from on May 1 2018 to April 30, 2021	have the opportunity to request a contract extension
		3 years from May 1, 2021 to April 30, 2024	
1 Jan 2021	The company has entered into lease and service agreements for lease of space in Pavilion Night Bazaar to operate spa business (Let's Relax Pavilion branch)	3 months, from January 1, 2021, to March 31, 2021	have the opportunity to request a contract extension
1 Apr 2021		3 months, from April 1, 2021 to June 30, 2021	
1 July 2021		3 months, from July 1, 2021 to September 30, 2021	
1 Oct. 2021		3 months, from October 1, 2021, to December 31, 2021	
1 Oct. 2020	The company has entered into lease and service contracts for lease of space in Grande Centre Point Ploenchit Hotel Building with a total area of 1,087 square meters to operate spa business (RarinJinda Wellness Spa, Ploenchit branch)	8 months, from November 1, 2020 to June 30, 2021	have the right to
30 Jun 2021		3 months, from July 1, 2021 to September 30, 2021	
1 Oct. 2021		3 years, from October 1, 2021 to September 30, 2024	

Contract Date	Description	Contract Period	Renewal
	The company has renewed lease and service agreements for lease of space in Hua Hin Market Village Shopping Center with total area 743 sq m. to operate spa business (Let's Relax Hua Hin branch)	3 years, from June 21, 2020 to June 20, 2023	have the opportunity to request a contract extension
1 Jan 2021	The company has entered into lease agreement for lease of land and building located at No. 236/17 Petchkasem Road, Hua Hin Subdistrict, Hua Hin District, Prachuap Khiri Khan Province to be used as accommodation for the therapist staff at Let's Relax Hua Hin branch	3 years from January 1, 2021 to December 31, 2023	have the opportunity to request a contract extension
15 Sep 2020	The company has entered into lease and service agreements and amendment agreement for lease of space in Siam Square One with area of 424.43 sq m. to operate spa business (Let's Relax, Siam Square One Branch, Phase 1)	1 year, from August 1, 2020 to July 31, 2021	have the opportunity to request a contract extension
6 Sep 2021		3 years, from August 1, 2021 to July 31, 2024	
1 July 2018	The company has entered into lease agreement for lease of space in PARK LANE BANGKOK with area of approximately 578.25 sq m. to operate spa business (Let's Relax, Ekkamai branch)	3 years, from July 1, 2018 to June 30, 2021	have the opportunity to request a contract extension
1 July 2021		3 years, from July 1, 2021 to June 30, 2024	
1 Feb 2019	The company has renewed lease agreements for lease of space in the MBK Center building with area of 615.49 sq.m. to operate spa business (Let's Relax, MBK Branch)	3 years, from February 1, 2019, to January 31, 2022	have the opportunity to request a contract extension
8 Dec 2020	The company has entered into lease agreement for lease of space in The Street Ratchada with area of approximately 714 square meters for business use (Let's Relax, The Street branch)	3 years, from 15 December 2019 to 14 December 2022	have the opportunity to request a contract extension

Contract Date	Description	Contract Period	Renewal
22 Mar 2019	The company has entered into lease agreement for lease of building at No. 7/24 Soi Suanplu, Thungmahamek, Sathorn, Bangkok for business use (Let's Relax Suanplu Branch)	3 years, from January 1, 2019 to December 31, 2021	have the right to
30 Jul 2018	The company has entered into a lease agreement for lease of building at no. 70/40 Moo 9, Talat Khwan Subdistrict, Mueang District, Nonthaburi Province, Building 1 and Building 2 to operate spa business (Baan Suan Massage, Nonthaburi Branch)	3 years, from on August 1, 2018 to July 31, 2021	have the right to
31 Jul 2021		3 years, from August 1, 2021 to July 31, 2024	
1 Jan 2019	The company entered into a lease agreement for lease of some areas in the building at 293 Ratchadaphisek Road Wong Sawang Sub-district, Bang Sue District, Bangkok to use for business (Baan Suan Massage, Prachanukul Branch)	3 years, from January 1, 2019 to December 31, 2021	have the opportunity to request a contract extension
29 Oct. 2019	The company has entered into a memorandum of agreement attached to the lease agreement for lease of space in The Berkeley Hotel Pratunam with area of approximately 260.90 square meters for business use (Let's Relax, The Berkeley Hotel Pratunam Branch)	3 years, from 18 July 2019 to 17 July 2022	have the right to
4 Mar 2019	The company has entered into a lease agreement for lease of space at No. 624, Charoen Nakhon Road 68, Dao Khanong Subdistrict, Thon Buri District, Bangkok with aArea of approximately 187 square wa for business use (Baan Suan Massage, Charoen Nakhon 68 Branch)	3 years, from April 1, 2019 to March 31, 2022	have the right to
4 Oct. 2019	The company has entered into a lease agreement for lease of space at No. 47/3-6 Phayathai Road, Thanon Phayathai Subdistrict, Ratchathewi District, Bangkok with area of approximately 969 square meters and a rooftop area of 223 square meters for business use (Let's Relax, Phayathai Branch)	3 years, from 14 November 2019 to 13 November 2022	have the right to
1 Aug 2019	The company has entered into a lease agreement for lease of space at No. 488 Borommaratchachonnani Road, Sala Thammasop Subdistrict, Thawi Watthana District, Bangkok with area of approximately 583.3 square wa for business use (Baan Suan Massage, Borommaratchachonnani Branch)	3 years, from on August 1, 2019, to July 31, 2022	have the right to



Contract Date	Description	Contract Period	Renewal
15 Nov 2019	The company has entered into lease and service agreements for lease of space in Grande Centre Point Sukhumvit 55 Hotel building. The area is approximately 621.2 square meters for the spa area and approximately 1,091.2 square meters for the onsen area (Let's Relax, Thonglor branch)	3 years, from November 15, 2019 to November 14, 2022	have the right to
	The Company has entered into lease and service agreements for the lease of space in. Mill Place Posri by L.P.N. with area of approximately 712.27 square meters for business use (Baan Suan Massage, Udon Thani Branch)	3 years, from 15 December 2019 to 14 December 2022	have the right to
19 Dec 2019	The company has entered into a memorandum of agreement attached to the lease and service agreements for lease of space in Terminal 21 Korat with area of approximately 349 square meters for business use (Baan Suan Massage, Terminal 21 Korat Branch)	3 years, from 19 December 2019 to 18 December 2022	have the right to
30 Jun 2018	The company has entered into a lease agreement for lease of space at No. 673 Petchkasem Road, Nong Khang Phlu Subdistrict, Nong Khaem District, Bangkok with area of approximately 532 square meters for business use (Baan Suan Massage, Petchkasem Branch)	3 years, from July 1, 2019 to June 30, 2022	have the right to
1 Nov 2019	The company has entered into lease and service agreements for lease of space at No. 121/3 Village No. 2, Ao Nang Subdistrict, Mueang Krabi District, Krabi Province with area of approximately 638 square meters and some basement areas, approximately 60 square meters of area for business use ( Let's Relax, Krabi Wake-up Branch)	3 years, from 19 November 2019 to 18 November 2022	have the right to
23 Dec 2019	The company has entered into lease and service agreements for lease of space with area of approximately 2.84 rai, located at 20/64 Moo 2, Koh Kaew Subdistrict, Mueang Phuket District, Phuket Province, for use in spa business (Let's Relax, Phuket Boat Lagoon Branch)	3 years, from January 1, 2020 to December 31, 2022	have the right to
3 Jun 2019	The company has entered into a lease agreement for lease of space in The SIS Kata Resort Hotel with area of approximately 300 square meters for business use (Let's Relax, The SIS Kata Resort branch)	2 years, from on 17 June 2019, to 16 June 2021	have the right to
28 May 2021		2 years, from June 17, 2021, to June 16, 2023	

Contract Date	Description	Contract Period	Renewal
27 Jul 2020	The company has entered into lease agreement for lease of building at No. 5/2 Soi Sukhumvit 31 (Sawasdee), Khlong Toei Nuea Sub-district, Wattana District, Bangkok with total area of approximately 60 square wa for business use (Let's Relax, Sukhumvit 31 branch)	3 years, from April 1, 2020 to March 31, 2023	have the right to
1 Dec. 2020	The company has entered into lease agreement for lease of space in One Nimman Shopping Center with area of approximately 812 square meters to operate spa business (Let's Relax, One Nimman branch)	1 year, from December 1, 2020 to November 30, 2021	have the right to
10 Dec 2021		1 year from December 1 2021 to 30 November 2022	
1 Nov 2017	The company has entered into lease and service agreements for lease of space in Millennium Resort Patong to operate spa business (Let's Relax, Millennium Phuket branch)	3 years, from 30 November 2017 to 31 October 2020 (The hotel is temporarily closed)	have the right to
16 Dec 2019	The company has entered into lease agreement for lease of 4-storey residential building on Ratchadaphisek Road Soi 3 to be used as a residence for employees, located at No. 582/449 Asoke-Din Daeng Road, Din Daeng Subdistrict, Din Daeng District, Bangkok	3 years, from January 1, 2020 to December 31, 2022	have the right to
1 Jan 2021	The company has entered into lease agreement for lease of townhouse located at No. 58/26-27, Nai Mueang Subdistrict, Mueang Nakhon Ratchasima District. Nakhon Ratchasima Province, to be used as a residence for employees of Baan Suan Massage, Korat Branch)	1 year from January 1, 2021 to 31 December 2021	have the right to
1 Mar 2020	The company has entered into lease agreement for lease of space in Lumpini Place UD Posri condominium to be used as a residence for employees of Baan Suan Massage, Udon Thani branch)	1 year, from March 1, 2020 to at the end of February 2021	have the right to
3 Feb 2021		6 months, from March 1, 2021 to August 31, 2021	
31 Aug 2021		3 months, from September 1, 2021 to November 30, 2021	
1 Dec 2021		3 months, from December 1, 2021 to February 28, 2022	



Contract Date	Description	Contract Period	Renewal
1 Jan 2021	The company has entered into lease agreement for lease of space located at Mak Khaeng Subdistrict, Mueang District, Udon Thani Province, to be used as a residence for employees of Baan Suan Massage, Udon Thani Branch	1 year from January 1, 2021 to December 31, 2021	have the right to
9 Jul. 2018	The company has entered into lease and service agreements for lease of space in Arnoma Hotel Bangkok with area approximately 154.50 square meters for use in spa business (Let's Relax, Arnoma Hotel Bangkok Branch)	3 years, from 9 July 2018 to 8 July 2021	have the right to
		3 years from 9 July 2021 to 8 July 2024	
15 Jun 2018	The company has entered into lease and service agreements for lease of space in the Beyond Patong Building with approximate area 597 square meters to operate spa business (Let's Relax, Beyond Patong Phuket Branch)	3 years, from 20 September 2018 to 19 September 2021 (The branch is temporarily closed)	have the right to
1 July 2018	The company has entered into lease and service agreements for approximate area 934.8 square meters, located at 8/62 Soi Mu Ban Nong Kae, Nong Kae Subdistrict, Hua Hin District, Prachuap Khiri Khan Province, to operate spa business (Let's Relax Hua Hin Soi 100 Branch)	3 years, from July 1, 2018 to June 30, 2021	have the right to
		3 years, from July 1, 2021 to June 30, 2024	
8 Mar 2019	The company has entered into lease and service agreements for lease of space in the Terminal 21 Pattaya shopping center with area of approximately 113 square meters to operate spa business (Let's Relax, Terminal 21 Pattaya Branch)	3 years, from 19 October 2018 to 18 October 2021	have the right to
5 Aug 2021		1 year, from 19 October 2021 to 18 October 2022	
21 Dec 2017	The company has entered into lease and service agreements for lease of space in Grande Centre Point Pattaya Hotel with approximately 1,100 square meters of area, to operate spa business (Let's Relax, Terminal 21 Pattaya - Grande Center Point Pattaya Branch)	3 years, from October 26, 2018 to October 25, 2021	have the right to
25 Oct 2021		Approximately 1 month, from October 26, 2021 to November 30, 2021	
1 Dec 2021		3 years, from December 1, 2021 to November 30, 2024	

Contract Date	Description	Contract Period	Renewal
14 Aug 2018	The company has entered into a lease and revenue sharing agreement for the lease of space in The Allez Sukhumvit 13 with area approximately 851 square meters to operate spa business (Let's Relax , The Allez Sukhumvit 13 Branch)	3 years, from September 1, 2018 to August 31, 2021	have the right to
10 Jan 2022		1 year from September 1, 2021, to August 31, 2022	
8 Mar 2019	The company has entered into lease and service agreements for lease of space in Terminal 21 Pattaya with area approximately 212 square meters to operate facial care business (Dr. Spiller, Terminal 21 Pattaya branch)	3 years, from 19 October 2018 to 18 October 2021	have the right to
		1 year from October 19, 2021 to October 18, 2022	
14 Nov 2018	The company has entered into lease and service agreements for lease of space in CentralWorld shopping mall with area of approximately 123.44 square meters, to operate a stretching studio business (Stretch Me by Let's Relax, Central World Branch)	3 years, from November 1, 2018 to October 31, 2021 (in the process of renewing the lease)	have the opportunity to request a contract extension
30 Jan 2019	The company has entered into lease and service agreements for lease of space in Whizdom 101 to operate a stretching studio business (Stretch me, Whizdom 101 Branch)	3 years, from February 1, 2019 to January 31, 2022	have the right to
5 Apr 2019	The company has entered into lease and service agreements for lease of space in The Market Bangkok building with an area of approximately 765 square meters. (Let's Relax, The Market Pratunam Branch)	3 years, from 14 February 2019 to 13 February 2022	have the right to
11 Oct. 2018	The company has entered into lease and service agreements in lease of space in Hotel Nikko Bangkok with area of approximately 1,481 square meters for business use (Let's Relax, Ginza Thonglor Branch)	3 years, from April 1, 2019 to March 31, 2022	have the right to
2 Jul 2018	The company has entered into spa operating in hotel agreement with area of approximately 420 square meters in ibis Styles Ratchada hotel (Let's Relax, ibis Styles Bangkok Ratchada Hotel Branch)	3 years, from 14 February 2019 to 13 February 2022	have the right to
1 Jul 2019	The company has entered into lease and service agreements for lease of space in Central Embassy shopping center with an area of approximately 241.48 square meters for business use (Let's Relax, Central Embassy Branch)	3 years, from 16 July 2019 to 15 July 2022	have the right to
4 Mar 2019	The company has entered into a lease agreement for lease of space with an area of approximately 1,318 square meters, located at 111 Moo 6, Tambon Koh Lanta Yai. Koh Lanta District Krabi for business use (Let's Relax, Krabi Koh Lanta Resort Branch)	3 years, from October 1, 2019 to September 30, 2022	have the right to








Contract Date	Description	Contract Period	Renewal
18 Jul 2019	The company has entered into spa operating in hotel agreement with area approximately 200 square meters in Rua Rasada Hotel to operate spa and health massage (Let's Relax, Rua Rasada Hotel Branch)	3 years, from 15 September 2019 to 14 September 2022	have the right to
10 May 2019	The company has entered into lease and service agreements in lease of space in I am Chinatown shopping center building with area approximately 536.33 square meters for business use (Let's Relax, I am Chinatown Branch)	3 years, from November 15, 2019 to November 14, 2022	have the right to
16 Apr 2020	The company has entered into lease agreement for lease of space in Porto de Phuket shopping center with area approximately 741 square meters for business use (Let's Relax, Phuket Laguna Porto de Phuket Branch)	3 years, from January 1, 2020 to December 31, 2022	have the right to
19 Apr 2018	The company has entered into lease agreement for lease of space in Carlton Hotel Bangkok Sukhumvit with area of approximately 452 square meters to operate spa business (Let's Relax, Carlton Hotel Sukhumvit Branch)	3 years, from 19 February 2020 to 18 February 2023	have the right to
1 Oct. 2020	The company has entered into lease and service agreements for lease of space in the CentralWorld shopping center building with area of approximately 1821.98 square meters for business use (Let's Relax and Dr.Spiller, Leisure Space CentralWorld Branch, Stretch me clinic)	3 years, from October 1, 2020 to September 30, 2023	have the right to
16 Dec 2020	The company has entered into lease and service agreements for lease of space in Mahanakhon Cube building with area approximately 663 square meters for business use (Let's Relax, Mahanakhon Cube Branch)	3 years, from 16 December 2020 to 15 December 2023	have the right to
1 Dec 2020	The company has entered into a spa operating in hotel agreement with area of approximately 287 square meters Mövenpick Siam Hotel Na Jomtien, Pattaya to operate spa business (Let's Relax, Mövenpick Siam Hotel Na Jomtien Branch)	3 years, from December 1, 2020 to November 30, 2023	have the right to
1 Mar 2021	The company has entered into a spa operating in hotel agreement with area of approximately 267 square meters in Veranda Resort Pattaya Hotel for business use (Let's Relax, Veranda Hotel Pattaya Branch)	3 years, from October 15, 2021 to October 14, 2024	have the right to
14 Feb 2021	The company has entered into a spa operating in hotel agreement with area of approximately 197.20 square meters in Novotel Bangkok Platinum Pratunam Hotel for business use (Let's Relax, Novotel Platinum Pratunam branch)	3 years from 1 November 2021 to 31 October 2024	have the opportunity to request a contract extension

## 2. Trademark

The company has trademarks for goods and services registered with the Trademark Office, Department of Intellectual Property as follows:










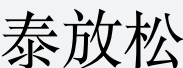
MARK	Owner's name	Type of product / service	Registration number / place of registration	Protection period
	Siam Wellness Group Public Company Limited	for providing services Spa health care facility Spa for health care, body massage	Bor64221 / Thailand	10 years (10 May 2013 – 9 May 2023)
	Siam Wellness Group Public Company Limited	for the service of hotels, resorts, holiday hotels	Bor64220 / Thailand	10 years (10 May 2013 – 9 May 2023)
	Siam Wellness Group Public Company Limited	for service Spa health care facility Spa for health care, body massage	Bor64219 / Thailand	10 years (10 May 2013 – 9 May 2023)
	Siam Wellness Group Public Company Limited	for banquet service	Bor64713 / Thailand	10 years (10 May 2013 – 9 May 2023)
	Siam Wellness Group Public Company Limited	for porcelain products	C395322/ Thailand	10 years (10 May 2013 – 9 May 2023)
	Siam Wellness Group Public Company Limited	for the product, dried fruit packaged through the process of eating as a snack.	C407800/ Thailand	10 years (10 May 2013 – 9 May 2023)
	Siam Wellness Group Public Company Limited	for herbal tea products for drinking that are not for medical use. Fruit-flavored tea beverages, cookies	C407393/ Thailand	10 years (10 May 2013 – 9 May 2023)
	Siam Wellness Group Public Company Limited	for products, herbal compress balls.	C420344/ Thailand	10 years (3 Mar. 2015 - 2 Mar 2025)
	Siam Wellness Group Public Company Limited	for school services. Spa health care facility	Bor64222/ Thailand	10 year (10 May 2013 – 9 May 2023)
	Siam Wellness Group Public Company Limited	for providing services. health massage Spa health care	Bor 34727/ Thailand	10 years (15 Sep 2016 - 14 Sep 2026)

MARK	Owner's name	Type of product / service	Registration number / place of registration	Protection period
	Siam Wellness Group Public Company Limited	for providing beauty salon services.	181106444/ Thailand	10 years (24 Nov 2016 - 23 Nov 2026)
	Siam Wellness Group Public Company Limited	Traditional massage/ health massage/ spa health care facility/ body massage facility/ Spa for health care	181106445/ Thailand	10 years (28 Apr 2017 - 27 Apr 2027)
	Siam Wellness Group Public Company Limited	Traditional massage/ health massage/ spa health care/ body massage/ health care spa	181106446/ Thailand	10 years (28 Apr 2017 - 27 Apr 2027)
	Siam Wellness Group Public Company Limited	Body scrub, foot cream, hand cream, exfoliating gel, shower gel, shampoo Shampoo your hair without medicinal ingredients. Potpourri bags, incense, incense, massage oil for relaxation essential oil to relax Relaxing balm, body lotion, non-antibacterial soap	201102324/ Thailand	10 years (16 Oct 2017 - 15 Oct 2027)
	Siam Wellness Group Public Company Limited	for service, resorts, hotels health massage health care spa	191118467/ Thailand	10 years (16 Sep 2017 - 7 Sep 2027)
	Siam Wellness Group Public Company Limited	for providing beauty services, skin and hair, giving advice on cosmetics. and skin care	201113246/ Thailand	10 years (23 Nov 2018 - 22 Nov 2028)
	Siam Wellness Group Public Company Limited	for giving advice and consulting on franchise business, business franchising, health massage and spa establishments, distributing cosmetic products	201127947/ Thailand	10 years (17 Jun 2019 - 16 Jun 2029)

MARK	Owner's name	Type of product / service	Registration number / place of registration	Protection period
	Siam Wellness Group Public Company Limited	for giving advice and consulting on franchise business, business franchising, health massage and spa establishments, distributing cosmetic products	201127935/ Thailand	10 years (17 Jun 2019 – 16 Jun 2029)
	Siam Wellness Group Public Company Limited	for rehabilitation services. Massage for health, body massage center, providing advice on health care and hygiene.	211103503/ Thailand	10 years (21 Nov 2018 – 20 Nov 2028)
	Siam Wellness Group Public Company Limited	for providing health massage services. health care spa	201114876/ Thailand	10 years (29 Sep 2017 – 28 Sep 2027)
	Siam Wellness Group Public Company Limited	for traditional massage services. Health massage and cosmetic distribution Wholesale and retail of cosmetics Distribution of products used for massage and spa. Wholesale and retail products used for massage and spa	211113351/ Thailand	10 years (29 Apr 2019 – 28 Apr 2029)
	Siam Wellness Group Public Company Limited	Advertising Service Business Management	2369998/ China	10 years (14 Apr 2018 – 13 Apr 2028)
	Siam Wellness Group Public Company Limited	for providing health massage services. health care spa and spa products	23700357/ 23699769 China	10 years (28 Jul 2018 – 27 Jul 2028)
	Siam Wellness Group Public Company Limited	Advertising services, business management.	23699866/ China	10 years (14 Apr 2018 – 13 Apr 2028)
	Siam Wellness Group Public Company Limited	for providing health massage services. health care spa and spa products	3699883/ 23699743 China	10 years (28 Jul 2018 – 27 Jul 2028)






MARK	Owner's name	Type of product / service	Registration number / place of registration	Protection period
	Siam Wellness Group Public Company Limited	Advertising services, business management.	23699922/ China	10 years (7 Apr 2018 – 6 Apr. 2028)
泰放松	Siam Wellness Group Public Company Limited	for providing health massage services. Health spa and services, advertising, business management including spa products	27357998/ 27365877/ 27365891 China	10 years (21 Oct 2018 – 20 Oct. 2028)
泰享徠	Siam Wellness Group Public Company Limited	for spa products.	27365353/ China	10 years (21 Oct 2018 – 20 Oct 2028)
	Siam Wellness Group Public Company Limited	Advertising services, business management.	29316366/ China	10 years (7 Jan 2019 – 6 Jan. 2029)
	Siam Wellness Group Public Company Limited	Advertising Service Business Management	29314930/ China	10 years (7 Jan 2019 – 6 Jan. 2029)
	Siam Wellness Group Public Company Limited	for providing health massage services. health care spa and product types	29314922/ China	10 years (21 Apr 2019 – 20 Apr 2029)
	Siam Wellness Group Public Company Limited	for providing health massage services. health care spa and product types	29313575/ China	10 years (21 Apr 2019 – 20 Apr 2029)
	Siam Wellness Group Public Company Limited	provides advice on food and nutrition.	35021668/ china	10 years (28 Oct. 2019 – 27 Oct. 2029)
泰享徠	Siam Wellness Group Public Company Limited	for massage services. health massage Beauty services, advertising services, business management	27358581/ 27351157 China	10 years (28 Oct. 2019 – 27 Oct. 2029)
	Siam Wellness Group Public Company Limited	Advertising services, business management.	38261766/ China	10 years (28 Jan. 2020 – 27 Jan. 2030)

MARK	Owner's name	Type of product / service	Registration number / place of registration	Protection period
	Siam Wellness Group Public Company Limited	Advertising services, business management.	38271382/ China	10 years (7 Feb 2020 – 6 Feb 2030)
	Siam Wellness Group Public Company Limited	for massage services. health massage beauty services for spa products.	38545978/ China	10 years (21 Feb 2020 – 20 Feb 2030)
	Siam Wellness Group Public Company Limited	provides advice on food and nutrition.	38567459/ China	10 years (28 Mar 2020 – 27 Mar 2030)
	Siam Wellness Group Public Company Limited	Advertising Service Business Management	38370882/ China	10 years (7 Apr 2020 – 6 Apr 2030)
	Siam Wellness Group Public Company Limited	Advertising services, business management.	43791283/ China	10 years (28 Nov 2020 – 27 Nov 2030)
	Siam Wellness Group Public Company Limited	for spa products.	41867625/ China	10 years (28 Aug 2020 – 27 Aug 2030)
	Siam Wellness Group Public Company Limited	for cosmetic products. Products used to clean the body, perfume	38256052/ China	10 years (21 Sep 2020 – 20 Sep 2030)
	Siam Wellness Group Public Company Limited	for massage services. health massage	43597463/ China	10 years (14 Nov 2020 – 13 Nov 2030)
	Siam Wellness Group Public Company Limited	for giving advice on food and nutrition. Nursing home	29318280/ China	10 years (14 Nov 2020 – 13 Nov 2030)
	Siam Wellness Group Public Company Limited	for giving advice on food and nutrition. Nursing home	29317276/ China	10 years (14 Nov 2020 – 13 Nov 2030)
	Siam Wellness Group Public Company Limited	for computer program, camera, radio equipment, battery, animation	43584667/ China	10 years (21 Oct 2020 – 20 Oct 2030)

MARK	Owner's name	Type of product / service	Registration number / place of registration	Protection period
	Siam Wellness Group Public Company Limited	for massage related services, beauty services	43597457/ China	10 years (21 Nov 20210 - 20 Nov 2031)
	Siam Wellness Group Public Company Limited	for giving advice on food and nutrition. Nursing home	43584616/ China	10 years (7 Oct 2021 - 6 Oct 2031)
	Siam Wellness Group Public Company Limited	for massage related services, beauty services	43568379/ China	10 years (14 Oct 2021 - 13 Oct 2031)
	Siam Wellness Group Public Company Limited	for massage related services, beauty services	43610303/ China	10 years (14 Oct 2021 - 13 Oct 2031)
	Siam Wellness Group Public Company Limited	for tea, snacks and instant food products.	55630538/ China	10 years (7 Dec 2021 - 6 Dec 2031)
	Siam Wellness Group Public Company Limited	for advertising services. design service	02148391/ Taiwan	10 years (16 Jun 2021 - 15 Jun 2031)
	Siam Wellness Group Public Company Limited	for advertising services. design service	02148442/ Taiwan	10 years (16 Jun 2021 - 15 Jun 2031)
	Siam Wellness Group Public Company Limited	for cosmetic products, massage oil, soap, shampoo, perfume	02152991/ Taiwan	10 years (16 Jul 2021 - 15 Jul 2031)
	Siam Wellness Group Public Company Limited	for services related to massage, spa, beauty services.	02156220/ Taiwan	10 years (16 Jul 2021 - 15 Jul 2031)
	Siam Wellness Group Public Company Limited	for cosmetic products, massage oil, soap, shampoo, perfume	02153013/ Taiwan	10 years (16 Jul 2021- 15 Jul. 2031)
	Siam Wellness Group Public Company Limited	for cosmetic products, massage oil, soap, shampoo, perfume	02160632/ Taiwan	10 years (16 Aug 2021 - 15 Aug 2031)

MARK	Owner's name	Type of product / service	Registration number / place of registration	Protection period
	Siam Wellness Group Public Company Limited	for advertising services. design service	02162817/ Taiwan	10 years (16 Aug. 2021 – 5 Aug. 2031)
	Siam Wellness Group Public Company Limited	for massage, spa, beauty services.	02163858/ Taiwan	10 years (16 Aug 2021 – 15 Aug 2031)
	Siam Wellness Group Public Company Limited	for cosmetic products, massage oil, soap, shampoo, perfume.	02160644/ Taiwan	10 years (16 Aug 2021 – 15 Aug 2031)
	Siam Wellness Group Public Company Limited	for advertising services. design service	02162833/ Taiwan	10 years (16 Aug 2021 – 15 Aug. 2031)
	Siam Wellness Group Public Company Limited	for massage, spa, beauty services.	02163861/ Taiwan	10 years (16 Aug 2021 – 15 Aug 2031)
	Siam Wellness Group Public Company Limited	for massage, spa, beauty services.	02163862/ Taiwan	10 years (16 Aug 2021 – 15 Aug 2031)
	Siam Wellness Group Public Company Limited	for cosmetic products, Body Cleaning Products, / Franchise Services Consulting on business management/massage services, spa services, beauty services health services	305516460/ Hong Kong	10 years (25 Jan 2020 – 24 Jan 2030)
	Siam Wellness Group Public Company Limited	for massage products/exer- cise equipment/ franchising services Consulting on business management/massage services, spa services, beauty services health services	305516488/ Hong Kong	10 years (25 Jan 2020 – 24 Jan 2030)

MARK	Owner's name	Type of product / service	Registration number / place of registration	Protection period
	Siam Wellness Group Public Company Limited	for cosmetic products, Body Cleaning Products/ Franchise Services Consulting on business management/ massage services, spa services, beauty services health services	305516479/ Hong Kong	10 years (25 Jan 2020 – 24 Jan 2030)
	Siam Wellness Group Public Company Limited	for traditional massage services. Health massage and cosmetic distribution Wholesale and retail of cosmetics Distribution of products used for massage and spa. Wholesale and retail products used for massage and spa	1510523/Indonesia-Cambodia-Laos-Vietnam (Note: Registered under the Madrid Protocol)	10 years (7 Nov 2019 – 6 Nov 2029)
	Siam Wellness Group Public Company Limited	for the service of resort, hotel, massage for health. Spa for health care for products Spa products	1436125/Cambodia-Laos-Vietnam (Note: registered under the Madrid Protocol)	10 years (8 Mar 2018 – 7 Mar 2028)

The company has a product mark and services that have submitted an application for registration with the Trademark Office Department of Intellectual Property as follows:

MARK	Owner's name	Type of product / service	request number / place of registration	Application submission date
	Siam Wellness Group Public Company Limited	for Spa products	170136396/Thailand	16 Oct 2017
	Siam Wellness Group Public Company Limited	for Spa products	190123195/Thailand	24 Jun 2019
	Siam Wellness Group Public Company Limited	for beverages, snacks	210143452/Thailand	26 Nov 2021

MARK	Owner's name	Type of product / service	request number / place of registration	Application submission date
	Siam Wellness Group Public Company Limited	for cosmetic products Personal items, franchises, consulting on spa business, massage, health massage, spa, health spa	T/2020/13028/ Myanmar	22 Dec 2020
	Siam Wellness Group Public Company Limited	for products related to spa products, cosmetics, personal items, franchise, consulting on spa business, massage. health massage spa health spa	T/2020/13029/ Myanmar	22 Dec 2020
	Siam Wellness Group Public Company Limited	for massage services. health massage beauty services	49783025/ China	19 Sep 2020
	Siam Wellness Group Public Company Limited	for cosmetic products. personal items	52429945/China	23 Dec 2020
	Siam Wellness Group Public Company Limited	for cosmetic products. personal items	56929369/China	16 Jun 2021

## 1.2.4. Investment Policy in Subsidiaries and Associated Companies

### 1.2.4.1 Main Requirements

Definitions in this Policy

“Company” means Siam Wellness Group Public Company Limited.

“Subsidiaries”, “associated companies” and “persons who may have conflicts of interest” shall have the same meanings as stipulated in the Notification of the SEC No. KorJor. 17/2551 in the announcement regarding the issuance and offering of securities (including any amendments)

This policy is not only applicable to the case where the “Company” is an investor. It also applies to subsidiaries and associates that have investments in other companies. until the other company has the status of a subsidiary and associates of the “Company” indirectly in every step

### 1.2.4.2 Businesses to be considered for investment

#### 1. Companies under consideration for investment

- (1) Not conducting illegal business or contributing to illegal activities
- (2) does not operate a business that “People who may have conflicts” have already taken action.
- (3) There is a necessary and appropriate evaluation of the cost-effectiveness or feasibility.

(4) The “Company”, the “Subsidiary” and the “Associated Company” will not hold shares back to their own shareholder companies in the form of cross-shareholding. unless there is a necessity However, this must not be contrary to the law and cause the Company to Disqualified to be allowed to offer shares to the public according to the relevant law

## **2. Person at the company will consider joint investment as well**

(1) The company will not jointly invest with “Persons who may have conflicts” unless there is a necessity. In this regard, the persons who may have conflicts of interest are allowed to invest in the amount that does not cause the Company to Disqualified to be allowed to offer shares to the public

(2) Basic criteria that the company used to consider the selection of persons to invest with as follows:

- No criminal record
- Have knowledge, experience, abilities or a broad network of relationships to help support the business operations of the subsidiary or associated company to invest together is very good

## **3. Proportion or amount of investment in subsidiaries or associates**

(1) If it is not contrary to any other requirements, the Company should hold shares in the company that the Company to invest in that direct and/or indirect way together in proportion or in the manner that the Company able to control or participate in policy making and management of the company that the company able to invest or to receive other benefits that the company wants

(2) The amount of investment in each business shall be given to the authorized person in accordance with the Company's operating authority manual.

## **4. Any other financial assistance to subsidiaries and associated companies**

(1) Providing loans to investment companies The interest rate must be calculated at the rate used in the market or at It is close to the interest rate that financial institutions charge for good customers or general customers. or higher cost Minor Lender Company Borrowing so that the lender will not be at a disadvantage and will eliminate doubts about property transfer

(2) The “Company” can provide guarantees only with subsidiaries or associates in which the “Company” directly holds shares. and the guarantee conditions must be reasonable with the debt that the subsidiary or the associated company receives The amount that the company The guarantee must not exceed the proportion that the company holding shares in that company

## **5. Management of subsidiaries and associated companies**

(1) The company should have a representative to serve as a director of the subsidiary's board of directors. or affiliated companies by the number of representatives of the company according to the shareholding proportion of the Company at least

(2) Director authorized to sign for a subsidiary or associated company There should always be a representative of the Company to sign.

(3) Company representative should be eligible to participate in the selection of senior management or any person responsible for accounting and finance.

(4) In the event that a subsidiary agrees to enter into a connected transaction or an acquisition or disposition of material assets The Company will proceed in accordance with the rules prescribed by law for such transactions.

## **6. Investment Approval and Evaluation Process**

### **(1) Investment Approval Process**

Approval of the investment in the purchase of shares The worthiness or feasibility of the investment should be assessed by the extent and details of such assessment to the management to consider appropriate for the said investment project. before proposing to the Board of Directors or shareholders for approval.

### **(2) Investment Appraisal**

Management of the company must monitored the Company's subsidiaries and associates' performance regularly.

and quarterly summary of operating results to the Audit Committee for comment and to present to the Board of Directors within 45 days from the end of each quarter.

Management of the company shall coordinate with the management of the subsidiary or associated company To facilitate the Company's Audit Committee Visit the business or ask about the operations at least once a year.

(3) Checking for compliance with this policy

- To the management of the company to perform for the internal auditors or the internal audit department of the Company Check for compliance with this policy. In the case of a subsidiary or associated company by allowing the management of the company Coordinate with the Company's representatives in that company to deliver sufficient documents for the Internal Auditor or Internal Audit Department to be able to inspect.

- Let the internal auditors or the internal audit department of the company Present the audit report to the Audit Committee within 45 days from the end of each quarter. so that the Audit Committee can report and give opinions to the Board of Directors' meeting.

## **1.2.5. New branch opening policy**

The opening of a new spa branch will be operated by the company. or if there is a new hotel project In the future it will be operated by the company. Siam Wellness Resort Co., Ltd., a subsidiary that already operates hotels in Chiang Mai

In order for the company to open more branches in each location, the management will study the appropriate information, including

- The surrounding area of the branch to be opened where target customers will be able to use the service easily.
- The size of the building area that will be used to operate the branch is appropriate. and enough to open a branch
- The rental price and service fees of the area are at a reasonable level. And can renew the lease in a medium period, ie, including the rental period and the renewal, it can be rented for about 6 - 9 years.
- Accommodation can be arranged for the company's therapist staff. In the neighborhood at an affordable price
- Financial projections have been prepared. The branch is expected to be able to make a profit. and has a break-even point not exceeding a period of 3-4 years

In the case of opening an additional hotel business of the subsidiary If additional investment is made, it will be a hotel in the form of a small wellness spa resort, low rise style, with a size of not less than 35 rooms, approximately 50 rooms, which will make the investment worthwhile. It will be a health hotel along with the company's spa. To support business together only The Company and its subsidiaries do not have a policy to focus primarily on the hotel business. However, the operation depends on the suitability of the area. have a clear target customer group A study of project feasibility, funding sources and investment opportunities at the time, without a fixed requirement to invest in the company's area. or on leased land. However, if it is an operation on leased land, it must have a lease agreement of at least 30 years and the right to lease it continuously. In order to make it worthwhile to invest in the construction of a hotel that requires a lot of investment and has a longer break-even point

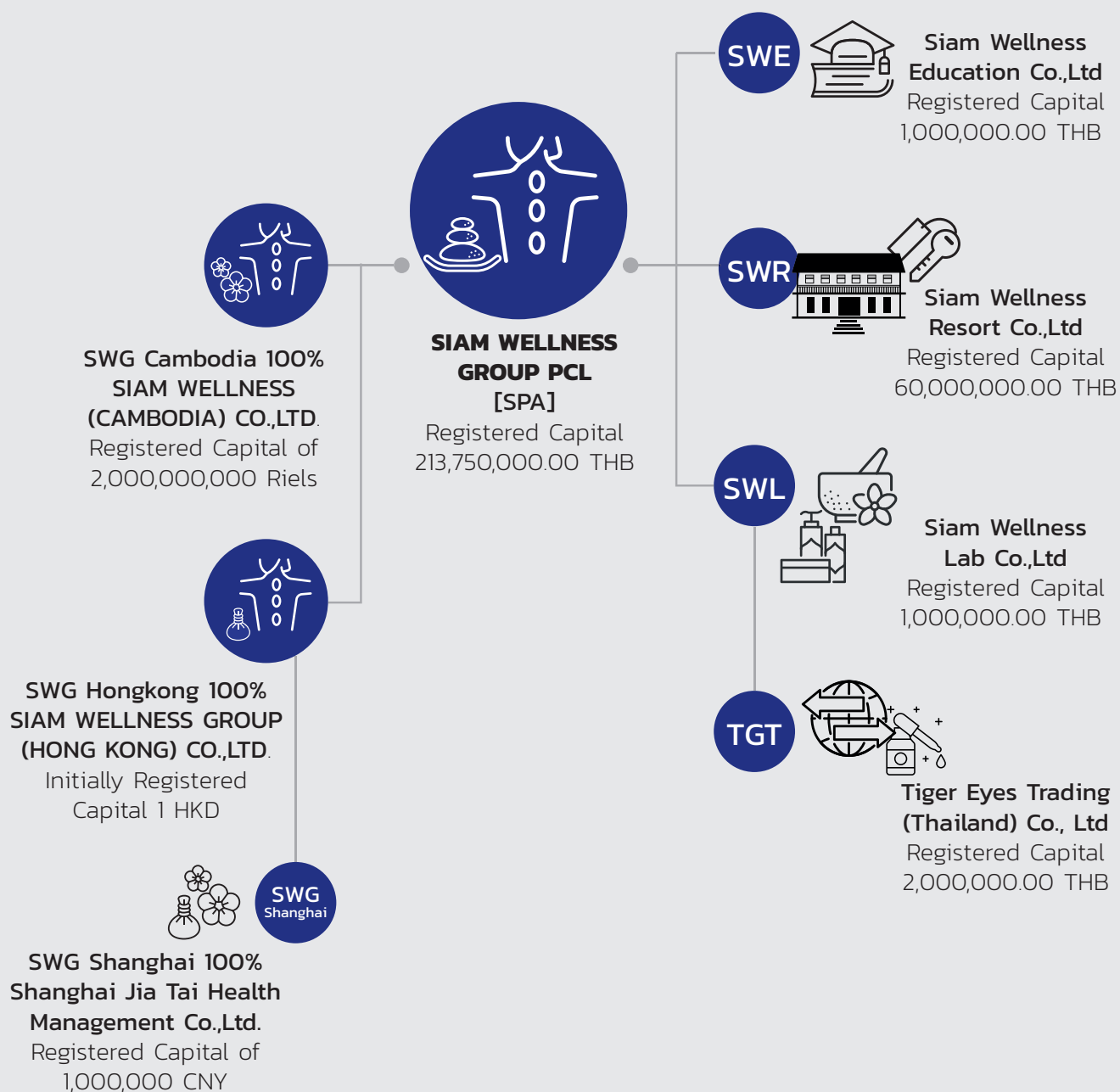
In this regard, from the data from the study of the feasibility of investing in such fields If the management deems it appropriate to invest will be presented through the Executive Committee for consideration to propose to the Board of Directors for consideration, for approval, or to propose to the shareholders' meeting according to the asset acquisition criteria for consideration and approval before proceeding with the investment in the said branch



## ● 1.3 Shareholding Structure of the Group of Companies

### 1.3.1 Structure of Shareholders

As of 31 December 2021, the Group of Companies had the shareholding structure as follows:



## 1.3.2 Shareholders

As of December 15, 2021, the Company has the following shareholders:

No.	Shareholder Name	Number of Shares	%
1	<b>Utsahajit Family</b>		
	Mr. Wiboon Utsahajit	94,953,900	11.11
	Mrs. Pranee Suphawatanakiat	78,080,000	9.13
	Mrs. Thanit Amorntirasan	71,855,000	8.40
	Mr. Narun Wiwattanakrai	30,560,000	3.57
	Mr. Napat Wiwattanakrai	30,360,000	3.55
	Mr. Narut Wiwattanakrai	26,054,550	3.05
	Mr. Chanodom Utshajit	12,285,000	1.44
	Ms. Chalisa Utsahajit	10,006,650	1.17
	Ms. Tanatchaporn Utsahajit	9,277,500	1.09
	Mr. Wiwat Utsahajit	4,450,000	0.52
	<b>Sub-Total</b>	<b>367,882,600</b>	<b>43.03</b>
2	<b>Jiravanstit Family</b>		
	Mr. Prasert Jiravanstit	88,312,450	10.33
	Mrs. Pornpit Jiravanstit	26,546,000	3.10
	Mrs. Praorn Jiravanstit	22,939,150	2.68
	<b>Sub-Total</b>	<b>137,797,600</b>	<b>16.12</b>
3	Bualuang 4-Essentials Long Term Dividend Fund	20,046,150.00	2.34
4	B Seniors for Retirees Funds	18,841,650.00	2.20
5	Mr.Isun Tepsatkul	11,020,100.00	1.29
6	Mr.Songpol Techakarin	10,197,100.00	1.19
7	B Seniors for Retirees Extra Funds	7,970,550.00	0.93
8	Bualuang 4- Essentials Fund	7,197,000.00	0.84
9	Bualuang Long Term Fund	7,103,850.00	0.83
10	Thai NVDR Co.,Ltd	6,849,228.00	0.80
11	Buakaew Dividend Open Fund	6,313,350.00	0.74
12	JPMORGAN THAILAND FUND	5,950,400.00	0.70
13	Mr.Sorat Vanitvarakit	5,945,000.00	0.70
14	Mr. Songpon Sumsiripong	5,820,750.00	0.68
15	Mr. Darakorn Pimonphattarakul	5,161,350.00	0.60
16	Bualuang Basic Open-end Fund	4,622,450.00	0.54
17	Mr.Pisit Durongkapittaya	4,596,000.00	0.54
18	Mr. Pornthep Sathittavornchai	4,400,050.00	0.51
19	Buakaew Open Fund	4,325,600.00	0.51
20	Mrs.Uraiporn Chalerm-suppayakorn	4,200,000.00	0.49
	<b>Sub-Total</b>	<b>140,560,578.00</b>	<b>16.44</b>
21	Other Shareholders	208,759,150.00	24.42
	<b>Total</b>	<b>854,999,928.00</b>	<b>100</b>

### 1.3.3 Relationship with the Business Group of the Major Shareholder

After the restructuring of the Group of Companies in 2013, the Group of Companies and the major shareholders of the Utsahajit family and the Jiravanstit family have not engaged in the business of the same characteristic or that may compete with the Company.

### 1.3.4 Change in shareholding of Directors and Senior Management

Director / Management Name	Shareholding as of 29.1.2021	Transactions in 2021	Shareholding as of 15.1.2021	Shareholding by Spouse
Mrs. Pranee Suphawatanakiat	78,080,000	None	78,080,000(9.13%)	
Mr. Wiboon Utsahajit	94,953,900	None	94,953,900(11.11%)	30,000
Mr. Prasert Jiravanstit	93,312,450	(5,000,000)	88,312,450(10.33%)	
Mrs. Thanit Amorntirasan	71,855,000	None	71,855,000(8.40%)	
Mr. Narun Wiwattanakrai	30,360,000	None	30,360,000(3.55%)	
Mr. Polchet Likittanasombat	None	None	None	None
M.R. Pensiri Chakrabandhu	None	None	None	None
Mrs. Kobboon Srichai	None	None	None	None
Mr. Phumiphan Bunjapamai	423,600	24,400	448,000(0.05%)	None
Ms. Yonlawan Ahemalongkorn	None	None	None	None
Ms. Chutaporn Jiravanstit	750,000	None	750,000(0.09%)	
Mr. Prin Ekmanochai	36,450		36,450(0.00)	242,400

## 1.4 Registered Capital and Paid up Capital

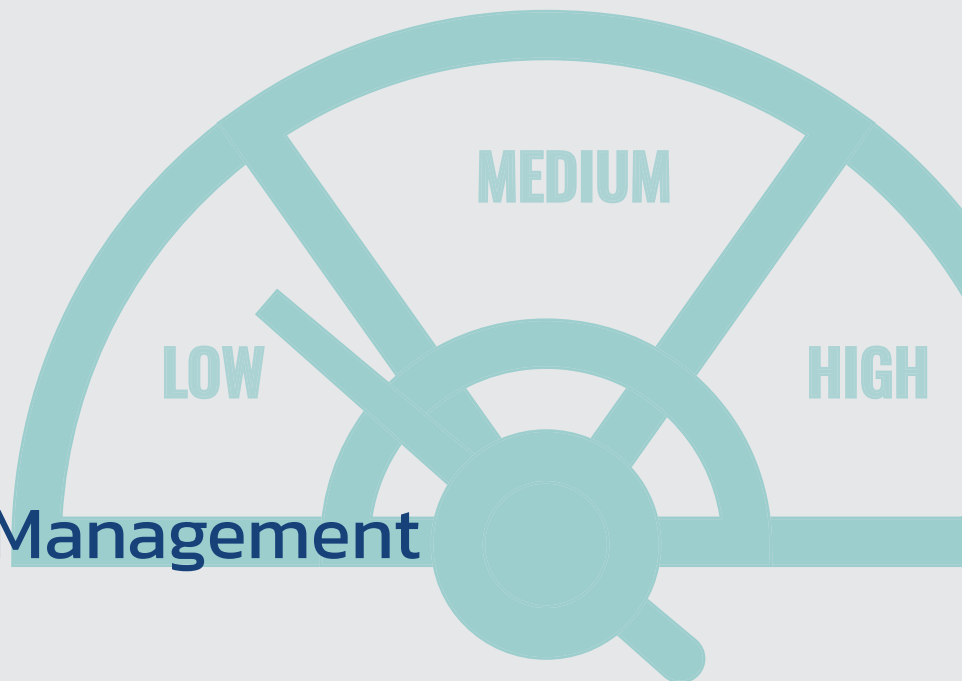
As of December 31, 2021, the Company has the registered capital of 213.75 million bahts and the paid up capital of 213,749,982 bahts with the ordinary shares of 854,999,928 shares with par value of 0.25 bahts

## 1.5 Dividend Policy

The Company's dividend policy is to pay out at least 40 percent of its net profit, after deducting income tax and legal reserve. Each year's payout depends on the Company's investment plan, necessity, and future considerations. Upon approval by the Board of Directors, the annual dividend payout shall be presented to the shareholders' meeting for approval. However, for an interim dividend, the Board has the authority to pay the dividend and report the payout at the next shareholders' meeting. Changes can be made through shareholders' meeting with approval from Board of Directors.

# 02

Risk Management



# RISK MANAGEMENT

## Risk Management Policy and Implementation Plan

Siam Wellness Group Public Company Limited put great importance to corporate governance, especially effective risk management from the strategic level performance and decision to invest in new business and create awareness of risk management for everyone in the company in order to create added value for the organization, shareholders, society, community and various stakeholders help the company sustainable growth

The Company's risk management policies and manuals have established risk policies covering the entire organization, starting from the process of risk identification, risk assessment, Risk monitoring and control as well as establishing risk standards to prevent for effective and consistent risk management. In addition, new risks have been identified to cover all risks and significant changes of the massage and spa industry, so that the company can manage the risks in a timely manner with the changes in the new lifestyle (New Normal) due to the spread of the virus Covid-19 (COVID-19), which affects the tourism industry and the economy both in the country and around the world.

Risk Management Committee (Committee) and the Risk Management Working Group jointly consider the risks in various aspects of the Company, which consist of Strategic Risk, Compliance Risk, Financial Risk, Operational risk and Property risks including the likelihood of risks and impacts that occur. The Team also further studied the World Economic Forum's The Global Risks Report 2018 as a guideline for the analysis. Identify strategic risks that may affect operations to achieve corporate goals both in the short and long term. Ready to monitor the risks from Changes in government policies that may affect the operations of the organization.

The Board has applied the Enterprise Risk Management Framework (ERM Framework) together with the Enterprise Risk Management Policy developed by the Stock Exchange of Thailand. to be used as a basis for risk assessment of the Company in terms of the impact and the likelihood of by covering major risks which is divided into 3 levels, namely Strategic Risk, Business Risk and Process Risk.

The Board of Directors and the Company's Risk Management Working Group jointly consider measures for mitigating risks that may occur to the Company by offering both preventive measures (before the risk) and risk mitigation strategies (after the risk has occurred) by monitoring and reporting the Committee on the risks caused by the spread of the COVID-19 virus. This is considered a Global Pandemic that greatly affects the operating results of the Company in 2021. In addition, preparation is made for the announcement of the Personal Data Protection Act (PDPA) 2019 that will come into force in the year. 2022 as well.

## Risk Factor

In the course of running the business of the Company, various risks and uncertainties were encountered which may have impact on its earning, profit, assets, liquidity and the par value of the share of the Company. Besides the risks of material importance to be further mentioned, there may be other uncertainties unknown to the Company or cannot be specified at this moment. Therefore, the stakeholders should also take into account other risk factors which may befall the Company over and above the risk factors appeared in this Document.

### Risk from the coronavirus outbreak

In order to prevent the spread of the COVID-19 virus, businesses have been affected, such as a reduction in spending, A slowdown in the tourism sector from the number of foreign tourists, Economic slowdown and the declining purchasing power of consumers etc. The severity of the impact on spa businesses, a business that is closely contact between service providers and recipients, and there are limited services located in the branch locations. Business still tend to face critical challenges for a while until there is a vaccine that helps reduce the spread of COVID-19.

## **Risks from changing consumer behavior**

The world is in a rapidly changing and intense. The coronavirus outbreak is one of the factors that accelerate digital disruption, such as online shopping on an E-Commerce platform or an E-Marketplace, Digital Payments, Cashless Society, Market Growth, Online Delivery, etc. These motivate brands to bring themselves online to increase marketing opportunities and go online, not just sales. But also, to gain consumer data base in order to make the brand well known to consumers and use it in marketing to increase sales through repeated purchase. Expand customer base and use Big Data to manage various fields more efficiently. Paying attention to hygiene has become a common routine for consumers.

## **Risk from the Fluctuation of Tourism Industry**

For the operation of the spa and hotel businesses of the Company and of the subsidiary companies, there are major groups of foreign tourists in whom there are some factors impacting the confidence in travel for tourism which the Company cannot control such as terrorism, epidemic of the disease, natural disaster, civil commotions within the country and global economic recession, etc. The said impact has had comprehensive effect not only in Thailand alone, but is spread to tourism industry in other countries. The Company has a policy of managing the said risk by way of spreading the business along principal tourist attractions of the country to reduce risk in the event of any particular tourist attraction is facing the problem and has introduced a business plan as to increase the proportion of domestic customers in order to reduce risk of relying on any particular group of the customers.

## **Risk from Competition with the Competitors in the Principal Business**

Siam Wellness Group Plc. operates the health spa business. Moreover, the Company has also had subsidiary company, that is, Siam Wellness Resort Co., Ltd., operating the hotel and restaurant businesses in Chiangmai with many competitors. The Company laid down its strategy to create the difference versus its competitors in terms of premises, service, raw materials, products and technology by focusing on continuing development of innovation as to create the experience for the customers with impression in using the service unique to each brand of the Company.

## **Competition in Spa Business**

Currently, the spa business is fraught with high competition from the downstream to the upstream markets emphasizing the price competition which may impact the earning and profit of the Company. However, the Company is positioning its service to compete with the upstream market, but with the pricing that is more worthwhile than its competitors, which are 5-star hotels as well new players in the field such as Home Massage or Office Massage, which could potentially become competitor. The setting up of the place of service exactly at the point to the target market with the convenience of travel, that is, in the proximity of the mass transit system or tourist attractions. Moreover, the Company has had the time booking for service and payment system directly via the Internet. The system enables the Company to plan the personnel administration very effectively. The Company is convinced that with the said strategy, the Company would gain a competitive advantage against its competitors in the spa business.

## **Competition in the Hotel Business**

The Company has its subsidiary, that is, Siam Wellness Resort Co., Ltd. operating the hotel and restaurant businesses in Chiangmai province in which there are numerous competitors. Currently, the tourism industry has increased in competition with more opening of hotels by various operators in Chiangmai resulting in price competition, which may impact on the earning and profit of the Company. Moreover, there are new players in the field such as AirBnB. However, the Company is convinced that with its strategy emphasizing the provision of specific service in the line of the spa and wellness business with a limited number of rooms and avoidance of price competition coupled with a marketing plan and efficient management of cost will enable Siam Wellness Resort Co., Ltd. to compete with its competitors. The salient point of RarinJinda Wellness Spa Resort is its determination to allow the customers to be in touch with the culture and tradition of Chiangmai integrated with leading therapeutic spa technology and unique quality of service and various amenities.

## **Risk Due to Renewal of Lease Agreement**

### **Lease with the Outsider**

Mostly, the Company would use the method of leasing the space to operate its spa business if the said lease agreement is not renewed, the Company may risk losing its income from the Company's branches. However, the Company would enter into an agreement before the commencement of the Lease Agreement to enable it to renew the Lease Agreement for at least about 9 years to 12 years (3 years lease to renew for another 3 years then another 3 years and/or to renew for 3 years) to reduce risk of investment in the leased branch. Moreover, the lease of the business premises instead of investment to buy the business premise as the Company's own property, it would provide the flexibility for the Company to run its business with the ability to manage the cost for expansion or reduction of service premises as to maximize the returns for the stakeholders. Incidentally, the Company would have good relationship with every lessor by being a good lessee to maintain the leased premises to good order and proper compliance with the terms and conditions of the lease agreement in every respect. Thus, the Company is able to secure the renewal of the lease with the Lessor consistently. If the Company is unable to secure the renewal of the lease agreement for any particular branch, the Company will be able to procure a location to set up a new branch in place of the said unrenewed leased branch.

### **Lease Agreement with Affiliated Person**

For the lease entered into with an affiliated person in the case of the opening of the spa branch and the office of the Company, the Company enters into a lease agreement in the same fashion as the lease with the outsider subject to the terms and conditions of renewal of the lease for about 6 to 9 years (3 years lease to be renewed for 3 years and/or to renew for 3 years). For the land in Chiangmai, the Company has leased it from the affiliated person for use to launch the RarinJinda Wellness Spa, Chiangmai Branch and to allow Siam Wellness Resort Co., Ltd. to sublease the land to operate the hotel and restaurant in Chiangmai. The land will be leased from the affiliated person for 30 years with the terms that the lease is renewable. In this case, a notice will be given to the party to the agreement for acknowledgement and to agree in advance prior to the expiration of the agreement. This is deemed to be a long-term obligation and helps reduce risk against the uncertainty. But, however, upon expiration of the lease agreement, the renewal of the said lease agreement is not possible, the Company will then find necessary to acquire a new parcel of land to continue the business. For this purpose, the Company has entered into a lease agreement with the affiliated person according to said terms and time frame at the fair market rate. The fair price will be assessed by an independent evaluator to assess the proper lease price before it is proposed to the Board for examination and prior approval. Incidentally, the Company had established RarinJinda Wellness Spa Resort as a prototype for operating the Health Resort Hotel. If successful as anticipated and with the availability of sufficient accommodating market, the Company may consider expanding this business into the market and in a suitable time frame. The lease of the said premises enables the Company to reduce investment risk in immovable property and to maximize the efficient management of investment capital. However, nearing the expiration of the lease agreement, the Company would assess the feasibility of the renewal of the lease agreement by taking into account the maximum returns of the stakeholders.

### **Risk from Dependence on the Executives**

The Company operates the business under the management of two founders and executives of the Group of Companies, that is, Mr. Wiboon Utsahajit and Mr. Prasert Jiravanstit, who play an important role in the management of the Company to the extent of being famous and recognized in the industry and enabling the Company to enjoy good operating profit continually. If in the absence of the said executives, it may impact the management of the Company. However, the Company has decentralized the power of operation, the scope of duty and accountability to the executives of various lines according to the ability and experience as to reduce risk from dependence on the said executives. The plan for listing in the mai securities exchange will enable to company to improve the operational system in accordance with the international style continually.

### **Risk from Lawsuit from the Customers Using the Service**

As the Company operates the Health Spa business, in the course of providing service to the customers by the

therapist staff, if they are careless in providing massage service to customer that may cause physical harm to the customer, to prevent the risk of being sued by the customer, the Company therefore takes out the Professional Liability Insurance to cover the expense of being sued to the tune of not exceeding 5,000,000 Baht during the validity of the Insurance Policy. Incidentally, the Company will be liable for the first deductible of not exceeding 200,000 Baht per incident. Moreover, the Company has initiated the briefing to exercise utmost care in providing service to the customer. Since the inception of its business, the Company not yet been sued in the said case at all.

### **Risk due to Shortage of Therapist Staff**

As the Company operates the health spa business which is a business requiring a lot of therapists. The shortage of the said labor may impact the Company's business of material importance. Therefore the Company has arranged for the availability of proper management system of the said personnel by allocating the therapist personnel to be suitable for the number of customers and provision of the staff welfare benefit to the said therapist personnel. This is made possible through providing insurance to cover the minimum wage for the personnel who are working at the newly opened branch of the Company; the provision of personnel living quarters and taking out a life assurance policy for the therapist personnel, etc., as to reassure them and to restore their confidence in the Company so that they will be working with the Company for a long time. Moreover, the Company is opening the massage training school under the subsidiary company as to develop the personnel in accordance with the standard of the Company and to accommodate the expansion of the business and to substitute for those personnel who resigned. This is to ensure that the Company would not have the therapist personnel shortage problem in the future.

### **Risk of trademark plagiarism**

With the company operating a wellness massage under the brand Let's Relax, which is a brand that is widely known and is the most popular brand compared to the other 4 brands of the company amongst Chinese tourists travelling to Thailand. However, Let's Relax is a name that has not yet been registered as a trademark in China. Therefore, there are entrepreneurs in China using the Let's Relax brand for their business, which when the company is aware of the matter, it has already taken legal action. Therefore, there is a tendency for other operators in China to use the Let's Relax brand in their business operations.

Company has priority in managing the Corporate Risk and supports the operations of the Business under ERM Framework and SET's Enterprise Risk Management Policy

The Risk Committee composed of 3 members including

- |                             |   |
|-----------------------------|---|
| 1. Mrs. Kobboon Srichai     | Chairwoman of the Risk Committee                            |
| 2. Mr. Phumiphan Bunjapamai | Member of the Risk Committee                                |
| 3. Mr. Narun Wiwattanakrai  | Member of the Risk Committee and Head of Risk Working Group |

In 2021, there were 2 meetings of the Risk Committee. In each meeting, the Members of the Risk Committee and Members of Risk Working Group jointly assess the different risks to the Company including Strategic Risk, Legal Compliance Risk, Financial Risk, Operational Risk and Asset Risk by reviewing the likelihood of the risk and the impact of the risk . Moreover, the Committee has reviewed the Charter to comply with CG Code 2017

#### **1. Risk Committee Meeting No. 1 on 14 May 2021**

The Risk Committee assessed the overall risks of Year 2021, the likelihood of the risk and the impact of the risk for Quarter 1 and Quarter 2, 2021 and proposed an Action Plan. The Committee also acknowledged and reviewed the Risk Management Plan of COVID-19 Global Pandemic Action Plan and carefully reviewed the 3rd Wave which caused the Spa and Massage Business to close from April 2021 onwards.

#### **2. Risk Committee Meeting No. 2 on 9 August 2021**

The Risk Committee assessed the likelihood of the risk and the impact of the risk for Quarter 3, 2021 and proposed an Action Plan. The Committee considered the Company's risk management plan about the Covid-19 epidemic, the 3rd wave and the 4th wave after the order of the CCSA to temporarily close the massage and spa businesses



in each province from April 2021. The Committee also acknowledged the Operating results after the Reopening of some spa branches under the Phuket Sandbox project. Three Business Scenarios (Best, Base, Worst) were discussed and proposed to the Board of Directors.

In sum, the Company continuously reviews and improves the Risk Management on an annual basis to reflect the internal and external changes to the Companies, considering the current and potential events. Risk Preventive Measures and Efficient Risk Management Policies are implemented to reduce the risk to the level that are acceptable to ensure the smooth operations of the Business as well as the Vision and Mission, both short-term and long-term, are sustainably achieved.

# 03

## Sustainability Report



# SUSTAINABILITY REPORT 2021

## COMPANY INFORMATION

### History and Business Type

Siam Wellness Group Plc. the “Company” or “SPA”, previously was named “Blooming Spa Co., Ltd. It was established in 2001 by the group of Utsahajit Family and the group of Jiravanstit Family with an authorized capital of 3 million Baht. It operated the spa for health business under the brand “Let’s Relax”, which emphasized the provision of day-spa type service. It is the 4-star service in the format of the service-user having little time, mostly the customers used about 1-2 hours of service time.

In 2006, as the Company envisioned a channel for providing service to customers who increasingly wish to have more comprehensive healthcare, it expanded its business by establishing more places for providing spa service under the brand of “RarinJinda Wellness Spa”, by emphasizing the provision of wellness-type spa service. It is a 5-star spa service of leading standard integrating increasingly new technology in the spa service circle and the time of service provided is 1 hour and a half hour upwards.

In 2007, the Company founded Siam Wellness Lab Co., Ltd. or “SWL”, previously “Blooming Lab Co.,Ltd.” with an authorized capital of 1 million Baht to operate a spa-related products, health products and crispy snack distribution business under the brand of “Blooming” for distribution domestically and abroad.

In 2008, the Company increased the authorized capital to 40 million Baht for working capital funding and for branch expansion.

In 2011, the Company founded Siam Wellness Education Co., Ltd. or “SWE”, previously named “Blooming Spa Education Co., Ltd.” with an authorized capital of 1 million Baht. It operates an educational institute-type school teaching Thai traditional massages recognized by the Ministry of Education. It has the objective to train employees to be service staff of the Company to accommodate the expansion of SPA branches.

In 2013, the Group of Companies underwent the shareholding restructuring in preparation for listing in the Stock Exchange of Thailand. For this purpose, Siam Wellness Group Limited issued shares for increase of the authorized capital in order to buy the share of Siam Wellness Resort Co., Ltd. previously “RarinJinda Co., Ltd.” in the ratio of 99.99 percentage of the authorized capital.

In 2015, the Company acquired Baan Suan Massage, a 3-stars Massage in Bangkok and metropolitan area to expand its spa services for the domestic market.

In 2016, the Company opened its first overseas shop under Franchise Model in Kunming, Yunnan Province, People’s Republic of China. Moreover, the Company expanded its branch through a new model “Spa Operating in Hotel”.

In 2017, the Company acquired Tiger Eyes Trading (Thailand) Co.,Ltd and Tiger Eyes Education Co.,Ltd to expand the distribution channel of its spa products and expand the training capabilities. Moreover, the Company signed its second overseas shop under Franchise Model in Tianjin, Tianjin Province, People’s Republic of China.

In 2018, the Company has expanded the business model into Stretch me by Let’s Relax, a stretching studio for health and Face Care by Let’s Relax, a facial care center to reflect the changing lifestyle of consumers.

In 2019, the Company has opened its first overseas shop under Franchise Model in Myanmar (Yangon) and launched its new Therapeutic Personal Care to suit the new generation under brand LRL – Let’s Relax Lifestyle

In 2020, the company increased its registered capital to 213.75 million THB and expanded the business model into Stretch me Clinic and rebranded Face Care by Let's Relax to Dr. Spiller Pure Skin Care Solutions. In addition, the Company also expanded e-commerce channels for LRL – Let's Relax Lifestyle and Dr. Spiller.

## The Vision

“To provide accessible wellness services rooted in Thai wisdom & hospitality so that people have better well-being.”

- The Group of Companies has defined 4 missions of its business operation, namely,
- As an organization that creates the standard of Thai spa to be recognized internationally and builds reputation for Thai spa at international level and ultimately at global level.
- As an organization that focuses on the integration of the Western and Thai sciences to enable the service of the Company to be increasingly developed.
- As an organization that promotes and gives support to personnel of every part to enable them to learn and develop themselves consistently and continually in the best interest of the Company and for ultimate maximized benefit of the customers.
- As an organization that attaches importance to the fundamental regulations, the law by adhering to the operation of its business with integrity, precision and ethics with awareness of impact on its personnel, on the environment and community being of paramount importance.

## Business Objectives

### MISSION

SPA BUSINESS	SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED	SPA defines its business objective to be increasingly on expansion by setting forth its objective to be the leader of Asian spa and wellness with brand symbol impressed on the mind of the customers and to further want to expand its health spa and wellness business to provide services to fully meet all demands of the target customers through division of service brands; starting from the upper level customers who have plenty of time to be admitted to receive services and with more purchasing power to the customers with less purchasing power. This is to gain access to customers of every needs through emphasis on good staff training from the Company as to provide the best services to the customers and to build the customer base of new customers as to increase the growth of income for every branch of spa on a continual basis and for further growth in net profit continually in the future.
Hotel and Restaurant Business	SIAM WELLNESS RESORT CO.,LTD : SWR	SWR defines the target for its hotel operation business by emphasizing growth in occupancy rate and average room rate at the hotel by the customers through a launch of publicity for room occupancy sale, through the organizing of MICE for both private and government sectors, both nationally and internationally; As for the restaurant business, SWR will emphasize on growth in occupancy rate and average bill per person. through organizing sales promotion during various festivity periods as to increase operating income for SWR.

		MISSION
<b>SPA PRODUCT BUSINESS</b>	<b>SIAM WELLNESS LAB CO.,LTD : SWL</b>	SWL defines the objective of its spa-related and therapeutic personal care products distribution business and health-related products distribution with an aim to expand distribution channels of both domestic and abroad. For the domestic market, it focuses on expanding the distribution channel in a spa place of business established in a hotel; the distribution of goods in medium spa shops in department stores, the distribution of souvenir goods during various festivities such as during the New Year festival and other festive occasions, etc. As for overseas market, SWL is planning to recruit additional distribution agents to handle the export of goods to places of the spa business in leading hotels abroad as to increase income for SWL and to create a business opportunity for expansion and continual growth in the future.
<b>MASSAGE SCHOOL BUSINESS</b>	<b>SIAM WELLNESS EDUCATION CO.,LTD : SWE</b>	SWE defines its objective to operate a Thai traditional massage school by emphasizing staff training as to maintain the massage standard and to teach job applicants for the Company's therapeutic staff and to accommodate the launch of SPA branches to promote SPA future growth.
<b>SPA PRODUCT IMPORT BUSINESS</b>	<b>TIGER EYES TRADING (THAILAND) CO.,LTD : TGT</b>	TGT defines its objective to operate a business of importing and distributing facial, body, slimming, wax, nail products as well as spa equipment such as electric blankets, massage bed sheets, facial and slimming devices. The Company distributes to Hair Salons, Beauty Clinics, Hospitals and Spas throughout Thailand. This supports SWL future growth

## Strategy in Health massage & Spa Business

The company has established a business growth strategy by becoming a leader in the spa business and massage in the ASEAN region and strives to become a leader in each Wellness business Category that Siam Wellness Group has business in. With locations covering major tourist attractions of Thailand. and expand the business to ASEAN and Asia in the future by focusing on creating a brand that is accepted service standard and service quality is important.

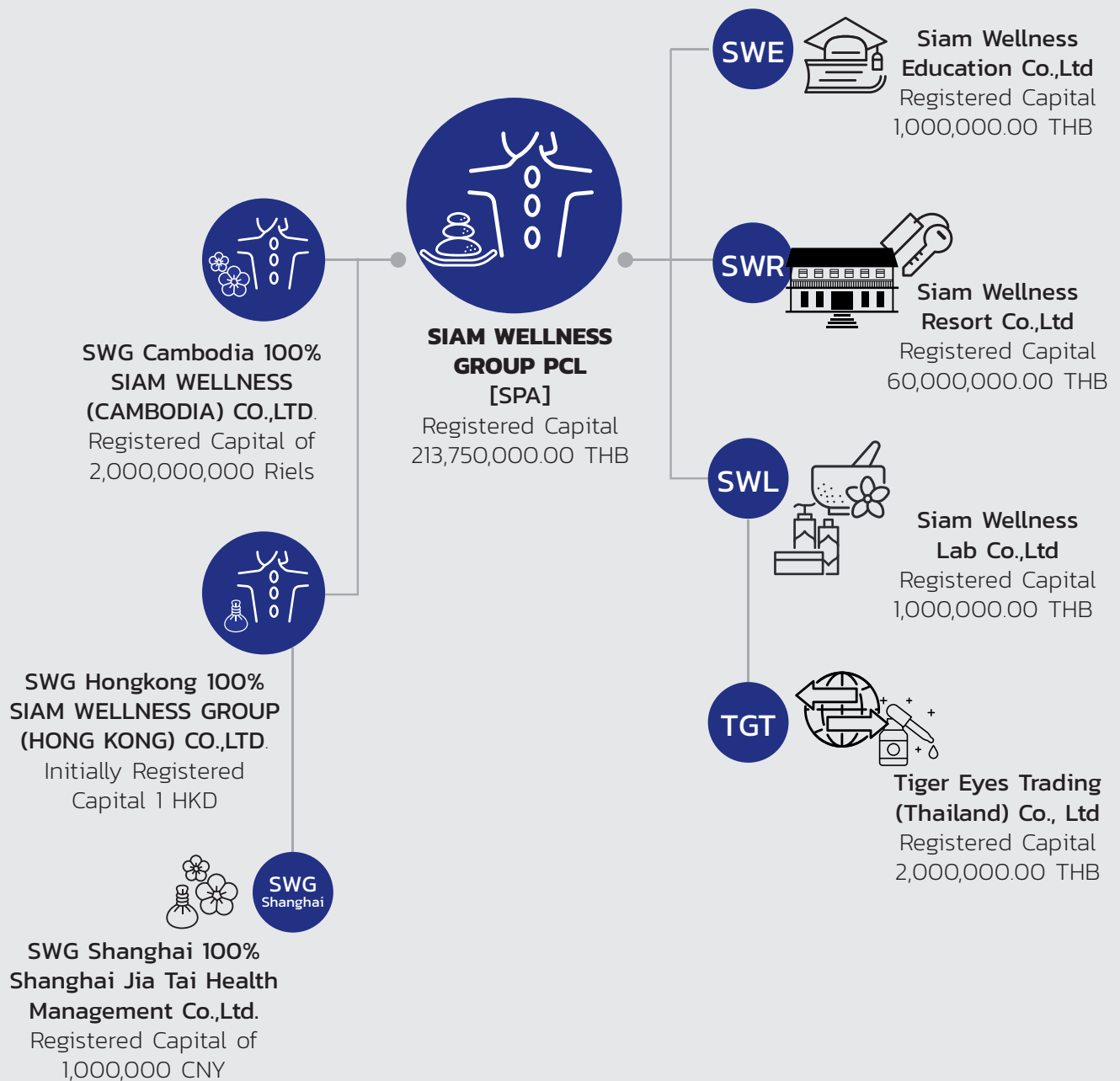
## Strategy in Hotel and Restaurant Business

Making a unique value proposition in quality and service offerings from other hotels and restaurants in the Chiang Mai area, emphasizing services for those who love and care about health. A Comprehensive Premium Hotel and Restaurant Operator for foreign tourists and Thais is a strategy in the hotel and restaurant business of SWR

## Strategy for Lifestyle Products Business

LRL and Dr. Spiller products aim to be the leader in Everyday Lifestyle Therapeutic Products & Natural Beauty Products (Natural Products). High quality ingredients, no harmful residues, therapeutic properties for relaxation both physically and mentally, enriched with the value of Thai herbs are the key success factors. It is a harmonious combination of Eastern and Western sciences that matches with the lifestyle of the new consumer.

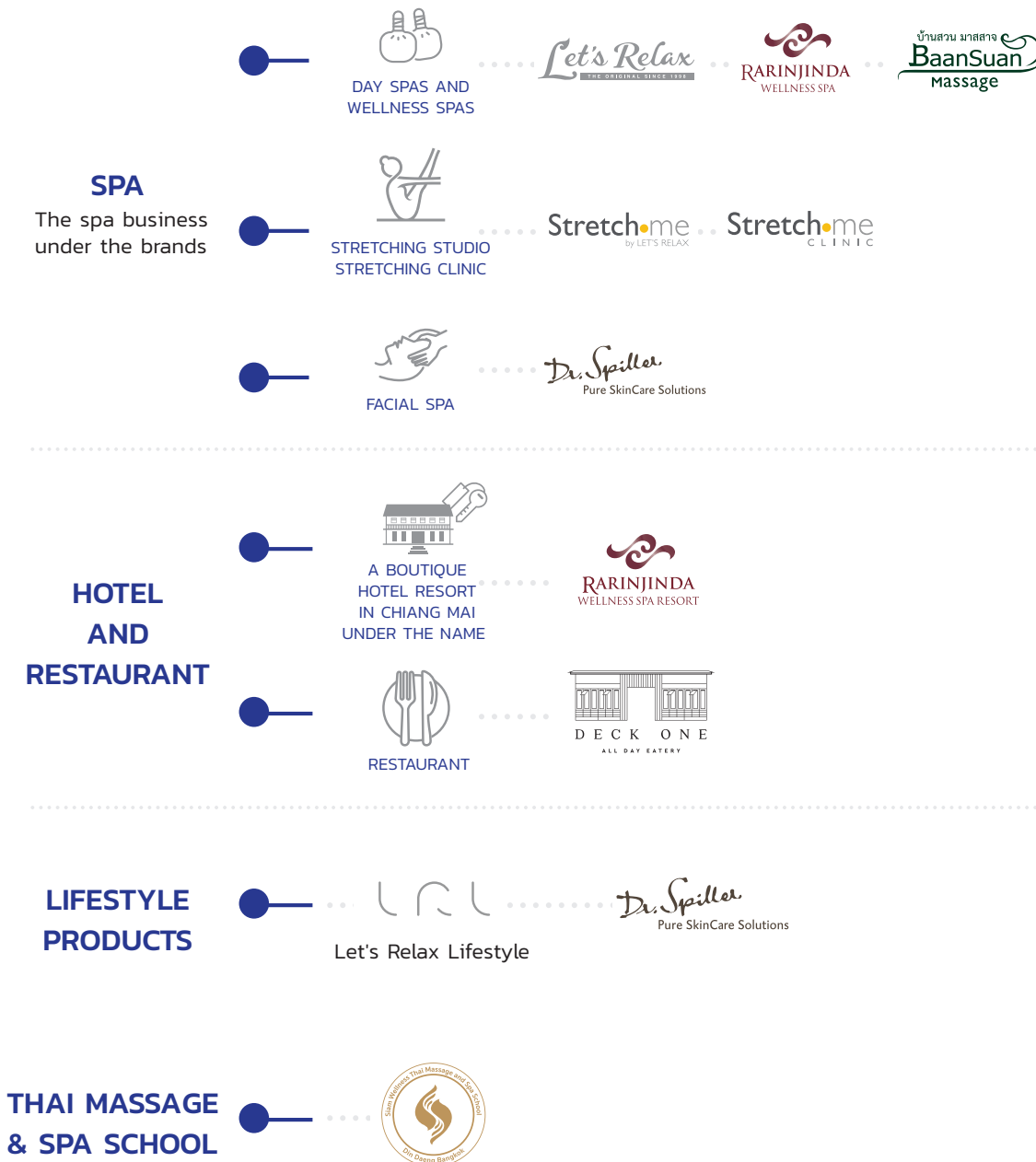
## Management structure, products and services



## Reporting scope

Annual Sustainability Development Report 2021 of Siam Wellness Group Public Co., Ltd.

Siam Wellness Group PLC. operates the business of wellness spa and other related businesses. There are four main business operations:



## Total Numbers of Spa establishment



HEAD  
OFFICE

1



SPA  
BRANCH

67

In the business line  
(Business Unit)

Business line 1 Spa & Wellness

Business line 2 Hotel & Restaurant

Business line 3 Spa Products

Business line 4 Spa Academy

# BUSINESS VALUE CHAIN

- Main business operations (i.e. hotel business, tourism, transportation)
- Service provision (i.e. sales area sell products medical service specialized services)
- Support services such as Restaurants, Laundry, Shops

- Advertising /public relations
- Marketing promotion program
- Communicating information about products and services to customers or consumers

## OPERATIONS

## MARKETING



### INBOUND LOGISTIC

- Raw material production by partners
- Transportation of raw materials / products/ tools/ machines to the company
- Raw material/ product storage sourced from partners
- Applying for a permit for a health establishment

### OUTBOUND LOGISTIC

- Warehouse Management / Service staff management
- Data management, Storage and Distribution of goods and services

### SERVICE

- After-Sales Customer Service
- Product replacement, Product Warranty, Product recall, Service Forwarding

## SUPPORT ACTIVITIES

### PROCUREMENT

Sourcing,  
Purchasing,  
Procurement

### TECHNOLOGY DEVELOPMENT

New product  
Development,  
Existing Product  
Improvement

### HUMAN RESOURCE DEVELOPMENT

Human Resource  
Development ,  
Treatment and  
Recruitment


### COMMUNITY RELATIONS


Community  
Relations  
activities




# Sustainability Policy and Goals

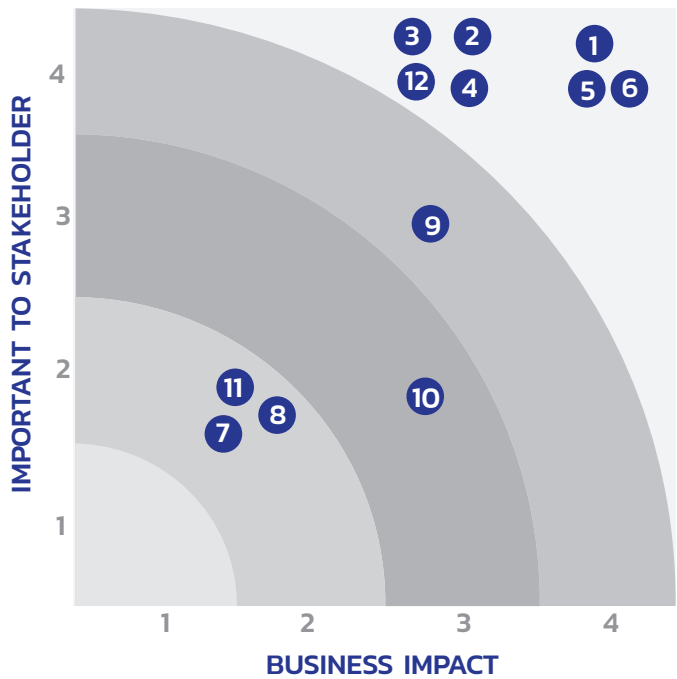
SPA has established a Sustainability Policy and Goals as a guideline for implementing business strategies for stable and sustainable growth covering all dimensions, including economy, society and environment. Building the concept of sustainable development in every core functions by raising the importance of sustainability in all dimensions of the Value Chain and emphasizing on adding value in activities in the process of providing services and selling products (In-process Activities) and by giving importance to stakeholders (Stakeholders). Under the supervision of the Corporate Governance Committee, the Working Group is the creator of the Implementation Guidelines. by laying out the framework and goals to drive sustainability in 3 areas:

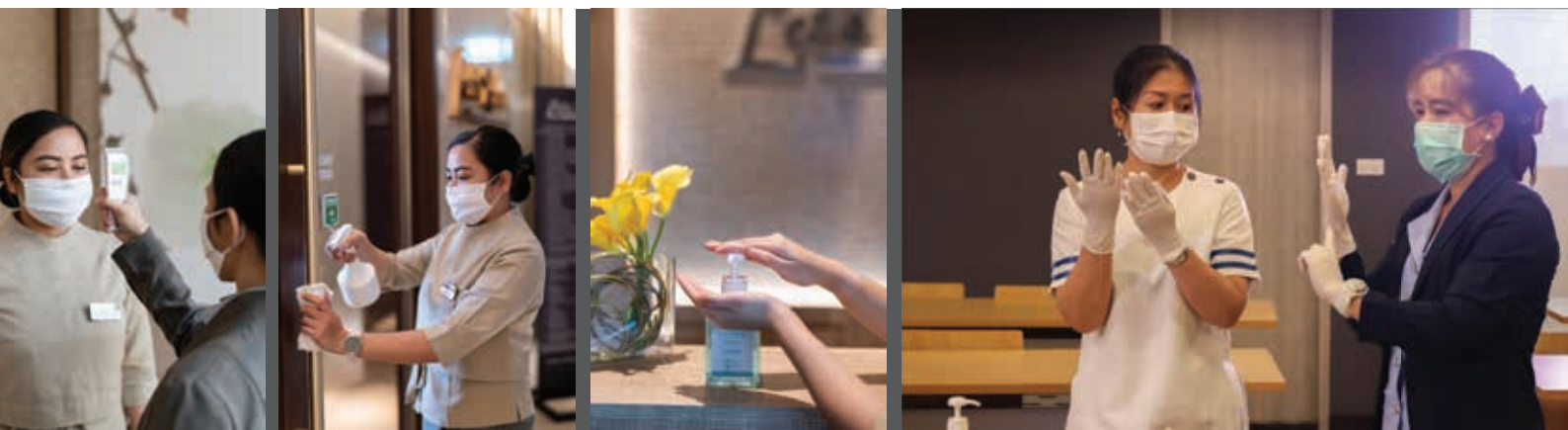






Economic Development/ Regulatory	Social Development	Environmental Development
<div>1</div> Health and safety of customers	<div>5</div> Customer Responsibility	<div>9</div> Product Responsibility
<div>2</div> Enterprise Risk Management	<div>6</div> Providing access to treatment and good health	<div>10</div> Use of friendly packaging
<div>3</div> Cyber Security and protection of personal data	<div>7</div> Local employment	<div>11</div> Waste management
<div>4</div> Structural Policy and Corporate Governance	<div>8</div> Providing access to information	<div>12</div> Water management policy





## ECONOMIC/ REGULATORY DIMENSION



Customer health  
and safety

## POLICY

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 data. PDPA Working group monitors and updates cybersecurity and personal data protection in accordance with the law and policy of practice.

Structural Poli-  
cy 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 employees. Coverage of health benefits as staff benefits and building a great workplace for employees.

Local Employment

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 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 3 R (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
Water management policy	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

## SUSTAINABILITY ISSUES

### Stakeholder group connecting and responding to Key Points Identification and Prioritization

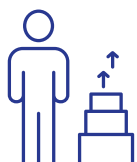
SPA has defined stakeholder groups into different groups with communication channels to listen to opinions and expectations leading to the development of the process to respond to comments and expectations of stakeholders

## STAKEHOLDERS (ONLY 3 LEVELS THAT ARE IMPORTANT)



### EMPLOYEE

Channels of communication of the company with its stakeholders (can be a variety of channels)	Issues that stakeholders expect of your company's business / issues that are of interest to stakeholders	The Company's Response to Each Stakeholder
<ul style="list-style-type: none"> <li>meeting Weekly ,Monthly in each work section</li> <li>Annual performance evaluation of employees</li> <li>Internal Audit</li> <li>Prepare Employee Engagement Survey among employees</li> <li>Channels Email/Line of HR in regards to employee complaints</li> </ul>	<ul style="list-style-type: none"> <li>Compensation, benefits, annual salary adjustments</li> <li>job advancement opportunities</li> <li>Developing skills at work</li> <li>Creating value for employees</li> <li>to have equal rights the joy of working together among employees</li> </ul>	<ul style="list-style-type: none"> <li>Develop plans to upgrade employees' skills and knowledge and abilities</li> <li>Using the data from the satisfaction survey of Employees come to analyze and formulate work plans. to meet the needs of employees</li> </ul>



### SUPPLIERS Who Deliver Goods/Raw Materials

Channels of communication of the company with its stakeholders (can be a variety of channels)	Issues that stakeholders expect of your company's business / issues that are of interest to stakeholders	The Company's Response to Each Stakeholder
<ul style="list-style-type: none"> <li>regular meeting or talking on the phone with supplier</li> </ul>	<ul style="list-style-type: none"> <li>Types and prices of goods and services</li> <li>product and service quality</li> <li>Is the delivery arrangement correct and on time?</li> <li>meet the requirements or not</li> <li>Goods and Service Development</li> </ul>	<ul style="list-style-type: none"> <li>A transparent and fair and verifiable procurement process</li> </ul>



### SERVICE PROVIDER OR CONTRACTOR

Channels of communication of the company with its stakeholders (can be a variety of channels)	Issues that stakeholders expect of your company's business / issues that are of interest to stakeholders	The Company's Response to Each Stakeholder
<ul style="list-style-type: none"> <li>On-site, through manager , LINE</li> </ul>	<ul style="list-style-type: none"> <li>compensation</li> <li>Scope of Service</li> <li>Other Benefits (eg Insurance, Accommodation etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Take care and care for employees like family members to build loyalty to the organization through various activities.</li> <li>Determine measures to help employees receive The impact of the Covid- 19 situation</li> </ul>



## SPECIALIST

Channels of communication of the company with its stakeholders (can be a variety of channels)	Issues that stakeholders expect of your company's business / issues that are of interest to stakeholders	The Company's Response to Each Stakeholder
<ul style="list-style-type: none"> <li>Face to Face, E-mail</li> </ul>	<ul style="list-style-type: none"> <li>Consulting/Specialization</li> </ul>	<ul style="list-style-type: none"> <li>Take care and care for employees like family members to build loyalty to the organization through</li> <li>Determine measures to help employees receive The impact of the Covid- 19 situation</li> </ul>



## CUSTOMERS (customers and consumers)

Channels of communication of the company with its stakeholders (can be a variety of channels)	Issues that stakeholders expect of your company's business / issues that are of interest to stakeholders	The Company's Response to Each Stakeholder
<ul style="list-style-type: none"> <li>Offline (POSM , in-store posters, TV media, radio, etc.), and Online (E-mail, Website, Social Media, Line OA,)</li> </ul>	<ul style="list-style-type: none"> <li>Product/Service Information</li> <li>Promotion / Promotional Items</li> <li>Points/member list</li> </ul>	<ul style="list-style-type: none"> <li>Offer impressive service with uniqueness.</li> <li>attaches importance to safety and Customer privacy is important.</li> </ul>



## COMMUNITY

Channels of communication of the company with its stakeholders (can be a variety of channels)	Issues that stakeholders expect of your company's business / issues that are of interest to stakeholders	The Company's Response to Each Stakeholder
<ul style="list-style-type: none"> <li>On-site, Press Release, Social Media</li> </ul>	<ul style="list-style-type: none"> <li>Social, Environment, Community Policy of the Company</li> <li>Social, Environment, Community Activities of the Company</li> </ul>	<ul style="list-style-type: none"> <li>to promote, develop and build good relationships with communities and society so that they can coexist valuable and sustainable</li> <li>generate income to the community both directly and indirectly for the community's economy to grow</li> </ul>



## SOCIETY

Channels of communication of the company with its stakeholders (can be a variety of channels)	Issues that stakeholders expect of your company's business / issues that are of interest to stakeholders	The Company's Response to Each Stakeholder
<ul style="list-style-type: none"> <li>On-site, Press Release, Social Media</li> </ul>	<ul style="list-style-type: none"> <li>Social, Environment, Community Policy of the Company</li> <li>Social, Environment, Community Activities of the Company</li> </ul>	<ul style="list-style-type: none"> <li>Share knowledge to build a strong community and Growing with the company's business</li> </ul>



## COMPETITOR

Channels of communication of the company with its stakeholders (can be a variety of channels)	Issues that stakeholders expect of your company's business / issues that are of interest to stakeholders	The Company's Response to Each Stakeholder
<ul style="list-style-type: none"> <li>Online channels such as Company Website , Facebook, Instagram, Line</li> <li>Offline channels such as Annual report , 56-1, financial statements</li> </ul>	<ul style="list-style-type: none"> <li>Product/Service Information</li> <li>fair competition</li> </ul>	<ul style="list-style-type: none"> <li>Participate in brainstorming in the form of associations and confederations to drive benefits to the business as a whole, such as promotion policies, etc.</li> </ul>



## BUSINESS PARTNER

Channels of communication of the company with its stakeholders (can be a variety of channels)	Issues that stakeholders expect of your company's business / issues that are of interest to stakeholders	The Company's Response to Each Stakeholder
<ul style="list-style-type: none"> <li>Online channels such as Company Website , Facebook, Instagram, Line</li> <li>Offline channels such as phone</li> </ul>	<ul style="list-style-type: none"> <li>Product/Service Information</li> <li>Business Plan</li> <li>Collaboration Plan</li> </ul>	<ul style="list-style-type: none"> <li>Share knowledge to build a strong business cycle and Growing with the company's business</li> </ul>



## CREDITOR (creditor)

Channels of communication of the company with its stakeholders (can be a variety of channels)	Issues that stakeholders expect of your company's business / issues that are of interest to stakeholders	The Company's Response to Each Stakeholder
<ul style="list-style-type: none"> <li>Offline channels e.g. phone</li> </ul>	<ul style="list-style-type: none"> <li>Product/Service Information</li> <li>financial information</li> <li>Procedures for being a partner</li> </ul>	<ul style="list-style-type: none"> <li>Cooperate in complying with the payment terms. trade terms, etc.</li> </ul>





## SHAREHOLDERS AND INVESTORS

Channels of communication of the company with its stakeholders (can be a variety of channels)	Issues that stakeholders expect of your company's business / issues that are of interest to stakeholders	The Company's Response to Each Stakeholder
<ul style="list-style-type: none"> <li>Offline (Annual Report, AGM, Opportunity Day, Telephone) ,</li> <li>Online (IR Section Website, stock exchange website , stock media )</li> </ul>	<ul style="list-style-type: none"> <li>company performance</li> <li>MD&amp;A</li> <li>Business Plan</li> <li>good corporate governance Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>present information Correct Company news</li> </ul>



## MASS MEDIA

Channels of communication of the company with its stakeholders (can be a variety of channels)	Issues that stakeholders expect of your company's business / issues that are of interest to stakeholders	The Company's Response to Each Stakeholder
<ul style="list-style-type: none"> <li>Press Release, Interview</li> </ul>	<ul style="list-style-type: none"> <li>news issues</li> <li>impact of news issues</li> </ul>	<ul style="list-style-type: none"> <li>present information Service news and the right product</li> </ul>



## GOVERNMENT REGULATORS

Channels of communication of the company with its stakeholders (can be a variety of channels)	Issues that stakeholders expect of your company's business / issues that are of interest to stakeholders	The Company's Response to Each Stakeholder
<ul style="list-style-type: none"> <li>Contact to inquire and coordinate with relevant parties. is a two-sided contact</li> </ul>	<ul style="list-style-type: none"> <li>proceed in accordance with the law</li> <li>good corporate governance Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>Cooperate in compliance with the rules. correct regulation</li> </ul>



## INDEPENDENT ORGANIZATION (NGO)

Channels of communication of the company with its stakeholders (can be a variety of channels)	Issues that stakeholders expect of your company's business / issues that are of interest to stakeholders	The Company's Response to Each Stakeholder
<ul style="list-style-type: none"> <li>Contact to inquire and coordinate with relevant parties. is a two-sided contact</li> </ul>		<ul style="list-style-type: none"> <li>Provide accurate information and news about the company</li> </ul>

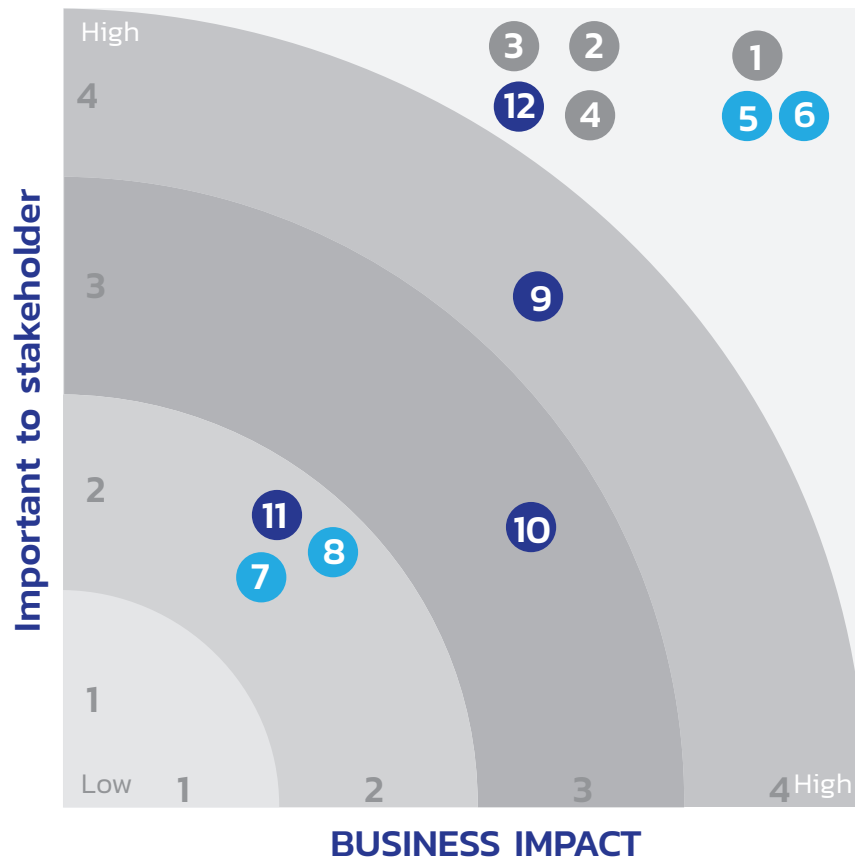
## Identifying Key Points

Understanding the issues that matter to the organization is essential for the sustainable future of the SPA.

SPA has taken a number of critical risks in the massage and health spa business. including related businesses and important issues from stakeholder groups from the participation process to study. Compared with the issue of sustainability in tourism and health (Tourism & Wellness) that businesses in nearby industries in the region are important and conducting an analysis and consideration Information on important sustainability issues that Stakeholders focus on the importance and issues that affect the business, a total of 12 issues, divided into 3 categories : high importance, medium importance, and low importance as follows:

NUMBER	INDICATORS	INTERNAL BOUNDARIES	EXTERNAL BOUNDARIES
<b>HIGH PRIORITY</b>			
• Customer health and safety	<ul style="list-style-type: none"> <li>• % number of complaints</li> <li>• Number of accident insurance claims</li> </ul>	●	●
• Customer responsibility	<ul style="list-style-type: none"> <li>• % number of complaints</li> <li>• Satisfaction Score</li> <li>• Repeat service rate in 6 months</li> </ul>	●	●
• Providing access to treatment and good health	<ul style="list-style-type: none"> <li>• Number of customers who use the service</li> </ul>		●
• Enterprise Risk Management	<ul style="list-style-type: none"> <li>• Quarterly Risk Assessment</li> <li>• Effect on company performance (revenue , profit)</li> </ul>	●	
• Cyber Security and Personal Data Protection	<ul style="list-style-type: none"> <li>• Strictly complying with the policies of the relevant agencies</li> <li>• % Error accessing data</li> </ul>	●	●
• Structural Policy and Corporate Governance	<ul style="list-style-type: none"> <li>• The number of compliance with the rules and regulations of the relevant agencies and the number of stakeholders complaining</li> </ul>	●	●
• water management policy	<ul style="list-style-type: none"> <li>• The number of water quality measurements is as specified.</li> </ul>	●	
<b>MID PRIORITY</b>			
• Product responsibility	<ul style="list-style-type: none"> <li>• % negative complaint against the company's products</li> </ul>	●	●
• use of friendly packaging	<ul style="list-style-type: none"> <li>• % using innovative packaging</li> </ul>	●	●
<b>LOW PRIORITY</b>			
• local employment	<ul style="list-style-type: none"> <li>• 50% of local employment is available in provincial branches.</li> </ul>	●	●
• Providing access to information	<ul style="list-style-type: none"> <li>• Number of visitors, press like and share via various online channels</li> </ul>	●	
• waste management	<ul style="list-style-type: none"> <li>• less waste and the waste is segregated</li> </ul>	●	





### Economic Development/Regulatory

- 1 Health and safety of customers
- 2 Enterprise Risk Management
- 3 Cyber Security and protection of personal data
- 4 Structural Policy and Corporate Governance



### Social Development/Regulatory

- 5 Customer Responsibility
- 6 Providing access to treatment and good health
- 7 Local employment
- 8 Providing access to information



### Environmental Development

- 9 Product Responsibility
- 10 Use of friendly packaging
- 11 Waste management
- 12 Water management policy

## Performance and Sustainability indicators



### Economic

#### issue 1 : Cyber Security and Protection of Personal Data

### Sustainability Management

#### Importance Of The Issue

##### Cyber Security and Personal Data Protection

- Personal Data Protection Act will come into effect in 2022 and the company recognizes the importance and necessity of the said Act.
- There is a risk if personal information is leaked

#### Risk

If not following, may result in civil penalties, criminal penalties and administrative penalty with the company

#### Policy: Management Policy

You can visit [www.siamwellnessgroup.com](http://www.siamwellnessgroup.com) for the details of the Group's Data Privacy Policy and Notice which has been prepared to announce and clarify the collection, use, transfer or disclosure of personal data as required by law.

#### A Plan Or Method Of Handling The Issue

- Establish a working group on PDPA
- Establish the structure of personal data and information security systems.
- Draft privacy policy
- Implemented in accordance with the policies that have been announced.

#### Resource

- Responsible Person :
  - > Personal Data Protection Officer (DPO)
  - > IT manager
- Investment
  - > Invest in personal data management systems
  - > Invest in document storage standardized
- Other

#### Follow-Up Process Performance And Correction

A random check will be conducted by representatives of the Company's Personal Data Protection Working Group. To randomly check the collection, use, disclosing personal data of each department that it has complied with the policies that have been placed or not. If it doesn't meet the requirements, inform the department to comply.

#### Goals And Performance

##### Long-term goals (3-5 years)

- Relevant agencies strictly follow the PDPA policy 100% within 3 years.
- Comply with the policy 100% within 2023
- Prevent leakage PDPA stakeholders important data.

##### Yearly Goal

- % Compliance with the law Assessed by the internal audit unit and/or the internal auditor.

##### Annual Goals And Operating Results For The Past 3 years

- Relevant agencies strictly follow the PDPA policy 80% by 2022.
- In the past years, it is studying and drafting a PDPA policy in accordance with the law that will be enacted in 2022.

## INTERESTING PROJECT



## PDPA Orientation

**PROJECT OBJECTIVES :** Provide training for executives and employees to realize the importance of personal data protection laws.

### TARGET

#### Project Details:

•**Processing period:** Fourth quarter of 2021

•**responsible person:** Personal Data Protection Working Group  
Let those involved in your work provide knowledge in each field to employees.

•**Operation method:** - Organize training and enhance understanding of operations in accordance with applicable personal data protection laws. Include a bag of relevant legal documents. via online system (Zoom Meeting) to the heads of various departments Within the company of 20 people

## PROJECT SUCCESS:

- > Number of participants 20 people
- > staff understand and able to analyze responsibilities that qualify for PDPA and participate in the design of mitigation measures.

## Performance and Sustainability indicators

### Social

#### issue 1 : Local Employment

### Sustainability Management

#### Importance Of The Issue

Local employment issues are a guideline that the company has continuously adhered to. The company recognizes the importance of hiring local workers who are competent in both language and familiarity with customers. It also helps to reduce Employees turnover efficiently

#### Target

The company aims to continually focus on local employment in provincial branches. To promote employment and develop local workers to be more knowledgeable and have a better quality of life.

#### POLICY

The company has continually promoted the local employment policy to expand spa branches in provincial branches

#### A Plan Or Method Of Handling The Issue

● The company has continuously expanded its branches to other provinces. By recruiting employees, the HR department will consider employees who are domiciled in that province first because they recognize the importance of hiring local workers and also reduce in employment turnover as well

#### Resource

- Responsible Person :
  - > recruiting officer
  - > Region Manager / Branch Manager
- Investment
  - > Prepare job advertisements in the area

#### Follow-Up Process Performance And Correction

● There is a record of the domicile of employees in every branch for use as information in the preparation and operation of various matters for employees

#### Goals And Performance

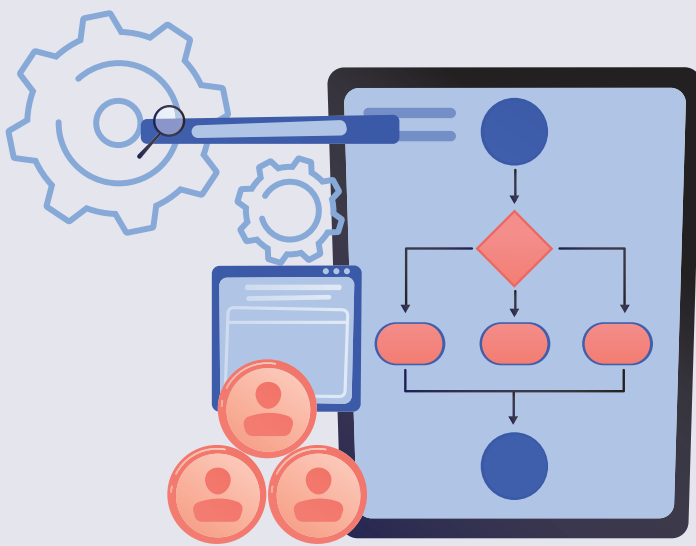
##### Long-term goals ( 3-5 years)

- Focus on local employment at least 50% each year, mainly considering applicants in that region.
- Developing local workers to be more knowledgeable and competent
- There is a career path for employees.

##### Annual Goals And Operating Results For The Past 3 years

- Focus on local employment in provincial branches not less than 50% each year and is in the process of collecting historical results 3 year

## INTERESTING PROJECT



## HRIS system usage

### PROJECT OBJECTIVES :

so that employees can use the system HRIS for effective self-management of employee information

### PROJECT DETAILS:

•**Processing period:** quarter 2 of the year 2020

•**responsible person:**

- > HR Team (Trainer)
- > Region Manager/Branch Manager

•**Operation method**

- > have an arrangement Training to use HRIS for employees in every branch
- > A user manual has been created for employees to review and can be used to teach new employees.

## PROJECT SUCCESS:

- > employee Operation every branch can use the system HRIS effectively
- > when switching to the system HRIS greatly reduces the cost of preparing employee payroll.

## Performance and Sustainability indicators



### Environmental

issue 1 : Reduction of plastic use

## Sustainability Management

### Importance Of The Issue

Every year the company uses resources that are not environmentally friendly causing impacts on communities and society

Consumers are now conscious of businesses that are socially responsible and have environmental and sustainability policies.

### Policy

Let's Relax Spa Goes Green

### A Plan Or Method Of Handling The Issue

- CSR working group had a meeting with related parties such as Operation Department, Purchasing Department, Marketing Department.
- List of materials that are not Eco-Friendly
- Supply Alternative Packaging ready Specs and prices
- Purchasing and starting to change in every branch
- Communicate to those involved

### Resource

- Responsible Person :
  - > Operations Department
  - > Purchasing Manager
  - > Marketing department manager
- Investment
  - > Purchase / Production Alternative Packaging

### Follow-Up Process Performance And Correction

- Follow up on branch operations whether it affects the operation or not
- Customer Satisfaction Inquiry
- Track Social Listening
- See the drop in plastic orders.

### Goals And Performance

#### Long-term goals (3-5 years)

- Reduce the use of non eco-friendly materials used in the customer service process by 50% within 5 years

#### Annual Goals And Operating Results For The Past 3 years

- Reduce the use of non eco-friendly materials used in the customer service process by 15% within 1 year

## INTERESTING PROJECT

SAY NO  
TO PLASTIC



## Eco Friendly Thai Massage Pyjamas

### PROJECT OBJECTIVES :

Reduce the use of plastic glass used for packing Thai massage sets that have been washed and ironed by changing to a ready-made bundle with key Message Eco-Friendly

### PROJECT DETAILS:

- **Processing period:** Implemented since Jan. 2020
- **Responsible person:**
  - > Operations Department
  - > Purchasing Department
  - > Marketing Department
- **Operation method**
  - > Purchasing and starting to change in every branch
  - > communicate to those involved

### PROJECT SUCCESS:

The use of plastic  
has been reduced to **0**

# Sustainability Performance Summary Table

NOTE OMISSIONS ARE  
NOT REPORTED.

## ECONOMIC ISSUES

### Issue 1 Cyber Security and Personal Data Protection



2020

2021 Establish PDPA working group according to BCD resolution No.1/2564

2022 Establish projects and enforce PDPA and Privacy Policy and Notice.

In 2020 no performance because it is in the study period and preparing for preparation

## SOCIAL ISSUES

### Issue 1 local employment



2020

At least 50% of local employment in provincial branches, both new rates and replacement rates

2021

At least 50% of local employment in provincial branches, both new and replacement rates

2022

In the process of collecting data

Due to the year 2020 and 2021 , the company has been affected by the epidemic of Covid- 19 , which results in the closure of business for almost 10 months, divided into 3 months in 2020 ( March - June) and 6 ½ months in 2021 ( January , April - September) may result in incomplete data collection.

## ENVIRONMENTAL ISSUES

### Issue 1 reducing the use of plastic



2020

2021

2022

Due to the year 2020 and 2021 , the company has been affected by the epidemic of Covid- 19 , which results in the closure of business for almost 10 months, divided into 3 months in 2020 ( March - June) and 6 ½ months in 2021 ( January , April - September) may result in incomplete data collection.



# 04

## Management Discussion and Analysis (MD&A)



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 the 12 months period ("12M21") ended 31 December 2021 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 174.94 million baht, a decrease of 258.35 million baht from the same period last year (or a decrease of 59.62%). The net loss is 286.72 million baht, an increase of 77.63 million baht from the same period last year. Net loss is accounted as 171.06 % of sales and services' revenue. Details as followed:

## 2021 Financial Highlights

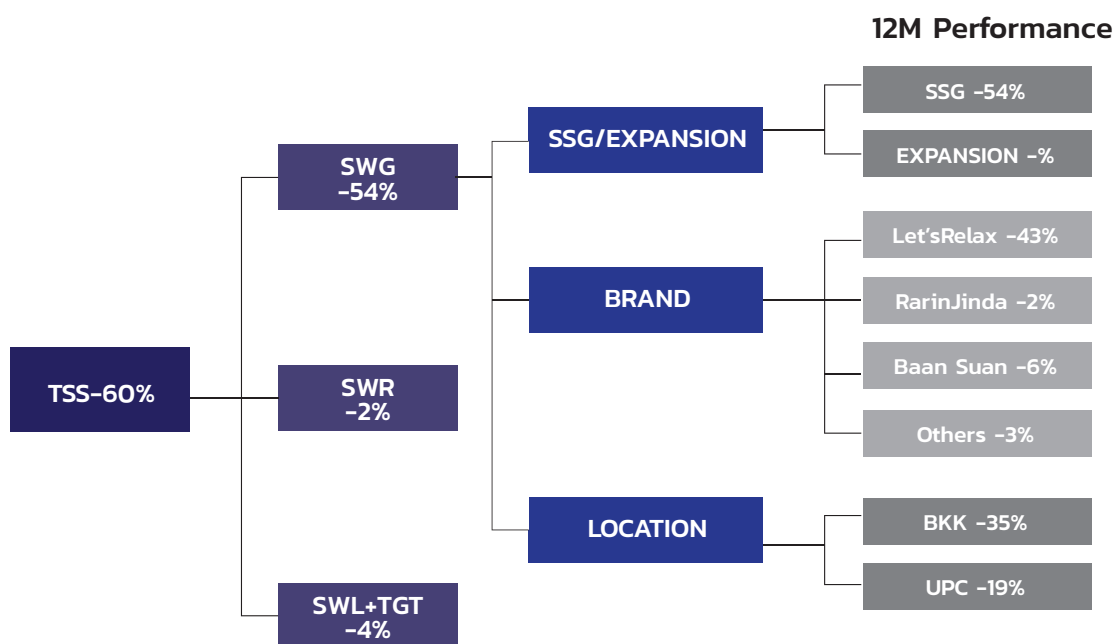
### Revenue

The Company and subsidiaries had total revenue in 2021 of 174.94 million baht, a decrease of 258.35 million baht from the same period last year (or a decrease of 59.62%). The big proportion of revenue came from the spa business, which accounted to 74% of the total revenue. The decrease in revenue is a result from the global COVID-19 pandemic which cause a slowdown in the Economy and has direct effect to major industries including Tourism industry. Closure of International Airport resulted in Tourists, whom are our major source of customers, cannot travel to Thailand. At the end of 2020, there were 2nd wave of COVID-19 spread which continues to 3rd and 4th wave to present, as a result there were temporary closure of spas and massages by Governors in January 2021 and from end of April 2021 to September 2021. On 1<sup>st</sup> July 2021, Phuket Sandbox Initiative was launched whereby our 5 branches (out of 8 branches) in Phuket opened. Full Spa Reopening started in October (Spas were closed for approximately 6 ½ months in 2021).

As of 31 December 2021, Siam Wellness Group Public Company Limited had a total of 70 branches (65 domestic branches and 5 overseas branches). 2 New Branches were opened and 2 existing branches were closed.

Operating Results								
	Q4'21		Q4'20		Q4'19		Chg (%) 21 vs 20	Chg (%) 20 vs 19
Revenue from sales and service	167,614		426,912		1,429,788		(60.7%)	(70.1%)
Other income	7,329		8,712		19,853		(15.9%)	(56.1%)
Total revenues	174,943		435,624		1,449,641		(59.8%)	(69.9%)
Cost of sales and service	318,517	190%	506,641	119%	976,299	68%	(37.1%)	(48.1%)
Gross profit (Loss)	(150,903)	(90%)	(79,729)	(19%)	453,489	32%	89.3%	(117.6%)
Selling and administrative expenses	107,694	64%	118,658	28%	171,114	12%	(9.2%)	(30.7%)
Profit before income tax and finance cost	(258,597)	(154%)	(198,387)	(46%)	302,228	21%	30.3%	(165.6%)
Finance cost	44,172	26%	21,496	5%	10,485	1%	105.5%	105.5%
Income tax expense (revenue)	(8,720)	(5%)	(2,084)	(0%)	45,766	3%	318.4%	(104.6%)
Net profit (loss) for the year	(286,720)	(171%)	(209,085)	(49%)	245,977	17%	37.1%	(185.0%)
NCI	2	0%	-	0%	508.00	0%		(100.0%)
Net profit for the year attributable to the Company	(286,718)	(171%)	(209,085)	(49%)	245,469	17%	37.1%	(185.2%)

2021 Revenue Summary: The 60% drop in Revenue composed of:



- Siam Wellness Group Public Co.,Ltd ("SWG"), the operator of Spa Business, Revenue dropped 54%
- Siam Wellness Resort Co.,Ltd ("SWR"), the operator of RarinJinda Wellness Spa Resort and Deck1, Revenue dropped 2%
- Siam Wellness Lab Co.,Ltd ("SWL"), the operator of Spa Products Sale, Revenue decreased 4%. This is mainly from the decline in Retail Sales as a result of Spa closure and drop in Specialty Store Sales. However, the Company has increased its own online sales almost 200% compared to 2020.
- The SSG Stores Revenue dropped 54% compared to previous year.

In terms of Revenue by Brands, Let's Relax's Revenue dropped 43%, RarinJinda Wellness Spa's Revenue dropped 2%, Baan Suan Massage Revenue dropped 6% and Other Brands' Revenue dropped 3%.

In terms of Revenue by Locations, Bangkok branches' Revenue dropped 35% and Upcountry branches' Revenue dropped 19%. Hotel & Restaurant Revenue dropped 2%. The Proportion of Hotel & Restaurant Revenue to the Company's 2021 Revenue is 6% as the Spa Business was highly impacted by COVID-19 Pandemic. However, The Occupancy Rate and Average Room Rate have dropped quite a lot.

The Proportion of Spa Product Revenue to the Company's Revenue grew from 14% to 17% even though the Sales in Spa Retail and Specialty Stores have dropped. Our Own Online Channels such as Line, Lazada, Shopee have significant growth.

### Cost of Sales and Services

In 2021, the Company and subsidiaries had the cost of sales and services of 318.52 million baht, accounting for 190.03 % of sales and services' revenue. This is a decrease of 188.12 million baht from the same quarter of the previous year (or a decrease of 37.13%). The drop of Cost of Sales and Services was caused by the COVID-19 Global Pandemic resulting in lower variable costs such as Staff Cost, Raw Material Cost, Utilities. Company also managed its Cost of Sales and Services quite well such as negotiation on rental by lower the fixed rental rate or convert fixed rental rate to Revenue Proportion. However, Company also had to face other unavoidable costs such as Depreciation and Other Staff Costs resulting in Gross Loss in 2021.

### Selling and Administrative Expenses and Interest Payment

In 2021, the Company and subsidiaries had the selling and administrative expenses of 151.87 million baht, accounted to 90.60% of the revenue from sales and services. This is an increase of 11.71 million baht from the same period last year (or an increase of 8.36%). This is mainly from the increase in Interest Payment from Loan in 2020-2021 and relief for the case where the lessor agrees to reduce the rent of the Federation of Accounting Professions. In addition, the Company has amortized assets and set up an allowance for impairment for 4 branches that are expected to close total 18 million baht. Company has conducted certain cost reducing measures including stringent staff and management cost and Management Pay-cut. Increasing overall expenses coupled with dramatic declines in revenues. causing the proportion of selling and administrative expenses to be higher when compared to the previous year.

### Net Loss

In 2021, the Company and subsidiaries had the net loss of 286.72 million baht or accounted 171.06% of the revenue from sales and services. The net loss of the Company and subsidiaries increased 77.64 million baht from the same period last year (or an increase of 37.13%). compared to the same period last year. The is the result of COVID-19 Global Pandemic which cause no tourist arrivals to Thailand since March 2020, however the Company still has to bear unavoidable cost such as Rentals, Staff Costs, Depreciation. Thus, the Net Loss has increased. However, when looking at only the results in the 4th quarter, after the Reopening of business and during the high season, the net loss was significantly reduced compared to the previous quarter in 2021.

### Statement of Financial Position

(Thousands Baht)

#### Consolidated Financial Statements

	2021	C/S	2020	C/S	2019	C/S	Chg 21 vs 20	Chg (%) 21 vs 20	Chg 20 vs 19	Chg (%) 20 vs 19
<b>Assets</b>										
<b>Current assets</b>										
Cash and cash equivalents	109,854	5%	114,526	4%	52,561	3%	(4,672)	(4%)	61,965	118%
Current investments	4	0%	4	0%	73,098	5%	-	0%	(73,094)	(100%)
Trade and other receivables	15,260	1%	21,775	1%	37,213	2%	(6,515)	(29.92%)	(15,438)	(41%)
Share return receivables-current portion	9,198	0%	9,462	0%	39,200	3%	(264)	(3%)	(29,738)	(76%)
Inventories	27,812	1%	40,298	2%	39,901	3%	(12,486)	(31%)	397	1%
Other current assets	8,371	0%	13,024	0%	14,824	1%	(4,653)	(36%)	(1,800)	(12%)
Non-current assets classified as held for sales	32,295	1%	32,295	1%	32,294	2%	-	0%	1	0%
<b>Total current assets</b>	<b>202,794</b>	<b>9%</b>	<b>231,384</b>	<b>9%</b>	<b>289,091</b>	<b>19%</b>	<b>(28,590)</b>	<b>(12%)</b>	<b>(57,707)</b>	<b>(20%)</b>

## Consolidated Financial Statements

	2021	C/S	2020	C/S	2019	C/S	Chg 21 vs 20	Chg (%) 21 vs 20	Chg 20 vs 19	Chg (%) 20 vs 19
<b>Non current assets</b>										
Restricted deposits of financial institution	-	0%	5,159	0%	5,105	0%	(5,159)	(100%)	54	1%
Share return receivables-net of current portion	32,191	1%	32,587	1%	15,000	1%	(396)	(1%)	17,587	117%
Leasehold rights	-	0%	-	0%	9,264	1%			(9,264)	(100%)
Property plant and equipment	946,642	42%	1,074,588	41%	1,082,797	71%	(127,946)	(12%)	(8,209)	(1%)
Right-of-use assets	945,575	42%	1,169,556	44%			(223,981)	(19%)	1,169,556	
Goodwill	24,536	1%	24,536	1%	24,536	2%	-	0%	-	0%
Intangible assets	8,005	0%	9,086	0%	9,139	1%	(1,081)	(12%)	(53)	(1%)
Deferred tax assets	1,187	0%	820	0%	723	0%	367	45%	97	13%
Deposits	73,050	3%	78,549	3%	79,466	5%	(5,499)	(7%)	(917)	(1%)
Advance payment for purchase of assets	16,981	1%	461	0%			16,520	3,584%		
Other non-current assets	6,876	0%	5,383	0%	1,024	0%	1,493	28%	4,359	426%
<b>Total non-current assets</b>	<b>2,055,043</b>	<b>91%</b>	<b>2,400,725</b>	<b>91%</b>	<b>1,227,054</b>	<b>81%</b>	<b>(345,682)</b>	<b>(14%)</b>	<b>1,173,671</b>	<b>96%</b>
<b>Total assets</b>	<b>2,257,837</b>	<b>100%</b>	<b>2,632,109</b>	<b>100%</b>	<b>1,516,145</b>	<b>100%</b>	<b>(374,272)</b>	<b>(14%)</b>	<b>1,115,964</b>	<b>74%</b>

As of 31 December 2021, The Company and Subsidiaries had a total asset of 2,257.84 million baht, a decrease of 374.27 million baht from 2020's Assets (a decrease of 14.22%) with details as followed:

- Cash and Cash Equivalent slightly decreased from 114.53 million baht to 109.85 million baht, a decrease of 4.08%) from receiving a new loan from a financial institution to support the situation of the Covid-19 epidemic amounting to 119.15 million baht and withdrawing a loan from the old line of 22 million baht during the cash burn expenses from the operation of about 90 million baht and the principal and interest on bank loans of 24 million baht.
- Trade and Other Receivables decreased from 21.78 million baht to 15.26 million baht (a decrease of 29.92%) resulting from normal operating activities such as Credit Terms to Agent and Overseas Franchisee as Company implemented cash on hand policy. In the Appendix, there were Trade Receivables due over 12 months total 9.81 million baht. The Company set up Allowance for Doubtful accounts of 9.58 million baht according to Accounting Policy and Management Decision. Debts of Trade Receivables over 3 months due have been partially collected.
- Receivables for Shares waiting for Repayment is 9.20 million baht from the Cancellation of Joint Investment in Chaba Elegance Co.,Ltd to the original shareholder. At present, it is in the process of suing the group of existing shareholders to pay for the shares.
- Non-Current Asset held for Sale is 32.29 million baht from Company's Property on sale
- Property, plant and equipment are approximately 42% of Total Assets. The Value of Land, Building and Equipment slightly decreased from 2020's value from Depreciation.
- Right of Use Assets is 945.58 million baht or approximately 42% of Total Assets from TFRS16 Adoption in 2020 Financial Statements Reporting.

The major event that will have impact on the Operating Result is the probability of incoming arrivals of foreign tourists, company's main source of customers, in the coming months. The Company has mitigated this risk by expand into new related business to attract Thai customers and add online channels for the spa products. The Company also give importance in maintaining its cash flow during this ongoing crisis, sufficient for debt repayment and operating activities.

(Thousands Baht)

## Consolidated Financial Statements

	2021	C/S	2020	C/S	2019	C/S	Chg 21 vs 20	Chg (%) 21 vs 20	Cha 20 vs 19	Cha (%) 20 vs 19
<b>Liabilities and shareholders' equity</b>										
<b>Current liabilities</b>										
Bank overdrafts from financial institution	-	0%	-	0%	32	0%			(32)	(100%)
Short-term loans from and interest payable to related parties	-	0%	-	0%	4,616	0%			(4,616)	(100%)
Trade and other payables	37,039	2%	44,662	2%	96,718	6%	(7,623)	(17%)	(52,056)	(54%)
Current portion of long-term loans	114,469	5%	103,354	4%	80,200	5%	11,115	11%	23,154	29%
Current portion of lease liabilities	175,496	8%	169,179	6%			6,317.00	4%	-	-
Current portion of liabilities under finance lease agreements	-	0%			120	0%			169,059	140,883
Income tax payable	317	0%	3,213	0%	24,829	2%	(2,896)	(90%)	(21,616)	(87%)
Advance received-current portion	45,140	2%	38,978	1%	28,922	2%	6,162	16%	10,056	35%
Other current liabilities	1,780	0%	1,770	0%	9,631	1%	10	1%	(7,861)	(82%)
<b>Total current liabilities</b>	<b>374,241</b>	<b>17%</b>	<b>361,156</b>	<b>14%</b>	<b>245,068</b>	<b>16%</b>	<b>13,085</b>	<b>4%</b>	<b>116,088</b>	<b>47%</b>
<b>Non-current liabilities</b>										
Long-term loans-net of current portion	407,166	18%	287,813	11%	80,167	5%	119,353	41%	207,646	259%
Lease liabilities-net of current portion	822,644	36%	1,028,672	39%			(206,028)	(20%)	1,028,672	
Liabilities under finance lease agreements-net of current portion	-	0%	-	0%	260	0%			(260)	(100%)
Advance received-net of current portion	5,989	0%	9,759	0%	12,161	1%	(3,770)	(39%)	(2,402)	(20%)
Provision for long term employee benefits	9,951	0%	10,124	0%	8,556	1%	(173)	(2%)	1,568	18%
Deferred tax liabilities	3,024	0%	11,744	0%	17,995	1%	(8,720)	(74%)	(6,251)	(35%)
Other non- current liabilities	16,330	1%	17,629	1%	19,999	1%	(1,299)	(7%)	(2,370)	(12%)
<b>Total non-current liabilities</b>	<b>1,265,104</b>	<b>56%</b>	<b>1,365,741</b>	<b>52%</b>	<b>139,138</b>	<b>9%</b>	<b>(100,637)</b>	<b>(7%)</b>	<b>1,226,603</b>	<b>882%</b>
							-			
<b>Total liabilities</b>	<b>1,639,345</b>	<b>73%</b>	<b>1,726,897</b>	<b>66%</b>	<b>384,206</b>	<b>25%</b>	<b>(87,552)</b>	<b>(5.07%)</b>	<b>1,342,691</b>	<b>349%</b>

As of 31 December 2021, The Company and Subsidiaries had a total liabilities of 1,639.35 million baht, a decrease of 87.55 million baht (a decrease of 5.07%) with details as followed:

- Trade and Other Payables are 37.04 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, both due within 1 year and more than 1 year, is 521.64 million baht. It 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 998.14 million baht from the adoption of TFRS16 Rental Contracts in 2020 Financial Statements.

## Consolidated Financial Statements

	2021	C/S	2020	C/S	2019	C/S	Chg 21 vs 20	Chg (%) 21 vs 20	Cha 20 vs 19	Cha (%) 20 vs 19
<b>Share capital</b>										
Registered										
855,000,000 ordinary shares of Baht 0.25 each (31 December 2019: 570,000,000 ordinary shares of Baht 0.25 each)	213,750	9%	213,750	8%	142,500	9%	-	0%	71,250	50%
Issued and paid-up										
854,999,928 ordinary shares of Baht 0.25 each (31 December 2019: 570,000,000 ordinary shares of Baht 0.25 each)	213,750	9%	213,750	8%	142,500	9%	-	0%	71,250	50%
Share premium	278,906	12%	278,906	11%	278,906	18%	-	0%	-	0%
Discount on business combination under common control	(46,226)	-2%	(46,226)	-2%	(46,226)	-3%	-	0%	-	0%
Retained earnings										
Appropriated- statutory reserve	17,399	1%	17,399	1%	16,381	1%	-	0%	1,018	6%
Unappropriated	64,093	3%	350,812	13%	649,804	43%	(286,719)	(82%)	(298,992)	(46%)
Other components of shareholders' equity	90,567	4%	90,567	3%	90,567	6%	-	0%	-	0%
Equity attributable to shareholders' of the company	618,489	27%	905,208	34%	1,131,932	75%	(286,719)	(32%)	(226,724)	(20%)
Non-controlling interests of the subsidiaries	3	0%	4	0%	7	0%	(1)	(25%)	(3)	(43%)
<b>Total shareholders' equity</b>	<b>618,492</b>	<b>27%</b>	<b>905,212</b>	<b>34%</b>	<b>1,131,939</b>	<b>75%</b>	<b>(286,720)</b>	<b>(32%)</b>	<b>(226,727)</b>	<b>(20%)</b>
<b>Total liabilities and shareholders' equity</b>	<b>2,257,837</b>	<b>100%</b>	<b>2,632,109</b>	<b>100%</b>	<b>1,516,145</b>	<b>100%</b>	<b>(374,272)</b>	<b>(14%)</b>	<b>1,115,964</b>	<b>74%</b>

As of 31 December 2021, The Company and Subsidiaries had a total equity of 618.49 million baht, a decrease of 286.72 million baht (a decrease of 31.67%) from the reported net loss.

### Statement of Cash Flows

As of 31 December 2021, The Company and Subsidiaries had a total cash and cash equivalents of 109.85 million baht, a decrease of 4.67 million baht (a decrease of 4.08%) with major transactions as followed:

- Received a new loan from financial institutions to support the situation of the Covid-19 epidemic amounting to 119.15 million baht and withdrawing from the previous loan amount of 22 million baht.
- Loan and Interest Payment 24 million baht
- Payment of Company's Regular Operating Activities

### Key Financial Ratio

Ratio	2021	2020	2019
<b>Liquidity Ratio</b>			
Current Ratio	0.54	0.64	1.18
Receivable turnover	9.05	14.47	46.00
Collection period (Days)	40	25	8
Inventory turnover	0.78	0.86	4.00
Holding period (Days)	460	417	97

- 2021 Current Ratio is 0.54, similar to 2020's. If exclude the adoption of TFRS16 Rental Contracts and Long-term Loan from Financial Institutions due within 1 year, 2021 the current ratio is 1.02.
- Receivable Turnover and Collection Period in 2021 increased slightly due to impact from COVID-19.

- Inventory Turnover and Holding Period in 2021 is slightly higher due to the temporary shutdown of branches and significant drop in sales from COVID-19. Some branches remained closed (mainly in tourist location or spa operating in hotel branches). However, the increase in own online sales channel such as Shopee, Lazada and Line and additional promotions leads to shorter Holding Period. In 4Q21, the Holding Period reduced to 258 days.

Ratio	2021	2020	2019
<b>Profitability Ratio</b>			
Gross Profit Margin	-90.03%	-18.68%	32.00%
Net profit Margin	-171.06%	-48.98%	17.00%
Return on Asset	-11.73%	-10.08%	17.00%
Return on Equity	-37.63%	-21.00%	23.00%

- Profitability Ratio has significantly dropped as a result of no incoming tourists arrivals, the main source of customer, since March 2020 due to COVID-19 Global Pandemic. The Company still has to bear unavoidable costs resulting in reported Net Loss in 2021.

Ratio	2021	2020	2019
<b>Debt Management Ratio</b>			
Debt to Equity Ratio	2.65	1.95	0.34
Interest coverage Ratio	(7.29)	(10.63)	26.40

- 2021 Debt to Equity Ratio is 2.65, an increase from 1.95 from previous year. The big increase is a result of lease liability within 1 year of expiry total 998.14 million baht after the adoption of TFRS16 Rental Contracts since 2020 Financial Statements. If exclude this, the Debt to Equity Ratio is 1.04 which is close to the Company's ceiling of 1.0. This allows Company to borrow more. The Company is confident that the Company has sufficient cash flow to support Regular Operating Activities.
- Interest Coverage Ratio 2021 is -7.29 as a result of reported Net Loss in 2021.

### Key Summary of 2021

- The COVID-19 Global Pandemic caused the slowdown in the Economy and has direct effect to major industries including Tourism industry. Closure of International Airport resulted in Tourists, whom are our major source of customers, cannot travel to Thailand. At the end of 2020, there were 2nd wave of COVID-19 spread which continues to 3rd and 4th wave to present, as a result there were temporary closure of spas and massages by Governors in January 2021 and from end of April 2021 to September 2021. On 1st July 2021, Phuket Sandbox Initiative was launched whereby our 5 branches (out of 8 branches) in Phuket opened. Full Spa Reopening started in October (Spas were closed for approximately 6 ½ months in 2021).
- As of 31 December 2021, Siam Wellness Group Public Company Limited had a total of 70 branches (65 domestic branches and 5 overseas branches) [As of 31 December 2020, the Company had a total of 70 branches (65 domestic branches and 5 overseas branches)].
- The Federation of Accounting Professions issues a guideline on leniency in cases where the lessor agrees to reduce the rent without the need to follow the method of changing the lease if the specified conditions are met (The improvement of accounting standards in such matters was published in the Government Gazette on May 13, 2021). Receive a discount on the rental contract which meets the conditions under the above relief by choosing to recognize in the profit or loss part in the whole amount
- In 2021, the Company has expanded its Thai customer base by offering many promotions to attract and maintain the Thai customer base as well as collaborating with other partners to attract new customer bases.



# 05

General Information  
and Other Key Information



# 1. General Information

**Company Name :** Siam Wellness Group Public Company Limited  
**Stock name :** SPA  
**Company Registration Number :** 0107557000144  
**Business Type :** Spa and Wellness under 6 brands – RarinJinda Wellness Spa, Let's Relax, Baan Suan Massage, Stretch me by Let's Relax, Dr. Spiller Pure Skin Care Solutions and Stretch me Clinic  
**Head Office Address :** 565, 567 B.U. Place 22nd Floor Soi Suthiporn, Prachasongkroh Road, DinDaeng, Bangkok 10400 THAILAND

## Branch Address:

### 1) RarinJinda Wellness Spa

- 14 Charoenraj Road, Wat Kate sub-district, Muang district, Chiang Mai
- Grande Centre Point Ratchadamri Hotel, 6th and 8th Floor, No. 153/2 Soi Mahatlekluang 1, Ratchadamri Road, Lumpini sub-district, Pathumwan district, Bangkok
- Grande Centre Point Ploenchit Hotel, 30th and 31st Floor, No. 100 Wireless Road, Lumpini sub-district, Pathumwan district, Bangkok

### 2) Let's Relax

- Terminal 21 Shopping Mall, 6th Floor, Room SH-6-003, 004, No. 2,88 Soi Sukhumvit 19, Klongtoey Nua sub-district, Wattana district, Bangkok
- Pavilion Night Bazaar Shopping Mall, 1st and 2nd Floor, No. 145 Changklan Road, Changklan sub-district, Muang district, Chiang Mai
- 184/14 Pangmuang Sai Kor Road, Patong sub-district, Kathu district, Phuket
- 209/22-24, Raj-u-thid 200 years old Road, Patong sub-district, Kathu district, Phuket
- Centre Point Residence Phromphong, No. 77 Soi Sukhumvit 39, Sukhumvit Road, Klongtun Nua sub-district, Wattana district, Bangkok
- 240/9 Moo 5, Naklua sub-district, Banglamung district, Chonburi
- Mandarin Hotel Bangkok, M Floor, No. 662 Rama 4 Road, Mahapreutharam sub-district, Bangrak district, Bangkok
- Siam Square 1 Shopping Mall, 6th Floor, Room SS6032, No. 388 Rama 1 Road, Pathumwan sub-district, Pathumwan district, Bangkok
- Hua Hin Market Village Shopping Mall, 2nd and 3rd Floor, Room E201, E201\_Terrace, E301, A313, No. 234/1 Phetkasem Road, Hua Hin sub-district, Hua Hin district, Prachuab Khiri Khan
- Park Lane Bangkok, 2nd Floor Room B205-214, No. 18 Soi Sukhumvit 61, Sukhumvit Road, Klongton Nua sub-district, Wattana district, Bangkok
- 97/2, 97/3-4, 97/5, Ratchadamnoen Road, Phra Singha sub-district, Muang district, Chiang Mai
- 7/24 Soi Suanplu, Thungmahamek sub-district, Sathorn district, Bangkok
- The Street Ratchada, 3rd Floor, No. 139 Ratchadaphisek Road, Dindaeng sub-district, Dindaeng district, Bangkok
- MBK Center, 5th Floor, Room No. PLA.F05.A010000 No. 444 Phayathai Road, Wangmai sub-district, Pathumwan district, Bangkok
- The Berkeley Hotel Pratunam, 10th Floor, No. 559 Ratchaprarop Road, Makkasan sub-district, Ratchathewi district, Bangkok
- 47/3-6 Phayathai Road, Phayathai Road sub-district, Ratchathewi district, Bangkok
- Grande Centre Point Hotel Sukhumvit 55, 5th Floor, No. 300 Soi Sukhumvit 55, Sukhumvit Road, Klongton Nua sub-district, Wattana district, Bangkok
- 121/3 Wake Up Hotel Aonang, 1st Floor, Aonang sub-district, Muang district, Krabi
- 224/2-3 Karon Road, Karon sub-district, Muang district, Phuket
- 5/2-3 Soi Sukhumvit 31 (Sawasdee), Klongtoey-Nua sub-district, Wattana district, Bangkok

- 255 Khoktanod Road, Karon sub-district, Muang district, Phuket
- 20/64 Moo 2, Thepkasattri Road, Koh Kaew sub-district, Muang district, Phuket
- 199 Raj-u-thit 200 years old Road, Patong sub-district, Muang district, Phuket
- 1/5 Nimmanhaemin Road, Suthep sub-district, Muang district, Chiang Mai
- 224/27-28 Moo 10, Nongprue sub-district, Banglamung district, Chonburi
- 99 Ratchadamri Road, Lumpini sub-district, Pathumwan district, Bangkok
- 8 Sawatdirak Road, Patong sub-district, Kathu district, Phuket
- 8/62 Soi Moon Baan Nong Khae, Nong Khae sub-district. Hua Hin district. Prachuab Khiri Khan
- 777 1st Floor, SH-1054A, 1054B Moo 6, Na Kluea sub-district, Banglamung district, Chonburi
- 1 3rd Floor, Soi Sukhumvit 13 (Sangchan), Klongtoey Nua sub-district, Wattana district, Bangkok
- 212 2nd Floor, Ratchadaphisek Road, Huaykwang sub-district, Huaykwang district, Bangkok
- 111 The Market Bangkok, 4th Floor, M14SA01, Ratchadamri Road, Lumpini sub-district, Pathumwan district, Bangkok
- 27 Nikko Hotel Bangkok, 201 Zone A, 2nd Floor, Soi Sukhumvit 55 (Thonglor), Klongton Nua sub-district, Wattana district, Bangkok
- 1031 LG Floor, LG-03, Central Embassy, Ploenchit Road, Lumpini sub-district, Pathumwan district, Bangkok
- 188 Rua Rasada Hotel, Patthalung Road, Tubtiang sub-district, Muang district, Trang
- 111 Moo 6, Ko Lanta Yai sub-district, Ko Lanta district, Krabi
- 531 I'm Chinatown, 3rd Floor, F3-2, Charoenkrung Road, Pomprapattthupai sub-district, Pomprapattthupai district, Bangkok
- 19/1, 19/2, 19/3, 19/4, 19/5, 19/6 Porto de Phuket, 1st Floor, 509, Baandon-Cherngtalay Road, Cherngtalay sub-district, Talang district, Phuket
- 491 Carlton Hotel Bangkok, 10th Floor, Sukhumvit Road, Klongtoey-Nuea sub-district, Wattana district, Bangkok
- 4,4/1-4.2, 4/4 CentralWorld, 2nd Floor, D205, Ratchadamri Road, Pathumwan sub-district, Pathumwan district, Bangkok
- 96 Mahanakorn Cube, 4th Floor, F401, Naradhiwas-Rajanakarin Road, Silom sub-district, Bangrak district, Bangkok
- 55 Movenpick Siam Hotel Na Jomtien Pattaya, Moo 2, Sukhumvit Road, Na Jomtien sub-district, Sattahip district, Chonburi
- 211, 211/1, 211/2 Veranda Beach Pattaya, B Building, 1st Floor, Moo 1, Na Jomtien sub-district, Sattahip district, Chonburi
- Novotel Platinum Pratunam, 9th Floor, 220 Petchaburi Road, Thanon Petchaburi sub-district, Ratchatewi district, Bangkok

### 3) Baan Suan Massage

- 27 Nakorn-in Road, Talad Kwan sub-district, Muang district, Nonthaburi
- 293 Ratchadaphisek Road, Wongsawang sub-district, Bangsue district, Bangkok
- 624 Charoennakorn 68 Road, Daokanong sub-district, Thonburi district, Bangkok
- 488 Bharomratchachonnanee Road, Salathammasop sub-district, Thaweewattana district, Bangkok
- Terminal 21 Korat Shopping Mall, 2nd Floor, Room No. 2020-2021 No. 99 Mittraphap-Nongkhai Road, Naimuang sub-district, Muang district, Nakorn Ratchasima
- 689 Mill Place Pohsri Mall, M-0208, M-0209, Pohsri Road, Markkang sub-district, Muang district, Udon Thani
- 1245-1245/1 Moo 5 Soi Wannauthit, Prajaksilpakom Road, Naimuang sub-district, Muang district, Nongkhai
- 673 Phekasem Road, Nongkangplu sub-district, Nongkaem district, Bangkok
- 624/2 Ramintra Road, Ramintra sub-district, Kunayao district, Bangkok

#### 4) Stretch me by Let's Relax

- 4, 4/1, 4/2, 4/4 CentralWorld, 3rd Floor, F313, Ratchadamri Road, Lumpini sub-district, Pathumwan district, Bangkok
- 101 True Digital Park, 2nd Floor 201 Zone B, Sukhumvit Road, Bangchak sub-district, Prakanong district, Bangkok
- 27 Nikko Hotel Bangkok, 201 Zone A, 2nd Floor, Soi Sukhumvit 55 (Thonglor), Klongton Nua sub-district, Wattana district, Bangkok

#### 5) Dr. Spiller Pure Skin Care Solutions

- 4,4/1-4.2, 4/4 CentralWorld, 2nd Floor, D205, Ratchadamri Road, Pathumwan sub-district, Pathumwan district, Bangkok
- 27 Nikko Hotel Bangkok, 201 Zone A, 2nd Floor, Soi Sukhumvit 55 (Thonglor), Klongton Nua sub-district, Wattana district, Bangkok
- 777 1st Floor, SH-1067, 1068 Moo 6 Naklua sub-district, Banglamung district, Chonburi

#### 6) Stretch me Clinic

- 4,4/1-4.2, 4/4 CentralWorld, 2nd Floor, D202/2, Ratchadamri Road, Pathumwan sub-district, Pathumwan district, Bangkok

Telephone/Facsimile : 0 2641 6619-20 / 0 2641 6621

Website : [www.siamwellnessgroup.com](http://www.siamwellnessgroup.com)

Paid-Up Capital : 213,749,982.00 bahts (two hundreds and thirteen millions seven hundreds and forty-nine thousands nine hundreds and eighty-two bahts)

Par Value : 0.25 bahts (twenty-five satangs)

## 2. Other registered company that Company holds at least 10% of total shares

### 2.1 Siam Wellness Resort Company Limited

Head Office Address: 565, 567 B.U. Place 22nd Floor Soi Suthiporn, Prachasongkroh Road, DinDaeng, Bangkok 10400 THAILAND

Business Type : Resort and Restaurant

Registered capital : 60,000,000 bahts (sixty millions bahts)

% Shares : 99.99

### 2.2 Siam Wellness Lab Company Limited

Head Office Address: 483 Soi Suthiporn, Prachasongkroh Road, DinDaeng Bangkok 10400 THAILAND

Business Type : Spa Products Trading

Registered capital : 1,000,000 bahts (one million bahts)

% Shares : 99.99

### 2.3 Siam Wellness Education Company Limited

Head Office Address: 565, 567 B.U. Place 21st Floor Soi Suthiporn, Prachasongkroh Road, DinDaeng, Bangkok 10400 THAILAND

Business Type : Massage School

Registered capital : 1,000,000 bahts (one million bahts)

% Shares : 99.97

### 3. Other references

**Registrar :** Thailand Securities Depository Company Limited (TSD)  
93 SET Building Tower A 14<sup>th</sup> Fl.  
Ratchadaphisek Road, Klongtoey sub-district, Klongtoey district, Bangkok  
Tel. (662) 009 - 9000  
Fax. (662) 009 - 9993

**Website :** <http://www.set.or.th>

**Auditor:**

Ms. Sumana Punpongsanon, certified public accountant no. 5872 and/or  
Mr. Chayapol Suppasdtanon, certified public accountant no. 3972 and/or  
Ms. Orawan Techawattanasirikul, certified public accountant no. 4807 and/or  
Ms. Kertsiri Kanjanapraposit, certified public accountant no.6014

EY Office Limited  
Lake Ratchada Building, 33rd Floor, 193/136-137, Ratchadaphisek Road, Klongtoey district,  
Bangkok 10110  
Tel: (662) 264-9090  
Fax: (662) 264-0789-90

### 4. Other information

- None -

Investor can obtain additional company information from Annual Report (56-1 One report) on [www.sec.or.th](http://www.sec.or.th) or Company Website

### Legal Dispute

As of December 31, 2021, the Company has a legal dispute or has a lawsuit pending litigation. This may have a significant negative impact on business operations. or have to pay damages worth more than 5% of the Company's shareholders' equity as follows:

1. Civil court case, Black case number Phor.5544/2563, between Siam Wellness Group Public Company Limited (the plaintiff) and Chaba Nail Wellness Spa at the East Company Limited (the 1st defendant), Ms. Pawarisa Chinwongwisai (the 2nd defendant), Mr. Teerawut Chinwongwisai (The 3rd defendant) is a case of breach of contract not paying debts in the amount of 20,312,500 baht due to the company contracting to terminate the business with the three defendants. The Company returned 349,600 shares of Chaba Elegance Company Limited to the three defendants. The three defendants had to pay back the share price to the company in the amount of 93,750,000 baht by dividing the payment in 8 installments, and the three defendants agreed to the 1st defendant by the 2nd defendant to pay 8 checks to pay off each debt in installments. Subsequently, the three defendants defaulted on non-payment of debts in the 4th and 5th installments, totaling 20,000,000 baht. The company therefore asked the three defendants to jointly pay the debt to the company. But the three defendants did not pay the debt. The Company, therefore, filed a lawsuit against the three defendants to the Civil Court on October 30, 2020 to jointly be liable to pay the said debt to the Company. The Civil Court has made an appointment for witness examination on 7 and 8 April 2022.

2. Civil court case, Black case number Phor.3817/2564 between Siam Wellness Group Public Company Limited (the plaintiff) and Chaba Nail Wellness Spa at the East Company Limited (the 1st defendant), Ms. Pawarisa Chinwongwisai (the 2nd defendant), Mr. Teerawut Chinwongwisai (The 3rd defendant) is a lawsuit for breach of contract not paying debts of 25,812,500 baht due to the company contracting to terminate the business with the three defendants. The Company returned 349,600 shares of Chaba Elegance Company Limited to the three defendants. The three defendants

had to pay back the share price to the company in the amount of 93,750,000 baht by dividing the payment in 8 installments, and the three defendants agreed to the 1st defendant by the 2nd defendant to pay 8 checks to pay off each debt in installments. Subsequently, the three defendants defaulted on non-payment of debts in installments 6,7 and 8, totaling 3 installments amounting to 25,000,000. The company therefore demanded that the three defendants jointly pay the debt to the company. But the three defendants did not pay the debt. The Company therefore sued the three defendants to the Civil Court on August 18, 2021 to jointly be liable to pay the said debt to the Company. The Civil Court has scheduled an appointment for witness examination on February 10, 2023.

As for the subsidiary companies, there are Legal disputes of Siam Wellness Resort Co., Ltd. (SWR) is a party or the parties, which are ongoing cases or disputes that may significantly affect SWR's business operations. The details are as follows.

1. Central Administrative Court case, Black Case No. 1261/2559, between Siam Wellness Resort Co., Ltd. (the plaintiff) against the Mayor of Chiang Mai Municipality (Respondent No. 1) and the Appeal Committee in the municipality or other local government areas in Chiang Mai under the Building Control Act B.E. 1979 (Respondent No. 2) was a case requesting the Central Administrative Court to order the revocation of the rulings and orders of both defendants. On March 18, 2016, the 1st defendant has been notified in writing to the directors of the plaintiff in order to suspend the construction of the building, do not use the building and demolish the restaurant Deck One, claiming that there are some constructions outside the title deed area and encroaching on the Ping River, which the plaintiff filed an appeal against the above order against the defendant no. 2 on April 25, 2016 and on July 14, 2016, the defendant at 2 has notified the appeal ruling to the plaintiff by dismissing the appeal of the plaintiff and did not revoke the order of the defendant No. 1, therefore, on August 10, 2016, the plaintiff filed a lawsuit against both defendants. Central Administrative Court requested the Central Administrative Court to issue an order or a judgment revoking the order and decision of the two defendants. Subsequently, on February 27, 2019, the Central Administrative Court ruled not to revoke the mayor's order and grant the plaintiff to demolish the building. The plaintiff filed an appeal with the Supreme Administrative Court on March 17, 2019, and the plaintiff filed an appeal on June 14, 2019 while the case is under consideration by the Supreme Administrative Court.

2. Central Administrative Court Case No. 15/2560 between Siam Wellness Resort Co., Ltd. (the plaintiff) against the Director of the Chiang Mai Regional Harbor Office (Respondent No. 1) and Director of the Regional Harbor Office 1 (Respondent No. 2) requesting the Central Administrative Court to order the revocation of the rulings and orders of both defendants. On July 15, 2016, the 1st defendant has been notified in writing to the directors of the plaintiff to proceed with the demolition of the restaurant, Deck One, claiming that there are some constructions outside the title deed area and encroaching on the Ping River, which the plaintiff filed an appeal against the above order against the defendant no. 2 on August 2, 2016 and on October 4, 2016, the defendant at 2 has notified the appeal ruling to the plaintiff by dismissing the appeal of the plaintiff and did not revoke the order of the defendant No. 1, therefore, on January 6, 2017, the plaintiff filed a lawsuit against both defendants. Central Administrative Court requests the Central Administrative Court to issue an order or a judgment revoking the order and decision of the two defendants. Currently, the case is being considered by the Central Administrative Court.

3. The case of the Chiang Mai Provincial Court, Black Case No. Or. 599/2017 between the Chiang Mai Public Prosecutor (Plaintiff) and Siam Wellness Resort Company Limited (1st defendant) and Mr. Wiboon Utsahachit (2nd defendant) is a criminal case. On February 8, 2017, The plaintiff sued that the two defendants trespassed into the Ping River in the area of Charoenrat Road, Wat Ket Sub-district, Mueang District, Chiang Mai Province Asking to punish the two defendants. The Court of First Instance issued a verdict on February 13, 2019, dismissing the plaintiff's case. Later, the Court of Appeal reversed the judgment on March 12, 2020, requiring both defendants to pay a fine of 400,140 baht each, and the Supreme Court upheld the verdict on the 10th. August 2021

In addition, if the case in the first and second order, the court has a final judgment not revoking the defendant's order, it will affect the financial position and operations of the company in which the company may have to demolish Deck One restaurant from the area. The amount of damage is approximately 14 million baht. As of the end of 2021, the Company has not set aside any provisions or allowances for such damages because it is still in the process of trial in court, which is not yet final. It is expected to take another 2-3 years.

# Part 02

## Corporate Governance



# 06



## Corporate Governance Policy



## 6. Corporate Governance Policy



### ● 6.1 Policies on Corporate Governance

Having realized that good corporate affairs can lead to enhancement of the operation and powerful and sustainable growth of the Company which will benefit all parties concerned, namely employees, investors, shareholders and other stakeholders, the Board of Directors, whom is the leader of the Organization, have therefore adopted policies to better corporate governance. Such polices cover the structure, the roles and responsibilities of director and the principles of transparent management of the organization that can be audited that can be used as guidelines for management of the organization to ensure fairness and carefully consideration of the best interests of shareholders and all interested parties and adapt to Good Corporate Governance to meet Long Term Objectives that create sustainable Business Values complying with the expectation of Business Sector, investors, stock market and society under the rules of SET's Principles of Good Corporate Governance 2012 under 5 sections and under the rules of SEC's Corporate Governance Code for listed companies 2017 under 8 Sections which cover:

<b>Principle 1:</b>	Establish Clear Leadership Role and Responsibilities of the Board
<b>Principle 2:</b>	Define Objectives that Promote Sustainable Value Creation
<b>Principle 3:</b>	Strengthen Board Effectiveness
<b>Principle 4:</b>	Ensure Effective CEO and People Management
<b>Principle 5:</b>	Nurture Innovation and Responsible Business
<b>Principle 6:</b>	Strengthen Effective Risk Management and Internal Control
<b>Principle 7:</b>	Ensure Disclosure and Financial Integrity
<b>Principle 8:</b>	Ensure Engagement and Communication with Shareholders

SEC has approved SEC's Corporate Governance Code for listed companies 2017 in replacement of SET's Principles of Good Corporate Governance 2012

In 2017, The Company has actively utilized the Good Corporate Governance to support the Operations of the Company. On 16th December 2017 the Corporate Governance Committee was appointed by the Board of Directors at the Board of Directors' Meeting No. 10 to allow the operations of the Company to be smooth, efficient and complies with the Code of Governance. The Directors, Executives and Staffs have acknowledged and understood the CG Guideline approved by the Corporate Governance Committee's Meeting No. 2 on 5 October 2018 which will act as Guideline.

#### **Corporate Governance Code for listed company 2017 (CG Code)**

The key contents of SEC's Corporate Governance Code for listed companies 2017 has been updated from SET's Principles of Good Corporate Governance 2012 with changes in order and presentation to comply with Board of Directors's role in each business process. Moreover, it added new issues to reflect new thinking or change in marketplace.

1. Strengthen the role of the Chairman of the Board of Directors and separate the role of Board of Directors and Executive Committee divided into 3 parts

- a. Issues determined by Board of Directors
- b. Issued determined by both Board of Directors and Executive Committee in which Executive Committee will take action
- c. Issues that should not be determined by Board of Directors

2. Strengthen the role of the Board of Directors in setting Objectives, Vision and Mission of the Company with responsible parties. This allows the Company to have sustainable goals. Tools include environmental analysis, Matter and Stakeholder analysis and the Culture analysis.

3. Expand the role of the Board of Directors in setting Strategies, Policies, Business Plan and Budget and support the use of innovation and technology to increase the company value including supervising IT Systems
4. Add the Market Sensitive information Policies to avoid potential problems of leaked information
5. Strengthen the role of the Board of Directors in supervising the cash flow, debt control, financial crisis management as well as cash management system and provident funds
6. Strengthen the role of the Board of Directors in understanding the relationship between Shareholders and Executive Committee in decisive role
7. Strengthen the role of the Board of Directors in the role of Chairman. In the event that Chairman and CEO's role are not separated, the Board of Directors may assign the Independent Director to set the Meeting's Agenda as an alternative way to balance the role of Board of Directors and Executive Committee

The Board of Directors shall bring the 8 Guidelines in Section 1 to apply to the Organization to create the sustainable business and in Section 2 which is the additional Guidelines to support Section 1.

Therefore, Company shall set the Operations and Internal Audit Process according the Principles stated above with 5 main topics.

Section 1 The Rights of Shareholders

Section 2 Equitable Treatment

Section 3 Stakeholders

Section 4 Transparency

Section 5 Responsibilities

## Section 1: The Rights of Shareholders

Having recognized the shareholders' right to receive correct and complete information on the Company within good time on an equitable treatment basis and to make decisions on major changes that affect the Company. The Board of Directors supports the shareholder's rights with the following policies have been adopted:

1. We will sent an invitation in Thai and English to attend a meeting with the items on the agenda and views of the Board of Directors thereon to shareholders at least 7 or 14 days before the meeting of shareholders, whichever the case may be. Any shareholder who cannot personally attend the meeting can appoint an independent director or any person as a proxy to attend the meeting for and on his behalf, using the proxy appointment form attached to the invitation to attend the meeting. The Company also disclose the Agenda of the Meeting in newspaper in 3 consecutive days at least 3 days before the Meeting. This allows Shareholders to have good preparation for the meeting.

2. We will hold the meeting at the most suitable venue and time to ensure that the shareholders find it convenient to travel. There will be enough time for the meeting to deal with all the items on the agenda. A map will also be provided.

3. Before commencing the meeting, the shareholders will be informed of their rights to vote, express views and raise any questions at the meeting in respect of the items on the agenda. According to the Charter, the Company has assigned a shareholder as a witness of the counting of votes. During meeting, the shareholders will be given equal rights and opportunities to express their views within the time well allocated by the Board Chairman. The directors and executives, including Management and Company Secretary, concerned shall attend the meeting and present to answer questions and respond to enquiries from Shareholders.

4. We will use our website as another communication channel. The news and information will be published on our website. Shareholders can download the invitation to meeting with the items on the agenda well in advance before the day of the meeting so that they will have plenty of time to examine the Company's documents. Shareholders can even raise any questions online before the day of the meeting. Our website contains information on how to download meeting invitation and raise questions online.

5. To ensure accuracy and speediness, vote counting and decision may be done online with Technology support and create ease for shareholders.

6. An independent person will be appointed to count and examine the votes at the meeting of shareholders, reveal the outcome to the meeting and record it in the minutes of the meeting.

7. The minutes of the meeting will be correctly and completely taken to cover all the important questions and views raised at the meeting for perusal by the shareholders such as Name of Directors and Management attended, the ratio of attended and unattended Directors, Vote Counting methods and procedures, the resolution of the Meeting for each Agenda (Agree, Disagree, Object to Vote) as well as Questions and Answers of each shareholder including the Name of the asker and responder. After being listed on SET, the meeting will be video recorded for future reference. The minutes of meetings will be published on our website for shareholders' consideration. Such minutes of meeting will be submitted to SET portal within 14 days of the meeting.

8. The decision made by the meeting of shareholders will be published on our website on the Meeting day or next working day on SET portal and Company's Website.

9. Shareholders will have their dividends transferred into their bank accounts or by Cheque (if any dividend is paid). This method of payment will eliminate the problems of checks being damaged, lost or sent to payees in delay.

10. Shareholders will have equal voting rights: one share per one vote.

11. Shareholders have the right to be informed of the results of operations of the Company including Financial Statements, Management Discussion and Analysis. We will prepare the documents which clearly and completely explain the operations for fiscal year which cover the activities related to the operations of the company including Company's Annual Report in CD (enclosed with Invitation letter) and in print to distribute on Meeting Day or provide download link on Company website.

12. Shareholders will be entitled to consider and approve the financial statements of the Company. We will prepare financial statements that are accurate and reliable and cover all the essential facts and figures according to the generally accepted accounting standards and have been audited by an independent and well-known auditor who also expresses his views thereon.

13. Shareholders will be entitled to consider and approve the Company's dividend payment. We will present detailed calculation of dividends which clearly cover all the essential facts for the consideration of the shareholders, e.g. dividend payment policy, comparison of dividend paid in the previous year. Good explanation will be given for non-dividend payment. The dividend payment proposed to shareholders will be reviewed carefully for thoughtful consideration and approval by the Board of Directors before presentation to the Meeting of Shareholders for consideration and approval.

14. Shareholders have the right to determine and appoint each director. We will provide the clear and correct records and details of the persons nominated for directors such as work records and the number of years in office (if a retiring director is nominated), type of director required, rules and procedures for recruitment, shares in the company, the positions in other companies, both related and unrelated to the business of the Company, etc. and definition of independent directors. In the case of independent directors, the person nominated for shareholders to approve the appointment shall be reviewed carefully for approval by the Board before proposal to the Meeting of Shareholders for approval.

15. Shareholders are entitled to consider and approve the remuneration of Directors. We will provide clear and comprehensive details of remuneration of directors is required for consideration by shareholders, such as policy on payment of remuneration, payment based on position, duties, responsibilities and comparison with previous year's payments for careful consideration by the Remuneration Committee and approval by the Board prior to submission to the Meeting of Shareholders for approval.

16. Shareholders shall have the right to consider and appoint the auditor and approve the audit fees. We will prepare complete and correct details for consideration by shareholders, such as name of auditor, the office that he comes under, his independence, the number of years he works for the Company, his audit fees with complete breakdown and other service charges (if any) and comparison with the audit fees of the previous year for careful consideration by shareholders and review by the Audit Committee based on past performance of the auditor before pro-

posal to the Meeting of Shareholders for approval.

17. In the interest of the shareholders and the Company, the shareholders shall be entitled to consider and approve the significant related transactions and the same shall also be considered and approved by the Audit Committee comprising independent members.

18. We will provide the correct and complete information on capital increase which cover all essential details such as objectives, necessity, methods, conditions, effects on the Company and shareholders for consideration and approval of the Board before proposal to the Meeting of Shareholders for approval.

## Section 2: Equitable Treatment

It is our policy to ensure that all shareholders will have equal rights to conduct examination and express their views including Access to Information and Expression of Opinion on Company's Operations, as follows:

1. Minor shareholders will be allowed to nominate persons for directorship or propose the items on the agenda to be deal with by the Meeting of Shareholders with downloaded applications for Nominated Directors or Nominated Agendas via Company Website

2. The rules on the nomination of person for directorship and proposal of the items on the agenda by minor shareholders will be clearly set forth.

3. The Meeting of Shareholders will only deal with the items on the agenda without changing any important details or adding any items on the agenda without notice, unless otherwise approved by the Meeting in compliance with the law.

4. The shareholder who cannot attend the meeting by himself may nominate an independent director or appoint a person as a proxy who will attend and vote at the meeting on his behalf. The name of such proxy (all Independent Directors included) shall be indicated in the meeting invitation with full details of Biography and Work Experience records

5. All shareholders, whether they are major or minor shareholders of any nationalities will be treated equally such as Thai and English Documents

6. To ensure transparency and traceability and avoid conflict, voting on any matter shall be done by ballot and each shareholder will be allowed to nominate the persons for directorship.

7. There shall be written guidelines on maintenance and protection of data for compliance by all people in the Company. All directors and executives are required to report the securities in their holding to the Board of Directors.

8. The director or executive who has vested interest or conflict of interest in any transaction under consideration shall disclose such vested interest or conflict of interest to ensure that the Board of Directors can equitably consider such transaction for the benefit of the Company. Such vested interest or conflict of interest shall be recorded in the minutes of the meeting.

9. The Board of Directors shall recognize the rights of shareholders and the Company shall treat all shareholders fairly and equally, whether they are executive or non-executives and irrespective of the number of shares they hold and their nationalities. It is our policy to treat shareholders equally and protect their basic rights. Therefore, all shareholders shall have equal rights to buy or sell shares, get fair share in the Company's profit, receive sufficient information on the operations, attend the meeting to vote for appointment or removal of director, appointment of auditor and the matters affecting the Company such as dividend payment, revision of memorandum or articles of association, capital increase or decrease and approval of special transactions.

10. All shareholders shall have equal rights to vote: each share is eligible to one vote.

11. Company will release Company News to shareholders on regular basis via SET portal and Company Website

12. Shareholders shall be allowed to propose the items on the agenda or nominate the person for directorship

to be included in the items on the agenda at least 1 month before the day of the annual meeting of shareholders as set forth by the Company.

13. We will sent to meeting invitation along with the documents on the items on the agenda and the views of the Board of Directors on all the items on the agenda, to all shareholders at least 7 days before the day of the meeting or 14 days, unless otherwise set forth by SET or SEC. Such meeting invitation and related documents which are the same as the ones to be sent to the shareholders shall also be published on our website at least 30 days before the day of the meeting so that the shareholders will have enough time to examine all the details and can make the right decisions.

14. The rules and procedures for meeting attendance, questions, answers, voting and decision making shall be clearly set forth in the meeting invitation. Shareholders will be allowed to raise any questions before the day of the meeting. Shareholders can register for the meeting at least one hour before the time of the meeting and continue to do so until the meeting concludes.

15. We shall not prejudice the shareholders' rights to examine the information which must be disclosed or attend the meeting. We shall not suddenly distribute additional documents for the meeting, change the items on the agenda or amend essential data without notifying the shareholders, nor shall we put restrictions on late attendance of any shareholders.

16. All shareholders are encouraged to attend and vote at the Meeting of Shareholders. All the proper procedures are set forth in the meeting invitation. At the meeting for director appointment, each shareholder may vote for any person. At any meeting, shareholders will be allowed to raise any questions or express any views. The directors concerned will answer all such questions to the satisfaction of the shareholders.

17. The shareholder who cannot personally attend the meeting may appoint an independent director as proxy to attend and vote at the meeting for and on his behalf. For this purpose, Proxy Form A and B shall be used. Form B can be used to grant the proxy the right to vote at the meeting for and on behalf of the shareholder. Form C can be used for foreign investors with appointment of Custodians who are based in Thailand. All forms can be downloaded from the Company's website.

18. Minutes of meeting shall be taken clearly, correctly and completely for examination by shareholders. After submission to SET, such minutes of meeting will be published on our website.

### **Section 3: Rights of Stakeholders**

We recognize the rights of all stakeholders, whether they are internal ones such as shareholders and employees or external ones such as customers, trading partners, creditors, competitors, government agencies, organizations and nearby communities. The reasons are they support us and help us to become more competitive and make more profit which is worthwhile in the long run. We treat all stakeholders as required by law or as agreed with them. Therefore, we have adopted the following policies:

#### **Treatment of and responsibilities for shareholders**

Having realized that shareholders are the owners of the business and the Company, we create added value in the long run for them by setting the following guidelines for our employees, directors and executives:

1. To perform duties on a bona fide basis and make decisions carefully and fairly in the interest of all shareholders.
2. To oversee the operations to ensure that the Company has stable financial status and good performance; to preset correct and complete reports on the Company's standing, returns on operations, financial status, accounting and others on a regular basis.
3. Present to all shareholders the reports on the Company's future aspects, whether positive or negative, which are reliable and have sufficient proofs.
4. Not to seek interest for oneself other from the information not disclosed by the Company to the public, nor to perform any acts which may cause conflict of interest with the organization.
5. To treat all shareholders equally at the Meeting of Shareholders.

### **Practices and responsibilities in respect of government sector**

We operate our business in compliance with the laws, rules and regulations on government agencies. In particular, we avoid the acts that influence government employees to act improperly. In stead, we try to build good relations whenever possible, e.g. talking in public places, greeting at certain time of season within the following guidelines:

1. To follow proper procedures at the time of making contact with government agencies or their employees.
2. To become aware that the laws, rules and regulations on government agencies may vary and require strict compliance.

### **Practices and Responsibilities in Respect of Employees**

We realize that all employees are our most valuable assets that will help us attain our objectives and vision sustainably. To ensure fairness in opportunity, remuneration, transfer and enhancement of potential, we shall adopt the following practices:

1. To respect employees' rights and honor with respect to the rights and dignity as well as fairness.
2. To maintain workplace in good conditions – safe for them, their health and well-being and properties.
3. To appoint, transfer, reward and punish employees on a bona fide basis with equality and fairness, taking into account their knowledge, abilities and suitability.
4. To attach importance to employees' constant knowledge, skill acquisition and talent: offer training, hold seminars for all employees including Self Development Program as well as allow other skill enhancement for all employees.
5. To offer fair remuneration based on the market condition, competition, job description, the employee's ability and performance above or equal to the rate set by Law and match with the employee's knowledge, ability and skills.
6. Not to perform any unfair acts which affect the career of the employee.
7. To allow employees to air their grievances about working conditions and suggest solutions for the benefit of all parties and create good relations at work.
8. To strictly observe all the laws and regulations on employment with respect to fairness and dignity.
9. To listen to Comments and Suggestions of employees with equality.
10. To enhance employees to understand the role of employees, stakeholders and related parties internally and externally and support ethic practices.
11. To create an inquiry page for employees to make inquiries, lodge complaints, report illegal acts, raise doubts against unethical acts, as stated in the CG Code, through Website and Annual Report. Such communications shall be treated as confidential, and investigation shall be conducted to find solutions

### **Practices and Responsibilities in Respect of Customers**

We provide the service of health and spa massage. We intend to create, present and manage our products and services for our customers with the following the standards, ethics and practices:

1. To strive to provide service with politeness, earnestness, readiness, sincerity, good intention and attention as if the customers are close relative, taking into account health, safety and satisfaction of customers. Regular assessments of Customer Satisfaction shall be taken to improve the service.
2. To inform customers of you service methods to ensure maximum efficiency and satisfaction.
3. To provide correct and complete information on our products and services so that customers can make the right decisions. Not to over advertise, exaggerate or cause misunderstanding about the quality, quantity, terms or conditions of the products or services.
4. Provide communication channels for customers to make complaints about our products or services so that we can find solutions and improve our products and services.
5. Treat our customers' information as confidential; not to disclose it or use it for personal gain.

### **Practices and Responsibilities in Respect of Trading Partners and the other Parties to the Agreements**

Company shall operate with fairness and equality. Trading partners and other parties to the agreements help us to achieve success in our operations with Supplier Selection and Rule of Compliance. We therefore treat them equally to ensure join interests as follows:

1. To supply products and provide services according to the following principles:
  - To allow fair competition.
  - To adopt criteria for assessment and recruitment of trading partners and parties to the agreements.
  - To draw up suitable agreements which are fair to all parties.
  - To have a management and follow-up system to ensure full compliance with the agreement and avoid fraud and dishonesty in procurement process.
  - To pay trading partners and parties to the agreements within the deadline according to the terms of payment.
2. We intend to maintain and improve relations with trading partners and parties to the agreements whose objectives are clear in respect of product quality and worthwhile services on a bona fide basis.
3. All of our employees and executives are forbidden from receiving direct or indirect interests from trading partners or parties to the agreements.
4. Not to use the information obtained from purchase or supply for personal gain or for the benefit of any other persons.

#### **Practices and Responsibilities in Respect of Creditors**

We uphold principles and discipline in our operations to earn trust from creditors. We adopt the following practices:

1. Not to dishonestly demand, accept or offer any benefits in dealing with creditors.
2. If any dishonest demand, acceptance or offer of any benefits is known, the information must be disclosed to the creditors, and joint efforts should be made to resolve the issues.
3. To strictly observe all the terms and conditions of the contracts or agreements.
4. If it is not possible to observe the terms and conditions of the contracts or agreement, the Company will inform its creditors of the facts so that the parties will try to find solutions.

#### **Practices and Responsibilities in Respect of Competitors**

Company shall operate business with transparent and shall not act in unethical dealings. We want to achieve long term sustainable success and become a leading company in fair and ethical competition in the industries. We have adopted the following practices:

1. To compete under good rules.
2. Not to obtain competitors' secret information by dishonest or improper means for our own benefit.
3. Not to commit libel against competitors such as paying to Competitor's employees.
4. Not to infringe the intellectual properties of competitors or any persons.

#### **Practices and Responsibilities in Respect of Society**

We attach importance to surrounding communities and society, thinking that we are a part of them and intend to achieve sustainable development of the society and surroundings. We constantly hold social and community activities while operating the business while being responsible for the society and communities, as follows:

1. To operate business, taking into account the environment and in strict compliance with the laws and regulations on the environment.
2. To clearly adopt the CSR policies and uphold such policies.
3. To ensure that our employees become aware of their responsibilities towards the environment and society.
4. To respect the customs, traditions and cultures of the areas where we operate our business.
5. To constantly engage in the activities for creation of society, communities and the environment for the betterment of life quality in cooperation with government agencies, private organizations and communities.
6. To take part in activities in nearby communities.
7. To quickly and efficiently respond to the events that affect the community surrounding, lives and properties in connection with our operations. To fully cooperate with the government officials and the agencies concerned.



## Practices and Responsibilities in Respect of Anticorruption

Siam Wellness Group Public Co.,Ltd puts important in the respect of Anticorruption Report and makes ways for the internal and external reporter to address such concerns in the event that there might be a illegal acts or unethical acts, raise doubts on the correctness of any financial statements or deficient internal control. The Report method is as followed:

### Report Method:

**By Post:** Audit Committee and Office of Company Secretary  
Siam Wellness Group Public Co., Ltd  
565, 567 B.U. Place 22nd Floor, Soi Suthiporn  
Phrachasongkhro Rd., Dindeng sub-district, Dindaeng district, Bangkok 10400

**E-mail:** secretary.ir@siamwellnessgroup.com

**Website:** <http://www.siamwellnessgroup.com>

**Tel:** 0 2641 6619

### Reporter's Protection

Reporter shall be protected with equality, transparency and care with fairness to all related parties. Investigated time shall be fair. Reporter's name shall not be disclosed and Reporter shall be protected with no harassment before, during and after the Investigation as follows:

1. Company sets up a Reporting System with information of Reporter with sufficient for officers who oversees the system in the event that such information
2. Such communications shall be treated as confidential, and investigation shall be conducted to find solutions. The Head of Department shall act with care to protect the Reporter, Witness or related entities without any penalties

## Section 4: Disclosure of Information and Transparency

The Company recognizes the importance of disclosure of accurate and complete information, including Financial Information in accordance with Accounting Standards and approval by appointed Independent Auditors with non-Financial Information as required for disclosure by SEC and SET, in a timely and transparent manner. We will adopt the following practices:

1. Board of Directors will in a timely fashion disclose complete and accurate financial information and other information related to the Company's business, performance and potentials in all event regardless of positive or negative information as well as other non-related Financial Information deemed necessary according to SEC and SET such as CG Code, Risk Management, Social and Environmental Measures. This allows shareholders to have equal right to information.
2. The Board of Directors will strive to ensure compliance with relevant laws and regulations regarding the release and disclosure of information on a transparent basis. To provide the information both in Thai and English language on the website of the company and other channels such as mass media and communication channel of SET and SEC to the shareholders and the persons concerned. Such information will be updated in line with the guidelines set forth by SET and SEC.
3. To employ Investor Relations, with assigned roles and responsibilities, in order to communicate with investors, shareholders, institutional investors and minority shareholders or government agencies in an equal and fair manner effectively. We will arrange a meeting to analyze the results of operations on a regular basis. And to publish the information online, both financial and other information, in Thai and English, to our shareholders, securities analysts, credit rating and other government agencies involved through various channels such as report to SEC, SEC and publication on our website so that shareholders will receive up-to-date information. The information such as our visions, missions, balance sheet, newsletters, annual report, structure of the Company and executives, structure of shareholding and major shareholders.
4. We attach importance to financial reports which truly and completely reflect our financial status and perfor-



mance according to the generally recognized accounting standards which have been audited by independent auditor. Company shall disclose Financial Statement, Annual Report, 56-1 One Report and Quarterly Management Discussion and Analysis to reflect Company's Performance and Operating Results to allow investors to acknowledge and understand the changes.

5. The Company will disclose information about individual directors, the roles and functions of the Board of Directors and Committees in our 56-1 One Report, number of meetings, attendance of directors in the previous year, remuneration of directors and high level executives.

6. To publish on our website the essential information both in Thailand and English such as our visions, missions, nature of business, balance sheet, performance on Form 56-1 One Report, annual report, shareholding structure, invitation to meeting of shareholders, articles of association, memorandum of association, policies, charter and ethics of the Board of Directors, Audit Committee and all employees.

7. The Board of Directors shall assign Executive Committee to monitor and assess the Company's Performance and report on regular basis. The Board of Directors and Executive Committee shall jointly discuss to find solution in the event that there is sign of Financial crisis. Moreover, any approval of resolution or AGM's resolution, The Board of Directors should be determined that it will not impact the financial position and debt payment

8. In the sign of Financial Crisis, The Board of Directors should be determined that they have Action Plan with consideration of the right of related parties

9. The Board of Directors shall have Communication and Disclosure Policy to determine that Communication and Disclosure with other stakeholders are appropriate, timely with the use of appropriate channels, protect the confidential information and other information that may impact with the Stock Price as well as comply with Regulations and Rules.

## **Section 5: Responsibilities of the Board of Directors**

The Board of Directors comprises the directors who have knowledge, ability and experience in business operation, determined, have leadership skills, have vision and independent in decision-making and shall be responsible to the shareholders for the Company's operations, compliance with the laws and ethics as well as responsible for their roles to Shareholders with honesty and integrity

The Board of Directors shall be independent from the Executive Committee with clear assigned roles and responsibilities as followed:

The Board of Directors appoints the Executive Committee to oversees Operations, appoints each Committee to oversees assigned tasks, appoints Auditor and Company Secretary to convene Meetings, prepare Meeting Papers, Other Important Information and co-ordinate other Committee's resolution to comply with the Resolution of the Board of Directors and other laws.

## **Responsibilities of the Board of Directors – Structure and Committees**

### **Board of Directors**

#### **Directors on the Board**

1. The Board of Directors comprises the directors who have knowledge, ability and experience in business operation; adopt policies, visions, missions and strategies; set goals; make business plans and allocate budgets and oversee the Executive Committee; administer in accordance with the policies set forth to ensure efficiency and effectiveness within the framework of the laws, objectives, articles of association, resolutions of the Board Meeting and Shareholders Meeting with responsibility, honesty and care according to good practices to add economic value to the business and highest security to our shareholders.

2. The Board of Directors acts as the leader of the Company in setting and reviewing the Company's Vision, Mission and Objectives in Company's Operations as well as allowing sufficient information and opinion sharing the Board of Directors

3. The Board of Directors Consist of at least 9 people; the number of independent directors shall be at least

1 in 3 of all the directors. The independent directors shall have the qualifications as set forth in the notifications of SET and SEC. All members of the Board of Directors shall have residences in Thailand.

Without being under the influence of any persons, each director can act independently and use his discretion in determining decisions; can raise questions, express his views or raise objection against any issues that may affect the interests of shareholders or interested persons.

### **Responsibilities of the Board of Directors – Roles, Duties and Responsibilities**

1. In accordance with good corporate governance, in addition to operation in accordance with the laws, objectives, articles of association and resolutions of the Meeting of Shareholders, the Board of Directors shall also set forth their roles and responsibilities, the details as shown in terms of scope of authority and responsibility of the Board of Directors.

2. Monitor and assess the Management's Operational Plans by setting regular Management's Operational Plans Presentation as well as any important matters in the Monthly Board of Director's Meeting

3. Each member of the Board of Directors shall not hold Directorship in other listed Companies in the Stock Exchange in more than 3 companies to allow full commitment

4. Manage the Companies with creative value with Long-term Perspective, Ethical and Responsible Business, Good Corporate Citizen and adapts to the fast-changing world that may affect the Operations of the Business

5. Executive Committee shall report Company's Performance on monthly basis although the Board may not meet monthly to allow immediate control and action

6. Give important to Innovation that creates value to customer and other related parties as well as Corporate Social Responsibility

7. Monitor Executive Committee to comply with Operational Plan to reflect the Company's Objectives, Vision and Strategies

8. Monitor Executive Committee to assign resources efficiently and effectively with consideration to Value Chain Support to reflect the Company's Objectives and Vision

9. Set the Guidelines for Information Technology Management to create new business opportunities and operational improvement, as well as risk management to reflect the Company's Objectives and Vision

10. Monitor Company's Data Safety as well as Confidentiality, Integrity, Availability and Market Sensitive information. Directors, Management, Staff as well as Legal Advisor, Financial Advisor shall comply with this

### **Responsibilities of the Board of Directors – Board Meeting**

#### **Regulations on Board Meeting:**

1. Board Meeting will be held at least once every three months. A Special Meeting can be held as necessary. A call for a meeting shall be made at least 7 days in advance. At each meeting, a quorum is formed only when at least half of the directors attend.

2. The items on the agenda should be fixed. The Board Chairman and the Managing Director shall jointly choose the items on the agenda. The Secretary shall ensure that all the directors shall have all the documents before the meeting so that they can carefully examine them, express their views and know how to vote.

3. The Board of Directors should receive sufficient information on a continuous and timely basis. They may freely contact the Secretary. The Secretary is responsible to provide guidance to the Board of Directors on the matters related to compliance with the laws and regulations.

4. The Board Chairman shall allocate sufficient time for the management to present documents and information for discussion by the Board of Directors the important issues. Each director will have the opportunity to express his views before the ruling by the meeting.

5. The Board of Directors shall allow non-executive directors to meet and discuss the management issues without the management being present. The outcome of the meeting shall be reported to the CEO.

6. The Board of Directors shall encourage the CEO and the Managing Director to invite high level executives to attend the Board Meeting to offer additional information as the persons directly deal with the matters. This will be the opportunity to get to know the high level executives and consider the plan for work assignment.

7. The director who has vested interest in the transaction being voted shall not be entitled to vote and he must be outside the meeting at the time of voting.

8. The minutes should be taken for every meeting, and such minutes shall be endorsed by the Board of Directors and kept for future examination.

### **Responsibilities of the Board of Directors – Orientation**

For incoming Directors, Company shall provide the Company Information and Site visits to help them familiarize with the Business and shall provide Guidelines on Director's Roles, Rules and Regulations, Corporate Governance's Rules and other information that deemed useful to be efficient Director.

### **Responsibilities of the Board of Directors – Self Assessment and Director's Assessment**

After turning public and being listed on SET, the Board of Directors shall conduct a self assessment every year to find ways of improving efficiency of their work in the next year.

### **Responsibilities of the Board of Directors – Nomination of Director**

Nominated Director(s) shall have knowledge, ability and experience in business operation, credible Work Experience, good leadership skill with wide Vision as well as good ethics. Moreover, Directors shall have sufficient time to attend the meetings. The mix of Directors should be diverse to reflect the diversity of ideas. Director's specialties shall be ranked in table and Replaced or New Director(s) shall be chosen to meet the Company's Criteria. The use of Institute of Directors (IOD)'s Director's List is recommended to illustrate clarity and confidence amongst shareholders.

### **Responsibilities of the Board of Directors – Remuneration of Director**

The Company shall offer suitable remuneration to the directors and executives with regard to the Company's performance in consistent with the industries and appropriate to the duties and responsibilities of directors executives. Such remuneration shall be clearly and transparently fixed and approved by the Meeting of Shareholder and it must be disclosed on the form provided by the SET and SEC. Sufficient Remuneration that reflect their duties and responsibilities shall be provided to retain talented Director(s).

### **Responsibilities of the Board of Directors – Development of the Board**

The Board of Directors is dedicated to promoting and facilitating the training and education of directors involved in the corporate governance such as company's directors, Audit Committee, management, etc., to provide improved performance; and in the event of a change of directors or the appointment of new directors, the management will provide documentation and information beneficial to the performance of the new directors as well as provide advice. All directors shall undergo training programs held by the Thai Institute of Directors, Certification Director Accreditation Program (DAP), and some are trained in the course Director Certification Program (DCP) from the same institution.

Trainings attended by Company's Directors and Secretary are:

Company Secretary Program (CSP) by IOD – Company Secretary

Company Reporting Program (CRP) by IOD - Company Secretary

Board Reporting Program (BRP) by IOD - Company Secretary

Business in Disruptive era by EY Audit Co., Ltd – Audit Committee

Business Visit in People's Republic of China - BOD

### **Responsibilities of the Board of Directors – Internal Control and Compliance**

The Board of Directors have adopted the internal control system covering all aspects such as finance and operation in compliance with the laws, rules and regulations. And provide a mechanism of checks and balances that are powerful enough to safeguard the assets of the company at all times. Set forth the authority and responsibilities of the management. And the employees shall conduct the check and balance. The work regulations shall be set forth in writing. There shall be an internal audit unit which is independent. This unit shall monitor the performance of all the units in accordance with the rules laid down, and evaluate the effectiveness and the adequacy of internal controls in the various departments in the company.

Appoint Compliance Division or Legal Department to oversee the Compliance Policy of Company. Ensure that it complies with the relevant laws and regulations in the country that the Company operates e.g. Spa Certificate by Ministry of Public Health, Rental Contracts. Notification System via e-mail has been implemented to notify relevant person or department

### **Responsibilities of the Board of Directors – Use of internal information**

The Board of Directors recognize the importance of corporate governance, transparency and prevention of employees from seeking personal gain from the use of the Company's information which has not been disclosed to the public. Guidelines on the use of such information appear in the internal information use policy.

### **Responsibilities of the Board of Directors – Annual Report**

The Board of Directors is responsible for the preparation of financial reports, the information contained in the annual report. The financial report shall be prepared in accordance with the generally accepted accounting standards, choosing the accounting policies which are appropriate and consistent. Attention and careful judgment in the preparation of preparation are required. Essential information should be disclosed in the Notes to Financial Statements. The Board of Directors assign the Audit Committee to oversee the quality of the financial reports and express their views to the Board of Directors.

### **Remuneration of Directors and Executives**

#### **Remuneration of Directors**

The Annual General Meeting of Shareholders No. 1/2014 held May 7, 2014 has clearly and transparently set the remuneration of directors. Such remuneration is in line with the industry and it is sufficient to attract and maintain the directors who have desirable qualifications and assume the duties and responsibilities commensurate with such payment.

#### **Remuneration of Executives**

Remuneration of the executive complies with the principles and policies set by the Board of Directors, which is based on the Company's operations and each executive's performance, taking into account the remuneration offered by companies of the same size in the same industry. The Nominations and Compensations Committee reviewed the remuneration of the Chief Executive Officer (CEO) and Managing Director (MD) using data of other company in the same industry and the Past Company's Performance.

#### **Internal Control and Audit**

The Board of Directors and the Audit Committee and the management have tested the internal control system and are of the opinion that the such internal control system is adequate for the protection of the assets from being used improperly by executives. The powers of approval are set forth in the work regulations. The Company attaches importance to the internal control system that it hires experts on internal audit to do the work. It is also possible to follow up and assess the internal control. Essential documents are systematically stored to allow timely inspection by directors, auditor and legally authorized persons.

## **● 6.2 Monitoring and Operation of Affiliated and Associated Companies**

It is our policy to invest in the business which benefit us to enhance our competitive edge, taking into account the values for such investments. WE shall monitor our affiliated and associated companies as follows:

1. To appoint our representatives as directors in an affiliated company or an associated Company; the number of our representatives shall be in proportion of the number of shares we hold—they are our directors or assigns.
2. The directors authorized to sign and legally bind the affiliated Company or associated Company shall include our representatives – our representatives shall always sign their names.

3. Our representatives shall be entitled to take part in the appointment of high level executives or the persons responsible for the finance and accounting of the affiliated Company or associated Company.

4. Any related transaction, acquisition or disposal of any major assets by an affiliated Company must comply with applicable laws. Such related transactions shall comply with the policies on related transactions.

## ● 6.3 Code of Conduct

The Company has established business ethical practices and written work practices and notify the directors, management and all employees. and adhere to the guidelines for performing duties according to the Company's mission with honesty, integrity, ethics and morality in order to achieve the intended results further Details of the Code of Business Conduct are available on the Company's website at [https://www.siamwellnessgroup.com/investor\\_relations/governance/governance\\_download/](https://www.siamwellnessgroup.com/investor_relations/governance/governance_download/)

## ● 6.4 Major changes and developments

The Company has made significant changes and developments regarding the policy review and guidelines and continuous business supervision system. It stipulates that the charter of the Board of Directors and sub-committees be reviewed at least once a year in order to improve policies, practices and the corporate governance system for efficiency. In the past year, the Company has reviewed the charter of the Board of Directors and sub-committees as follows:


Board of Directors: The charter of the Board of Directors was reviewed in the Board of Directors' Meeting No. 5/2021, held on November 12, 2021

Audit Committee: The Charter of the Audit Committee was reviewed in the Audit Committee Meeting No. 4/2021, held on November 12, 2021

Corporate Governance Committee: The Charter of the Corporate Governance Committee was reviewed in the meeting of the Corporate Governance Committee No. 2/2021 on November 12, 2021

In addition, the company received a score of 98.5 from the Quality Assessment Program for the Annual General Meeting of Shareholders 2021 by the Thai Investors Association.

# 07

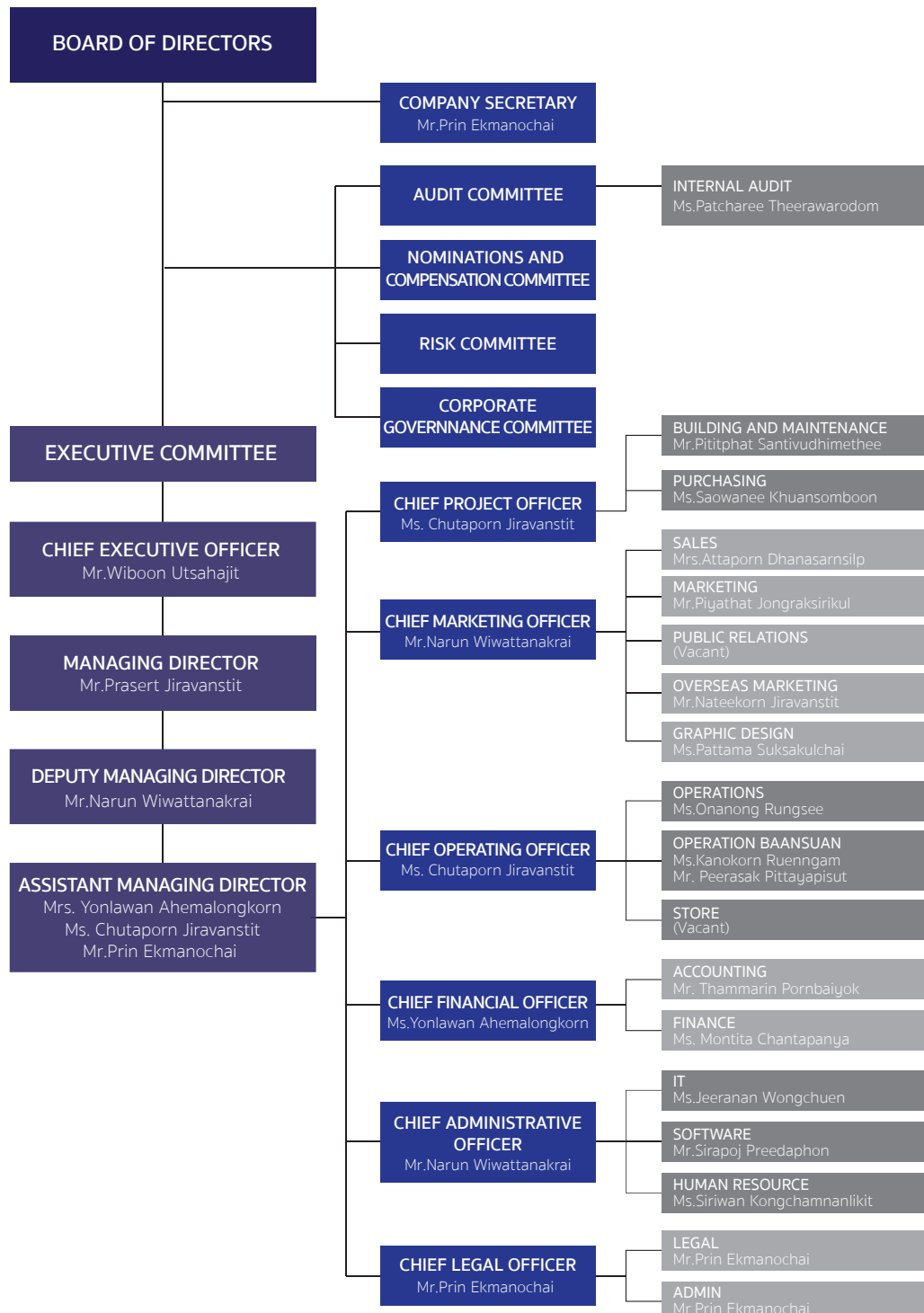


Corporate Governance  
Structure and  
Key Information about  
the Board, Sub-committees,  
Management,  
Employees and Other

## 7. Corporate Governance Structure and Key Information about the Board, Sub-committees, Management, Employees and Others

### 7.1 Organizational Structure

As of December 31, 2021, The Company's Organization is as followed:



## 7.2 Board of Directors

Board of Directors comprise of 1. Board of Directors and 2. Sub-Committee total 5 Committees; Board of Executive Committee, Audit Committee, Nominations and Compensation Committee, Risk Committee and Corporate Governance Committee. Scope of Powers, Duties and Responsibilities are as follows.

### Board of Directors as of 31 December 2021, composed of 9 Directors as followed:

Name	Title
1. Mrs. Pranee Suphawatanakiat	Chairwoman
2. Mr. Wiboon Utsahajit	Director Chairman of the Executive Committee Chief Executive Officer
3. Mr. Prasert Jiravanstit	Director Member of Nominations and Compensation Committee Member of the Executive Committee Managing Director
4. Mrs. Thanit Amorntirasarn	Director Member of Corporate Governance Committee Member of the Executive Committee
5. Mr. Narun Wiwattanakrai	Director Member of Risk Committee Member of the Executive Committee Deputy Managing Director
6. Mr. Polchet Likittanasombat	Director Chairman of the Audit Committee (Audit Committee with Accounting Knowledge) Chairman of Nominations and Compensation Committee Member of the Corporate Governance Committee Independent Director
7. Mrs. Kobboon Srichai	Director Member of the Audit Committee Chairwoman of the Risk Committee Independent Director
8. M.R. Pensiri Chakrabandhu	Director Member of the Audit Committee Member of the Nominations and Compensation Committee Chairwoman of Corporate Governance Committee Independent Director
9. Mr. Phumiphan Bunjapamai	Director Member of the Risk Committee Independent Director

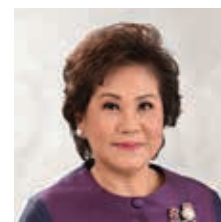
#### Authorized Persons

"Mr. Wiboon Utsahajit or Mr. Prasert Jiravanstit or Mr. Narun Wiwattanakrai, two out of the three directors sign together accompanied by the Company seal".



## Profile Of Director

**Name** Mrs. Pranee Suphawatanakiat  
**Age** 64  
**Position** Chairwoman  
**Date of Appointment** 7 March 2013  
**Education** Bachelor of Political Science, Ramkhamhaeng University



### Training from Institute of Directors (IOD)

Course	Year
Director Accreditation Program (DAP)	2013
Role of the chairman Program (RCP)	2014

### Work Experience

Period	Position	Company	Business Type
2013 - Present	Chairwoman Director	Siam Wellness Group Public Company Limited	Spa
2017 - Present	Director	Klom Kliao Pattana Company Limited	Real Estate
1989 - Present	Director Executive Director	B.U. Enterprises Company Limited	Service Apartment
2010 - Present	Director Executive Director	Asian Fortune Property Company Limited	Real Estate
2013 - Present	Director Executive Director	Cyberprint Group Company Limited	Printing
2013 - Present	Director Executive Director	Utsahajit Holding Company Limited	Holding Company investing in Printing Company and Service Apartment
2010 - 2013	Director Executive Director	Cyberprint Company Limited	Printing
2010 - 2013	Director Executive Director	Srisiam Print & Pack Company Limited	Printing
2005 - 2013	Director Executive Director	C.P.I. Interprint Company Limited	Printing

**Current Position** Chairman, Siam Wellness Group Public Company Limited

### Other Position

**Public Company** None

**Other Companies** 5 companies

- Director and Executive Director, B.U. Enterprise Company Limited
- Director and Executive Director, Asian Fortune Property Company Limited
- Director and Executive Director, Cyberprint Group Company Limited
- Director and Executive Director, Utsahajit Holding Company Limited
- Director, Klom Kliao Pattana Company Limited

**Other companies that may have conflict of interest** none

**Specialization** Political Science

**Attendance to Meeting** 5/5 (From January 1 – December 31, 2021)

## Profile Of Director



**Name** Mr. Wiboon Utsahajit  
**Age** 58  
**Position** Director / Chief Executive Officer / President  
**Date of Appointment** 28 November 2001  
**Education** Bachelor of Computer Science, University of Southern California, Los Angeles

### Training from Institute of Directors (IOD)

Course	Year
Director Accreditation Program (DAP)	2013
Financial Statements for Directors	2014
Director Certification Program (DCP)	2014

### Other Training

- Certificate, Capital Market Academy Class 27
- Certificate, Thai-China Leadership Program Class 3
- Wellness & Healthcare Business for Executives (WHB) Class 1

### Work Experience

Period	Position	Company	Business Type
2001 – Present	Director President	Siam Wellness Group Public Company Limited	Spa
2005 – Present	Chief Executive Officer	Siam Wellness Resort Company Limited	Hotel & Restaurant
2007 – Present	Director	Siam Wellness Lab Company Limited	Spa Products
2011 – Present	Director	Siam Wellness Education Company Limited	Massage School
2010 - Present	Director Executive Director	Asian Fortune Property Company Limited	Real Estate
2013- Present	Director Executive Director	Cyberprint Group Company Limited	Printing
2013- Present	Director	Utsahajit Holding Company Limited	Holding Company investing in Printing Company and Service Apartment
2010 – 2012	Director	C.P.I. Interprint Company Limited	Printing
2001 – 2012	Director	Blooming Intergift Company Limited	Property
1992 – 2012	Director	Blooming Company Limited	Premium Goods

**Current Position** Director / Chief Executive Officer / President, Siam Wellness Group Public Company Limited

### Other Position

**Public Company** None

**Other Companies** 6 companies

- Director and Executive Director, Siam Wellness Resort Company Limited
- Director, Siam Wellness Lab Company Limited
- Director and Executive Director, Siam Wellness Education Company Limited
- Director, Asian Fortune Property Company Limited
- Director, Cyberprint Group Company Limited
- Director, Utsahajit Holding Company Limited

**Other companies that may have conflict of interest** none

**Specialization** Computer Science

**Attendance to Meeting** 5/5 (From January 1 – December 31, 2021)

## Profile Of Director



**Name** Mr. Prasert Jiravanstit  
**Age** 59  
**Position** Director / Managing Director / Executive Director /  
 Nomination and Compensation Committee  
**Date of Appointment** 28 November 2001  
**Education** Bachelor of Marketing, Bentley University, USA

### Training from Institute of Directors (IOD)

Course	Year
Director Accreditation Program (DAP)	2013

### Work Experience

Period	Position	Company	Business Type
2001 – Present	Director Managing Director	Siam Wellness Group Public Company Limited	Spa
2017 – Present	Executive Director Nomination and Compensation Committee	Siam Wellness Group Public Company Limited	Spa
2005 – Present	Director Executive Director	Siam Wellness Resort Company Limited	Hotel & Restaurant
2007 – Present	Director Executive Director	Siam Wellness Lab Company Limited	Spa Products
2011 – Present	Director	Siam Wellness Education Company Limited	Massage School
2013 – Present	Vice President International Relations Director	Thai Spa Association	Association
2018 – Present	Director	G.G.P. Property Company Limited	Real Estate

**Current Position** Director / Managing Director / Executive Director / Nomination and Compensation Committee, Siam Wellness Group Public Company Limited

### Other Position

**Public Company** None

**Other Companies** 5 companies

- Director and Executive Director, Siam Wellness Resort Company Limited
- Director and Executive Director, Siam Wellness Lab Company Limited
- Director, Siam Wellness Education Company Limited
- Vice President, Thai Spa Association
- Director, G.G.P. Property Company Limited

**Other companies that may have conflict of interest** none

**Specialization** Operations

**Attendance to Meeting** 5/5 (From January 1 – December 31, 2021)

## Profile Of Director



**Name** Mrs. Thanit Amorntirasan  
**Age** 59  
**Position** Director / Executive Director / Corporate Governance Committee  
**Date of Appointment** 28 November 2001  
**Education** Bachelor in Architecture, Chulalongkorn University  
 Master in Graphic Design, California State University, USA  
 Master in Business Administration, Chulalongkorn University

### Training from Institute of Directors (IOD)

Course	Year
Director Accreditation Program (DAP)	2013

### Work Experience

Period	Position	Company	Business Type
2010 – Present	Director Executive Director Corporate Governance Committee	Siam Wellness Group Public Company Limited	Spa
2017 – Present	Director	Klom Kliao Pattana Company Limited	Real Estate
2007 – Present	Director	Siam Wellness Lab Company Limited	Spa Products
2010 – Present	Director	Siam Wellness Resort Company Limited	Hotel & Restaurant
2010 – Present	Director Executive Director	Asian Fortune Property Company Limited	Real Estate
2013 – Present	Director	Utsahajit Holding Company Limited	Holding Company investing in Printing Company and Service Apartment
2013 – Present	Director	Cyberprint Group Company Limited	Printing
1989 – 2013	Director	B.U. Place Company Limited	Service Apartment
2005 – 2013	Director Executive Director	C.P.I. Interprint Co.,Ltd	Printing

**Current Position** Director / Executive Director / Corporate Governance Committee,  
 Siam Wellness Group Public Company Limited

### Other Position

**Public Company** None  
**Other Companies** 6 companies
 

- Director, Klom Kliao Pattana Company Limited
- Director, Siam Wellness Lab Company Limited
- Director, Siam Wellness Resort Company Limited
- Director, Asian Fortune Property Company Limited
- Director, Utsahajit Holding Company Limited
- Director, Cyberprint Group Company Limited

**Other companies that may have conflict of interest** none

**Specialization** Graphic Design and Business Administration

**Attendance to Meeting** 5/5 (From January 1 – December 31, 2021)

## Profile Of Director



**Name** Mr. Narun Wiwattanakrai  
**Age** 34  
**Position** Director / Deputy Managing Director / Executive Director / Risk Committee  
**Date of Appointment** 2 March 2013  
**Education** Bachelor in Economics / Political Studies, University of Auckland, New Zealand  
 Master of Business Administration in Marketing / Strategic Management, Sasin Graduate Institute of Business Administration of Chulalongkorn University

### Training from Institute of Directors (IOD)

Course	Year
Director Accreditation Program (DAP)	2013
Risk Management Program (RMP)	2014

### Other Training

- Certificate, Academy of Business Creativity Class Talent 3, Sripatum University
- Certificate, Digital Edge Fusion Class 3, Sripatum University
- Alibaba Master CEO, Alibaba Business School Program

### Work Experience

Period	Position	Company	Business Type
2010 – Present	Director Deputy Managing Director Executive Director Risk Committee	Siam Wellness Group Public Company Limited	Spa
2018 – Present	Director	G.G.P. Property Company Limited	Real Estate
2010 – Present	Director	Siam Wellness Resort Company Limited	Hotel & Restaurant
2013 – Present	Director Executive Director	Siam Wellness Lab Company Limited	Spa Product
2010 – Present	Director Executive Director	Asian Fortune Property Company Limited	Real Estate
2008 – 2009	Director Business Development Executive	Cyberprint Group Company Limited	Printing

**Current Position** Director / Deputy Managing Director / Executive Director / Risk Committee, Siam Wellness Group Public Company Limited

### Other Position

**Public Company** None

**Other Companies** 4 companies

- Director and Executive Director, Siam Wellness Resort Company Limited
- Director and Executive Director, Siam Wellness Lab Company Limited
- Director, Asian Fortune Property Company Limited
- Director, G.G.P. Property Company Limited

**Other companies that may have conflict of interest** none

**Specialization** Marketing

**Attendance to Meeting** 5/5 (From January 1 – December 31, 2021)

## Profile Of Director



**Name** Mr. Polchet Likittanasombat  
**Age** 54  
**Position** Director / Independent Director / Chairman of the Audit Committee  
/ Chairman of the Nomination and Compensations Committee  
/ Corporate Governance Director Committee  
**Date of Appointment** 2 March 2013  
**Education** Bachelor of Electrical Engineering, King Mongkut's Institute of Technology Ladkrabang  
Master of Business Administration, Chulalongkorn University

### Training from Institute of Directors (IOD)

Course	Year
Director Certification Program (DCP)	2006
Audit Committee Program (ACP)	2013
Corporate Governance Capital Market Intermediaries	2015

### Other Training

- Corporate Governance for Capital Market Intermediaries, IOD and SEC

### Work Experience

Period	Position	Company	Business Type
2013 - Present	Director Independent Director Chairman of the Audit Committee Chairman of the Nomination and Compensations Committee Corporate Governance Committee Director	Siam Wellness Group Public Company Limited	Spa
2021 - Present	Independent Director Chairman of the Audit Committee	Union Textile Industries Public Company Limited	Textile
2017 - Present	Director	Preecha Group Public Company Limited	Real Estate
2017 - Present	Director	Preecha Group Public Company Limited	Real Estate
6 June 2014 - 6 June 2017	Director Executive Director	AEC Securities Public Company Limited	Securities
2013 - 2016	Director Executive Director	International Research Corporation Public Company	ICT
2013 - 2014	Director	AAMC Asset Management Company Limited	Asset Management
2010	Deputy Director Advisor to Chairman	Public Warehouse Organization	State Enterprise
2008 - 2009	Executive Director, Member of subcommittee for Organizational Development and Assessment	Forest Industry Organization	State Enterprise
2003 - 2008	Director, Government Policy Development	Small and Medium Enterprises	State Services
2003 - 2008	Director	Thai Aviation Industries Company Limited	Aviation Maintenance
2003 - 2008	Director	Thai Snacks Industries Company Limited	Thai Snacks

### Current Position

Director / Independent Director / Chairman of the Audit Committee /  
Corporate Governance Committee / Chairman of the Audit Committee  
Siam Wellness Group Public Company Limited

**Other Position**

Public Company 1 company

Other Companies None

Other companies that may have conflict of interest none

**Specialization**

Business Administration and Engineering

**Conflict of Interest**

Holding shares in the company None

Other conflict in the past 2 years

- is not an Executive Director, employee or advisor that receives full-time salary
- is not the professional advisor of the company (such as Auditor or Legal Advisor)
- does not have special relationship with the company that prevents from acting independently

**Attendance to Meeting** 5/5 (From January 1 – December 31, 2021)

## Profile Of Director



**Name** M.R. Pensiri Chakrabandhu  
**Age** 56  
**Position** Director / Independent Director / Audit Director Committee  
/ Nomination and Compensation Director Committee  
/ Chairwoman of Corporate Governance Committee  
**Date of Appointment** 2 March 2013  
**Education** Bachelor of Education, Srinakharinviroj Pathumwan  
Master of Environmental Technology Management, Mahidol University

### Training from Institute of Directors (IOD)

Course	Year
Director Accreditation Program (DAP)	2013

### Other Training

- Human Resources and Institutional Development, Chaipattana Foundation and Naresuan University

### Work Experience

Period	Position	Company	Business Type
2013 - Present	Director Independent Director Audit Committee Nomination and Compensation Committee Chairwoman of Corporate Governance Committee	Siam Wellness Group Public Company Limited	Spa
2018 - Present	Executive Director of Special Projects	Chaipattana Foundation	Non-Profit Organization
2013 - 2018	Director of Special Projects		
2007 - 2013	Director of Special Activities		
2005 - 2007	Project Co-ordinator		

**Current Position** Director / Independent Director / and Audit Committee / Nomination and Compensation  
Committee and Chairwoman of Corporate Governance Committee, Siam Wellness Group Public  
Company Limited

### Other Position

**Public Company** None  
**Other Companies** 1 companies  
• Director of Special Project, Chaipattana Foundation  
**Other companies that may have conflict of interest** none

### Specialization

**Environmental Technology Management**

### Conflict of Interest

**Holding shares in the company** None  
**Other conflict in the past 2 years**

- is not an Executive Director, employee or advisor that receives full-time salary
- is not the professional advisor of the company (such as Auditor or Legal Advisor)
- does not have special relationship with the company that prevents from acting independently

**Attendance to Meeting** 5/5 (From January 1 – December 31, 2021)



## Profile Of Director

Name	Mrs. Kobboon Srichai
Age	55
Position	Director / Independent Director / Audit Committee / Chairwoman of Risk Committee
Date of Appointment	22 February 2021
Education	Bachelor of Law, Thammasat University Master of Business Administration, Azusa Pacific University, USA



### Training from Institute of Directors (IOD)

Course	Year
Director Leadership Certification Program (DLCP)	2020
Director Certificate Program (DCP)	2008
Company Secretary Program	2005

### Other Training

- Executive Development Program (EDP), Thai Listed Company Association
- Leadership Succession Program (LSP), Institute of Research and Development for Public Enterprise
- National Defence Diploma, The National Defence College
- Rule of Law and Development (ROLD Program) ,Thailand Institute of Justice
- Thailand Insurance Leadership Program, Office of Insurance Commission
- The Executive Program in Energy Literacy for a Sustainable Future, Thailand Energy Academy

### Work Experience

Period	Position	Company	Business Type
2021 - Present	Director Independent Director Audit Committee Chairwoman of Risk Committee	Siam Wellness Group Public Company Limited	Spa
1995 - Present	Head of Investor Relations and Capital Market	Charoen Pokphand Foods Public Company Limited	Agriculture and Foods
2021 - Present	Company Secretary	Charoen Pokphand Foods Public Company Limited	Agriculture and Foods
2020 - Present	Executive Director	Charoen Pokphand Foods Public Company Limited	Agriculture and Foods
2016 – Present	Sub-Committee, Consideration of Criteria for Issuance and Offering of Equity Securities	Securities Exchange Commission	Government Agency
2019 – Present	Working Group, ESG Best Practices for Directors	Institute of Directors	Education

**Current Position** Director / Independent Director / Audit Committee / Chairwoman of Risk Committee, Siam Wellness Group Public Company Limited

### Other Position

Public Company 1 company  
Other Companies 0 company  
Other companies that may have conflict of interest none

**Specialization** Organizational Management, Sustainability and Corporate Governance

**Conflict of Interest**      **Holding shares in the company** None  
**Other conflict in the past 2 years**

- is not an Executive Director, employee or advisor that receives full-time salary
- is not the professional advisor of the company (such as Auditor or Legal Advisor)
- does not have special relationship with the company that prevents from acting independently

**Attendance to Meeting** 3/4 (From February 23 – December 31, 2021)

## Profile Of Director

Name	Mr. Phumiphan Bunjapamai
Age	57
Position	Director / Independent Director / Risk Committee
Date of Appointment	22 February 2021
Education	Bachelor of Business Administration, Major in Management Assumption University, Bangkok, Thailand Master Degree in Marketing ,Thammasart University, Bangkok, Thailand Doctoral Degree in Business Management Psychology, California School of Professional Psychology, Los Angeles, California, USA



### Training from Institute of Directors (IOD)

Course	Year
Risk Management Program for Corporate Leaders (RCL23/2021)	2021
Board Matters and Trends (BMT3/2017)	2017
Role of the Chairman Program (RCP 41/2017)	2017
Director Certification Program (DCP 236/2017)	2017

### Other Training Course

- Suan Sunandha Rajabhat University
  - Graduate Diploma Program for Health Innovation Digital Age (HIDA 1)
- ASEAN Institute for Health Development, Mahidol University
  - Wellness & Healthcare Business Opportunity Program for Executives I (WHB 1)
- The Thai Institute of Directors Association (IOD), Bangkok, Thailand
  - Risk Management Program for Corporate Leaders (RCL23/2021)
- Sripatum University
  - Digital Edge Fusion (DEF)
- National Institute of Development Administration (NIDA)
  - Advanced Master of Management Program, AMM 5
- Sasin Graduate Institute of Business Administration of Chulalongkorn University
  - Senior Executive Program (SEP-33)
- Commerce Academy, University of the Thai Chamber of Commerce, Bangkok, Thailand
  - Top Executive Program for Creative & Amazing Thai Services (ToPCATS 1)
- Academic Service Center of Chulalongkorn University
  - Executives Bhumpalung Plandin Class 5
- Thai-Chinese Leadership Institute, Huachiew Chalermprakiet University, Bangkok, Thailand
  - Thai-Chinese Leadership Studies (TCL 2)
- Capital Market Academy, Bangkok, Thailand
  - Leader Program (CMA27)
- Stanford Center for Professional Development, California, USA
  - Leading in a Disruptive World Program (Stanford-SEAC)
- Budget Bureau, Bangkok, Thailand
  - Budgeting for Executives (BEP5)
- The Thai Institute of Directors Association (IOD), Bangkok, Thailand
  - Board Matters and Trends (BMT3/2017)
- The Thai Institute of Directors Association (IOD), Bangkok, Thailand
  - Role of the Chairman Program (RCP 41/2017)
- The Thai Institute of Directors Association (IOD), Bangkok, Thailand
  - Director Certification Program (DCP 236/2017)
- Commerce Academy, University of the Thai Chamber of Commerce, Bangkok, Thailand
  - Top Executive Program in Commerce and Trade (TEPCoT 10)
- The National Defence College
  - National Defence Diploma 2558 (NDC 2558)

### Thai Listed Company Association

- TLCA Leadership Development Program (LDP2)
- TLCA Executive Leadership Development Program (EDP5)

**Thai Listed Company Association**

- Advanced Retail Management (ARM)
  - Business Networking Office, CP All Public Company Limited
  - University of Southern California, Marshall School of Business, USA
  - Strategic Leadership Programme
  - University of California, Los Angeles, USA
  - The Executive Management Academy

**Certified International Property Specialist (CIPS), USA**

- Accredited by National Association of Realtors, USA

**Gemological Institute of America, Santa Monica, California, USA**

- Graduate Jeweler Gemologist

**Work Experience**

Period	Position	Company	Business Type
2021 – Present	Director Independent Director Risk Committee	Siam Wellness Group Public Company Limited	Spa
2002 – Present	Chairman	TKI Perpetual Company Limited.	Jewelries, Watches and Luxury Products Retailer
1994 – Present	Chairman	TKI Trading Company Limited	Real Estate Investment, Real Estate Broker
1982 – Present	Chairman	TKI Group of Companies	Jewelries, Manufacturer, Wholesaler, Retailer and Watches and Luxury Products Retailer
2013 – Present	Executive Committee Consultant Samutprakarn Chamber of Commerce	The Samutprakarn Chamber of Commerce	

**Current Position** Director, Independent Director, Risk Committee, Siam Wellness Group Public Company Limited

**Other Position**

**Public Company** None

**Other Companies** 3 company

- Chairman, TKI Perpetual Company Limited.
- Chairman, TKI Trading Company Limited
- Chairman, TKI Group, since 1946

**Other companies that may have conflict of interest** none

**Specialization**

**Organizational Management**

**Conflict of Interest**

**Holding shares in the company** 448,000 shares (0.05%)

**Other conflict in the past 2 years**

- is not an Executive Director, employee or advisor that receives full-time salary
- is not the professional advisor of the company (such as Auditor or Legal Advisor)
- does not have special relationship with the company that prevents from acting independently

**Attendance to Meeting** 4/4 (From February 23 – December 31, 2021)

## Scope of Powers, Duties and Responsibilities of the Board of Directors

On 7 May 2014, the Extraordinary Meeting of Shareholders No. 1/2014 resolved in favor of setting forth the scope of powers, duties and responsibilities of the Board of Directors in the articles of association, as follows:

### The Board of Directors shall have the following powers, duties and responsibilities:

1. To perform duties with good care, great responsibility and honesty in compliance with the laws, objectives set forth in the articles of association, resolutions of the Board Meeting and the Meeting of Shareholders.
2. To consider and approve the visions, missions, business strategies, orientations, policies, targets, guidelines, operation plan, capital management plan, risk management plan and the budgets of the company and its affiliates which are proposed by the Executive Committee and Management.
3. To monitor work of the Executive Committee, CEO, Managing Director, Management or any persons to ensure attainment of the objectives and compliance with the business plans and policies adopted by the Board of Directors.
4. To follow up the Company's operations to ensure compliance with the operation plan, capital management plan, risk management plan and the budgets of the Company and its affiliates.
5. To ensure that the Company and its affiliates adopt appropriate and efficient accounting procedures, internal control and audit.
6. To prepare balance sheet and profit and loss statement at the end of the fiscal year and certify them to disclose in the financial statement the financial status and performance in the previous year; to prepare an annual report for presentation to the Ordinary Meeting of Shareholders for endorsement.
7. To consider and approve the recruitment and appointment of an auditor and appropriately fix his remuneration, taking into account the proposal of the Audit Committee, before presentation to the Ordinary Meeting of Shareholders for endorsement.
8. To adopt written policies on corporate governance and efficiently review them to ensure responsibilities of the Company for all the shareholders; to consider the policies and compliance therewith at least once a year.
9. To consider and approve the appointment of directors when existing directors vacate their office due to retirement or other reasons in compliance with the Public Company Limited Act of 1992 (and its revisions), Securities and Stock Exchange Act of 1992 (and its revisions), notifications, rules and/or regulations applicable thereto, taking into account the desirable and undesirable qualifications of such persons as set forth in such acts.
10. To form the Audit Committee, Executive Committee and other committees and subcommittees for the assistance and support of the Board of Directors, and fix their scope of powers and duties.
11. To consider, set forth and review the directors who are authorized to sign their names to bind the Company.
12. To consider and appoint the executives as defined by the SET, SEC, Capital Market Supervisory Board or the Company's secretary, and fix the remuneration thereof.
13. To seek at the Company's expense the professional opinions from any organizations to assist the Company's decision making.
14. To encourage the directors and executives to take the training courses of Thai Institute of Directors Association that are suitable for their duties and responsibilities.
15. To adopt the mechanism for monitoring the Company's affiliates for the protection of the Company's interest and investments, taking into account the qualities of the persons to take the office of director in the affiliates, to ensure management in compliance with the Company's policies and transactions in compliance with the securities laws, other laws and the regulations and notifications of SET and SEC. The powers, duties and responsibilities granted and assigned to the director shall not enable them or their attorneys to approve the transactions that they or the persons with conflict of interest (as defined by the SEC's Notifications or Capital Market Supervisory Board's Notifications) or the interested persons or the persons who may benefit from or have conflict of interest with the Company or its affiliates, unless otherwise such approval is granted on individual basis subject to the policies or the criteria adopted or set forth by the Meeting of Shareholders or the Board of Directors.

However, the following transactions require prior approval of the Meeting of Shareholders:

- (a) The matters legally require prior approval of the Meeting of Shareholders.
- (b) The transaction in the interest of the director which requires prior approval of the Meeting of Shareholders according to the laws or SEC's Regulations.

The director who has interest in or conflict with the transactions or the Company shall not be eligible to vote.

## ● 7.3 Sub-Committees

### 7.3.1 Audit Committee

Audit Committee composed of 3 Directors as followed:

Name	Position
1. Mr. Polchet Likittanasombat	Chairman of the Audit Committee (Audit Committee with Accounting Knowledge)
2. Mrs. Kobboon Srichai	Member of the Audit Committee
3. MR. Pensiri Chakrabandhu	Member of the Audit Committee

#### Scope of Powers, Duties and Responsibilities of the Audit Committee

On 7 May 2014, the Extraordinary Meeting of Shareholders No. 1/2014 resolved in favor of setting forth the powers, duties and responsibilities of the Audit Committee, as follows:

1. To verify that the Company's financial reports are correct and complete.
2. To ensure that the Company has appropriate and efficient internal control and audit system and that the internal audit unit is truly independent; to consider and approve the appointment, transfer and disengagement of the Chief of the Internal Audit Unit or any other unit in charge of internal audit.
3. To ensure that the Company complies with the Securities and Stock Exchange Act, SET's Regulations and Capital Market Supervisory Board's Notifications and other laws applicable to the Company's business.
4. To consider, screen and nominate an independent person for the appointment as the Auditor and propose his remuneration; to hold a meeting with the Auditor without the management being present at least once a year.
5. To consider related or intercompany transactions or the transactions that may create conflict of interest in compliance the laws, Capital Market Advisory Board and SET's Regulations to ensure that such transactions are appropriate and are in the interest of the company.
6. To ensure that the Company has an appropriate and efficient risk management system.
7. To prepare a report signed by its Committee Chairman to be disclosed in the Company's annual report containing at least the following details:
  - 1) views on the correctness, completeness and reliability of the Company's financial report;
  - 2) views on the adequacy of the company's internal control system;
  - 3) views on compliance with the Securities and Stock Exchange Act, SET's Regulations and the laws applicable to the Company's business;
  - 4) views on the suitability of the Auditor;
  - 5) views on the transactions which may create a conflict of interest;
  - 6) views on the management of risks;
  - 7) the number of meetings held by the Audit Committee and the record of attendance of each member;
  - 8) views or remarks on compliance with the Charter;
  - 9) other information that the shareholders and investors should know which can be disclosed within the scope of powers, duties and responsibilities granted and assigned by the Board of Directors.

8. Monitor the work of the Internal Audit Unit as follows:
  - 1) To ensure that the scope of work, audit plan, budget and staff are adequate and sufficient for the support and assistance of the Audit Committee.
  - 2) To consider the appointment, transfer or disengagement of the Department Directors or Internal Auditor.
  - 3) To present report on the operation.
  - 4) To ensure the independence of the Internal Audit Unit or the Internal Auditor.
9. To constantly consider and review the criteria and method of inspection and ensure that it is suitable to the business environment.
10. To present report on its work to the Board of Directors at least 4 times a year.
11. To report to the Board of Directors any of the following acts that may significantly affect the Company's financial status and operation so that improvement can be made within the deadline set by the Audit Committee:
  - 1) any transaction that may create a conflict of interest;
  - 2) fraud, irregularities or flaws in the internal control;
  - 3) violation of the Securities and Stock Exchange Act, Capital Market Supervisory Board, SET's Regulations or any laws applicable to the Company's business. If the Board of Directors or executives fails to make improvement within the deadline under the foregoing paragraph, any Audit Committee Member may report such incident to SEC or SET.
12. If the Auditor finds any circumstances that lead to suspicion that a director, manager or the person responsible for the operation of the Company perform any acts in violation of the Securities and Stock Exchange Act and reports such incident to the Audit Committee for investigation, the Audit Committee shall conduct investigation and inform SEC and the Auditor within 30 days of notification by the Auditor.
13. To ensure independence of the Auditor and consider receiving other non-audit services from such Auditor.
14. To act according to 1-13 in respect of the operations of the affiliates as assigned or requested by the affiliates within the scope of the Audit Committee.
15. To perform any other acts as directed by the Board of Directors subject to the approval of the Audit Committee. The Audit Committee have the authority to invite director, officer or employee of the Company to attend a meeting to clarify or answer questions on matters relating duties and responsibilities of the Audit Committee; to consult the expert or consultant of the Company at (if any) or hire a consultant or an expert from time to time at the Company's expense; to request any employees to submit documents related to the company's operations for examination; to conduct investigation or examination in any matters to ensure successful performance of duties; to request one or many employees to perform any acts within the scope of powers of theirs; to perform and acts related to and in connection with the affiliates or as assigned or requested by the affiliates, within the scope other power and duties.

Audit Committee with Accounting Knowledge: Mr. Polchet Likittanasombat. He used to be the Managing Director of Magnet Management and Consultant Co., Ltd.

### 7.3.2 Risk Committee

Risk Committee composed of 3 Directors as followed:

Name	Position
1. Mrs. Kobboon Srichai	Chairwoman of the Risk Committee
2. Mr. Phumiphan Bunjapamai	Member of the Risk Committee
3. Mr. Narun Wiwattanakrai	Member of the Risk Committee

#### Scope of Power, Duties and Responsibilities of the Risk Committee

On 27 February 2017, the Board of Director's Meeting No. 1/2017 resolved in favor of setting forth the scope of powers, duties and responsibilities of the Risk Committee in the articles of association, as follows:

The Risk Committee sets the Risk Management Policy. The Risk Committee shall consult with the Risk Working Group on regular basis. Reports from the Risk Committee shall be presented and reported to the Board of Directors. Minimum of 4 Risk Committee Meeting shall be arranged and Summaries and Attendance should be stated in the Annual Report. The Charter of the Risk Committee has been amended in the Board of Director's Meeting No. 3/2561 on 14 August 2018

**The Risk Committee shall have the following powers, duties and responsibilities:**

1. To assign any departments to disclose information related to the risk. Such department shall comply
2. To appoint a risk management working group as necessary or to provide the risk management working group with necessary factors as per the scope of their responsibilities.
3. To review the Company's risk management policy and framework, which would cover all the major risks; namely financial risk, investment risk, and corporate reputation risk, before proposing them to the Board of Directors for approval.
4. To set risk measurement criteria such as Risk Appetite and Risk Tolerance and acceptable risk level before proposing them to the Board of Directors for approval.
5. To report regularly (once a quarter) to the Board of Directors about the management, operation, risk status, changes and areas of improvement to ensure the compliance with the Company's policy and strategy.
6. To review the adequacy and effectiveness of risk management policy and system as well as the compliance with the established policy.
7. To establish Success Risk Management measures including Recommendation and Measures. Monitor continuously to cope with different situations and ensure that risk management measures are appropriated.
8. To support the Board of Directors, Executive Committees and Risk Committee in Organizational Risk Measures and support ongoing Risk Development
9. To formulate risk management strategies and framework in compliance with the Company's risk management policy. The Committee shall assess, monitor and control risk at the appropriate level.
10. To monitor and ensure that risk management activities are in line with the Company's policy and framework approved by the Board of Directors.
11. To set appropriate risk management measures to cope with different situations
12. To set appropriate risk management strategies to cope with different situations
13. To set annual risk management policy, strategies and plan assessment to ensure that risk management activities are in line with the current environment including public sector risk
14. To report Risk Management Plan and Risk Mitigation Plan
15. To review Check and Balance of Risk Management Plan
16. To review Business Continuity Management (BCP) Plan
17. To set appropriate Risk Working Group
18. To assign personnel and budget of Risk Management Committee
19. To coordinate with Audit Committee to review critical risks and ensure Internal Audit Committee has measures to manage risk as well as implement risk management measures in whole organization
20. To suggest use independent advisor if necessary
21. To suggest use independent advisor in the event there is insufficient manpower
22. To communicate with Audit Committee once a year
23. To perform other duties relating to risk as assigned by the Board of Directors.



### 7.3.3 Nominations and Compensations Committee

Nominations and Compensations Committee composed of 3 Directors as followed:

Name	Position
1. Mr. Polchet Likittanasombat	Chairman of the Nominations and Compensations Committee
2. M.R. Pensiri Chakrabandhu	Member of the Nominations and Compensations Committee
3. Mr. Prasert Jiravanstit	Member of the Nominations and Compensations Committee

#### Scope of Power, Duties and Responsibilities of the Nominations and Compensations Committee

On 27 February 2017, the Board of Director's Meeting No. 1/2017 resolved in favor of setting forth the scope of powers, duties and responsibilities of the Nominations and Compensations Committee in the articles of association, as follows:

The Nominations and Compensations Committee composed of minimum of 3 Directors with more than half being Independent Directors and at least 1 Director being the specialist or had work experience in Human Resources Management. Moreover, the Chairman of the Nominations and Compensations Committee shall be the Independent Director. The Nominations and Compensations Committee reviews and assesses the Remuneration Policies of Board of Directors and Top Management and submit to Board of Directors for approval, whom will approve the remuneration of the Top Management. Remuneration of Directors shall be approved by shareholders at the Company's Annual General Meeting.

#### 1. Nominations

- 1.1 Assess Company's Structure in terms of size, composition, mix and representation of Independent Directors to lead Company to achieve its Objectives and Visions.
- 1.2 Assess Director's Recruitment Process and Selection to nominate appropriate director with knowledge, expertise. Committee shall review the applicant's biography and suggest comment before submit to Board of Director for appointment of new Directors. Shareholder shall have sufficient information of the appointed director
- 1.3 Assess and Recruit the appropriate Senior Management with Development Plan to allow them to have knowledge, abilities, skills, experience and qualification to drive the Company's Objectives
- 1.4 Assess Director's Recruitment Process and Selection and recommend to the Board of Directors before recruiting the retired director. In the event of the nomination of existing director, the Nomination and Compensation Committee shall reflect on their past performance.
- 1.5 Arrange Orientation for new directors and assign sufficient documents to newly appointed director
- 1.6 Create Succession Plan for Managing Director and Senior Management to allow smooth operations of the Company

#### 2. Compensations

- 2.1 Assess Compensation Structure and Director and Senior Management's remuneration to reflect their responsibilities to drive the Company's Objectives
- 2.2 Set Compensation Policies of Director's remuneration to match with Company's Long term Vision and Strategies, experience, responsibilities, roles and benefits of each director. Director with additional responsibilities shall have appropriate remuneration with equivalent to industry standards
- 2.3 Propose the Company Structure and Remuneration of Senior Management to the Board before submitting to the Annual General Meeting

### 7.3.4 Corporate Governance Committee

Corporate Governance Committee composed of 3 Directors as followed:

Name	Position
1. M.R. Pensiri Chakrabandhu	Chairwoman of the Corporate Governance Committee
2. Mr. Polchet Likittanasombat	Member of the Corporate Governance Committee
3. Mrs. Thanit Amorntirasan	Member of the Corporate Governance Committee

#### Scope of Power, Duties and Responsibilities of the Corporate Governance Committee

On 16 December 2017, the Board of Director's Meeting No. 10/2017 resolved in favor of setting forth the scope of powers, duties and responsibilities of the Corporate Governance Committee in the articles of association, as follows:

The Corporate Governance Committee sets the Company's Corporate Governance Policy to ensure that the Company's Operations are efficient, transparent, audible and reflect all stakeholder's interests to create value for the Company and set direction of Company with the changing market environment. The Corporate Governance Policy should be stated according to SET's Corporate Governance Guideline.

The Corporate Governance Committee shall have the following powers, duties and responsibilities:

1. To consider and endorse the policies, strategies, goals, guidelines, and plans on the Company's corporate governance
2. To review the Company's Corporate Governance Policy comply with the policies and/or regulations relating to the Company's corporate governance before proposing to the Board of Directors for consideration and approval.
3. To regularly review and propose necessary revision to the Company's policy and guidelines on corporate governance practice

### 7.3.5 Executive Committee

As of December, 2021 The Company's Executive Committee composed of 5 Directors as followed:

Name	Position
1. Mr. Wiboon Utsahajit	President of Executive Committee
2. Mr. Prasert Jiravanstit	Member of Executive Committee
3. Mrs. Thanit Amorntirasan	Member of Executive Committee
4. Mr. Narun Wiwattanakrai	Member of Executive Committee
5. Mr. Juckpat Jiravanstit	Member of Executive Committee

#### Scope of Power, Duties and Responsibilities of the Executive Committee

On 7 May 2014, the Extraordinary Meeting of Shareholders No. 1/2014 resolved in favor of setting forth the scope of powers, duties and responsibilities of the Board of Directors in the articles of association, as follows:

1. To manage the operations of the Company in compliance with the objectives, articles of association, policies, rules, regulations, instructions or resolution of the Board Meeting or the Meeting of Shareholders; to review the matters before presentation to the Board of Director for approval.
2. To adopt visions, missions, business strategies, orientations, business policies, set targets, guidelines, make operation plan and personnel development plan and allocation of budgets for the Company and its affiliates, and present them to the Board of Directors for approval.
3. To efficiently examine, follow up and implement polies and guidelines on the management as assigned

- by the Board of Directors.
4. To consider and approve any normal transactions of the Company within the annual budget approved by the Board of Directors and in compliance with the Operation Manual provision on the powers to act as granted.
  5. To submit to the Board of Directors the following reports:
    - 5.1 quarterly report on the Company's operation;
    - 5.2 auditor's reports on the Company's financial status: annual balance sheet and quarterly financial statement which should be submitted within the deadline set by SET.
    - 5.3 Other reports as it deems appropriate.
  6. To conduct feasibility studies of various projects.
  7. To set forth the criteria and allocate budgets for pay raise, rewards and other benefits; to set forth and revise the welfare and benefits of the employees.
  8. To offer advice and suggestions to the Managing Director to assist his decision making.

#### **Appointment of working teams or persons**

1. To appoint working teams or persons who review the work for presentation to the Executive Committee; to perform any acts for the benefit of its own work; to perform any acts as assigned by itself within its own scope of powers and duties.
2. To have the power to appoint working teams or persons who will perform any acts for an on its behalf within the scope of powers granted in the Power of Attorney and/or as set forth in the rules, regulations or instructions issued by the Board of Executive Committee,
3. subject to the condition that the powers so granted to the attorneys shall not exceed the powers granted to itself; the powers so granted shall not enable the Audit Committee or its attorneys to make any transactions which may create a conflict of interest (as defined in the Notifications of Capital Market Supervisory Board or SEC) or enable them to reap benefits which may create a conflict of interest with the Company or its affiliates.

#### **Scope of Powers, Duties and Responsibilities of Managing Director**

On 7 May 2014, the Extraordinary Meeting of Shareholders No. 1/2014 resolved in favor of setting forth the scope of powers, duties and responsibilities of the Managing Director, as follows:

The Managing Director shall have the following powers, duties and responsibilities:

1. To manage and control the Company's day to day operations.
2. To act as assigned by the Board of Directors and/or the Executive Committee; to appoint attorneys to perform any acts for and on his behalf without creating a conflict of interest.
3. To issue orders, regulations, notifications and memorandums for operation in compliance with the Company's policies, in the Company's interest and for enforcement of discipline within the organization.
4. To perform the acts or and on behalf of the Company in favor of third parties related to Company's business and in the Company's interest.
5. To consider and review investments for proposal to the Board of Directors and/or Executive Committee.
6. To consider and appoint consultants necessary to the Company's operations for proposal to the Board of Directors and/or Executive Committee.
7. To consider and revise working positions, salaries, bonuses and other benefits, employ or engage staff within the allocated budget, offer pay and promotion to employees, transfer employees, hire consultants, renew contracts, impose disciplinary actions or penalties against employees who have committed offenses, appoint Investigation Committee.
8. To perform other acts as assigned from time to time by the Board of Directors and/or Executive Committee; not to consider and approve the transactions which create a conflict of interest between a director and the Company or its affiliate, unless otherwise such transactions are approved in compliance with the policies or criteria approved by the Board Meeting or the Meeting of Shareholders in compliance with the laws.

## ● 7.4 Management Team

As of December 31, 2021 The Company's Management Team composed of 6 Members as followed:

Name	Position
1. Mr. Wiboon Utsahajit	Chief Executive Officer
2. Mr. Prasert Jiravanstit	Managing Director
3. Mr. Narun Wiwattanakrai	Deputy Managing Director
4. Ms. Yonlawan Eiamalongkorn	Assistant Managing Director (Chief Financial Officer)
5. Mr. Prin Ekmanochai	Assistant Managing Director (Chief Legal Officer)
6. Miss Chutaporn Jirawanstit	Assistant Managing Director (Chief Operating Officer)

## ● 7.5 Director's and Management Remuneration

### 7.5.1 Monetary Remuneration

#### Director's Remuneration

On February 22, 2021 at the BOD 1/2021, the Board of Directors approved the remuneration for Directors and the other Committees and was approved at the Company's AGM 2021 on 30 April 2021 as followed:

Position	Monthly Allowance	Meeting Allowance	Annual Bonus
Chairman of Board of Directors	22,000	12,000	None
Director	11,000	12,000	None
Chairman of Audit Committee	22,000	12,000	None
Member of Audit Committee	16,500	12,000	None
Chairman of Risk Committee	-	8,000	-
Member of Risk Committee	-	6,000	-
Chairman of Nominations and Compensations Committee	-	8,000	-
Member of Nominations and Compensations Committee	-	6,000	-
Chairman of the Corporate Governance Committee	-	8,000	-
Member of the Corporate Governance Committee	-	6,000	-

#### Remark :

- If Director has appointed to more than 1 position, the Director will receive the highest rate of monthly allowance only
- Directors that are Management will not receive monthly allowance
- If Director has appointed to more than 1 position, the Director will receive the highest rate of annual bonus only
- Audit Committee will receive the monthly allowance as Audit Committee only and will not receive the monthly allowance as Director

In 2021, Company has paid total monthly allowance and meeting allowance to Members of Audit Committee, Risks Committee, Nominations and Compensations Committee, and Governance Committee as followed:

Director's Remuneration as of December 31, 2021

Name	Position	2021						
		Monthly Allowance AC (THB)	Monthly Allowance BOD (THB)	Meeting Allowance AC (THB)	Meeting Allowance BOD (THB)	Meeting Allowance Risk (THB)	Meeting Allowance Nomination (THB)	Meeting Allowance Corporate Governance (THB)
1. Mrs. Pranee Suphawatanakiat	• Chairwoman	-	264,000	-	48,000	-	-	-
2. Mr. Wiboon Utsahajit	• Director • Chairman of Executive Committee • Chief Executive Officer	-	-	-	48,000	-	-	-
3. Mr. Prasert Jiravanstit	• Director • Member of Executive Committee • Member of Nominations Committee • Managing Director	-	-	-	48,000	-	6,000	-
4. Mrs. Thanit Amorntirasan	• Director • Member of Executive Committee • Member of Corporate Governance Committee	-	110,000	-	48,000	-	-	12,000
5. Mr. Narun Wiwattanakrai	• Director • Member of Executive Committee • Deputy Managing Director	-	-	-	48,000	12,000	-	-
6. Mr. Polchet Likittanasombat	• Director • Chairman of the Audit Committee • Chairman of the Nominations and Compensations Committee • Member of Corporate Governance • Independent Director	264,000	-	48,000	48,000	-	8,000	12,000
7. Mr. Chaiyuth Thienvuthichai	• Director • Member of the Audit Committee • Member of Risk Committee • Independent Director	-	22,000	-	-	-	-	-
8. M.R. Pensiri Chakrabandhu	• Director • Member of the Audit Committee • Member of Nominations and Compensations Committee • Independent Director	198,000	-	48,000	48,000	-	6,000	16,000
9. Mrs. Supee Pongpanich	• Director • Chairwoman of Risk Committee • Independent Director	-	14,667	-	-	-	-	-

Name	Position	2021						
		Monthly Allowance AC (THB)	Monthly Allowance BOD (THB)	Meeting Allowance AC (THB)	Meeting Allowance BOD (THB)	Meeting Allowance Risk (THB)	Meeting Allowance Nomination (THB)	Meeting Allowance Corporate Governance (THB)
10. Mrs. Kobboon Srichai	<ul style="list-style-type: none"> <li>Director</li> <li>Member of the Audit Committee</li> <li>Chairwoman of Risk Committee</li> <li>Independent Director</li> </ul>	137,500	-	24,000	24,000	16,000	-	-
11. Mr. Phumiphan Bunjapamai	<ul style="list-style-type: none"> <li>Director</li> <li>Member of the of Risk Committee</li> <li>Independent Director</li> </ul>	-	102,367	-	36,000	12,000	-	-
Total		621,500	491,034	120,000	396,000	40,000	20,000	40,000

### Executive Remuneration Policy

The Company determines the remuneration for the executives according to their knowledge, skills and performance of duties. There will be an evaluation of the work and the results of the assessment will be brought to the meeting to comment on the said remuneration. As for the top management, the Chief Executive Officer, will be presented to the Nomination and Remuneration Committee meeting to consider and approve such remuneration.

### Management Remuneration

As of December 31, 2021, Company has total of 6members in the Management. The Company paid total of 9,929,850 bahts as salary and annual bonus

## 7.6 Other Remuneration

In 2021, Company has paid total of 369,228 bahts as provident fund, social securities and health insurance (excludes salary and annual bonus)

## 7.7 Personnels

As of December 31, 2021, The total of staff (excludes Management) are as followed



No.	Department	As of Dec 31, 2021 Total Staff
1	Accounting	15
2	Finance	3
3	Human Resource	5
4	Admin and Housekeeping	5
5	Legal	2
6	IT and Software	5
7	Purchasing and Store	11
8	Building Services	14
9	Sales and Marketing	11
10	Operations (Head Office)	8
11	Operations (Branch)	241
	<b>Total</b>	<b>320</b>



No.	Department	As of Dec 31, 2021 Total Staff
1	Accounting	6
2	Purchasing, Admin, Store	1
3	Human Resources	1
4	Marketing	1
5	IT	1
6	Operations	1
7	Front Office and Bellboy	5
8	Kitchen (Deck One)	12
9	Kitchen (ORB)	3
10	Housekeeping	7
11	Engineering	6
12	Food & Beverage (Deck1)	14
13	Food & Beverage (ORB)	4
	<b>Total</b>	<b>62</b>



No.	Department	As of Dec 31, 2021 Total Staff
1	Management	1
2	Product	4
3	Admin and Store	4
	<b>Total</b>	<b>9</b>



No.	Department	As of Dec 31, 2021 Total Staff
1	Management	1
2	Trainers	11
	<b>Total</b>	<b>12</b>

As of December 31, 2021 Company has total of 320 staffs (excludes Management). In 2021, total monthly remuneration for staff (excludes Management) such as salary, commission, bonus, provident fund, Social securities and OT is 80,892,285.09 bahts

On June 1, 2013, the Company set up AIA Masterpool Provident Fund and later on 1 June 2019, the Company changed the Provident Fund Operator from AIA Masterpool Provident Fund to SCB Master Fund with objectives of creating motivations for staff and to encourage to work with Company in a long term.

#### Labour Objections in the past 3 years

None

#### Human Development Policy

Company has human development policy in which the training is conducted through Department Managers, then Department Managers will be the one who trained to their sub-ordinates.

- English Language Training 2 times per year
- Administration Process (Stock, Sales) Training 1 times per year
- POS Training 2 times per year
- Service Manners Training Continuously throughout the year
- Annual Spa Manager Meetings were conducted at Head Office of Siam Wellness Group Public Company Limited

## 7.8 Other Important Information

### 7.8.1 Company Secretary

On November 11, 2016 at the BOD 7/2016, the Board of Directors approved the appointment of Mr. Prin Ekmanochai with a degree in Law, as Company Secretary to comply with the Securities and Stock Exchange Act B.E. 2535

<b>Name:</b>	Mr. Prin Ekmanochai
<b>Age:</b>	49 years old
<b>Education:</b>	LLM University of Wisconsin, USA Master of Law Thammasat University LLB. Thammasat
<b>Training:</b>	Secretary of Public Company from IOD Company Reporting Program-CRP No. 17/2017 year 2017
<b>Experience:</b>	Legal field since 1996 2006 - Present Company Secretary and Legal Director of Siam Wellness Group Public Company Limited

The responsibilities are as followed:

- 7.8.1.1 Documenting and Recording important documents
  - Director's Record.
  - Invitation Letter for Board of Director's Meeting, Minutes of Board of Director's Meeting and Annual Report.
  - Invitation Letter for Shareholder's Meeting and Minutes of Shareholder's Meeting.
- 7.8.1.2 Keep in record all documents that may have conflict of interest with directors or management and send to Chairman or Chairman of Audit Committee within 7 days after receive of such report.
- 7.8.1.3 Administering other matters according to Securities Commission announcement

## 7.8.2 Chief Financial Officer (CFO)

The Company has assigned Miss Yonlawan Ahemalongkorn as CFO

**Name:** Miss Yonlawan Ahemalongkorn  
**Age:** 40 years old  
**Education:** Master of Business Administration, Saint Martin's University, USA  
**Training:** THE NEW CFO 2021 " #The New Technology :  
Empower CFO with Technology Trend  
Mergers & Acquisitions (M&A)  
**Experience:** Assistant Auditor, Pricewaterhousecoopers ABAS Co.,Ltd  
Tax Advisor, Schlumberger Overseas S.A Limited

## 7.8.3 Internal Audit

7.8.3.1 The Company has assigned Ms. Patcharee Teerawaradom to be responsible for overseeing the internal audit and overseeing the Company's operations. and liaising with external agencies that the company has hired to perform internal audits. The Company has hired P & L Corporation Company Limited to perform the duties of internal audit and supervision of the Company's operations. Details appear in Part 4, Attachment 3 of this report.

**Name:** Miss Patcharee Teerawaradom  
**Age:** 59 years old  
**Education:** Master of Business Administration, Ramkhamhaeng University  
Bachelor of Business Administration Program Rajamangala University of Technology  
**Training:** Internal Auditing Program Training Class 14  
IT Risk and IT Governance  
Financial Statements Review for Internal Auditors business process design and accounting systems in the digital era  
**Experience:** 2017 - Present Internal Auditor Office of Internal Audit, Siam Wellness Group Public Company Limited  
2013 - 2017 Director of Accounting Department, Siam Wellness Group Public Company Limited  
2006 - 2008 Director of Accounting and Finance, Arrowbedding Company Limited  
2003 - 2005 Accounting Director, D Computer Co.,Ltd.  
1997 - 2003 Accounting Manager, Central Marketing Group Company Limited

7.8.3.2 The Company has hired P&L Corporation Company Limited to perform internal auditing and supervising the Company's operations. Details appear in Part 4, Attachment 3 of this report.

## 7.8.4 Investor Relations

The Board recognizes that Disclosure of information that is accurate, complete, transparent, timely and equitable It is important to the decisions of investors and shareholders. Therefore, the Investor Relations Department has been established, which is responsible for disclosing the Company's information, both financial and non-financial information. including to strengthen good relationships to analysts, investors, shareholders and the general public through various dissemination channels such as the Stock Exchange of Thailand, the SEC Office, newspapers and press releases,



including disseminating information on the Company's Investor Relations website ([https://www.siamwellnessgroup.com/investor\\_relations/](https://www.siamwellnessgroup.com/investor_relations/)) with updates in both Thai and English on a regular basis.

- For example:**
- Company information such as company history Nature of business and products vision, mission and organizational structure
  - Financial information, Past performance
  - Securities price
  - Publication documents such as Annual Report Form (Form 56-1), Annual Report (Form 56-2), Financial Report, Management Discussion & Analysis
  - Shareholders' information such as the invitation letter for the shareholders' meeting, Minutes of the shareholders' meeting, Dividend history
  - Analyst data and analysis

The company has presented its operating results, business plan and trends to local and foreign analysts and investors quarterly through various activities including Analyst meetings, Roadshows, Conference calls and participation in activities to meet investors with the Stock Exchange of Thailand (Opportunity days), Company visits, however, due to the coronavirus outbreak, the investor relations activities has been transformed into virtual meetings instead of face-to-face meetings as previously practiced.

In addition, the Company has set a silent period to communicate with analysts and investors for providing information about quarterly performance of the company for 14 days before the date of submission of the operating results to the SET to avoid injustice in disseminating information

#### 2021 Investor Relations Activities Summary

Activities	Number of times
Analyst Meetings	1
Face-to-Face Roadshows / Virtual Roadshows	7
Opportunity Days	1
E-mail / Phone	2 times / week

### 7.8.5 Remuneration of Auditor

The Company and its subsidiaries paid 2,000,000 baht (Two millions bahts) for audit fee for the year 2021 to the Auditor. This audit fee does not include non-audit fee.

# 08



## Report of Corporate Governance

## 8. Highlight of Corporate Governance

### 8.1 Summary of Corporate Governance Committee

The Board of Directors of Siam Wellness Group Public Company Limited has set preliminary dates for the Board of Director's Meeting for 2021 in advance and may set additional meetings if required. For each meeting, advance meeting notification and agenda will be send to Directors at least 7 days before the meeting in order for Directors to review. In the urgent case, the paper will be sent immediately along with presentation and minutes. All papers will be documented for reference and audit. In the meeting, the Chairman and the Managing Director will jointly set the Agenda and opens for each Director to submit. In each meeting, there should be more than half of total directors attended. Chairman shall allow each director to critique independently. In some particular agenda, the Board may invite Senior Management or Independent consultant(s) to join and share useful information which can also use for effective implementation

#### 8.1.1 Recruitment and Engagement of Directors and Executives

The directors and executives shall be recruited and engaged as follows:

Directors:

A director shall have knowledge of the Company's business or other knowledge that can be used in the Company's operations, and have reasonable experiences; a shareholder or a director may nominate a person for the office of director, as follows:

1. Each shareholder may cast one vote for each share he holds.
2. Each shareholder may vote for the appointment of one or may directors. In case of appointment of many directors, a shareholder may not cast unequal votes for candidates.

If an office of director is vacant for any reasons other than retirement, the Board of Directors may appoint a person without undesirable qualifications under the Public Company Limited Act as the new director at the next Board Meeting, unless otherwise the office term of director is shorter than 2 (two) months. The newly appointed director shall remain in office only for the remaining term or the director so replaced. The ruling vote of the directors must come from at least three quarters (3/4) of the remaining directors.

#### High Level Executives

High level executives such as CEO or Managing Director must be appointed by the Meeting of Shareholders, Board of Directors or the persons assigned by shareholders or Board of Director, taking into account the candidates' knowledge, abilities, skills and experiences that will benefit the Company's operations and their understanding of the Company's business and ability to manage work to attain the objectives and targets set by the Board of Directors.

#### Audit Directors/Independent Directors

The Board of Directors or the Meeting of Shareholders shall be empowered to form an Audit Committee comprising of at least 3 independent directors, each of which shall be in office for 3 years at a time. The audit director whose office term comes to an end may be reappointed for up to 3 times, unless otherwise the Board of Directors approve renewal of office term. An Audit Director must be and Independent Director with the following qualifications:

1. Hold shares not more than 1 % of the shares that are eligible to vote of the Company, parent company, affiliates and joint venture company, major shareholders or the persons having the powers to control the Company. The shares of the persons related to the independent director should also be counted.
2. Not being or having been a director who took part in the management, employee, worker, consultant receiving regular salary, the person who have the powers to control the Company, unless otherwise not having such status for at least 2 years before appointment. Such undesirable qualifications shall not include the independent director who has been a government employee or a consultant of a government agency who is a major shareholder or the person who has the powers to control the Company.

3. Not having relation by consanguinity or registration as father, mother, spouse, sibling, child or spouse of child of another director, executive, major shareholder, the person who has the power to control the Company or the person about to be nominated for director, executive or the person who has the power to control the Company or its affiliate.

4. Not having or having had business relationship with the company, parent company, affiliate, joint venture, major shareholder or the person who has the power to control the Company in the manner that may prevent him from using his discretion freely; not being or having been a significant shareholder or the person who has the power to control the person who has business relationship with the company, parent company, affiliate, joint venture, major shareholder or the person who has the power to control the company, unless otherwise having ended such status for at least 2 years before appointment. Business relationship shall include the ones under Capital Market Supervisory Board's Notification No. ThorJor. 28/25581: Application for and Approval of Offering Newly Issued Shares, the normal business transactions, leasing or renting real properties, transactions related to assets or services, offer or acceptance of financial assistance, offer or take out loan, guarantee, putting up assets as collaterals for loan or other similar circumstances which result in the company or the other party to the agreement is under obligation to may payment to the other party at the rate of 3% of the net and tangible assets of the company or more or from 20 million baht, whichever is larger. The calculation of loan obligations shall take into account the related transactions set forth in the Capital Market Supervisory Board's Notification on Intercompany Transactions and the loan obligations arising during the period of one year before having business relationship with the same person.

5. Not being or having been an auditor of the Company, parent company, affiliate, joint venture, major shareholder or the person who has the power to control the Company; not being a significant shareholder, the person with control power, a partner of an accounting Company which provides an audit service to the Company, parent Company, affiliate, join venture, major shareholder or the person who has the power to control the Company, unless otherwise such status has ceased for at least 2 years before appointment.

6. Not being or having been the provider of professional service such as legal counsel or financial consultant receiving more than two million baht per year from the Company, parent Company, affiliate, join venture, major shareholder or the person who has the power to control the company, unless otherwise such status has ceased for at least 2 years before appointment.

7. Not being the director who is appointed to represent a director, major shareholder or the shareholder related to the major shareholder of the Company.

8. Not operating the business of the same type or in competition with the Company or its affiliate; not being a significant partner or director who manage work, employee or consultant with regular salary, nor hold more than 1 % of all the shares that are eligible to vote of another company which operate the same business and in competition with the Company or its affiliate.

9. Not having other qualities that prevent him from freely expressing views on the Company's operation.

10. Not being a director assigned by the Board of Directors to make decisions on the operations of the company, parent company, affiliate, joint venture, company in the same order, major shareholder or the person who has the power to control the company.

11. Not being a director of the parent company, affiliate or affiliate of the same order – only registered companies.

**Audit Committee must also have the following qualifications:**

1. Being appointed by the Board of Directors or the Meeting of Shareholders as an Audit Director.

2. Being an independent director of the Company.

3. Not being a director assigned by the Board of Directors to make decisions on the operations of the company, parent company, affiliate, joint venture, company in the same order, major shareholder or the person who has the power to control the Company.

4. Not being a director of the parent company, affiliate or affiliate of the same order – only registered companies.

5. Having the duties set forth in SET's Notification on Qualifications and Scope of Work of Audit Committee.

6. Having sufficient knowledge and experience to work as an Audit Director. At least one Audit Director must have sufficient knowledge and experience to conduct audit of the company's balance sheet to verify its reliability.

7. The Chairman of the Audit Committee must be appointed by the Meeting of Shareholders, Audit Committee or the Board of Directors.

8. The Audit Committee Secretary shall be the Company Secretary, Director of Internal Audit Department, internal auditor or Director of Finance and Accounts Department.

\* In our Company, the Company secretary is the Secretary of the Audit Committee.

### Office Term

An Audit Director shall be in office for 3 years. A retiring Audit Director may be reappointed up to 3 times, unless otherwise the Board of Directors approve renewal of office term.

### Directors

The Board of Directors shall be made up of at least 9 directors, and at least one third of them should be independent directors. At least half of the directors must live in Thailand. Directors shall have knowledge, ability and experience in business operation; they shall adopt policies, visions and strategies, set targets and missions, make business plans, allocate budgets and monitor the management's performance to ensure compliance with the policies, the laws, objectives, articles of association, resolutions of the Board Meeting and solutions of the Meeting of Shareholders; work with care, responsibility and honesty according to good practices to maximize the economic value of the business and ensure security of shareholders. Each Director shall freely perform his duties and use his discretion in the making decisions on any matters; without being under the influence of any persons he may express views, raise questions or objections against any issues which may affect the interest of the shareholders or interested parties. In the event that the Agenda has effect on the interest of shareholders, each director shall have independence in assessing each Agenda with opportunities to ask questions, express comment or disagree.

### Office Term

At each annual Ordinary Meeting of Shareholders, one third of the directors shall vacate their office. If the number is not divisible by 3, the nearest number shall apply. In the first and second year after going public, the decision which directors shall vacate their office shall be made by a draw. Subsequently, the directors who have been in office for the longest period shall vacate their office. A retiring director may be reappointed by the Meeting of Shareholders. Apart from ending his office term, a Director shall vacate his office on any of the following grounds:

1. death
2. resignation
3. lacking qualifications or having undesirable qualifications under the law
4. being removed from office by resolution of the Meeting of Shareholders with at least three quarters of the votes of the shareholders present at the meeting and eligible to vote and representing at least half of the shares held by the shareholders at the meeting that are eligible to vote
5. being removed from office by the Court's order

### Executives

The Board of Directors or the persons assigned by the Meeting of Shareholders shall appoint executives from the person who have knowledge, experience and expertise in relevant fields.

## 8.1.2 Meeting Attendance

Board of Directors' Meeting Attendance as of December 31, 2021

No.	Name	2021
		Meetings Attended / Total Meetings
1	Mrs. Pranee Suphawatanakiat	5/5
2	Mr. Wiboon Utsahajit	5/5
3	Mr. Prasert Jiravanstit	5/5
4	Mrs. Thanit Amorntirasan	5/5
5	Mr. Narun Wiwattanakrai	5/5
6	Mr. Polchet Likittanasombat	5/5
7	M.R. Pensiri Chakrabandhu	5/5
8	Mrs. Kobboon Srichai	3/4
9	Mr. Phumiphan Bunjapamai	4/4

## 8.1.3 Supervision of Subsidiaries and Associated Companies

The company has a policy to invest in businesses that can benefit the company. in order to increase the competitiveness by assessing the value or the possibility that is necessary and appropriate By the management of subsidiaries and associated companies. The company will have the following supervision.

1. The company will send a representative to be a director of the subsidiary's committee. or associated company. The number of representatives of the Company is at least in proportion to the Company's shareholding. which is the director of the company or other persons assigned
2. A director authorized to sign a contract to bind a subsidiary or affiliated company to represent the company and there will always be a representative of the company to sign.
3. The Company's representative will be eligible to participate in the selection of senior management or any person responsible for the accounting and finance of the subsidiary. and associated companies
4. In the event that the subsidiary agrees to enter into a connected transaction or an acquisition or disposal of material assets, the Company will proceed in accordance with the rules prescribed by law for such transaction. including the related transactions of the company

### List of Directors of Subsidiary Companies

Subsidiary Company / Director	Mr. Wiboon Utsahajit	Mr. Prasert Jiravanstit	Mrs. Thanit Amorntirasan	Mr. Narun Wiwattanakrai	Mr. Juckpat Jiravanstit	Ms. Chutaporn Jiravanstit	Authority
Siam Wellness Resort Co.,Ltd	/	/	/	/			Mr. Wiboon Utsahajit or Mr. Prasert Jiravanstit or Mr. Narun Wiwattanakrai / One Director signs with Company Stamp
Siam Wellness Lab Co.,Ltd	/	/	/	/			Mr. Prasert Jiravanstit or Mr. Narun Wiwattanakrai / One Director signs with Company Stamp
Siam Wellness EducationCo.,Ltd	/				/		Mr. Wiboon Utsahajit or Mr. Juckpat Jiravanstit / One Director signs with Company Stamp

## **8.1.4 Monitoring to ensure compliance with policies and guidelines for corporate governance**

### **(1) Protection for Conflict of interest**

The Board of Directors have set forth the policies on transactions among related persons in the best interests of the Company. The Company has a set forth the procedures for consideration of such transaction to ensure transparency and avoid conflict of interest for the maximum benefit of the Company and all shareholders.

1. The Company shall considers if the transactions are related or not. If they are normal transactions, we will consider whether or not they are typical commercial terms and condition based on our price, terms and conditions offered to our customers in the market, and in the absence of market prices that can be applied. If the products or services are unique, the Company will have the Audit Committee, auditor or independent experts review and comment on the appropriateness of the price and value and good reasons for making such transactions.

2. If related transactions support normal business which have general commercial terms and the values cannot be determined from the assets or reference to the property or the transactions are for normal business support without typical commercial conditions, or they are rental charges or lease of property for not more than 3 years but not indicate typical commercial conditions or they are other types of transactions, the Company will determine the size of the transactions to see whether they are small, medium or large to be able to make decisions such as seeking approval from the Board of Directors or the Meeting of Shareholders.

3. The Company will present the related transactions of the Company or its affiliates to the Audit Committee for consideration. If they have to be approved by the Board of Directors or the Meeting of Shareholders, the Company shall submit the views of the Audit Committee to the Board of Directors or the Meeting of Shareholders for consideration.

4. The Company shall report on the agreement to make related transactions to SEC, giving all the details as set forth in the Notification of SEC, and shall disclose the related transactions in the annual report and financial statement, using the annual report form or other report form as set forth by SEC.

5. As for the related transactions that may be made in the future, the Board of Directors must comply with the laws of securities and exchange, SET's regulations, notifications, orders or regulations, and comply with the regulations on the disclosure of related transactions, acquisition or disposal of essential assets of the Company or affiliate according to the accounting standards set by the Association of Accountants and Auditors of Thailand.

6. In case where there are related transactions beyond typical commercial business between the persons who may have conflict of interest or joint interest now or hereafter, the Company shall have the Audit Committee express their views on the need and appropriateness of such transactions. If the Audit Committee do not have expertise in such related transactions, the Company may request an independent expert or auditor express his views on such related transactions to assist the Board of Directors or the Meeting of Shareholder, whichever the case may be, in decision making. The Company shall disclose the related transactions in the notes for the balance sheet which will be audited by the Company's auditor.

7. The person having interest in any transaction shall not be eligible to vote on the approval of such transaction.

8. Employees are prohibited to conduct business that has conflict of interest with Company. Company has provided the form via Human Resources Department to notify employees.

### **(2) Control of Access of Internal Information**

It is our policy to monitor the access by directors and executives of the Company's information which has not been disclosed to the public to prevent them from using such information for personal gain which includes securities trading, as follows:

1. To inform the directors, executives and the persons managing the finance and accounts at the level of director, equivalent or higher that they have to submit reports on securities held by them, their spouses and non-sui juris children to SEC pursuant to Section 59 and the penalties for noncompliance under Section 275 of the Securities and Stock Exchange Act of 1992.

2. The Company requires that the directors, executives and the persons managing the finance and accounts at the level of director, equivalent or higher submit reports on securities held by them, their spouses and non-sui juris children to SEC and SEC within 30 days from the day of commencing their office term or within 3 (three) days of trading or transferring such securities.

3. The Company requires that the directors, executives and the persons managing the finance and accounts at the level of director, equivalent or higher and the persons in the position to receive essential information which may affect the securities prices must suspend securities trading until the Company discloses such information to the public. The Company shall request the directors, executives and the persons managing the finance and accounts at the level of director, equivalent or higher to suspend securities trading for at least 30 days prior to disclosure of such information to the public and at least 24 hours after disclosure of such information to the public – they shall not disclose such information to other persons either.

**Penalties for disclosure of information for personal gain:**

1. Written warning
2. Suspension from work without pay
3. Dismissal.

**The penalties depend on the seriousness of the offenses.**

### **(3) Anti-Corruption**

The Company is committed to conducting business with fairness, integrity, ethics and transparent disclosure of information to the public. The Company's directors, executives and employees at all levels of the organization will not commit or accept any form of corruption. in any case whether directly or indirectly to achieve that intention. The Company has anti-corruption policies as follows:

1. Company directors, executives and employees at all levels shall comply with the anti-corruption policy, Principles of Corporate Governance and Business Ethics without being involved in corruption, whether directly or indirectly
2. The Company's directors, executives and employees at all levels are prohibited from demanding or receiving any benefits or assets that may induce them to act or refraining from performing duties in a wrong way or may cause the company lose legitimate interests
3. Company directors, executives and employees at all levels should refrain from offering or giving benefits. or any property to a third person in order to incentivize that person to act or refrain from any illegal or unlawful actions against their position
4. The company has channels for whistleblowing, complaints and suggestions. In the event that corruption is found Through various methods such as the website and the company's annual reports.

## **● 8.2 Audit Committee's Report**

To Shareholders of Siam Wellness Group Public Company Limited

Siam Wellness Group Public Company Limited ("Company") has the Audit Committee composed of 3 independent directors whom have expertise and are professional in the specific, with the qualifications according to the provision of The Stock Exchange of Thailand. They independently perform the profession under the Charter of Audit Committee, the Audit Committee consists of:

- |                                |                                 |
|--------------------------------|---------------------------------|
| 1. Mr. Polchet Likittanasombat | Chairman of the Audit Committee |
| 2. M.R. Pensiri Chakrabandhu   | Audit Committee                 |
| 3. Mrs. Kobboon Srichai        | Audit Committee                 |

In 2021, the Audit Committee had a meeting total of 4 times. The Audit Committee's meeting had attended all meetings with the percentage of 90.91% the meeting and also invited the management to attend the meeting according to the related agenda of those involved in order to explain the topics matter. As well as invited the internal auditors and certified public accountants to participate in the discussion, the audit results, and the evidences in each quarter. The Audit committee held a meeting with the certified public accountants without the management of the company with total of 4 times.

The Audit Committee's meeting had strictly followed the profession under the Charter of Audit Committee which approved by the Board of Directors of the Company. The results from each meeting had been reported with the performance summary with useful suggestions to the Board of Directors of the Company to acknowledge, the essence topics are as followed:

1. Reviewed the annual financial statements for the year 2021 and quarterly financial statements for the year 2021 before submitting to the Board of Directors of the company, to be completely certain that the financial transactions prepared by related parties were accurate and adequate to the accounting standards and legal terms as well as enough disclosure in the notes



of financial statements. Along with providing the observations and acknowledgement of the solutions as an advantage for the Company, the Audit Committee supposed that the financial transactions was prepared under the guaranteed accounting standards with the accuracy and adequacy which can be reliable, where the choices of accounting policy are reasonable.

2. By reviewing the adequacy of internal controls and internal audit, the Audit Committee supposed that as a matter fact, there are sufficient and effective and no deficiency with the internal auditor working independently. Herewith, the Audit Committee considered the approval of an internal audit plan for the year 2021, following the risk accordingly and focusing on effective and sufficient performance as well as continuing to improve the internal audit system to enhance internal control.

3. By reviewing the observance under the Securities and Exchange Commission, the regulations of The Stock Exchange of Thailand, and the company's related laws, the Audit Committee supposed that the Company has followed the regulations appropriately, as well as reviewing the related subjects or the conflict of interest matters. The Audit Committee agreed that it is reasonable to maximize the benefits of the Company following by the regulations and laws of The Stock Exchange of Thailand as noted in financial statements.

4. By reviewing the risk management, the audit report, and the observations on the internal control system, along with exchanging opinions with the management, the Company has scheduled the meeting for the risk management task force frequently as well as imposing the meeting for the Board of Directors at least every quarter. During the meeting, the Audit Committee mentioned about the overall results, the risks, and suggestions in order to avoid or reducing the significant risks, also reported the progress of the overall results of those responsible individuals. The Audit Committee supposed that the measurement of the risk management was appropriate and sufficient to support the great risky performances according to the business's environment nowadays.

5. By reviewing the adequacy of the internal control system prescribed by the Securities and Exchange Commission, the results showed that the Company had the adequacy of the internal control system.

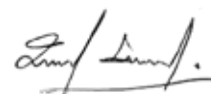
6. Considered selecting the auditors with the transparency and good corporate governance. Along with the overall results of the previous auditors considering the reputation and reliability in auditing with the ability to affirm the financial statements punctually, the Audit Committee suggested that the Board of Directors proposing to the Shareholders' Meeting to approve as followed,

- Appointing the auditors of EY Office Co., Ltd. with the names as followed,
  - Ms. Sumana Punpongsanon, certified public accountant no. 5872 and/or
  - Mrs. Gingkarn Atsawarangsalit, certified public accountant no. 4496 and/or
  - Mr. Chayapol Suppasedtanon, certified public accountant no. 3972 and/or
  - Ms. Kirdsiri Kanjanaprakasit, certified public accountant no. 6014

To be auditors of Siam Wellness Group Public Company Limited for the fiscal year 2021 with the audit fees of 1,290,000 bahts (One million two hundreds and ninety thousands bahts)

7. The Audit Committee evaluated the overall results of the Audit Committee by evaluating the overall for the year 2021 and had an agreement that the Audit Committee has followed the Charter of Audit Committee effectively and sufficiently.

Siam Wellness Group Public Company Limited



(Mr. Polchet Likittanasombat)  
Chairman of the Audit Committee

#### Audit Committee's Meeting Attendance as of December 31, 2021

No.	Name	2021
		Meetings Attended / Total Meetings
1	Mr. Polchet Likittanasombat	4/4
2	M.R. Pensiri Chakrabandhu	4/4
3	Mrs. Kobboon Srichai	2/3

## Risk Committee's Report

To Shareholders of Siam Wellness Group Public Company Limited

Siam Wellness Group Public Company Limited highly values good corporate governance, in particular efficient risk management. The Company has measures to set strategies, control operations and mitigate risks from new investment decision-making as well as create learning in risk management for all employees to create higher value for the company, shareholders, society, communities and all stakeholders in order for the Company to grow sustainably.

The Risk Committee has conducted duties assigned by the Board of Directors under the Charter of Risk Committee which complies with the Company's Risk Management Policies and Guideline. The Company has set the Risk Management Policies to cover the selection, assessment, monitoring and control to allow Company to manage the risk efficiently and on-time

### The Risk Committee consists of:

1. Mrs. Kobboon Srichai Chairwoman of the Risk Committee
2. Mr. Phumiphan Bunjapamai Member of the Risk Committee
3. Mr. Narun Wiwattanakrai Member of the Risk Committee and Head of Risk Working Group

In 2021, the Risk Committee had a meeting total of 2 times which included the Members of the Risk Committee (100% attendance) and Member of the Risk Working Group (Management Team) to monitor the key risks that affects the Company's performance and to ensure the Company's performance to be efficient and effective as well as stated new potential risks including risks that may impact the Business Model of Massage and Spa Business in order for the Company to manage the risk in time to reflect the fast-changing digital world.

### The essence topics of 2021 Risk Management are as followed:

#### 1. Company's Risk by Quarter

The Risk Committee and the Risk Working Group jointly assess the Company's risks, its likelihood to happen and its impact from different risks such as Strategic Risk, Legal Risk, Financial Risk, Operational Risk and Asset Risk as well as identifying potential risks and impact. Also, finding a guideline for strategic risk analysis to ensure the Company's short-term and long-term goals are achieved as well as to prevent any changes in Government's Policy that will impact the Company's Performance. The Committee also gave inputs to the risk management controls and potential risks that may impact the Company's subsidiary to ensure smooth operations and achieving their Goals.

#### 2. Company's Risk using SET's guideline

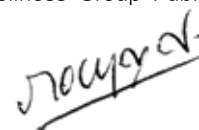
The Committee used the Enterprise Risk Management Framework (ERM Framework) composed of Enterprise Risk Management Policies prepared by Stock Exchange of Thailand as a fundamental in assessing the likelihood and the impact of potential risks. Risks are divided into 3 types 1) Strategic Risk 2) Business Risk 3) Process Risk.

#### 3. Company's Risk Action Plan

The Risk Committee and the Risk Working Group jointly assess the Risk Action Plan which includes both Preventive Action Plan (before risk occurs) and Easing Action Plan (after risk occurs).

The Risk Committee is determined to ensuring that the Company commands proper oversight and due risk management, while having sufficient risk management controls to ensure that Company's efficiency and goals are achieved.

Siam Wellness Group Public Co.,Ltd



(Mrs. Kobboon Srichai)

Chairwoman of the Risk Committee

## Risk Committee's Meeting Attendance as of December 31, 2021

No.	Name	2021
		Meetings Attended / Total Meetings
1	Mrs. Kobboon Srichai	2/2
2	Mr. Phumiphan Bunjapamai	2/2
3	Mr. Narun Wiwattanakrai	2/2

## Nomination and Compensation Committee's Report

To Shareholders of Siam Wellness Group Public Company Limited

The Nomination and Compensation Committee composed of 3 directors:

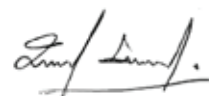
1. Mr. Polchet Likittanasombat Chairman of the Nomination and Compensation Committee
2. M.R. Pensiri Chakrabandhu Member of the Nomination and Compensation Committee
3. Mr. Prasert Jiravanstit Member of the Nomination and Compensation Committee

The Nomination and Compensation Committee has conducted duties assigned by the Board of Directors under the Charter of Nomination and Compensation Committee which includes recruitment and selection of Director and Senior Management, Compensation and Benefits for Director and Senior Management.

In 2021, the Nomination and Compensation Committee had a meeting total of 1 time which included the Members of the Nomination and Compensation Committee (100% attendance). The essence topics are as followed:

1. Assess Company's Structure in terms of size, composition, mix and representation of Independent Directors to lead Company to achieve its Objectives and Visions.
2. Assess Director's Recruitment Process and Selection to nominate appropriate director with knowledge, expertise. Committee shall review the applicant's biography and suggest comment before submit to Board of Director for appointment of new Directors. Shareholder shall have sufficient information of the appointed director
3. Assess and Recruit the appropriate Senior Management with Development Plan to allow them to have knowledge, abilities, skills, experience and qualification to drive the Company's Objectives
4. Assess Director's Recruitment Process and Selection and recommend to the Board of Directors before recruiting the retired director. In the event of the nomination of existing director, the Nomination and Compensation Committee shall reflect on their past performance.
5. Arrange Orientation for new directors and assign sufficient documents to newly appointed director
6. Create Succession Plan for Managing Director and Senior Management to allow smooth operations of the Company
7. Assess Compensation Structure and Director and Senior Management's remuneration to reflect their responsibilities to drive the Company's Objectives
8. Set Compensation Policies of Director's remuneration to match with Company's Long term Vision and Strategies, experience, responsibilities, roles and benefits of each director. Director with additional responsibilities shall have appropriate remuneration with equivalent to industry standards
9. Propose the Company Structure and Remuneration of Senior Management to the Board before submitting to the Annual General Meeting
10. Review the Nomination and Compensation Process to reflect the current environment.

Siam Wellness Group Public Co.,Ltd



(Mr. Polchet Likittanasombat)

Chairman of the Nomination and Compensation Committee

## Nomination and Compensation Committee's Meeting Attendance as of December 31, 2021

Name	2021	
	Meetings Attended / Total Meetings	
1 Mr. Polchet Likittanasombat	1/1	
2 M.R. Pensiri Chakrabandhu	1/1	
3 Mr. Prasert Jiravanstit	1/1	

## Corporate Governance Committee's Report

To Shareholders of Siam Wellness Group Public Company Limited

The Corporate Governance Committee composed of 3 directors:

1. M.R. Pensiri Chakrabandhu Chairwoman of the Corporate Governance Committee
2. Mr. Polchet Likittanasombat Member of the Corporate Governance Committee
3. Mrs. Thanit Amorntirasan Member of the Corporate Governance Committee

The Corporate Governance Committee has conducted duties assigned by the Board of Directors under the Charter of Corporate Governance Committee which complies with the SEC's Corporate Governance Code for listed companies and SET's Principles of Good Corporate Governance

In 2021, the Corporate Governance Committee had a meeting total of 2 times which included the Members of the Corporate Governance Committee (100% attendance) to monitor and report on Company's Corporate Governance that adhere to CG Code which covers Society, Community and Environment. The essence topics are as followed:

1. To consider and endorse the policies, strategies, goals, guidelines, and plans on the Company's corporate governance

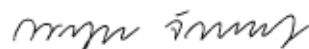
2. To review the Company's corporate governance policies comply with the policies and/or regulations relating to the Company's corporate governance before proposing to the Board of Directors for consideration and approval.

3. To regularly review and propose necessary revision to the Company's policy and guidelines on corporate governance practice (2017)

4. To monitor the CSR Working Group

The Corporate Governance Committee is determined to ensuring that the Company commands proper oversight and due corporate governance, while contribute to Corporate Social Responsibility to ensure that Company's efficiency and goals are achieved and create good reputation for the company for all stakeholders.

Siam Wellness Group Public Co.,Ltd



(M.R. Pensiri Chakrabandhu)

Chairwoman of the Corporate Governance Committee

### Corporate Governance Committee's Meeting Attendance as of December 31, 2021

No.	Name	2021
		Meetings Attended / Total Meetings
1	M.R. Pensiri Chakrabandhu	2/2
2	Mr. Polchet Likittanasombat	2/2
3	Mrs. Thanit Amorntirasan	2/2

## Executive Committee's Report

To Shareholders of Siam Wellness Group Public Company Limited

The Executive Committee composed of 5 directors:

- |                             |   |
|-----------------------------|---|
| 1. Mr. Wiboon Utsahajit     | Chairman of the Executive Committee Committee |
| 2. Mr. Prasert Jiravanstit  | Member of the Executive Committee Committee   |
| 3. Mrs. Thanit Amorntirasan | Member of the Executive Committee Committee   |
| 4. Mr. Narun Wiwattanakrai  | Member of the Executive Committee Committee   |
| 5. Mr. Juckpat Jiravanstit  | Member of the Executive Committee Committee   |

The Executive Committee has performed duties, as assigned by the Board of Directors under the duties and responsibilities as stipulated in the Executive Committee Charter, to be consistent and in accordance with the objectives of the Company's business and in accordance with the objectives, articles of association, policies, regulations, requirements or any orders of the resolutions of the Board of Directors' meeting and/or the resolutions of the shareholders' meeting of the Company.

In 2021, the Executive Committee had a meeting total of 8 times which included the Members of the Executive Committee (97.5% attendance). The essence topics are as followed:

1. To manage the operations of the Company in compliance with the objectives, articles of association, policies, rules, regulations, instructions or resolution of the Board Meeting or the Meeting of Shareholders; to review the matters before presentation to the Board of Director for approval.

2. To adopt visions, missions, business strategies, orientations, business policies, set targets, guidelines, make operation plan and personnel development plan and allocation of budgets for the Company and its affiliates, and present them to the Board of Directors for approval.

3. To efficiently examine, follow up and implement policies and guidelines on the management as assigned by the Board of Directors.

4. To consider and approve any normal transactions of the Company within the annual budget approved by the Board of Directors and in compliance with the Operation Manual provision on the powers to act as granted.

5. To submit to the Board of Directors the following reports:

5.1 quarterly report on the Company's operation;

5.2 Other reports as it deems appropriate.

6. To conduct feasibility studies of various projects.

7. To set forth the criteria and allocate budgets for pay raise, rewards and other benefits; to set forth and revise the welfare and benefits of the employees.

8. To offer advice and suggestions to the Managing Director to assist his decision making.

9. appoint a working group and/or executives to screen the work presented to the Executive Committee to perform various tasks as specified by the Executive Committee within the scope of the powers and duties of the Executive Committee including having the power of attorney or Have the person assigned to perform specific tasks instead by delegating and/or such assignments are within the scope of the authorization under the power of attorney and in accordance with the rules, regulations or orders set by the Board of Directors. The delegation of power shall not exceed the scope of the powers and duties of the Executive Committee and does not have the nature of a power of attorney or authorization that makes the Executive Committee or the person authorized by the Executive Board can approve the items that he or she may have a conflict of interest with (As defined in the Notification of the Capital Market Supervisory Board or the announcement of the Securities and Exchange Commission) may have an interest or may benefit in any way or may have any other conflict of interest with the Company or a subsidiary of the company.

Siam Wellness Group Public Co.,Ltd



(Mr. Wiboon Utsahajit)

Chairman of the Executive Committee

## Executive Committee's Meeting Attendance as of December 31, 2021

No.	Name	2021
		Meetings Attended / Total Meetings
1	Mr. Wiboon Utsahajit	8/8
2	Mr. Prasert Jiravanstit	8/8
3	Mrs. Thanit Amorntirasan	7/8
4	Mr. Narun Wiwattanakrai	8/8
5	Mr. Juckpat Jiravanstit	8/8

# 09

## Internal Control and Related Party Transactions



## 9. Internal Control and Connected Transactions

### 9.1 Internal Auditor's comment about internal control system

The Company realised about the importance of a good internal control system which will support the running of the business efficiently and effectively. The Siam Wellness Group's Board of Director Meeting no. 2/2014 on April 3, 2014 agree to assign the Audit Committee and Extraordinary General Shareholders' Meeting no. 1/2014 on May 7, 2014 had approved the Audit Committee which consist of 3 members to review the efficiency and sufficiency of the internal control system and to make sure that the Company and its subsidiaries have been running business according to the law and regulation of the Stock Exchange of Thailand and also related law and regulation.

The Company had assigned P&L Company Limited ("Internal Auditor") to be our internal auditor. Internal Auditor will audit and evaluate the sufficiency of the internal control system including suggest and follow up the improvement of the internal control system according to the policy and regulation specified in the internal audit plan. Including the evaluating of The Committee of Sponsoring Organization of the Treadway Commission : COSO 5 ways which are

- 1) Control Environment
- 2) Risk Assessment
- 3) Control Measurement
- 4) Information and Communication System
- 5) Tracking System

The Internal auditor has reported the result of the audit and the improvement to the Audit Committee to make sure that the running of the Company and its subsidiaries including related transactions between the Company and its subsidiaries and related person are efficient and accord to the law.

The Company realised about the importance of a good internal control system which can improve the efficiency of the business. Therefore, the Audit Committee and the Board of Director have assigned the Internal Auditor to follow up and report to the Audit Committee for consideration and to the Board of Director for acknowledgement. The internal auditor has presented the quarterly 2021 plan for internal audit and will do the internal audit and report to the Audit Committee and the Board of Director quarterly.

In the Board of Director Meeting no. 1/2021 on February 29, 2021, all 3 member of the Audit Committee attended that meeting. The Board of Director evaluate the sufficiency of the internal control system by asking information from the managements and according to the result of evaluating internal control system which evaluate by the Management. The Board of Director decided that the internal control system of the Company is adequate and appropriate for the current size of the Company and present situation.

#### Internal Auditor's notices on the internal control system

In 2021, the Internal Auditors had audited the Company 4 times. The results are as followed:

1. The internal audit report no. 1/2021 dated 22 February 2021 which audit the Company based on the activity of
  - Human Resources Management
2. The internal audit report no. 2/2021 dated 14 May 2021 which audit the Company based on the activity of
  - Therapist Compensation
3. The internal audit report no. 3/2021 dated 9 August 2021 which audit the Company based on the activity of
  - Expenditure Cycle Management
4. The internal audit report no. 4/2021 dated 12 November 2021, which audit the Company based on the activity of
  - Readiness for Personal Data Protection Act B.E.2562 (2019)

From the assessment of sufficiency and efficiency of the internal control system base on plan of actions and management, overall the company has appropriate internal control system and some improvement need. However, the overall efficiency of the internal control can give confident that the company can reach the goal and policies as expected. The suggestions to the company can be separated into 2 categories – Important Suggestions in which the company should take actions and Considered Suggestions.

### Auditor's notice about the internal management system

EY Office Limited, the accounting auditor of the Company had audited the Company's financial statement for year end 31 December 2021 and stated that the Company's financial statement show correct financial position, financial performance and cash flow according to the general financial standard

## 9.2 Related Party Transactions

### 9.2.1 Relationship of related party

Company and subsidiary companies have related transactions with related party in which related party includes shareholders and/or directors and/or management. Moreover, the related party also includes other companies that the Company and subsidiary's companies' directors act as authorized directors. Related parties are listed as below:

Company Name/Person's Name	Business Type	Relationship
Blooming Co.,Ltd	Selling Herbal Balls and Gifts	Joint Shareholder
B.U. Enterprise Co.,Ltd	Real Estate	Joint Shareholder and Director
Cyberprint Group Co.,Ltd	Printing Services and Delivery Service	Joint Shareholder and Director
Asian Fortune Property Co.,Ltd	Real Estate	Joint Shareholder and Director
Klom Kliaw Pattana Co.,Ltd	Real Estate	Joint Shareholder and Director
G.G.P. Property Co.,Ltd	Real Estate	Joint Director
Blooming Intergift Co.,Ltd	Real Estate	Joint Shareholder
Mr. Vithit Utsahajit	Real Estate	Brother of Mr. Wiboon, Mrs. Pranee and Mrs. Thanit
Mr. Wiboon Utsahajit	-	Director
Mr. Narun Wiwattanakrai	-	Director
Mrs. Pranee Suphawatanakiat	-	Director
Mrs. Thanit Amorntirasan	-	Director
Mr. Prasert Jiravanstit	-	Director
Mr. Juckpat Jiravanstit	-	Director of Subsidiary



Name	Cyberprint Group Co.,Ltd			Blooming Co., Ltd			B.U. Enterprises Co., Ltd			Asian Fortune Property Co., Ltd			Klomklaiw Pattana Co., Ltd			Utsahajit Holdings Co., Ltd			GGP. Property Co., Ltd		
	Director	No. of Shares	%	Director	No. of Shares	%	Director	No. of Shares	%	Director	No. of Shares	%	Director	No. of Shares	%	Director	No. of Shares	%	Director	No. of Shares	%
1. Mr. Vithit Utsahajit	✓	5	0.00%		38,750	7.75%		1,602	8.01%		0	0.00%		0	0.00%	✓	50,000	0.17%		0	0.00%
2. Mrs.Pranee Suphawatanakiat	✓	5	0.00%		38,750	7.75%	✓	1,602	8.01%	✓	400,000	20.00%	✓	1,683,207	16.67%	✓	1,000,000	3.33%		1,500	15.00%
3. Mr. Thanawat Utsahajit	✓	5	0.00%		38,750	7.75%		1,602	8.01%	✓	400,000	20.00%		1,683,206	16.67%	✓	100,000	0.33%		500	5.00%
4. Mrs.Thanit Amornitrasan	✓	5	0.00%		38,750	7.75%		1,602	8.01%	✓	400,000	20.00%	✓	1,683,207	16.67%	✓	2,500,000	8.33%		1,500	15.00%
5. Mr. Wiboon Utsahajit	✓	5	0.00%		38,750	7.75%		1,602	8.01%	✓	400,000	20.00%		1,683,207	16.67%	✓	2,500,000	8.33%		2,000	20.00%
6. Mrs.Suvimol Utsahajit	✓	5	0.00%		38,750	7.75%	✓	1,602	8.01%		0	0.00%		0	0.00%	✓	100,000	0.33%		0	0.00%
7. Mr. Wiwat Utsahajit	✓	5	0.00%		38,750	7.75%		1,602	8.01%		0	0.00%		0	0.00%	✓	100,000	0.33%		0	0.00%
8. Mr. Wichai Utsahajit	✓	5	0.00%		38,750	7.75%		1,602	8.01%		0	0.00%		0	0.00%	✓	100,000	0.33%		0	0.00%
9. Mr. Napat Wiwattanakrai	✓	5	0.00%		12,916	2.58%		534	2.67%		133,333	6.67%		0	0.00%	✓	833,334	2.78%		0	0.00%
10. Mr. Banlue Utsahajit		5	0.00%		38,750	7.75%		5,582	27.91%		0	0.00%		0	0.00%	✓	7,500,000	25.00%		0	0.00%
11. Mr. Narun Wiwattanakrai		5	0.00%		12,917	2.58%		534	2.67%	✓	133,334	6.67%		1,683,206	16.67%		833,333	2.78%	✓	0	0.00%
12. Mr. Narut Wiwattanakrai		5	0.00%		12,917	2.58%		534	2.67%		133,333	6.67%		0	0.00%		833,333	2.78%		1,500	15.00%
13. Mr. Prasert Jiravanstti		0	0.00%		112,500	22.50%		0	0.00%		0	0.00%		1,683,207	16.67%		0	0.00%	✓	2,000	20.00%
14. Mr. Issawong Suphawatanakiat		0	0.00%	✓	0	0.00%		0	0.00%		0	0.00%		0	0.00%		500,000	1.67%		0	0.00%
15. Mr. Nateekorn Jiravanstti		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%
16. Mr. Thitayaporn Tarphong		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	5.00%
17. Ms. Ratpalee Suphawatanakiat		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		500,000	1.67%		500	5.00%
18. Utsahajit Holdings Co., Ltd		69,999,940	100%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		500	0.00%
19. Ms. Padaraee Utsahajit		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		490,000	1.63%		0	0.00%
20. Mr. Peemdej Utsahajit		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		490,000	1.63%		0	0.00%
21. Mr. Peemtat Utsahajit		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		490,000	1.63%		0	0.00%
22. Ms. Peemida Utsahajit		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		490,000	1.63%		0	0.00%
23. Mr. Kritsanapong Suphawatanakiat		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		500,000	1.67%		0	0.00%
24. Mr. Chanodom Utsahajit		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		800,000	2.67%		0	0.00%
25. Ms. Tanutchaporn Utsahajit		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		800,000	2.67%		0	0.00%
26. Ms. Chalisa Utsahajit		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		800,000	2.67%		0	0.00%
27. Ms. Pimrada Utsahajit		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		2,400,000	8.00%		0	0.00%
28. Ms. Porpiti Jiravanstti		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		500	5.00%
29. Mrs.Praorn Jiravanstt		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		500	5.00%
30. Ms. Pimpicha Utsahajit		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		490,000	1.63%		0	0.00%
31. Ms. Pearwa Utsahajit		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		2,400,000	8.00%		0	0.00%
32. Mr. Pitchayakit Utsahajit		0	0.00%		0	0.00%		0	0.00%		0	0.00%		0	0.00%		2,400,000	8.00%		0	0.00%
<b>Total</b>		70,000,000	100.00%		500,000	100.00%		20,000	100.00%		2,000,000	100.00%		10,099,240	100.00%		30,000,000	100.00%		10,000	100.00

**Remark:** The shareholding % is calculated as 2 decimal places. The Sum of shareholding% may be different to the total of shareholding %.

Name	Blooming Intergift Co., Ltd			Sawangsuk Co., Ltd		
	Director	No. of Shares	%	Director	No. of Shares	%
1. Mr. Vithit Utsahajit		0	0.00%		0	0.00%
2. Mrs. Pranee Suphawanakiat		220,000	11.00%		0	0.00%
3. Mr. Thanawat Utsahajit		220,000	11.00%		0	0.00%
4. Mrs. Thanit Amorntrasan		220,000	11.00%		0	0.00%
5. Mr. Wiboon Utsahajit		679,999	34.00%		4,999	49.99%
6. Mrs. Suvimol Utsahajit		220,000	11.00%		0	0.00%
7. Mr. Wiwat Utsahajit		220,000	11.00%		0	0.00%
8. Mr. Wichai Utsahajit		0	0.00%		0	0.00%
9. Mr. Napat Wiwattanakrai		73,333	3.67%		0	0.00%
10. Mr. Banlue Utsahajit		0	0.00%		0	0.00%
11. Mr. Narun Wiwattanakrai		73,334	3.67%		0	0.00%
12. Mr. Narut Wiwattanakrai		73,333	3.67%		0	0.00%
13. Mr. Prasert Jiravanstitt		0	0.00%		0	0.00%
14. Mr. Issawong Suphawanakiat	✓	0	0.00%		0	0.00%
15. Mr. Nateekom Jiravanstitt		0	0.00%	✓	4,999	49.99%
16. Mr. Thitayaporn Tarphong		1	0.00%		0	0.00%
17. Ms. Ratpalee Suphawanakiat		0	0.00%	✓	2	0.02%
18. Utsahajit Holdings Co., Ltd		0	0.00%		0	0.00%
<b>Total</b>		2,000,000.00	100.00%		10,000,001	100.00%

**Remark:** The shareholding % is calculated as 2 decimal places. The Sum of shareholding% may be different to the total of shareholding %.

## 9.2.2 Related Transactions

Company and subsidiary companies have related transactions with related party which can be summarized as below:

1. Purchase of products or services from related party under normal circumstances (Report to Audit Committee for consideration)

(Thousands Baht)

No.	Related Party	Transaction	Size			Reason and Consideration
			2019	2020	2021	
1.	Blooming Co.,Ltd	Revenue from Sales	137	3,591	100	<ul style="list-style-type: none"> <li>Blooming Co.,Ltd purchases spa products from subsidiaries at market price for gifts and premium goods</li> <li>Company and subsidiaries purchase herbal balls, scrub, Thai herbs used in treatment as well as packing and screening services at agreed prices.</li> </ul> <p>Company has received quality goods according to specifications with on-time delivery and better price compared to other suppliers.</p>
		Purchases and Services	16,953	4,541	1,004	
		Trade Receivable	135	2,397	2,398	
		Trade Payables	1,540	277	514	
2.	B.U. Enterprise Co.,Ltd	Revenue from Sales	6	6	11	<ul style="list-style-type: none"> <li>BU Enterprises Co.,Ltd. purchases spa products for customers and purchases Alcohol and ATK for internal use at market price</li> </ul>
		Purchases and Services	342	194	119	
		Trade Receivable	5	5	6	
		Trade Payables	10	47	0	
3.	Cyberprint Co.,Ltd	Revenue from Sales	201	150	63	<ul style="list-style-type: none"> <li>Cyberprint Group Co.,Ltd. purchases spa products for customers and purchases Alcohol and ATK for internal use at market price</li> <li>Cyberprint Co.,Ltd. Provides printing services for Company and subsidiaries at agreed prices.</li> </ul> <p>Company has received quality services according to specifications with on-time delivery and better price compared to other suppliers.</p>
		Purchases and Services	2,557	1,185	310	
		Trade Receivable	175	251	32	
		Trade Payables		188	189	
4.	Sawangsuk Co.,Ltd	Revenue from Sales			970	<ul style="list-style-type: none"> <li>Subsidiary manages hotel operations for Rarin Villas Chiang Mai in Revenue Sharing terms according to the market rate.</li> </ul>
		Purchases and Services			157	
		Management Fee			1,770	
		Trade Receivable			2,188	
		Trade Payables			301	

**Remark:** Trade and Service Terms between Company and Subsidiaries and Blooming Co.,Ltd, B.U. Enterprise Co.,Ltd and Cyberprint Group Co.,Ltd and Sawangsuk Co.,Ltd is attached in Attachment 1

2. Rental of Properties from related party in which the Audit Committee has approved (Report to Audit Committee to acknowledge)

(Thousands Baht)

No.	Related Party	Transaction	Size			Reason and Consideration
			2019	2020	2021	
1.	Asian Fortune Property Co.,Ltd	Rental and Utilities Expense	14,590	2,925	530	<ul style="list-style-type: none"> <li>Company has rented building for spa business (Let's Relax Patong 3rd Street, Patong 3rd Street extension, and Let's Relax Thapae ) at agreed price.</li> <li><b>Let's Relax Patong 3rd Street</b> <ul style="list-style-type: none"> <li>Location is suitable for the Business and Rental Price is appropriate.</li> </ul> </li> <li><b>Let's Relax Patong 3rd Street (Extension)</b> <ul style="list-style-type: none"> <li>Location is suitable for the Business and Rental Price is appropriate.</li> </ul> </li> <li><b>Let's Relax Thapae</b> <ul style="list-style-type: none"> <li>Location is suitable for the Business and Rental Price is appropriate.</li> </ul> </li> </ul>
		Rental and Utilities Payable	201	21	82	
2.	Klom Kliaw Pattana Co.,Ltd	Rental and Utilities Expense	3,762	832	189	<ul style="list-style-type: none"> <li>Company has rented land and building improvement for spa business and partial sub-lease to Siam Wellness Resort Co., Ltd for the hotel operation and restaurant for 30 years at agreed price.</li> <li>Location is suitable for the Business and Rental Price is appropriate.</li> </ul>
		Rental and Utilities Payable	97	18	20	
3.	Blooming Intergift Co.,Ltd	Rental and Utilities Expense	723	763	424	<ul style="list-style-type: none"> <li>Company has rented building located in Soi Suthiporn (Soi Ratchadaphisek 3), Ratchadaphisek Road, Dindaeng sub-district, Dindaeng district, Bangkok for Warehouse at agreed price.</li> <li>Location is suitable for the Business and Rental Price is appropriate.</li> </ul>
		Rental and Utilities Payable	9	502	833	
4.	B.U. Enterprise Co.,Ltd	Rental and Utilities Expense	7,370	6,783	4,748	<ul style="list-style-type: none"> <li>Company has rented a space, 22nd floor, in B.U. Place building located in 567 Soi Suthiporn 2, Phracha songkhro Road, Dindaeng sub-district, Dindaeng district, Bangkok for Office at agreed price.</li> <li>Location is suitable for the Business and Rental Price is appropriate.</li> </ul>
		Rental and Utilities Payable	95	-	58	
5.	Mr. Vithit Utsahajit	Rental and Utilities Expense	1,390	1,390	-	<ul style="list-style-type: none"> <li>Company has rented 7 commercial buildings (483-483/6) for Head Of fice and its subsidiary companies at agreed price</li> <li>Location is suitable for the Business and Rental Price is appropriate.</li> </ul>
		Rental and Utilities Payable	-	-	-	
6.	G.G.P. Property Co.,Ltd	Rental and Utilities Expense	961	960	-	<ul style="list-style-type: none"> <li>Company has rented two 5-storeyed houses (582/347) for living quarter for therapist,</li> <li>Location is suitable for the Business and Rental Price is appropriate.</li> </ul>
		Rental and Utilities Payable	160	-	-	

### 3. Rental Contracts which are related transactions and their conditions

Lease Contract Date	Details	Lease Term	Rent and Service Charges	Other Terms & Conditions
26 August 2014	The Company enters into the land and structure lease agreement with Klom Kliaw Pattana Co.,Ltd , for the land under the Land Title Deed No. 117, 2875, 8985, 554, 3010, 3009 and 103754 totalling 7 Land Title Deeds, having total area of 2 rai 3 ngan 62.4 square wah for operating the spa business (RarinJinda Wellness Spa, Chiangmai branch) and some part of the land being subleased to Siam Wellness Resort Co., Ltd., to operate the hotel and restaurant business (RarinJinda Wellness Spa Resort and Deck 1 Restaurant).	30 years. Effective on 1 January 2013. Expires on 31 December 2042.	The rental for year 1-3 of 241,125 Baht/per month and the increased rental may be adjustable but not exceeding 15 per cent of the rental in force on every 3 years. The rental for year 4-6 of 277,000 Baht/per month The rental for year 7-9 of 300,000 Baht/per month	<ul style="list-style-type: none"> <li>The lease is renewable subject to not less than 3 years advance notice in writing before expiration.</li> <li>Upon the expiration of the Lease Agreement, the Lessee must remove the Lessee's property from the leased premises failing which, the Lessor shall be entitled to repossess the leased premises and remove the property of the Lessee from the leased premises at the expense of the Lessee.</li> <li>The lease parties must register the right of lease at the Land Officer for which the Lessee is liable to meet all the expenses for registration of the lease (The lease was registered on 29 Aug 2014).</li> <li>The debris of the 4-storey of the building No 14/1 and 2-storey Thaistyle house No. 14 on Charoenrat Road, in Tambon WatKet, Amphoe Muang, Chiangmai province, on the land, the Lessee shall be responsible for improvement without charging the rental throughout the period of the Lease Agreement.</li> <li>The Lessee has the duty to maintain, improve the leased premises to good condition.</li> <li>The Lessee is responsible for property tax and other fees.</li> <li>The Lessee is responsible for paying the cost of public utilities.</li> <li>The agreement is substituted for the original agreement dated 1 January 2013.</li> </ul>
28 December 2018	The Company enters into the lease of the building. with Mr. Vithit Utsahajit, for the lease of the 1st floor and the 2nd floor of the Building No. 483-483/5 and for the lease of the 3rd floor of the Building No. 483/6 on Soi Suthiporn, Prachasongkroh Road, Khwaeng DinDaeng, Khet DinDaeng for total utility space of 1,392 square meters for use as the office building of the Company and of the subsidiary.	3 years to be expired on 31 December 2021.	The rental is 115,800 THB Baht/ per month and the increased rental may be adjustable according to the market condition, but not exceeding 15 per cent of the rental in force on every 3 years.	<ul style="list-style-type: none"> <li>The Lease is renewable for 2 times of 3 years each subject to 30-day advance notice prior to expiration.</li> <li>The Lessee has the duty to maintain, improve, repair the leased building to good condition.</li> <li>The Lessee is liable for payment of property tax and other fees.</li> <li>The Lessee is responsible for the cost of public utilities.</li> </ul>

Lease Contract Date	Details	Lease Term	Rent and Service Charges	Other Terms & Conditions
1 Oct 2018	The Company enters into the Lease Agreement with Asian Fortune Property Co., Ltd. for lease of space in 3 storeys commercial building located at 97/2-5 Ratchadamnoen Road, Phra Singha sub-district, Muang district, Chiang Mai to operate the spa business (Let's Relax Spa Thapae)	3 years. Starting on 1 Oct 2018 Expiring on 30 Sep 2021	The rental Year 1-3 is at 42,900 Baht/month. Space Service Charge is At 100,100 Baht / month.	• The Lease is renewable for 1 time at 3 years
22 Nov 2021		3 years. Starting on 1 Oct 2021 Expiring on 30 Sep 2024	The rental Year 4-6 is at 42,900 Baht/month. Space Service Charge is At 100,100 Baht /month. Lessor can increase the rental and service charge in Year 5-6 subject to economic situation and mutually agreed	• The Lease is renewable for 1 time at 3 years
1 Jan 2020	The Company enters into the Lease Agreement with Asian Fortune Property Co.,Ltd for lease of land and building at 207/47 Raj-u-thid 200 years Road, Patong sub-district, Kathu district, Phuket to operate the spa business (Let's Relax Patong 3rd Street extension)	3 years Starting on 1 Feb 2020 Expiring on 31 Jan 2023	The rental is at 72,600 Baht /month. Space Service Charge is at 169,400 /month.	• The Lease is renewable for 1 time of 3 years and rental shall not increase more than 15% from current rental and service charge
15 Jan 2020	The Company enters into the Lease Agreement with B.U. Enterprise Co., Ltd. for lease of space 966 sq.m. in Soi Suthiporn 2, Phrachasongkhro Road, Dindaeng sub-district, Dindaeng district, Bangkok to operate as Office	3 years. Starting on 1 Jan 2020 Expiring on 31 Dec 2022	The rental is at 112,674.24 Baht /month. The service charge is at 169,011.36 Baht/month.	• The Lease is renewable for 1 time for 3 years • For renewal of contract, the rental and service charge rate shall not increase more than 10% from current rate
1 Jan 2020	The Company enters into the Lease Agreement with Asian Fortune Property Co.,Ltd for lease of land and building at 184/14 Pangmuang Sai Kor Road, Patong sub-district, Kathu district, Phuket total area 2,418 square meter to operate the spa business (Let's Relax Patong 3rd Street)	3 years. Starting on 1 Feb 2020 Expiring on 31 Jan 2023	The rental for Year 10 – Year 12 is at 208,725 Baht/month with rental deposit of 834,900 Baht. The service charge for Year 10 – Year 12 is at 487,025 Baht/month with service deposit 1,948,100 Baht.	• The lessee is responsible for property tax, insurance tax and other fees • The lessee is responsible for utilities charges as stated by Electrical and Water Authority • The rental increase from 189,750 to 208,725 Baht and the service charge increase from 442,750 to 487,025 Baht • On 1 December 2014, Change of Business in the Contract from RarinJinda Wellness Spa to Let' s Relax Spa Phuket 3rd Street

Lease Contract Date	Details	Lease Term	Rent and Service Charges	Other Terms & Conditions
16 Dec 2019	The Company enters into the Lease Agreement with Blooming Intergift Co.,Ltd for lease of building in Soi Suthiporn off Soi Ratchadaphisek 3 (Next to Chinese Embassy) Ratchadaphisek Road, Dindaeng sub-district, Dindaeng district, Bangkok on land title deed no. 65264 (1 ngarn 23 square wah) and 65265 (1 ngarn 17 square wah) to use as Company Warehouse	3 years. Starting on 1 Jan 2020 Expiring on 31 Dec 2022	The rental is 55,000 Baht/month	• The lease is renewable for 1 time for 3 years.
25 Dec 2020	The Company enters into the Lease Agreement for 2-storeys Office at no. 114/3 Soi 1 (Charoenmuang Road) Wat Kate sub-district, Muang district, Chiang Mai with total area of 166 square meters with Komklaw Pattana Co.,Ltd to use Siam Wellness Resort's Office	1 year. Starting on 1 Jan 2021 Expiring on 31 Dec 2021	The rental is 36,000 Baht/month	• The lease is renewable for 1 year.
16 Dec 2019	The Company enters into the Lease Agreement for two 5-stories building No. 582/437-438 Soi Ratchadaphisek 3 Yaek 5, Dindaeng sub-district, Dindaeng district, Bangkok with G.G.P. Property Co.,Ltd to use as Staff Living Quarter.	1 years. Starting on 1 Nov 2019 Expiring on 31 Dec 2021	The rental is 80,000 Baht/month	

**Remarks:** The contract with the related party has been assessed by independent appraisal firms. These are,

1. Single 2-stories home located at no. 322/202 Soi Yu Charoen Yaek 18 Ratchadaphisek Road, Huaykwang sub-district, Huaykwang district, Bangkok.. Appraisal by an Independent Appraiser was made on October 21, 2013 with the public purpose. The assessment of rental rate for the house is 1,845,000 bahts for the period of 3 years or the monthly rate is 58,000 bahts and increase of rental rate of 3% year.
2. 7 blocs of 3-stories concrete building located at no. 483 Soi Suthiporn Phrachasongkhro Road, Dindaeng sub-district, Dindaeng district, Bangkok. Appraisal by an Independent Appraiser was made on April 18, 2014 with the public purpose. The assessment of rental rate for the building is 258,804 bahts per month and increase of rental rate of 10% every 3 years.
3. Land no. 117, 2875, 8985, 554, 3010, 3009 and 103754 total of 7 with the total area of 2 rai 3 ngarns and 62.4 square wa located at no. 14 Charoenraj Road, Wat Kate sub-district, Muang district, Chiang Mai. Appraisal by an Independent Appraiser was made on April 17, 2014 with the public purpose. The assessment of rental rate of land without building is 2,906,000 bahts per year and increase of rental rate of 15% every 3 years.
4. Land with 4-stories building and additional extension on roof located at 184/14 Pangmuang Sai Kor Road, Patong sub-district, Kathu district, Phuket. Appraisal by an Independent Appraiser was made on April 16, 2014 with the public purpose. The assessment of rental rate of building is 771,900 bahts per month and increase of rental rate of 15% every 3 years
5. Land with building for Warehouse located in Soi Suthiporn Soi Ratchadaphisek (near Embassy of the People's Republic of China). Appraisal by an Independent Appraiser was made on July 21, 2016 with the rental value of such Warehouse purpose. The assessment of rental rate of warehouse is 50,400 bahts per month and increase of rental rate of 10% every 3 years
6. 22th floor of B.U. Place building for Office Soi Suthiporn 2, Phrachasongkhro Road, Dindaeng sub-district, Dindaeng district, Bangkok. Appraisal by an Independent Appraiser was made on July 25, 2016 with the public purpose. The assessment of rental rate of such 22 th floor is 198,300 bahts per month and increase of rental rate of 10% every 3 years
7. Land with two 5-stories building located at 582/437-438 Soi Ratchadaphisek 3 Yaek 5, Dindaeng sub-district, Dindaeng district, Bangkok. Appraisal by an Independent Appraiser was made on June 27, 2018 with the public purpose. The assessment of rental rate of building is 1,200,000 bahts per year.
8. Land with building for Office located in 114/3 Soi 1 (Charoenmuang Road), Wat Kate sub-district, Muang district, Chiang Mai with the area of 166 sqm. Appraisal by an Independent Appraiser was made on August 5, 2019 with the rental value of such purpose. The assessment of rental rate of office is 36,000 bahts per month

## 9.2.3 Policy and Procedures of Related Party Transactions

### 1 Policy of Related Party Transactions

When the Company or subsidiary companies agreed to transact with related party according to the Board of Stock Exchange of Thailand, Company has set up a procedure in approving such transactions, in order for that transaction to be fair and does not have conflict of interest. Moreover it will bring the maximum benefit to the Company and the shareholders.

- (1) Company will determine whether the transaction is normal business transaction or supporting transaction. Then, Company will determine whether it has the standard terms and conditions or not, taking into account the pricing and terms of other customers or terms that are used in similar transactions. In the event that there is no referencing market price, the Company will submit to the Audit Committee or Auditor or Specialist to determine the fair price of such transaction and the justify the underlying reason behind such transaction
- (2) For following transactions (a) For supporting transactions with standard terms and conditions, where price cannot be calculated from the asset or reference point (b) normal business transaction or supporting transaction that does not have terms and conditions (c) rental transaction or lease transaction not more than 3 years and does not state terms and conditions (d) other transactions. Company will determine whether such transaction is small, medium or large according to the guideline. Procedures will be determined according to particular type of transaction such as approval from Board of Directors or Shareholders.
- (3) Company will submit the related transactions of Company or its subsidiaries to the Audit Committee for comments. Audit Committee's comments must be attached to the minutes of the Board of Director's or Shareholder's Meeting.
- (4) Company will submit the report of related party transactions to the Stock Exchange of Thailand with detailed attachment according to the principles of Board of Stock Exchange of Thailand and will include in the Annual Report, Annual Registration Statement or other statements according to the guidelines of the Board of the Stock Exchange of Thailand, as well as in Financial Report according to the Accounting Standards.
- (5) For future related party transactions, Board of Directors must conduct in accordance with the Securities and Exchange Commission Act and other guidelines set by Stock Exchange of Thailand, as well as the related party transactions disclosure guideline including selling or buying of Company or its subsidiaries key assets according to the Certified Public Accountant Association's standards.
- (6) For other related party transactions that are not normal business transactions, Company will assign Audit Committee to determine the transparency of the transaction. If the Audit Committee does not have specialization in that particular field, specialist or auditor can be requested for assist. These comments must be report in the minutes and used in the decision of the Board of Director or Shareholder's Meeting. It should also be disclosed in the Notes in the Financial Statments certified by auditor.
- (7) Those who has conflict of interest with any particular transaction will have no right to vote or authorize that transaction

### 2 Authorization of related party transactions

Company has has set individual or committee to authorize related party transactions as followed:

- (1) For related party transaction that is normal business or supporting transactions with standard terms and conditions, the Managing Director has the authority to authorize
- (2) For related party transaction that is normal business or supporting transactions without standard terms and conditions where price cannot be calculated from asset or reference point, the authorizing party has to be in accordance with the principles of related party transactions of Board of Securites Exchange Commission and Board of Stock Exchange of Thailand

### 3 Presentation of related party transactions to Audit Committee

- (1) For related party transactions under approval authority of the management, matters shall be assigned to the department that has the responsibility related to that transaction such as Accounting, Operations or Executives with the responsibilities related to that transaction according the Approval Authority Chart.



After management's approval, it will be submitted to the Audit Committee to review and disclosed in the Annual Registration Statement and Annual Report. These transactions should be submitted to Audit Committee via Management.

- (2) Related party transactions under approval authority of the Board of Directors, matters shall be submitted to the Audit Committee via Purchasing or related department(s) before proceed to Board of Director's decisions
  - 2.1 Purchasing or related department (s) submits the summary of related party transactions and supporting documents to the Audit Committee via Management
  - 2.2 After receiving the decisions of the Audit Committee, the Company Secretary shall collect and present to the Board of Directors for approval. For director(s) wit the conflict of interest to that transaction shall leave and shall not vote in that agenda
  - 2.3 Report the Board of Director's decision to the Stock Exchange of Thailand and disclose in the Annual Registration Statement and Annual Report
- (3) Related party transactions under approval authority of the shareholders, matters shall be submitted to the Audit Committee via Management before proceed to Board of Director's decisions and Shareholder's decisions respectively
  - 3.1 Purchasing or related department (s) submits the summary of related party transactions and supporting documents to the Audit Committee via Management
  - 3.2 After receiving the decisions of the Audit Committee, the Company Secretary shall collect and present to the Board of Director for approval.
  - 3.3 After receiving the decisions of the Board of Directors, the Company Secretary shall collect and present to the Shareholders for approval. Supporting documents must be sufficient according the Stock Exchange of Thailand's rule and must be distributed to all shareholders at least 14 days before the meeting date. Information of shareholders with conflict of interest, such as name and number of shares held, must be disclosed. Shareholders with conflict of interest cannot vote. The passing of resolution requires . of the total votes of shareholders excluding those with conflict of interest.
  - 3.4 Report the Board of Director's decision to the Stock Exchange of Thailand and disclose in the Annual Registration Statement and Annual Report

#### **9.2.4 Policy and Possibilities of Related Party Transactions**

##### **1. Normal business transactions**

Normal business transactions or support transactions with standard terms and conditions are those with pricing and terms and conditions that are fair and transparent should have following conditions:

- is the price that the Company or its subsidiaries as well as other person receives
- is the price and terms and conditions that related parties gives to other person
- is that price and terms and conditions that illustrates that other business opertors in similar characteristics gives to other person

##### **2. Policy for reviewing related party transactions**

Auditor has set guidelines for reviewing related party transactions as followed:

**Type 1** Transactions that cause long term contracts, it shall be reviewed at the next meeting

**Type 2** Transactions that is normal business transactions such as purchase of herbal balls, purchase of cookies, printing of materials, it shall be reviewed in principles to set standard guidelines for management and reviewed by the Audit Committee quarterly. Moreover, the price comparison shall be made according to the following:

- same specification
- for items that cannot be classified, the specification should be clearly stated in the quotation
- the comparing quotation should not have any conflict of interest and shall use normal business practices
- at least 2 comparing quotations
- comparing quotations shall be made at similar time period

### **3. Possibilities of future related business transactions**

#### **Selling of goods and services**

Company and its subsidiaries will continue to sell goods and services to related party under the same conditions to selling to other buyers. These transactions do not have significant effect on Company and its subsidiaries' operations.

#### **Purchasing of Herbal Balls and Printing and packaging services**

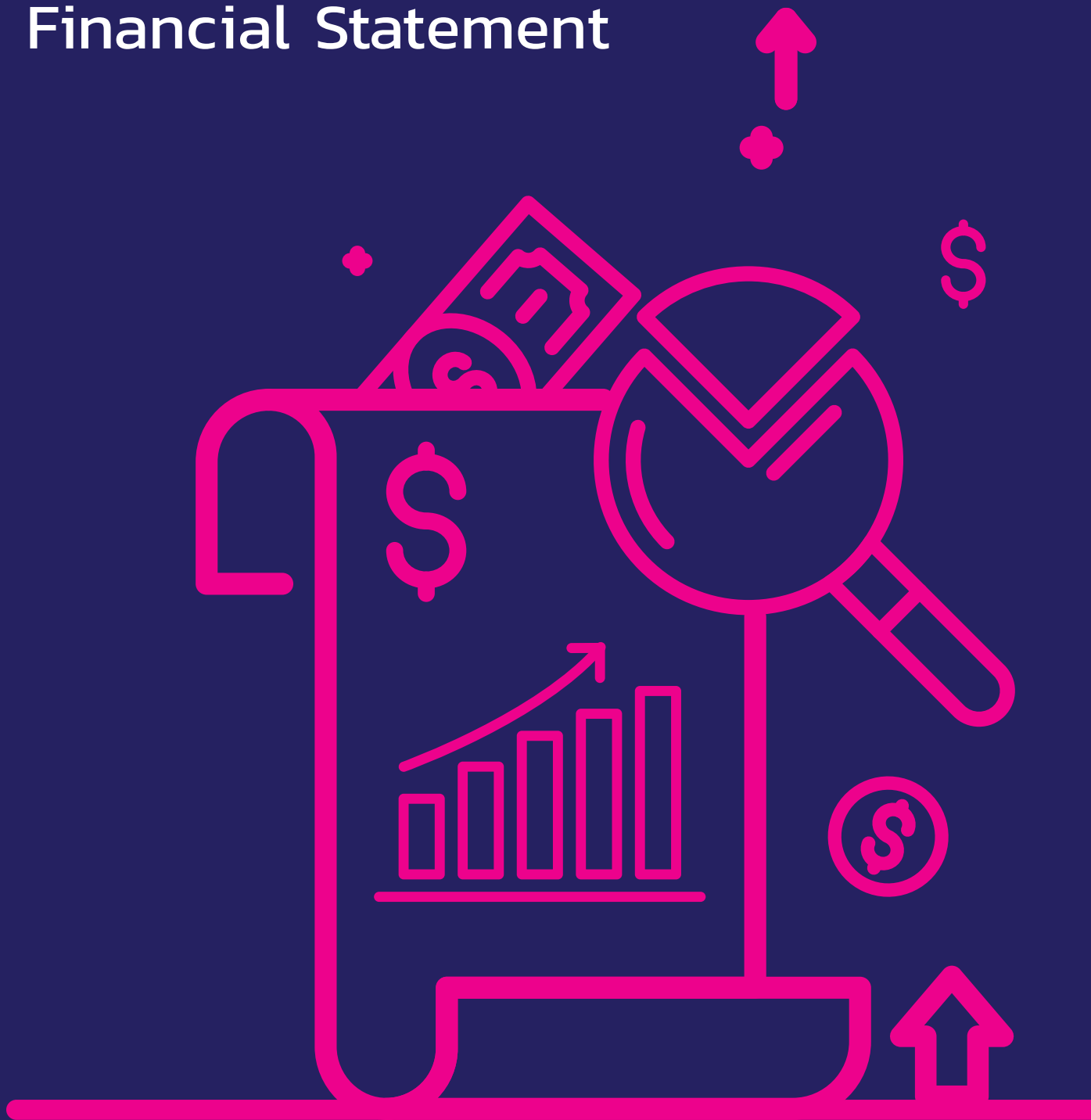
Company and its subsidiaries will continue to buy Herbal Balls and Printing and packaging services from related party because after comparing with other suppliers, the related party offers the fit product at a more competitive rate. Price comparison shall be conducted regularly to comply with the Audit Committee's guidelines.

#### **Rent of Land and Building**

Company and its subsidiaries will continue to rent land and buildings from related party because these land and buildings are used in the operations of the Company such as Head Office, Warehouse and Massage School as well as use as branches of spa, hotel and restaurant business. Thus, rental terms are in the medium to long term in order for the investment to be efficient. Price comparison shall be conducted prior to the signing of rental agreement and the rental rate is assessed by independent appraisal that is registered with the Securities Exchange Commission. These transactions must be approved by the Audit Committee.

# Part 03

## Financial Statement



Siam Wellness Group Public Company Limited  
and its subsidiaries  
Report and consolidated financial statements  
31 December 2021

## Independent Auditor's Report

To the Shareholders of Siam Wellness Group Public Company Limited

### Opinion

I have audited the accompanying consolidated financial statements of Siam Wellness Group Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Siam Wellness Group Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Siam Wellness Group Public Company Limited and its subsidiaries and of Siam Wellness Group Public Company Limited as at 31 December 2021, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants* as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Material Uncertainty Related to Going Concern**

I draw attention to Note 1.2 to the consolidated financial statements. The business operation of the Group has been affected from the effect of the COVID-19 pandemic in terms of temporary shutdown of spa and hotel business as required by a resolution of the cabinet and the Declaration of Provincial Governors on preventive measures to control the COVID-19. Due to the pandemic of the COVID-19 since March 2020 and new waves in 2021, the Group has continued to temporarily close most of spa branches for nearly the entire period. This is significantly impacting the Group's financial position, operating results, and cash flows at present. The Group's management has assessed the financial impact in respect of an uncertainty of the COVID-19 situation.

As a result of such situation, as at 31 December 2021 the Group had total current liabilities exceeded its total current assets by Baht 171.4 million (the Company only: Baht 212.5 million) and had operating losses for the year ended 31 December 2021 of Baht 286.7 million (the Company only: Baht 271.7 million). The Group had the measures to maintain its cash flow level for debt settlement and for its business operations by negotiation with the lessors to obtain the rental discount for each spa retail stores, and seeking source of funds. The Group believes that there will be the adequate cash flows for settlement of liabilities which to be due within one year.

Furthermore, the management is in the process of implementing a business plan to improve its operations and turn a profit in the future. The management believes that it will be able to continue its operation as a going concern. However, these circumstances may give rise to significant doubts as to the Group's ability to continue its operations as a going concern. This may depend on the outcome of the ability of the Group to achieve its operational plans, and the relief of the COVID-19 pandemic situation in the future.

My opinion is not qualified in respect of this matter.

### **Key Audit Matter**

Key audit matter is the matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to this matter. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matter below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, key audit matters and how audit procedures respond to each matter are described below.

### **Revenue from Services**

The revenue from services related to spa business of the Company is the main revenue of the Group, representing 73% of total Group's revenues for the year 2021. Such revenue is derived from provision of services to a large number of individual customers through a variety of sales channels and many spa branches for the spa business. Therefore, I addressed the occurrence and accuracy of the revenue from services as a key audit matter.

I have examined the revenue from services by assessing and testing, on a sampling basis, the Company's internal controls with respect to the revenue cycle, understanding the nature of services condition to evaluate the appropriateness of the accounting policy, examining supporting documents, on a sampling basis, for revenue from services transactions occurring during the year and near the end of the accounting period, reviewing credit notes that the Company issued after the period-end, and performing analytical procedures on disaggregated data to detect possible irregularities in revenue from services transactions throughout the period.

### **Impairment of property, plant and equipment and right-of-use assets**

During 2021, the COVID-19 pandemic is still resulting in an economic slowdown and adversely impacting most businesses and industries which also significantly affects the Group's business activities. Such event is an indicator indicates that property, plant and equipment and right-of-use assets of the Group may be impaired. The Group had property, plant and equipment and right-of-use assets representing 84% of total Group's assets. In determining the impairment loss, management had to exercise judgement with respect to determination of the cash-generating unit, financial model, the projections of future operating performance, plans for management of assets of the Group, and determination of an appropriate discount rate and key assumptions. Therefore, I addressed the measurement of allowance for impairment loss of property, plant and equipment and right-of-use assets as a key audit matter.

I have assessed appropriateness of determination of cash-generating unit and the financial model selected by management. I also tested the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised in the future by comparing such assumptions with outside and inside sources and, reviewing the accuracy of past cash flow projections in comparison with actual operating results in order to assess the reliability of the cash flow projections. I also considered the appropriateness of management's assumptions through analysis of the weighted-average cost of discount rate and tested the calculation of the realisable value of property, plant and equipment and right-of-use assets using the selected financial model.

### **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matter communicated with those charged with governance, I determine that matter that was of most significance in the audit of the financial statements of the current period and is therefore the key audit matter. I describe this matter in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Sumana Punpongsanon

Certified Public Accountant (Thailand) No. 5872

EY Office Limited

Bangkok: 28 February 2022

Siam Wellness Group Public Company Limited and its subsidiaries  
Statement of financial position  
As at 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	109,854,181	114,526,451	79,628,861	91,132,914
Current investments		4,012	4,005	1,003	1,001
Trade and other receivables	6, 8	15,259,909	21,774,888	12,483,176	21,873,875
Lease receivables - current portion	6			358,732	160,014
Share return receivables - current portion	9	9,197,669	9,462,337	9,197,669	9,462,337
Inventories	10	27,812,410	40,298,517	23,020,262	36,682,758
Other current assets		8,371,180	13,024,171	6,764,515	10,917,568
		170,499,361	199,090,369	131,454,218	170,230,467
Non-current assets classified as held for sale	13	32,294,702	32,294,702	32,294,702	32,294,702
<b>Total current assets</b>		<b>202,794,063</b>	<b>231,385,071</b>	<b>163,748,920</b>	<b>202,525,169</b>
<b>Non-current assets</b>					
Restricted deposits of financial institution	11		5,158,568		
Lease receivables - net of current portion	6			25,755,802	26,114,534
Share return receivables - net of current portion	9	32,191,839	32,587,252	32,191,839	32,587,252
Investments in subsidiaries	12			101,705,464	101,705,464
Property, plant and equipment	13	946,641,923	1,074,588,204	877,074,260	995,606,540
Right-of-use assets	18	945,574,963	1,169,555,519	914,943,230	1,134,193,664
Goodwill	14	24,535,709	24,535,709	20,340,000	20,340,000
Intangible assets	15	8,005,054	9,086,049	7,924,192	8,976,437
Deferred tax assets	24	1,186,720	819,991		
Deposits		73,049,772	78,548,925	72,449,201	78,005,376
Advance payment for purchase of assets		16,980,581	460,603	16,980,581	460,603
Other non-current assets		6,876,299	5,383,031	6,733,221	5,245,855
<b>Total non-current assets</b>		<b>2,055,042,860</b>	<b>2,400,723,851</b>	<b>2,076,097,790</b>	<b>2,403,235,725</b>
<b>Total assets</b>		<b>2,257,836,923</b>	<b>2,632,108,922</b>	<b>2,239,846,710</b>	<b>2,605,760,894</b>

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

*[Signature]*  
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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)  
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Siam Wellness Group Public Company Limited and Its subsidiaries

Statement of financial position (continued)

As at 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	6, 16	37,039,154	44,661,830	50,206,219	51,162,205
Current portion of long-term loans	17	114,469,000	103,354,149	108,214,000	93,354,149
Current portion of lease liabilities	6, 18	175,495,660	169,178,668	172,502,552	166,176,007
Income tax payable		316,574	3,212,754		
Advance received - current portion	26	45,140,086	38,977,891	44,175,791	38,187,478
Other current liabilities		1,780,249	1,769,897	1,133,899	1,214,955
Total current liabilities		374,240,723	361,155,189	376,232,461	350,094,794
Non-current liabilities					
Long term loans - net of current portion	17	407,166,301	287,812,518	369,271,301	272,812,518
Long-term loans from related parties	6			30,000,000	30,000,000
Lease liabilities - net of current portion	6, 18	822,643,783	1,028,672,407	818,035,635	1,020,886,589
Advance received - net of current portion	26	5,988,943	9,758,854	5,988,943	9,758,854
Provision for long-term employee benefits	19	9,950,768	10,124,418	8,699,220	9,043,083
Deferred tax liabilities	24	3,024,701	11,744,592	3,024,701	11,748,672
Other non-current liabilities		16,329,974	17,628,899	15,525,934	16,639,937
Total non-current liabilities		1,265,104,470	1,365,741,688	1,250,545,734	1,370,889,653
Total liabilities		1,639,345,193	1,726,896,877	1,626,778,195	1,720,984,447

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

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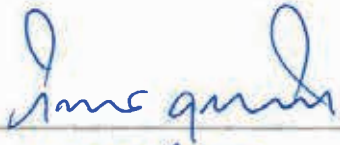

บริษัท สยามเวลเนส กรุ๊ป จำกัด (มหาชน)  
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Siam Wellness Group Public Company Limited and its subsidiaries  
Statement of financial position (continued)  
As at 31 December 2021

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Shareholders' equity</b>				
Share capital	21			
Registered				
855,000,000 ordinary shares of Baht 0.25 each	213,750,000	213,750,000	213,750,000	213,750,000
Issued and paid-up				
854,999,928 ordinary shares of Baht 0.25 each	213,749,982	213,749,982	213,749,982	213,749,982
Share premium	278,905,854	278,905,854	278,905,854	278,905,854
Discount on business combination under common control	(46,226,479)	(46,226,479)		
Retained earnings				
Appropriated - statutory reserve	20	17,398,695	14,250,000	14,250,000
Unappropriated		64,093,385	15,595,244	287,303,176
Other components of shareholders' equity		90,567,435	90,567,435	90,567,435
Equity attributable to shareholders' of the Company		618,488,872	613,068,515	884,776,447
Non-controlling interests of the subsidiaries		2,858	4,590	
<b>Total shareholders' equity</b>		<b>618,491,730</b>	<b>613,068,515</b>	<b>884,776,447</b>
<b>Total liabilities and shareholders' equity</b>		<b>2,257,836,923</b>	<b>2,239,846,710</b>	<b>2,605,760,894</b>

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

Directors





**Siam Wellness Group Public Company Limited and its subsidiaries**  
**Statement of comprehensive income**  
**For the year ended 31 December 2021**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Profit or loss:					
Revenues					
Revenue from sales	26	37,320,794	68,604,224	9,495,547	21,427,048
Revenue from services	26	130,293,707	358,307,945	127,698,191	348,577,728
Dividend income					23,698,006
Interest income		2,020,947	2,330,201	1,992,737	4,150,010
Other income		5,307,645	6,382,322	5,742,207	10,229,033
Total revenues		174,943,093	435,624,692	144,928,682	408,081,825
Expenses					
Cost of sales		26,640,667	34,596,940	11,814,266	15,119,776
Cost of services		291,876,590	472,043,884	280,182,691	457,604,349
Selling and distribution expenses		23,768,459	34,200,600	18,066,840	26,913,424
Administrative expenses		83,925,289	84,457,030	71,601,749	72,906,444
Total expenses		426,211,005	625,298,454	381,665,546	572,543,993
Loss from operating activities		(251,267,912)	(189,673,762)	(236,736,864)	(164,462,168)
Finance cost	22	(44,172,377)	(21,495,787)	(43,695,039)	(21,486,537)
Loss before tax income		(295,440,289)	(211,169,549)	(280,431,903)	(185,948,705)
Tax income	24	8,719,974	2,084,184	8,723,971	6,120,650
Loss for the year		(286,720,315)	(209,085,365)	(271,707,932)	(179,828,055)
Other comprehensive income:					
Other comprehensive income					
Total other comprehensive income for the year					
Total comprehensive income for the year		(286,720,315)	(209,085,365)	(271,707,932)	(179,828,055)

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

*(Signature)*



Siam Wellness Group Public Company Limited and its subsidiaries  
Statement of comprehensive income (continued)  
For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
Note	2021	2020	2021	2020
<b>Profit attributable to:</b>				
Equity holders of the Company	(286,718,583)	(209,084,942)	(271,707,932)	(179,828,055)
Non-controlling interests of the subsidiaries	(1,732)	(423)		
	<u>(286,720,315)</u>	<u>(209,085,365)</u>		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	(286,718,583)	(209,084,942)	(271,707,932)	(179,828,055)
Non-controlling interests of the subsidiaries	(1,732)	(423)		
	<u>(286,720,315)</u>	<u>(209,085,365)</u>		
<b>Earnings per share</b>	25			
Basic earnings per share				
Loss attributable to equity holder of the Company	<u>(0.335)</u>	<u>(0.245)</u>	<u>(0.318)</u>	<u>(0.210)</u>

(Unit: Baht per share)

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

  
  
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SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED



Siam Wellness Group Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2021

(Unit: Baht)

Consolidated financial statements										
	Equity attributable to shareholders of the Company									
	Other components of shareholders' equity									
	Discount on business combination under common control			Retained earnings		Income		Other comprehensive		
	Issued and fully paid-up share capital	Share premium		Appropriated - statutory reserve	Unappropriated	Surplus on revaluation of assets	Total components of 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
Balance as at 1 January 2020	142,500,000	278,905,854	(46,226,479)	16,380,580	649,265,026	90,567,435	90,567,435	1,131,392,416	7,007	1,131,399,423
Loss for the year					(209,084,942)			(209,084,942)	(423)	(209,085,365)
Other comprehensive income										
Total comprehensive income for the year					(209,084,942)			(209,084,942)	(423)	(209,085,365)
Increased share capital (Note 21)	71,249,982							71,249,982		71,249,982
Appropriated of retained earnings				1,018,115	(1,018,115)					
Dividend paid (Note 21)					(88,350,001)			(88,350,001)	(1,994)	(88,350,001)
Subsidiaries paid dividend to non-controlling interests										
Balance as at 31 December 2020	213,749,982	278,905,854	(46,226,479)	17,398,695	350,811,968	90,567,435	90,567,435	905,207,455	4,590	905,212,045
Balance as at 1 January 2021	213,749,982	278,905,854	(46,226,479)	17,398,695	350,811,968	90,567,435	90,567,435	905,207,455	4,590	905,212,045
Loss for the year					(286,718,583)			(286,718,583)	(1,732)	(286,720,315)
Other comprehensive income for the year										
Total comprehensive income for the year					(286,718,583)			(286,718,583)	(1,732)	(286,720,315)
Balance as at 31 December 2021	213,749,982	278,905,854	(46,226,479)	17,398,695	64,093,385	90,567,435	90,567,435	618,488,872	2,858	618,491,730

The accompanying notes are an integral part of the financial statements

*Siam Wellness Group Public Company Limited*





Siam Wellness Group Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2021

(Unit: Baht)

Separate financial statements									
	Other components of shareholders' equity								
	Other comprehensive income								
	Issued and fully paid-up share capital	Share premium	Retained earnings - Appropriated - statutory reserve	Unappropriated	Surplus on revaluation of assets	other components of shareholders' equity	Total	shareholders' equity	Total
<b>Balance as at 1 January 2020</b>	142,500,000	278,905,854	14,250,000	555,481,232	90,567,435	90,567,435	90,567,435	1,081,704,521	
Loss for the year	-	-	-	(179,828,055)	-	-	-	(179,828,055)	
Other comprehensive income	-	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	(179,828,055)	-	-	-	(179,828,055)	
Increased share capital (Note 21)	71,249,982	-	-	-	-	-	-	71,249,982	
Dividend paid (Note 21)	-	-	-	(88,350,001)	-	-	-	(88,350,001)	
<b>Balance as at 31 December 2020</b>	213,749,982	278,905,854	14,250,000	287,303,176	90,567,435	90,567,435	90,567,435	884,776,447	
<b>Balance as at 1 January 2021</b>	213,749,982	278,905,854	14,250,000	287,303,176	90,567,435	90,567,435	90,567,435	884,776,447	
Loss for the year	-	-	-	(271,707,932)	-	-	-	(271,707,932)	
Other comprehensive income	-	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	(271,707,932)	-	-	-	(271,707,932)	
<b>Balance as at 31 December 2021</b>	213,749,982	278,905,854	14,250,000	15,595,244	90,567,435	90,567,435	90,567,435	613,068,515	

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

*[Signature]*  
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**Siam Wellness Group Public Company Limited and its subsidiaries**


**Statement of cash flows**

**For the year ended 31 December 2021**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
<b>Cash flows from operating activities</b>				
Loss before income tax	(295,440,289)	(211,169,549)	(280,431,903)	(185,948,705)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	326,744,565	206,382,164	312,310,244	194,129,351
Unrealised gain (loss) on the change in fair value of trading securities	(7)	199,703	(2)	47,651
Bad debts and allowance for expected credit losses	8,848,743	2,334,889	8,503,107	2,171,219
Reduction of inventories to net realisable value	5,398,750	3,698,831	3,961,290	3,573,914
Gain on disposal of property, plant and equipment	(71,783)	(490,977)	(71,783)	(365,815)
Gain on disposal of intangible assets	-	(929)	-	-
Loss on write-off of property, plant and equipment	4,473,104	5,556,334	4,473,104	5,521,047
Loss on write-off of right-of-use assets	-	342	-	342
Loss (gain) on lease agreements cancellation	(1,410,492)	37,846	(1,410,492)	37,846
Loss on write-off of intangible assets	-	8,025	-	8,025
Loss on impairment of property, plant and equipment	4,651,409	358,609	4,651,409	358,609
Loss on impairment of right-of-use assets	-	201,391	-	201,391
Gain from rental discount - lease liabilities	(137,224,186)	-	(135,941,489)	-
Gain from rental discount - interest expenses	(23,273,320)	-	(23,177,408)	-
Loss from rental discount given to the lessees	-	-	160,014	-
Long-term employee benefit expenses	(173,651)	1,568,758	(343,863)	1,360,265
Write-off of withholding taxes deducted at source	877,331	-	851,064	-
Dividend income	-	-	-	(23,698,006)
Interest income	(2,003,374)	(2,328,126)	(1,983,674)	(4,147,935)
Interest expenses	44,172,377	21,495,787	43,695,039	21,486,537
<b>Profit (loss) from operating activities before changes in operating assets and liabilities</b>	<b>(64,430,823)</b>	<b>27,853,098</b>	<b>(64,755,343)</b>	<b>14,735,736</b>
Decrease (increase) in operating assets				
Current investments	-	72,894,328	-	15,342,857
Trade and other receivables	(1,673,684)	15,377,086	1,547,673	14,200,585
Inventories	7,087,357	(4,096,208)	9,701,206	(2,908,418)
Other current assets	3,395,395	2,822,619	2,851,192	1,295,466
Deposit	6,831,341	(4,743,075)	6,917,741	(4,743,075)
Other non-current assets	(2,252,370)	(998,950)	(2,264,398)	(953,174)
Increase (decrease) in operating liabilities				
Trade and other payables	(6,578,222)	(25,855,168)	(164,878)	(18,347,679)
Advance received	2,392,284	7,652,742	2,218,402	8,044,917
Other current liabilities	10,352	(7,861,576)	(81,057)	(7,739,595)
Other non-current liabilities	(1,651,814)	(2,919,111)	(1,457,437)	(2,954,611)
<b>Cash flows from (used in) operating activities</b>	<b>(56,870,184)</b>	<b>80,125,785</b>	<b>(45,486,899)</b>	<b>15,973,009</b>
Cash paid for interest expenses	(20,369,180)	(21,632,130)	(20,005,005)	(21,020,238)
Cash paid for income tax	(3,657,084)	(25,744,988)	(327,251)	(23,929,843)
<b>Net cash flows from (used in) operating activities</b>	<b>(80,896,448)</b>	<b>32,748,667</b>	<b>(65,819,155)</b>	<b>(28,977,072)</b>

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

*[Signature]*  
  
**SIAM WELLNESS**  
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 SIAAMWELLNESS GROUP PUBLIC COMPANY LIMITED

**Slam Wellness Group Public Company Limited and Its subsidiaries**  
**Statement of cash flows (continued)**  
**For the year ended 31 December 2021**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Cash flows from investing activities</b>				
Decrease (Increase) in restricted deposits at financial institution	5,158,569	(53,057)	-	-
Cash paid for acquisition of property, plant and equipment	(13,274,339)	(140,673,288)	(12,436,507)	(129,197,410)
Cash paid for acquisition of intangible assets	(688,100)	(1,787,567)	(688,100)	(1,787,567)
Cash received from lease receivables	-	-	-	123,756
Proceed from disposal of property, plant and equipment	300,054	1,839,186	300,054	1,120,692
Cash paid in advance for purchase of assets	(16,519,978)	(460,603)	(16,519,978)	(460,603)
Proceed from disposal of intangible assets	-	32,000	-	-
Cash received from disposal investment in subsidiary	-	9,200,000	-	9,200,000
Cash received from dividend from investment in subsidiary	-	-	-	23,698,006
Cash received from interest income	91,189	321,480	77,763	2,141,289
<b>Net cash flows used in Investing activities</b>	<b>(24,932,605)</b>	<b>(131,581,849)</b>	<b>(29,266,768)</b>	<b>(95,161,837)</b>
<b>Cash flows from financing activities</b>				
Decrease in bank overdrafts from financial institution	-	(31,621)	-	-
Repayment in liabilities under financial lease agreements	(29,311,851)	(48,867,508)	(27,736,764)	(48,044,677)
Cash received from long-term loans from financial institution	141,150,000	245,000,000	122,000,000	220,000,000
Cash paid for repayment of long-term loan from financial institution	(10,681,366)	(14,200,000)	(10,681,366)	(14,200,000)
Cash paid for repayment of short-term loan from related parties	-	(4,000,000)	-	-
Cash received from long-term loans from subsidiaries	-	-	-	30,000,000
Dividend paid to non-controlling interests of a subsidiary	-	(1,994)	-	-
Cash paid for dividend	-	(17,100,019)	-	(17,100,019)
<b>Net cash flows from financing activities</b>	<b>101,156,783</b>	<b>160,798,858</b>	<b>83,581,870</b>	<b>170,655,304</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(4,672,270)</b>	<b>61,965,676</b>	<b>(11,504,053)</b>	<b>46,516,395</b>
Cash and cash equivalents at beginning of year	114,526,451	52,560,775	91,132,914	44,616,519
<b>Cash and cash equivalents at end of year</b>	<b>109,854,181</b>	<b>114,526,451</b>	<b>79,628,861</b>	<b>91,132,914</b>
<b>Supplemental cash flows information</b>				
<b>Non-cash transactions</b>				
Decrease in liabilities from acquisition of property, plant and equipment	1,044,455	13,876,637	791,108	13,312,888
Increase in provision for dismantling, removing and restoring of leasehold improvements	352,889	548,810	343,432	540,333
Stock dividend payment	-	71,249,982	-	71,249,982
Decrease in right-of-use assets from the effect of changes from agreements	21,231,317	9,924,909	20,902,879	9,924,909
Decrease in right-of-use assets from the effect of changes from lease agreements cancellation	11,039,602	3,846,206	11,039,602	3,846,206
Decrease in lease liabilities from the effect of changes from lease agreements	22,566,843	9,924,909	22,237,406	9,924,909
Decrease in lease liabilities from the effect of changes from lease agreements cancellation	11,139,481	3,808,018	11,139,481	3,808,018
Increase in lease liabilities from new agreements	530,730	173,148,194	530,730	173,148,194
Increase in right-of-use assets from new agreements	530,730	173,148,194	530,730	173,148,194

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

  
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 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

**Siam Wellness Group Public Company Limited and its subsidiaries**

**Notes to consolidated financial statements**

**For the year ended 31 December 2021**

**1. General information**

**1.1 General information of the Company**

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. 565, 567 B.U. Place Building, 22nd Floor, Soi Suthiporn, Pracha-Songkroh Road, Dindang, Dindang, Bangkok (2020: No. 483, Soi Suthiporn, Pracha-Songkroh Road, Dindang, Dindang, Bangkok). As at 31 December 2021, the Company has a total of 65 branches in Bangkok and upcountry (2020: 65 branches) and 5 foreign branches according to the franchise agreement (2020: 5 foreign 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 Coronavirus disease 2019 Pandemic and fundamental accounting assumptions**

The COVID-19 pandemic has resulted in an economic slowdown and adversely impacted most businesses and industries in terms of consumer spending, limited or suspended operations. The business operation of the Group has been affected from the effect of the COVID-19 pandemic in terms of temporary shutdown of spa and hotel business as required by a resolution of the cabinet and the Declaration of Provincial Governors on preventive measures to control the COVID-19. Due to the pandemic of the COVID-19 since March 2020 and new waves in 2021, the Group has continued to temporarily close most of spa branches for nearly the entire period. This is significantly impacting the Group's financial position, operating results, and cash flows at present. The Group's management has assessed the financial impact in respect of an uncertainty of the COVID-19 situation.

As a result of such situation, as at 31 December 2021 the Group had total current liabilities exceeded its total current assets by Baht 171.4 million (the Company only: Baht 212.5 million) and had operating losses for the year ended 31 December 2021 of Baht 286.7 million (the Company only: Baht 271.7 million). The Group had the measures to maintain its cash flow level for debt settlement and for its business operations by negotiation with the lessors to obtain the rental discount for each spa retail stores, and seeking source of funds for which in February 2021 and July 2021, the Group got the approval of such credit facilities from the

  
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1

Bank. In addition, the Group received waiver letter for not complying with such covenants from the bank as discussed in Note 17 to the consolidated financial statements. The Group believes that there will be the adequate cash flows for settlement of such loans and lease liabilities which to be due within one year and for using in its operations. Furthermore, the management is in the process of implementing a business plan to improve its operations and turn a profit in the future. The management believes that it will be able to continue its operation as a going concern.

The management believes that it is appropriate to prepare the Group's financial statements for the year ended 31 December 2021 based on the assumption that the Group will continue its operations as a going concern.

## 2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

## 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Siam Wellness Group Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2021</u> (Percent)	<u>2020</u> (Percent)
<u>Held by the Company</u>				
Siam Wellness Resort Co., Ltd.	Hotel and restaurant operations	Thailand	99.99	99.99
Siam Wellness Lab Co., Ltd.	Manufacturing and distributing spa products	Thailand	99.99	99.99

  
  
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 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED



Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2021 (Percent)	2020 (Percent)
Siam Wellness Education Co., Ltd.	A school for Thai massage	Thailand	99.97	99.97
Siam Wellness Group (Hong Kong) Co., Ltd.	Investment for overseas expansion of the spa business	Hong Kong	100.00	100.00
Siam Wellness Group (Cambodia) Co., Ltd.	Spa business and sale of spa products	Cambodia	100.00	100.00
<b>Held by subsidiaries</b>				
Tiger Eyes Trading (Thailand) Co., Ltd. (Held by Siam Wellness Lab Co., Ltd. 99.99 percent)	Import and sale of spa products	Thailand	99.99	99.99
Shanghai Jia Tai Health Management Co., Ltd. (Held by Siam Wellness Group (Hong Kong) Co., Ltd. 100.00 percent)	Nutritional health and beauty consulting and management service	China	100.00	100.00

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries under the cost method.


3

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SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

### 3. New financial reporting standards

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

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. 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 Group's financial statements.

Furthermore, the Group elected to adopt the amendments to TFRS 16 Leases relating to COVID-19-related rent concessions. These amendments provide a practical expedient that permits a lessee to not assess whether rent concessions are lease modifications. The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the conditions are met, i.e., the change in lease payments results in a revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease preceding the change; any reduction in lease payments affects only payments originally due on or before 30 June 2022; and there is no substantive change to other terms and conditions of the lease.

The Group applies the practical expedient to all rent concessions that meet the above conditions and the effects of the application of this expedient, due to resulting changes in payments under leases are recognised in profit or loss for the year ended 31 December 2021, amounting to Baht 160.5 million (the Company only: Baht 159.1 million). There was no impact on the opening balance of retained earnings.

#### b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. 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 management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

  
  
  
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SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

#### 4. Significant accounting policies

##### 4.1 Revenue and expense recognition

###### a) Revenues from contracts with customers

The Group accounts for a contract with a customer when it has entered into an agreement between counter parties that creates enforceable rights and obligations. The Group has to identify its performance obligations and allocate a transaction price to each obligation on an appropriate basis.

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, net of value added tax ("VAT"). Depending on the terms of the contract and the laws that apply to the contract, control of the asset may be transferred over time or at a point in time.

Detail of revenue recognition of the Group are as follows:

###### Revenue from sale

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

###### Revenue from spa service

Spa service revenue is recognised at a point in time upon completion of the service.

###### Revenue from franchise agreement

Initial fee from franchise agreement is recognised throughout the period of the agreement. In addition, monthly revenue sharing is recognised in the amount to which the Company has a right to invoice as it corresponds directly with the franchisee's revenues in accordance with the substance of the relevant franchise agreement.

###### Revenue from other services that the control of services are transferred to customers at a point in time

The Group recognises revenue from other services that the contract of services are transferred to customers at a point in time upon completion of the services.

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



### **Revenue from services and revenue from sales - Customer loyalty programmes**

The Group operates a loyalty programme which allows customers to accumulate points when they use the services or purchase products from the Group. The points can then be redeemed for discount of services or products purchase in the future. Certain sales consideration is allocated to the points issued, at their fair value. The fair value of the points issued is deferred and recognised as revenue when the points are redeemed and the Group fulfill their obligations.

#### **b) Interest income**

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

#### **c) Finance cost**

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

#### **d) Other expenses**

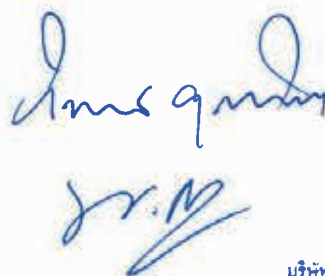
Other expenses are recognised on an accrual basis.

#### **e) Dividend income**

Dividend income is recognised when the right to receive the dividends is established.

### **4.2 Cost to fulfill a contract with customer**

The Group recognises costs that relate to satisfied performance obligations in the contract in profit or loss when incurred except that the Group can identify that the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify, the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future, and the costs are expected to be recovered. Therefore, the Group recognises an asset from the costs incurred to fulfil a contract and amortised to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An allowance for loss on impairment of assets is recognised to the extent that the carrying amount of assets exceeds the remaining amount of consideration that the entity expects to receive less direct costs.



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

#### 4.3 Balances of contracts with customers

##### Contract assets

##### **Trade receivables**

Trade receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

##### Contract liabilities

##### **Advance received from customers**

The Group recognises a contract liability when the billings to date exceed the cumulative revenue earned which presented under the caption of "Advance received from customers" in the statements of financial position and the Group has an obligation to transfer goods or services to a customer. Contract liabilities are recognised as revenue when the Group fulfils their performance obligations under the contracts.

#### 4.4 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, due cheques which are not yet deposited and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

#### 4.5 Inventories

Inventories are valued at the lower of cost under the first-in, first-out method and net realisable value.

#### 4.6 Non-current assets classified as held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale when the Company receives economic benefits through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.



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

#### 4.7 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

#### 4.8 Leasehold rights

Leasehold rights on land is stated at cost less accumulated amortisation and allowance for impairment (if any). Amortisation is charged to profit or loss on a straight-line basis over a period of lease.

#### 4.9 Property, plant and equipment/Depreciation

Land is stated at revalued amount. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to its fair value. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Surplus on revaluation of assets". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Surplus on revaluation of assets" in respect of the same asset.

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Land improvement	-	5 years
Buildings and building on rental land	-	20 years and a period of lease
Buildings improvement	-	5, 20 years and a period of lease
Furniture, fixtures and office equipment	-	5 years
Motor vehicles	-	5 years

  
 **SIAM WELLNESS**  
บริษัท สุขามเวลเนสกรุ๊ป จำกัด (มหาชน)  
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### 4.10 Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Licenses	5 and 10 years
Trademark	10 years
Computer software	5 and 10 years

#### 4.11 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

The recoverable amount of each cash generating unit is determined based on a value-in-use calculation, using cash flow projections extracted from financial budgets approved by the management. The cash flow projections based on key assumptions regarding revenue growth rates and discount rates.

#### 4.12 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### **The Group as a lessee**

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

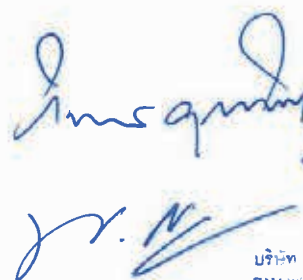
##### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, lease payments made at or before the commencement date of the lease, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land and land improvement	4 - 24 years
Buildings and building improvement	2 - 12 years
Furniture, fixtures and office equipment	3 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.



10

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



### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounts the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

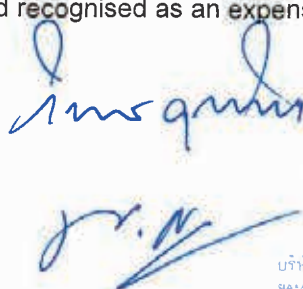
### ***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

### **The Group as a lessor**

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.



#### 4.13 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the Group's operations.

#### 4.14 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

#### 4.15 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use asset, and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss. However, in cases where property, plant and equipment were previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

  
  
 **SIAM WELLNESS** 12  
บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)  
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

#### **4.16 Employee benefits**

##### ***Short-term employee benefits***

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### ***Post-employment benefits***

###### *Defined contribution plans*

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

###### *Defined benefit plans*

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

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

13



#### 4.17 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### 4.18 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### *Current tax*

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### *Deferred tax*

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognised deferred tax liabilities for all taxable temporary differences while they recognised deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### 4.19 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.



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

14

## **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

### ***Financial assets at amortised cost***

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include security investments held for trading.

## **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

## **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.



**SIAM  
WELLNESS**

15

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

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

#### **Impairment of financial assets**

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

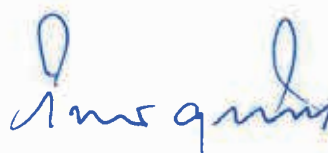
For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.



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

16

#### 4.20 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an 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

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

#### 5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:



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

### 5.1 Unearned revenue from a customer loyalty program

The Group has launched a customer loyalty program for registered members, under which the customers earn points when using services or making purchases at the specified amount. The points can be redeemed for goods or services. The Group estimates standalone selling price of the option by allocating the transaction price to the performance obligations by reference to the price of goods expected to be provided to the customers if the customers exercise the option, adjusted for the likelihood that the customers would exercise the option. This requires management to make subjective judgements.

### 5.2 Leases

#### ***Determining the lease term with extension and termination options - The Group as a lessee***

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

#### ***Estimating the incremental borrowing rate - The Group as a lessee***

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

#### ***Lease classification - The Group as lessor***

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.


### 5.3 Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

### 5.4 Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

### 5.5 Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Group measures land at revalued amounts. Such amounts are determined by the independent value using the comparable market approach.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

### 5.6 Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.




## 5.7 Deferred tax assets

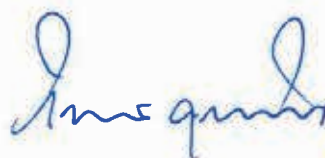
Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

## 5.8 Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to property, plant and equipment, right-of-use assets and goodwill recognised by the Group. The key assumptions used to determine the recoverable amount, including a sensitivity analysis, are disclosed and further explained in Notes 13 and 14 to the consolidated financial statements.

## 5.9 Post-employment benefits under defined benefit plans

The obligation under the defined benefit is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.



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

## 6. 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.	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
Tiger Eyes Trading (Thailand) Co., Ltd.	Import and sale of spa products	A subsidiary (held by a subsidiary)
Shanghai Jia Tai Health Management Co., Ltd.	Nutritional health and beauty consulting and management service	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
Sawangasuk Co., Ltd.	Food and beverages products	Close family member of director
Directors of the Company and its subsidiaries		Directors of the Company and its subsidiaries
A related person		Close family member of director

During the years, the Group 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.

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



(Unit: Million Baht)					
	Consolidated		Separate		Transfer pricing
	financial statements		financial statements		Policy
	2021	2020	2021	2020	
<b>Transactions with subsidiaries</b>					
(Being eliminated from the consolidated financial statements)					
Revenue from sales	-	-	3.0	1.2	Contract price
Revenue from services	-	-	0.5	0.1	Contract price
Revenue from rental and utilities	-	-	1.4	1.5	Contract price
Other income	-	-	2.2	4.0	Contract price
Dividend income	-	-	-	23.7	Declared rate
Purchase of goods	-	-	7.8	20.8	Contract price
Return of goods	-	-	1.8	-	Contract price
Service expenses	-	-	1.9	3.8	Contract price
Commission expenses	-	-	-	0.2	Contract price
Advertising and promotion expenses	-	-	1.9	0.2	Contract price
Rental and utilities expenses	-	-	0.4	-	Contract price
Interest expenses	-	-	0.6	0.2	1.52%, 2.25% per year
Sale of fixed assets	-	-	-	0.2	Actual price

**Transactions with related parties**

Revenue from sales and services	0.4	5.1	0.1	0.6	Contract price
Other income	2.7	0.7	-	-	Actual price
Purchase of goods	0.8	5.7	0.4	3.2	Contract price
Service expenses	3.6	4.8	1.1	1.6	Contract price
Rental and utilities expenses	6.0	12.9	3.6	10.0	Contract price
Interest expenses	-	0.2	-	-	5% per year

The balances of the accounts as at 31 December 2021 and 2020 between the Company, subsidiaries and those related companies are as follows:

(Unit: Thousand Baht)					
	Consolidated		Separate		
	financial statements		financial statements		
	2021	2020	2021	2020	
<b>Trade receivables - subsidiaries (Note 8)</b>					
(Being eliminated from the consolidated financial statements)					
Siam Wellness Resort Co., Ltd.	-	-	710	389	
Siam Wellness Lab Co., Ltd.	-	-	1,544	2,459	
Siam Wellness Education Co., Ltd.	-	-	224	-	
Tiger Eyes Trading (Thailand) Co., Ltd.	-	-	496	1,963	
Total	-	-	2,974	4,811	

*(Signature)*



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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Trade receivables - related parties (Note 8)</b>				
Blooming Co., Ltd.	2,398	2,397	-	-
Cyberprint Group Co., Ltd.	32	251	-	251
B.U. Enterprise Co., Ltd.	6	5	2	5
Sawangasuk Co., Ltd.	2,188	1,082	23	39
Director of subsidiaries	16	22	-	-
Total	4,640	3,757	25	295

**Other receivables - subsidiaries (Note 8)**(Being eliminated from the consolidated  
financial statements)

Siam Wellness Resort Co., Ltd.	-	-	10	10
Siam Wellness Group (Hong Kong) Co., Ltd.	-	-	270	255
Shanghai Jia Tai Health Management Co., Ltd.	-	-	230	230
Total	-	-	510	495

**Other receivables - related parties (Note 8)**

Klom Kliao Pattana Co., Ltd.	300	300	300	300
B.U. Enterprise Co., Ltd.	-	84	-	-
Related person	116	-	116	-
Total	416	384	416	300

**Lease receivables - subsidiaries**(Being eliminated from the consolidated  
financial statements)

Siam Wellness Resort Co., Ltd.	-	-	23,150	23,100
Siam Wellness Lab Co., Ltd.	-	-	1,512	1,610
Siam Wellness Education Co., Ltd.	-	-	264	284
Tiger Eyes Trading (Thailand) Co., Ltd.	-	-	1,188	1,280
Total	-	-	26,114	26,274
Current	-	-	359	160
Non-current	-	-	25,755	26,115
Total	-	-	26,114	26,275

**Long-term loans from subsidiaries**

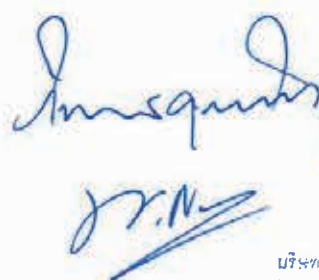
Siam Wellness Resort Co., Ltd.	-	-	15,000	15,000
Siam Wellness Lab Co., Ltd.	-	-	10,000	10,000
Siam Wellness Education Co., Ltd.	-	-	5,000	5,000
Total	-	-	30,000	30,000



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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b><u>Trade payables - subsidiaries (Note 16)</u></b>				
(Being eliminated from the consolidated financial statements)				
Siam Wellness Resort Co., Ltd.	-	-	1,925	886
Siam Wellness Lab Co., Ltd.	-	-	6,743	6,831
Siam Wellness Education Co., Ltd.	-	-	3,909	2,227
Tiger Eyes Trading (Thailand) Co., Ltd.	-	-	3,275	438
Total	-	-	15,852	10,382
<b><u>Trade payables - related parties (Note 16)</u></b>				
Blooming Co., Ltd.	514	277	160	82
Blooming Intergift Co., Ltd.	833	502	833	502
B.U. Enterprise Co., Ltd.	58	47	41	47
Cyberprint Group Co., Ltd.	189	182	174	147
Asian Fortune Property Co., Ltd.	82	21	82	20
Klom Kliao Pattana Co., Ltd.	20	18	-	-
Sawangsuk Co., Ltd.	301	-	-	-
Total	1,997	1,047	1,290	798
<b><u>Payables for purchase of fixed assets - related party (Note 16)</u></b>				
Cyberprint Group Co., Ltd.	-	6	-	6
Total	-	6	-	6
<b><u>Other payables - a subsidiary (Note 16)</u></b>				
(Being eliminated from the consolidated financial statement)				
Siam Wellness Resort Co., Ltd.	-	-	195	195
Siam Wellness Education Co., Ltd.	-	-	11	-
Tiger Eyes Trading (Thailand) Co., Ltd.	-	-	70	-
Total	-	-	276	195
<b><u>Other payables - related parties (Note 16)</u></b>				
Directors of the Company	220	397	182	372
Total	220	397	182	372




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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<b><u>Lease liabilities - a subsidiary</u></b>				
(Being eliminated from the consolidated financial statements)				
Siam Wellness Education Co., Ltd.	-	-	1,502	2,223
Total	-	-	1,502	2,223
Current	-	-	570	574
Non-Current	-	-	932	1,649
	-	-	1,502	2,223

**Lease liabilities - related parties**

Blooming Intergift Co., Ltd.	2,690	3,269	2,690	3,269
B.U. Enterprise Co., Ltd.	11,509	18,675	3,338	6,591
Asian Fortune Property Co., Ltd.	43,757	50,994	43,757	50,994
Klom Kliao Pattana Co., Ltd.	65,862	67,247	64,929	66,320
G.G.P. Property Co., Ltd.	2,774	3,651	2,774	3,651
Related directors of the Company	9,049	10,964	9,049	10,964
Total	135,641	154,800	126,537	141,789
Current	24,020	23,392	20,457	19,816
Non-Current	111,621	131,408	106,080	121,973
	135,641	154,800	126,537	141,789

**Long-term loans from related parties**

As at 31 December 2021 and 2020, the balance of long-term loan from subsidiaries and those related parties and the movement is as follows:

(Unit: Thousand Baht)

Lender	Separate financial statements				Balance as at 31 December 2021
	Interest rate (% p.a)	Balance as at 31 December 2020	During the year		
			Increase	Decrease	
Siam Wellness Resort Co., Ltd.	2.25	15,000	-	-	15,000
Siam Wellness Lab Co., Ltd.	1.52	10,000	-	-	10,000
Siam Wellness Education Co., Ltd.	2.25	5,000	-	-	5,000
Total		30,000	-	-	30,000

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**SIAM WELLNESS** 25  
 บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)  
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

The outstanding balance as at 31 December 2021 and 2020 of long-term loans from subsidiaries are in the form of an unsecured loans due within 5 years from the date of signing the contracts (within September 2025).

#### **Directors and management's benefits**

During the years 2021 and 2020, employee benefit expense payable to their directors and management of the Company and its subsidiaries are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term employee benefits	11.0	7.4	11.0	7.4
Post-employment benefits	(1.0)	0.6	(1.0)	0.6
Total	10.0	8.0	10.0	8.0

#### **Guarantee obligations with related parties**

The Company has guarantee obligations to subsidiaries as disclosed in Note 17 to the consolidated financial statements.

### **7. Cash and cash equivalents**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash	2,345	2,129	2,133	1,975
Bank deposits	107,509	112,397	77,496	89,158
Total	109,854	114,526	79,629	91,133

As at 31 December 2021, bank deposits in saving accounts carried interests between 0.05 and 0.38 percent per annum (2020: between 0.50 and 0.70 percent per annum).

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

## 8. Trade and other receivables

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2021	2020	2021	2020
<b>Trade receivables - related parties</b> (Note 6)				
Aged on the basis of due dates				
Not yet due	45	348	825	3,747
Past due				
Up to 3 months	1,860	1,021	676	1,320
3 - 6 months	350	2,388	374	2
6 - 12 months	-	-	1,087	37
Over 12 months	2,385	-	37	-
Total trade receivables - related parties, net	4,640	3,757	2,999	5,106
<b>Trade receivables - unrelated parties</b>				
Aged on the basis of due dates				
Not yet due	2,020	4,891	1,321	4,325
Past due				
Up to 3 months	7,092	5,276	6,515	4,869
3 - 6 months	68	705	15	486
6 - 12 months	1,867	1,693	1,762	1,678
Over 12 months	7,426	4,525	6,847	4,225
Total	18,473	17,090	16,460	15,583
Less: Allowance for expected credit loss	(9,266)	(1,154)	(8,610)	(844)
Total trade receivables - unrelated parties, net	9,207	15,936	7,850	14,739
Total trade receivable - net	13,847	19,693	10,849	19,845
<b>Other receivables</b>				
Other receivables - related parties (Note 6)	416	384	926	795
Other receivables - unrelated parties	1,310	1,934	1,021	1,469
Less: Allowance for expected credit loss	(313)	(236)	(313)	(236)
Total other receivables, net	1,413	2,082	1,634	2,028
Total trade and other receivables - net	15,260	21,775	12,483	21,873

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บริษัท สยามเวลเนส จำกัด (มหาชน)  
SIAM WELLNESS PUBLIC COMPANY LIMITED



Set out below is the movement in the allowance for expected credit losses of trade and other receivables.

	(Unit: Thousand Baht)	
	Consolidated financial statement	Separate financial statement
As at 1 January 2021	1,390	1,080
Provision for expected credit losses	8,553	8,207
Amount recovered	(364)	(364)
As at 31 December 2021	9,579	8,923

#### 9. Share return receivables

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 93.75 million on 3 January 2019, 5 February 2019, and 2 May 2019. The Company had the remaining amount of the shares totalling Baht 31.25 million. The Company received shares of Chaba Elegance Co., Ltd. from the former shareholders on 1 January 2019.

Later, on 4 October 2019, the meeting of the Company's Board of Directors No. 7/2019 passed a resolution approving the cancellation of investment in Chaba Elegance Co., Ltd. since such business needs a high expertise and competency level, resulting in the slowing down of the business expansion which does not follow the Company's objective. The Company entered into the separation agreement for the investment in Chaba Elegance Co., Ltd. with the former shareholders on 6 October 2019.

Under the separation agreement, the former shareholders agreed to cancel the remaining amount of shares totalling Baht 31.25 million that the Company has not yet paid according to the share purchase agreement and the former shareholders agreed to return the Company amount of Baht 93.75 million that the former shareholders received to the Company in 8 installments i.e., within 2019 totalling Baht 43.75 million, within 2020 totalling Baht 35 million, and within 2021 totalling 15 million. The former shareholders agreed to pay the Company with 8 advance dated cheques with amounts and at due dates specified in the separation agreement.

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

As at 31 December 2021, the Company cannot draw the money from the cheque which was due on 30 June 2020, 30 September 2020, 31 December 2020, 31 March 2021 and 30 June 2021 totaling Baht 45 million (cheque No. 4 to No. 8). The management of the Company has followed up and filed a lawsuit against the former shareholders for these four cheques that cannot be drawn on August 2020, October 2020, January 2021, May 2021 and July 2021, respectively. The former shareholders informed that they are in the process of arranging their assets and following procedures in order to pay for such amounts due to the Company. According to the judgment of the Court of First Instance in January 2022, the defendant lost the case relating to the cheque No.4. However, the defendant is in the process of submission an appeal to the Court. For the cheques No.5 to No.8, the Company requests the consolidation of cases, which currently are in the process of the taking of evidence. The management of the Company considers that the former shareholders have an ability to pay for such share returns to the Company in full amount. The Company expected to be received within one year amounting to Baht 9.2 million.

The movement of share return receivables from the former shareholders for the year ended 31 December 2021 are as detailed below.

	(Unit: Thousand Baht)
	Consolidated and Separate financial statements
Net book value as at 1 January 2021	42,049
Decrease from fair value change during the period	
Received during the year	(659)
Share return receivables as at 31 December 2021	41,390
Less: Current portion	(9,198)
Share return receivables - net of current portion	32,192

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



## 10. Inventories

(Unit: Thousand Baht)

Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net
	2021	2020	2021	2020	2021 2020
Finished goods	18,057	21,507	(5,615)	(2,994)	12,442 18,513
Service materials and supplies	19,361	23,062	(4,952)	(2,199)	14,409 20,863
Food and beverage	487	414	(5)	(3)	482 411
Products during packaging and packages	688	696	(209)	(185)	479 511
Total	38,593	45,679	(10,781)	(5,381)	27,812 40,298

(Unit: Thousand Baht)

Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net
	2021	2020	2021	2020	2021 2020
Finished goods	10,251	15,875	(3,102)	(1,888)	7,149 13,987
Service materials and supplies	20,792	24,863	(4,924)	(2,178)	15,868 22,685
Food and beverage	8	11	(5)	(3)	3 8
Products during packaging and packages	-	3	-	-	- 3
Total	31,051	40,752	(8,031)	(4,069)	23,020 36,683

During the current year, the Group reduced cost of inventories by Baht 7.9 million (2020: Baht 4.3 million) (The Company only: Baht 5.4 million (2020: Baht 3.9 million)), to reflect the net realisable value. This was included in cost of sales. In addition, the Group reversed the write-down of cost of inventories by Baht 2.5 million (2020: Baht 0.6 million) (The Company only: Baht 1.4 million (2020: Baht 0.3 million)), and reduced the amount of inventories recognised as expenses during the year.

## 11. 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. On 20 May 2021, the subsidiary cancelled such collateral with a financial institution. Such bank overdraft is secured by the Company and land with structure thereon of the Company instead, as disclosed in Note 17 to the consolidated financial statements.

  
  
 30  
บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)  
SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED

## 12. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements as at 31 December 2021 and 2020 are as follows:

Company's name	Country of incorporation	Called-up share capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received during the year	
		2021	2020	2021	2020	2021	2020	2021	2020
				(%)	(%)				
Siam Wellness Lab Co., Ltd.	Thailand	1,000	1,000	99.99	99.99	2,000	2,000	-	8,100
Siam Wellness Education Co., Ltd.	Thailand	1,000	1,000	99.97	99.97	1,000	1,000	-	6,000
Siam Wellness Resort Co., Ltd.	Thailand	60,000	60,000	99.99	99.99	98,705	98,705	-	9,600
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						101,705	101,705	-	23,700

## 13. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						Total
	Revaluation	Cost basis					
	basis					Assets under installation and under construction	
	Land	Land improvements	Buildings and building improvements	Furniture, fixtures and equipment	Motor vehicles		
Cost/Revalued amount:							
1 January 2020	278,766	2,684	1,110,344	185,157	19,981	21,066	1,617,998
Additions	-	-	14,331	19,978	459	92,489	127,257
Disposals/Write-off	-	-	(36,246)	(4,245)	-	-	(40,491)
Transfer in (out)	-	-	102,969	1,260	-	(104,229)	-
31 December 2020	278,766	2,684	1,191,398	202,150	20,440	9,326	1,704,764
Additions	-	-	811	2,393	-	9,026	12,230
Disposals/Write-off	-	-	(16,960)	(343)	-	-	(17,303)
Transfer in (out)	-	-	6,058	-	-	(6,058)	-
31 December 2021	278,766	2,684	1,181,307	204,200	20,440	12,294	1,699,691

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(Unit: Thousand Baht)

## Consolidated financial statements

	Revaluation basis		Cost basis				Assets under installation and under construction	Total
	Land	Land improvements	Buildings and building improvements	Furniture, fixtures and equipment	Motor vehicles			
<b>Accumulated depreciation:</b>								
1 January 2020	-	2,684	405,450	114,903	13,763	-	-	536,800
Depreciation for the year	-	-	99,627	24,460	2,517	-	-	126,604
Depreciation on disposals/write-off	-	-	(30,701)	(2,886)	-	-	-	(33,587)
31 December 2020	-	2,684	474,376	136,477	16,280	-	-	629,817
Depreciation for the year	-	-	105,254	23,864	1,705	-	-	130,823
Depreciation on disposals/write-off	-	-	(12,487)	(114)	-	-	-	(12,601)
31 December 2021	-	2,684	567,143	160,227	17,985	-	-	748,039
<b>Allowance for impairment loss</b>								
1 January 2020	-	-	-	-	-	-	-	-
Increase during the year	-	-	346	9	4	-	-	359
31 December 2020	-	-	346	9	4	-	-	359
Increase during the year	-	-	3,213	-	-	1,438	-	4,651
31 December 2021	-	-	3,559	9	4	1,438	-	5,010
<b>Net book value:</b>								
31 December 2020	278,766	-	716,676	65,664	4,156	9,326	-	1,074,588
31 December 2021	278,766	-	610,605	43,964	2,451	10,856	-	946,642
<b>Depreciation for the year</b>								
2020 (Baht 120.1 million included in cost of sales and cost of services, and the balance in selling and administrative expenses)								126,604
2021 (Baht 124.8 million included in cost of sales and cost of services, and the balance in selling and administrative expenses)								130,823



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

(Unit: Thousand Baht)

## Separate financial statements

	Revaluation basis	Cost basis				Total
	Land	Buildings and building improvements	Furniture, fixtures and equipment	Motor vehicles	Assets under installation and under construction	
<b>Cost/Revalued amount:</b>						
1 January 2020	278,766	961,591	160,468	17,771	21,066	1,439,662
Additions	-	8,575	16,749	459	90,562	116,345
Disposals/write-off	-	(32,212)	(2,688)	-	-	(34,900)
Transfer in (out)	-	101,042	1,260	-	(102,302)	-
31 December 2020	278,766	1,038,996	175,789	18,230	9,326	1,521,107
Additions	-	777	1,843	-	9,026	11,646
Disposals/write-off	-	(16,960)	(342)	-	-	(17,302)
Transfer in (out)	-	6,058	-	-	(6,058)	-
31 December 2021	278,766	1,028,871	177,290	18,230	12,294	1,515,451
<b>Accumulated depreciation:</b>						
1 January 2020	-	330,210	94,072	12,510	-	436,792
Depreciation for the year	-	92,108	22,691	2,175	-	116,974
Depreciation on disposals/write-off	-	(26,702)	(1,922)	-	-	(28,624)
31 December 2020	-	395,616	114,841	14,685	-	525,142
Depreciation for the year	-	97,308	22,072	1,445	-	120,825
Depreciation on disposals/write-off	-	(12,487)	(113)	-	-	(12,600)
31 December 2021	-	480,437	136,800	16,130	-	633,367
<b>Allowance for impairment loss</b>						
1 January 2020	-	-	-	-	-	-
Increase during the year	-	346	9	4	-	359
31 December 2020	-	346	9	4	-	359
Increase during the year	-	3,213	-	-	1,438	4,651
31 December 2021	-	3,559	9	4	1,438	5,010
<b>Net book value:</b>						
31 December 2020	278,766	643,034	60,939	3,541	9,326	995,606
31 December 2021	278,766	544,875	40,481	2,096	10,856	877,074
<b>Depreciation for the year</b>						
2020 (Baht 97.9 million included in cost of sales and cost of services, and the balance in selling and administrative expenses)						116,974
2021 (Baht 114.8 million included in cost of sales and cost of services, and the balance in selling and administrative expenses)						120,825



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

On 31 December 2019, the Company entered into the sales and purchase agreement of condominium unit with a non-related person with the amount of Baht 36.5 million. During the year ended 31 December 2020, the Company received the deposit amounted Baht 2 million. According to the agreement, the buyer shall pay for the remaining amount of Baht 34.5 million within 31 December 2020. However, on 16 January 2021 and 20 June 2021, the Company entered into the memorandum of the agreement with the buyer to postpone the settlement for the remaining amount to be within 1 July 2021 and 5 January 2022, respectively, due to the COVID-19 pandemic situation. However, since the COVID-19 pandemic situation has yet to improve, the Company entered into another memorandum of the agreement with the buyer on 5 January 2022 to postpone the settlement of the remaining amount to be within December 2022.

As at 31 December 2021 and 2020, the Company classified such condominium unit with its net book value of Baht 32.3 million as “Non-current assets classified as held for sale” under current assets in the consolidated and separate statement of financial position.

The Company arranged for an independent professional value to appraise the value of land in 2018. Land was revalued using the comparable market approach for the basis of the revaluation.

Had the lands carried in the financial statements on a historical cost basis, their net book value as of 31 December 2021 and 2020 would have been as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	2021	2020
Land	165,557	165,557

A breakdown of the land carried on a revaluation basis is as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	2021	2020
Original costs	165,557	165,557
Surplus from revaluations	113,209	113,209
Revalued amount	278,766	278,766

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34

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

As at 31 December 2021, certain items of building and building improvements, furniture, fixtures and equipment and motor vehicles were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 257.1 million (2020: Baht 205.6 million) (The Company only: Baht 180.2 million (2020: Baht 141.9 million)).

As at 31 December 2021, the Company has pledged its land and structures thereon and non-current assets classified as held for sale with net book value of Baht 349.0 million (2020: the Company has pledged its land and structure thereon with net book value of Baht 264.0 million) as collateral against its bank overdrafts facilities and long-term loans facilities as disclosed in Note 17 to the consolidated financial statements.

During the year 2021, the Company performed impairment review for its property, plant and equipment to ensure that the carrying amount of the assets presented at their recoverable amounts. This is because the COVID-19 pandemic situation that significantly impact the business operations led to the indicator of the impairment loss. The Company has determined the recoverable amounts of its assets based on value in use using cash flow projections from financial estimation approved by management.

Key assumption used in value in use calculation is discount rate for which 2021 using at the rate of 10% (2020: 8%). The sensitivity analysis of impairment losses of property, plant and equipment and right-of-use assets for 2021 increased of Baht 2 million (2020: Baht 8 million) for the increasing of 0.5% of discount rate.

#### 14. Goodwill

A reconciliation of net book value of goodwill for the years ended 31 December 2021 and 2020 is presented below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2020	24,536	20,340
Net book value as at 31 December 2020	24,536	20,340
Net book value as at 31 December 2021	24,536	20,340

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 35  
 บริษัท สยามเวลเนส จำกัด (มหาชน)  
 SIAM WELLNESS GROUP PUBLIC COMPANY LIMITED



The Company allocated goodwill acquired in business combination to group of cash generating units for the purpose of impairment testing as follows.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Spa services business under "Baan Suan Massage" brand		Spa services and sale of spa products business		Total	
	2021	2020	2021	2020	2021	2020
	20,340	20,340	4,196	4,196	24,536	24,536

Goodwill

(Unit: Thousand Baht)

	Separate financial statements	
	Spa services business under "Baan Suan Massage" brand	
	2021	2020
	20,340	20,340

Goodwill

The Company estimates the recoverable amount of group of cash-generating units from value in use. In determining value in use, the estimated future cash flows are referred from financial estimation with significant assumptions using in relating to revenue growth rate and discount rate approved by the management. The discount rate used for this year was 10% (2020: 8%).

## 15. Intangible assets

The net book value of intangible assets as at 31 December 2021 and 2020 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements			
	Computer				Computer			
	Licenses	software	Trademark	Total	Licenses	software	Trademark	Total
As at 31 December 2021:								
Cost	9,934	2,483	4,798	17,215	9,864	1,676	4,798	16,338
Less: Accumulated amortisation	(4,712)	(1,472)	(3,026)	(9,210)	(4,678)	(710)	(3,026)	(8,414)
Net book value	5,222	1,011	1,772	8,005	5,186	966	1,772	7,924

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

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements			
	Computer				Computer			
	Licenses	software	Trademark	Total	Licenses	software	Trademark	Total
As at 31 December 2020:								
Cost	9,943	1,804	4,780	16,527	9,194	1,676	4,780	15,650
Less: Accumulated amortisation	(4,294)	(602)	(2,545)	(7,441)	(3,570)	(559)	(2,545)	(6,674)
Net book value	5,649	1,202	2,235	9,086	5,624	1,117	2,235	8,976

A reconciliation of the net book value of intangible assets for the years 2021 and 2020 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net book value at beginning of year	9,086	9,139	8,976	8,953
Acquisition during the year	688	1,788	688	1,788
Write-off during the year	-	(40)	-	(9)
Amortisation	(1,769)	(1,801)	(1,740)	(1,756)
Net book value at end of year	8,005	9,086	7,924	8,976

## 16. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade accounts payable - unrelated parties	16,020	21,625	14,747	19,300
Trade accounts payable - related parties (Note 6)	1,997	1,047	17,142	11,180
Payables for purchase of fixed assets - unrelated parties	695	188	695	188
Payables for purchase of fixed assets - related parties (Note 6)	-	6	-	6
Payables for construction and retention	6,499	8,044	6,499	7,791
Other payables - unrelated parties	2,422	2,013	2,205	1,878
Other payables - related parties (Note 6)	220	397	458	567
Accrued payroll expenses	3,926	3,432	3,762	3,348
Other accrued expenses - unrelated parties	5,260	7,910	4,698	6,904
Total trade and other payables	37,039	44,582	50,206	51,162



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

37



## 17. Long-term loans

Loan no.	Facility amount (Million Baht)	Loan agreement date	Interest rate (% per annum)	Repayment	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
					2021	2020	2021	2020
1	240	27 April 2016	1st-2nd year: MLR - 3 and 3rd year onwards: MLR - 2.2	Pay the interest every month since the first drawdown and repayment of principle and interests within 60 periods after January 2017. The last repayment of principle and interests will be in December 2021.  Revised its principle repayment condition since March 2020 onwards, with the first repayment will be proceeded in March 2021. The last repayment of principle and interests will be in March 2022.	56,900	56,900	56,900	56,900
2	80	31 August 2017	1st-2nd year: MLR - 3 and 3rd year onwards: MLR - 2.2	Revised its principle repayment condition since March 2021 onwards, with the first repayment will be proceeded in March 2022. The last repayment of principle and interests will be in March 2023.  Repayment of principle and interests within 65 periods since the first drawdown, which the first principle repayment is since the last business day of 6th month. The last repayment of principle and interests will be in January 2023.  Revised its principle repayment condition since March 2020 onwards, with the first repayment will be proceeded in March 2021. The last repayment of principle and interests will be in February 2024.  Revised its principle repayment condition since March 2021 onwards, with the first repayment will be proceeded in March 2022. The last repayment of principle and interests will be in February 2025.	47,600	47,600	47,600	47,600



Loan no.	Facility amount (Million Baht)	Loan agreement date	Interest rate (% per annum)	Repayment	(Unit: Thousand Baht)		
					Consolidated financial statements	Separate financial statements	
3	160	22 May 2019	1st-2nd year: MLR - 3.75 and 3rd year onwards: MLR - 3	Pay the interest every month since the first drawdown and repayment of principle and interests within 60 periods after each drawdown. The last repayment of principle and interests will be in March 2025.	2021 140,985	2020 151,667	2020 151,667
		26 October 2020		Revised its principle repayment condition since April 2020 onwards, with the first repayment will be proceeded in January 2021. The last repayment of principle and interests will be in November 2025.			
		19 May 2021		Revised its principle repayment condition since May 2020 onwards, with the first repayment will be proceeded in May 2022. The last repayment of principle and interests will be in December 2026.			
4	20	9 April 2020	1st-2nd year: 2 and 3rd year onwards: MLR	Pay the interest every month since the first drawdown and repayment of principle and interests within 36 periods since April 2022. The last repayment of principle and interests will be in March 2025.	20,000	20,000	20,000
5	10	9 April 2020	1st-2nd year: 2 and 3rd year onwards: MLR	Pay the interest every month since the first drawdown and repayment of principle and interests within 36 periods since April 2022. The last repayment of principle and interests will be in March 2025.	10,000	10,000	-





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

Loan no.	Facility amount (Million Baht)	Loan agreement date	Interest rate (% per annum)	Repayment	(Unit: Thousand Baht)			
					Consolidated financial statements		Separate financial statements	
					2021	2020	2021	2020
6	5	11 April 2020	1st-2nd year: 2 and 3rd year onwards: MLR	Pay the interest every month since the first drawdown and repayment of principle and interests within 36 periods since April 2022. The last repayment of principle and interests will be in March 2025.	5,000	5,000	-	-
7	10	11 April 2020	1st-2nd year: 2 and 3rd year onwards: MLR	Pay the interest every month since the first drawdown and repayment of principle and interests within 36 periods since April 2022. The last repayment of principle and interests will be in March 2025.	10,000	10,000	-	-
8	23	18 November 2020	1st-2nd year: 2 and 3rd year onwards: MLR-2	Pay the interest every month since the first drawdown and repayment of principle and interests monthly basis within 48 periods since December 2021. The last repayment of principle and interests will be in November 2025.	23,000	23,000	23,000	23,000
9	89	20 November 2020	MLR-2	Revised its principle repayment condition since November 2021 onwards, with the first repayment will be proceeded in March 2023. The last repayment of principle and interests will be in November 2025	89,000	67,000	89,000	67,000
10	80	24 February 2021	1st-2nd year: 2 and 3rd year onwards: MLR - 2	Revised its principle repayment condition since November 2021 onwards, with the first repayment will be proceeded in March 2022. The last repayment of principle and interests will be in November 2025.	80,000	-	80,000	-

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

Loan no.	Facility amount (Million Baht)	Loan agreement date	Interest rate (% per annum)	Repayment	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
					2021	2020	2021	2020
11	10	24 February 2021	1st-2nd year: 2 and 3rd year onwards: MLR - 2	Pay the interest every month since the first drawdown and repayment of principle and interests within 60 periods after March 2023. The last repayment of principle and interests will be in February 2028.	10,000	-	-	-
12	6.15	7 June 2021	1st-2nd year: 2, 3rd-5th: 2.95 and year onwards: MLR - 1.5	Pay the interest every month since January 2022 and repayment of principle and interests within 60 periods since July 2023. The last repayment of principle and interests will be in June 2028.	6,150	-	-	-
13	3	7 June 2021	1st-2nd year: 2 and 3rd year: 2.95	Pay the interest every month since January 2022 and repayment of principle and interests within 60 periods since July 2023. The last repayment of principle and interests will be in June 2024.	3,000	-	-	-
14	120	23 September 2021	MLR-1.5	Pay the interest every month since the first drawdown and repayment of principle and interests within 55 periods. The first repayment will be proceeded in January 2023. The last repayment of principle and interests will be in July 2027.	20,000	20,000	-	-
Total					521,635	391,167	477,485	366,167
Less: Current portion					(114,469)	(103,354)	(108,214)	(93,354)
Long-term loans, net of current portion					407,166	287,813	369,271	272,813





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

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

As at 31 December 2021, the Company and subsidiaries have been unable to maintain some financial ratios covenants under the loan agreements (unrelated to principle and interest payment) for loan facilities No. 1 to No. 5 and No. 7 to No. 13 which in December 2021, the Company and its subsidiaries have received waiver letters for not complying with such covenants from the Banks. As a result, the outstanding balances as at 31 December 2021 of these loans facilities are classified as current liabilities according to the conditions specified in the loan agreements.

On 23 September 2021, the Company has entered into the loan agreement with a third party for the facility of Baht 120 million (loan facility No. 14) in order to support the construction and decoration of that third party's establishment according to the drawdown condition specified in the agreement.

The loan facility No. 1 to No. 3 and No. 8 and No. 9 are secured by the mortgage of land and structures thereon, the loan facility No. 10 and No. 11 are secured by the mortgage of land and structures thereon and non-current assets classified as held for sales of the Company, as disclosed in the Note 13 to the consolidated financial statements. The loan facility No. 4 has no collateral, and the loan facility No. 5 to No. 7 which are long-term loans of its subsidiaries are guaranteed by the Company. For loan facility No. 12 and No. 13 which are also long-term loans of its subsidiaries are guaranteed by Thai Credit Guarantee Corporation and the Company. For loan facility No. 14 is secured by the mortgage of land and structures thereon of a related party.

In addition, as at 31 December 2021 a subsidiary has credit facility in terms of bank overdraft for the amount of Baht 5 million (2020: Baht 5 million), which is secured by the Company and land and structure thereon of the Company.

As at 31 December 2021, long-term credit facilities of a Company which have not yet been drawn down amounted to Baht 112 million (2020: Baht 31 million).

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

Movements in the long-term loans from financial institution during the year ended 31 December 2021 is summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statement	Separate financial statement
Balance as at 1 January 2021	391,167	366,167
Add: Increase during the year	141,150	122,000
Less: Repayment	(10,682)	(10,682)
Balance as at 31 December 2021	521,635	477,485

## 18. Leases

### 18.1 The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 2-30 years.

#### a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2021 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated financial statement			
	Land	Buildings	Machinery and equipment	Total
1 January 2020	96,166	1,083,570	12,553	1,192,289
Additions	-	173,387	-	173,387
Effect of modification of lease agreements	-	(9,925)	-	(9,925)
Effect from cancellation of lease agreement	-	(3,846)	-	(3,846)
Depreciation for the year	(7,708)	(172,034)	(2,406)	(182,148)
Impairment loss	(201)	-	-	(201)
31 December 2020	88,257	1,071,152	10,147	1,169,556
Additions	-	531	-	531
Effect of modification of lease agreements	166	(21,647)	249	(21,232)
Effect from cancellation of lease agreement	-	(11,040)	-	(11,040)
Depreciation for the year	(6,265)	(183,478)	(2,497)	(192,240)
31 December 2021	82,158	855,518	7,899	945,575

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บริษัท สยามเวลเนสกรุ๊ป จำกัด (มหาชน)  
Siam Wellness Public Company Limited

(Unit: Thousand Baht)

## Consolidated financial statement

	Land	Buildings	Machinery and equipment	Total
1 January 2020	72,584	1,068,061	11,756	1,152,401
Additions	-	173,387	-	173,387
Effect of modification of lease agreements	-	(9,925)	-	(9,925)
Effect from cancellation of lease agreement	-	(3,846)	-	(3,846)
Depreciation for the year	(6,303)	(168,957)	(2,362)	(177,622)
Impairment loss	(201)	-	-	(201)
31 December 2020	66,080	1,058,720	9,394	1,134,194
Additions	-	531	-	531
Effect of modification of lease agreements	-	(20,902)	-	(20,902)
Effect from cancellation of lease agreement	-	(11,040)	-	(11,040)
Depreciation for the year	(6,092)	(179,511)	(2,237)	(187,840)
31 December 2021	59,988	847,798	7,157	914,943

## b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Lease payments	1,106,431	1,338,526	1,098,606	1,327,241
Less: Deferred interest expenses	(108,291)	(140,675)	(108,068)	(140,178)
Total	998,140	1,197,851	990,538	1,187,063
Less: Portion due within one year	(175,496)	(169,179)	(172,503)	(166,176)
Lease liabilities - net of current portion	822,644	1,028,672	818,035	1,020,887




44

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



Movements of liabilities under finance lease agreements account during the year ended 31 December 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance at beginning of year	1,197,851	1,187,063
Additions	531	531
Accretion of interest	7,807	7,668
Repayments	(37,119)	(35,405)
Decrease from rental discount received during the year	(137,224)	(135,941)
Effect of changes from cancellation of lease agreements	(11,139)	(11,139)
Effect of changes from modification of lease agreements	(22,567)	(22,239)
Balance at end of year	998,140	990,538

A maturity analysis of lease payments is disclosed in Note 30 to the consolidated financial statements under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Depreciation expenses of right-of-use assets	192,240	75,961*	187,840	73,384*
Interest expenses on lease liabilities	31,080	12,817*	30,845	13,244*
Expenses relating to short-term leases	75	292	75	292
Expenses relating to variable lease payments	4,293	10,711	4,293	10,711
Rental discount - lease liabilities	(137,224)	-	(135,941)	-
Rental discount - interest expenses	(23,273)	-	(23,177)	-

\* Net of rental discount during the year.

The Group has lease contracts for office building space that contains variable payments based on sales or gross profit margins. The lease term is 4 - 15 years.

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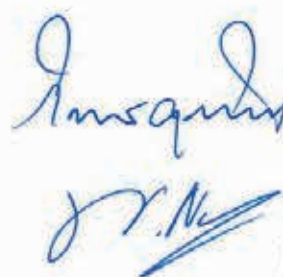
**d) Others**

The Group had total cash outflows for leases for the year ended 31 December 2021 of Baht 41 million (The Company only: Baht 39 million) (2020: Baht 82 million (The Company only: Baht 84 million)), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

**18.2 Group as a lessor**

The Company entered into lease agreements of land and office spaces with related parties and also entered into sub-lease agreements for partial leased assets with its subsidiaries. In 2021, the Company did not have income from such sub-lease agreements with its subsidiaries (2020: the Company had income from the sub-lease amounting to Baht 2 million). In case the Company and its subsidiaries made sub-leasing continuously throughout the lease period of which the Company made lease agreements with related parties (the lease period was between 12 years to 30 years), the future minimum received under such sub-leasing as at 31 December 2021 were as follows (depends on rental discount consideration (if any) according to the COVID-19 pandemic situation):

	(Unit: Million Baht) Separate financial statements	
	2021	2020
Within 1 year	3	3
Over 1 and up to 5 years	13	13
Over 5 years	48	52
Total	64	68



## 19. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<b>Provision for long-term employee benefits at beginning of year</b>	10,124	8,556	9,043	7,683
Included in profit or loss:				
Current service cost	1,235	1,431	1,083	1,239
Interest cost	145	137	126	121
Reversal during the year	(1,553)	-	(1,553)	-
<b>Provision for long-term employee benefits at end of year</b>	<b>9,951</b>	<b>10,124</b>	<b>8,699</b>	<b>9,043</b>

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Cost of sales	-	13	-	-
Cost of services	299	450	236	359
Selling and administrative expenses	(472)	1,105	(580)	1,001
Total expenses recognised in profit or loss	<b>(173)</b>	<b>1,568</b>	<b>(344)</b>	<b>1,360</b>

The Group expected not to pay long-term employee benefits during the next year (2020: Nil).

As at 31 December 2021 and 2020, the weighted average duration of the liabilities for long-term employee benefit is 7-25 years (The Company only: 7 - 25 years).

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

Significant actuarial assumptions are summarised below:

	Consolidated		(Unit: Percent per annum)	
	financial statements		Separate	
	2021	2020	2021	2020
Discount rate	1.36 - 2.15	1.36 - 2.15	1.36	1.36
Salary increase rate	6.00	6.00	6.00	6.00
Turnover rate	13.00 - 57.00	13.00 - 57.00	13.00 - 57.00	13.00 - 57.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

	Consolidated financial statements				Separate financial statements			
	Increase 0.5%		Decrease 0.5%		Increase 0.5%		Decrease 0.5%	
	2021	2020	2021	2020	2021	2020	2021	2020
Discount rate	(0.2)	(0.2)	0.2	0.2	(0.2)	(0.2)	0.2	0.2
Salary increase rate	0.2	0.2	(0.2)	(0.2)	0.2	0.2	(0.2)	(0.2)
Turnover rate	(0.3)	(0.3)	0.3	0.3	(0.3)	(0.3)	0.3	0.3

## 20. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

According to the Thai Civil and Commercial Code, the subsidiaries are required to set aside to a statutory reserve an amount equal to at least five percent of its net profit each time the subsidiaries pay out a dividend, until such reserve reaches ten percent of its registered share capital. The statutory reserve cannot be used for dividend payment.

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## 21. Dividends/Share capital

Dividends	Approved by	Cash dividends (Million Baht)	Cash dividend per share (Baht per share)	Share dividends (Million share)	Share dividends pay out rate (Existing share per share dividend)	Total amount share dividends (Million Baht)
Final dividends for 2019	Annual General Meeting of the Company's shareholders on 30 April 2020	17.10	0.03	285	2:1	71.25
Total dividend for 2020		17.10	0.03	285	2:1	71.25

On 30 April 2020, the Annual General Meeting of the Company's shareholders passed a resolution to increase the Company's registered share capital by Baht 71.25 million, from the existing registered share capital of Baht 142.50 million to Baht 213.75 million, by issuing up to 285 million new ordinary shares with a par value of Baht 0.25, to accommodate the stock dividend payment.

The Company registered the increase in its registered capital with the Ministry of Commerce on 12 May 2020.

### Reconciliation of share capital

	Number of ordinary shares (Shares)	Amount (Baht)
<b><u>Registered share capital</u></b>		
As of 31 December 2019	570,000,000	142,500,000
Increase in registered ordinary shares	285,000,000	71,250,000
As of 31 December 2020	855,000,000	213,750,000
As of 31 December 2021	855,000,000	213,750,000

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

	Number of ordinary shares (Shares)	Amount (Baht)
<b><u>Issued and paid-up share capital</u></b>		
As of 31 December 2019	570,000,000	142,500,000
Share dividend paid	284,999,928	71,249,982
As of 31 December 2020	854,999,928	213,749,982
As of 31 December 2021	854,999,928	213,749,982

## 22. Finance cost

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Interest expenses on borrowings	12,858	8,364	12,617	7,927
Interest expenses on lease liabilities	31,314	13,132	31,078	13,560
Total	44,172	21,496	43,695	21,487

## 23. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Changes in inventories	7,086	(4,097)	9,701	(2,910)
Purchases of inventories	27,107	52,242	8,770	36,476
Depreciation of property, plant and equipment	130,823	126,604	120,825	116,974
Amortisation of intangible assets	1,769	1,801	1,740	1,756
Loss on impairment of assets	4,651	560	4,651	560
Employee expenses	132,871	214,089	118,153	199,468
Directors' remuneration	1,773	1,866	1,773	1,866

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Expenses related to lease and service agreements - net of discount	99,269	118,890	96,134	114,981
Public utilities	13,900	20,707	13,234	19,840
Maintenance and decorate locations expenses	4,348	17,389	4,324	17,114
Advertising and promotion expenses	13,115	19,756	9,680	14,991
Laundry expenses	3,806	10,244	3,655	10,244
Consulting fees	5,677	6,823	3,017	3,618

## 24. Income tax

### 24.1 Income tax expenses

Income tax expenses for the years ended 31 December 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	2021	2020	2021	2020
<b>Current income tax:</b>				
Current income tax charge	367	4,129	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(9,087)	(6,213)	(8,274)	(6,121)
<b>Tax income reported in profit or loss</b>	<b>(8,720)</b>	<b>(2,084)</b>	<b>(8,274)</b>	<b>(6,121)</b>

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51

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

## 24.2 Reconciliation between accounting loss and tax income

The reconciliation between accounting profit and tax income (expenses) is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Accounting loss before tax	(295,440)	(211,170)	(280,432)	(185,949)
Applicable tax rate	0%, 15%, 20%	0%, 15%, 20%	20%	20%
Accounting loss before tax multiplied by income tax rate	(58,308)	(35,129)	(56,086)	(37,190)
Effects of:				
Exempt dividend income		(4,740)	-	(4,740)
Non-deductible expenses	227	140	203	134
Additional expenses deductions Allowed	(3,888)	(10,826)	(3,788)	(10,011)
Total	(3,661)	(15,426)	(3,585)	(14,617)
Unused tax losses that may not be sufficient to allow utilisation	53,249	48,471	50,947	45,686
Tax income reported in profit or loss	(8,720)	(2,084)	(8,724)	(6,121)

*Signature*



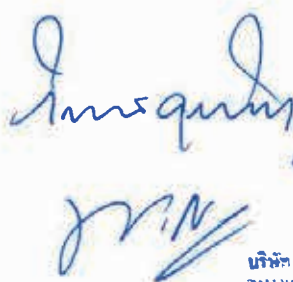
52

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

### 24.3 Deferred tax assets / liabilities

The components of deferred tax assets and deferred tax liabilities as at 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Deferred tax assets</b>				
Allowance for expected credit losses	1,916	278	1,785	216
Allowance for diminution in value of inventories	2,472	1,413	1,606	814
Provision for long-term employee benefits	1,930	1,975	1,740	1,809
Lease agreements	11,983	6,909	11,983	6,914
Deferred revenue - customer loyalty program	135	-	135	-
Interest and depreciation from decommissioning estimation	604	544	604	544
Allowance for impairment loss on property, plant and equipment	1,002	72	1,002	72
Allowance for impairment loss on right-of-use assets	40	40	40	40
Allowance for expected credit losses - Share return receivables	722	487	722	487
<b>Total</b>	<b>20,804</b>	<b>11,718</b>	<b>19,617</b>	<b>10,896</b>
<b>Deferred tax liabilities</b>				
Surplus on revaluation of land	22,642	22,642	22,642	22,642
Rental revenue on the straight-line method	-	-	-	2
<b>Total</b>	<b>22,642</b>	<b>22,642</b>	<b>22,642</b>	<b>22,644</b>
<b>Deferred tax assets - net</b>	<b>1,187</b>	<b>820</b>	<b>-</b>	<b>-</b>
<b>Deferred tax liabilities - net</b>	<b>3,025</b>	<b>11,744</b>	<b>3,025</b>	<b>11,748</b>




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



As at 31 December 2021, the Group has deductible temporary differences and unused tax losses totaling Baht 102 million (The Company only: Baht 97 million) (2020: Baht 49 million (The Company only: Baht 46 million), on which deferred tax assets have not been recognised as the Group considers there is an uncertainty for the sufficiency of future taxable profits to allow utilisation of the temporary differences and unused tax losses.

Details of expiry date of unused tax losses are summarised as below:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
31 December 2025	49	49	46	46
31 December 2026	53	-	51	-
	102	49	97	46

## 25. Earnings per share

Basic loss per share is calculated by dividing loss for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Loss for the year				
(Thousand Baht)	(286,719)	(209,085)	(271,708)	(179,828)
Weighted average number of				
ordinary share (Thousand shares)	855,000	855,000	855,000	855,000
Loss per share (Baht/share)	(0.335)	(0.245)	(0.318)	(0.210)

## 26. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Board of Directors.

For management purposes, the Group is organised into business units based on its products and services and have three reportable segments as follows:

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

- Spa services, which operates day spa and destination spa. Also, provides spa management and spa consultancy services.
- Sales of spa products and healthy products, which distributes natural spa products both and spa equipment for domestic and international market.
- Hotel and restaurant, which operates boutique resort and restaurant.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2021 and 2020, respectively.

(Unit: Million Baht)

	Spa services		Sales of spa products and healthy products		Hotel and restaurant		Elimination		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenues from external Customers	127	349	29	61	12	17	-	-	168	427
Internal - segment revenues	2	3	16	23	-	-	(18)	(26)	-	-
Total revenues	129	352	45	84	12	17	(18)	(26)	168	427
Segment profit (loss)	(157)	(113)	13	36	(7)	(3)	-	-	(151)	(80)
Revenues and expenses which have not been allocated:										
Interest income									2	2
Other income									5	6
Selling and distribution expenses									(24)	(34)
Administrative expenses									(84)	(84)
Finance cost									(44)	(21)
Loss before tax income									(296)	(211)
Tax income									9	2
Total loss for the year									(287)	(209)

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

## Contract assets / Contract liabilities

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Contract assets</b>				
Trade receivables - net	13,847	19,693	10,849	19,845
Total contract assets - net	13,847	19,693	10,849	19,845
<b>Contract liabilities</b>				
Advance received - current portion	45,140	38,978	44,176	38,187
Advance received - net of current portion	5,989	9,759	5,989	9,759
Total contract liabilities	51,129	48,737	50,165	47,946

## Disaggregated revenue from contracts with customers

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Timing of revenue recognition:</b>				
Revenue recognised at a point in time				
Sale	37,321	68,604	9,496	21,427
Services				
Spa Service	122,907	341,865	123,373	341,905
Hotel and restaurant	3,061	9,770		
Revenue recognised over time				
Franchise income	4,325	6,673	4,325	6,673
Management Fee	1,770	842	2,242	3,987
Total revenue from contracts with customers	169,384	427,754	139,436	373,992

## Revenue to be recognised for the remaining performance obligations

As at 31 December 2021, revenue totaling Baht 6 million (2020: Baht 10 million) is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (or partially unsatisfied) The Group expects to satisfy these performance obligations within 3-5 years.



The above information does not include revenue to be recognised for the unsatisfied portions of performance obligations related to contracts with a duration of one year or less and where the revenue is recognised in the amount that the entity has a right to invoice.

The segment assets of the Group as at 31 December 2021 and 2020 are as follows:

(Unit: Million Baht)

	Spa services and sales of spa products and healthy products*		Hotel and restaurant		Elimination		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Property, plant and equipment	883	1,003	64	71	-	-	947	1,074
Right-of-use assets	925	1,149	22	23	(1)	(2)	946	1,170
Lease receivables	26	26	-	-	(26)	(26)	-	-
Other assets	372	422	23	25	(30)	(59)	365	388
Total assets	2,206	2,600	109	119	(57)	(87)	2,258	2,632
Other material non-cash item:								
Write-off of property, plant and equipment	(5)	(6)	-	-	-	-	(5)	(6)
Depreciation of property, plant and equipment and right-of-use assets	(315)	(197)	(8)	(7)	-	-	(323)	(204)
Amortisation of intangible assets	(2)	(2)	-	-	-	-	(2)	(2)
Loss on impairment	(5)	(1)	-	-	-	-	(5)	(1)
Allowance for expected credit losses	(8)	-	-	-	-	-	(8)	-

\* Spa services business had jointly used of assets with sales of spa products and health product business.

### Geographic information

The Group operates mainly in Thailand. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

### Major Customer

For the years 2021 and 2020, the Group has no major customer with revenue of 10 percent or more of an entity's revenues.




## 27. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contributes to the fund monthly at the rate of 3 percent of basic salary. The fund, which is managed by SCB Asset Management Company Limited., will be paid to employees upon termination in accordance with the fund rules.

During the years 2021 and 2020, the contributions to the fund which were recognised as expenses are as follows:

(Unit: Million Baht)

	Consolidated and Separate financial statements	
	2021	2020
Contributions to provident fund	0.9	1.3

## 28. Commitments and contingent liabilities

### 28.1 Capital commitments

As at 31 December 2021 and 2020, the Company has the outstanding commitments for construction, which the contracts have already been signed. These are summarised as follows:

(Unit: Million Baht)

	Consolidated and Separate financial statements	
	2021	2020
Construction costs	49	4

  
  
  
บริษัท สยามเวลเนสกลุ่ม จำกัด (มหาชน)  
SIAM WELLNESS GROUP PCL PUBLIC COMPANY LIMITED

## 28.2 Operating lease commitments

As at 31 December 2021, the Group has future minimum payments under service agreement, short-term lease agreements and low-value assets lease agreement other than recorded as lease liabilities in the statements of financial position as follows:

(Unit: Million Baht)

	Consolidated and Separate financial statements	
	2021	2020
Payable:		
In up to 1 year	24	27
In over 1 and up to 5 years	34	47
In over 5 years	15	22

## 28.3 Letters of guarantees

As at 31 December 2021, there were outstanding bank guarantees of Baht 0.1 million (2020: Baht 2 million) (The Company only: Baht 0.1 million (2020: Baht 2 million)) issued by the banks on behalf of the Group as required in the normal course of business.

## 29. Fair value hierarchy

As at 31 December 2021 and 2020, the Company had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statement			
	31 December 2021			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Lands	-	279	-	279
<b>Liabilities disclosed fair value</b>				
Loans from financial institution - fixed interest rates	-	161	-	161



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

(Unit: Million Baht)

Separate financial statement

31 December 2021

	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Lands	-	279	-	279
<b>Liabilities disclosed fair value</b>				
Loans from financial institution - fixed interest rates	-	118	-	118

(Unit: Million Baht)

Consolidated financial statement

31 December 2020

	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Lands	-	279	-	279
<b>Liabilities disclosed fair value</b>				
Loans from financial institution - fixed interest rates	-	64	-	64

(Unit: Million Baht)

Separate financial statement

31 December 2020

	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Lands	-	279	-	279
<b>Liabilities disclosed fair value</b>				
Loans from financial institution - fixed interest rates	-	40	-	40

Valuation techniques and inputs to Level 2 valuation

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

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

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

60



### 30. Financial instruments

#### 30.1 Financial risk management

The Group's financial instruments, principally comprise cash and cash equivalents, current investments, trade and other receivables, lease receivables, share return receivables, restricted deposits of financial institution, trade and other payables, liabilities under finance lease agreements, and loans. The financial risks associated with these financial instruments and how they are managed is described below.

##### ***Credit risk***

The Group is exposed to credit risk primarily with respect to deposit at financial institutions trade and other receivables and share return receivables. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Group does not have high concentrations of credit risk since their businesses are sales and services to minor customers. The maximum exposure to credit risk is limited to the carrying amounts of deposit at financial institutions, trade and other receivables, and share return receivables as stated in the statements of financial position.

##### ***Trade receivables***

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and does not hold collateral as security. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

##### ***Cash deposits***

The credit risk on debt instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.





### Interest rate risk

The Group's exposure to interest rate risk relates primarily to their deposit at financial institutions, restricted deposits of financial institution, bank overdrafts from financial institution, short-term loans from related parties, loans, and liabilities under finance lease agreements. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statement							
31 December 2021							
Fixed interest rates							
At call	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Interest rate (% per annum)
<u>Financial assets</u>							
Cash and cash equivalent				107	3	110	0.05 - 0.38
Trade and other receivables					15	15	
Share return receivables					41	41	
				107	59	166	
<u>Financial liabilities</u>							
Trade and other payables					37	37	
Lease liabilities	175	580	243			998	2.04 - 3.44
Long-term loans	4			518		552	Note 17
	179	580	243	518	37	1,557	

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62

บริษัท สยามเวลเนส จำกัด  
SIAM WELLNESS GROUP PCL

(Unit: Million Baht)

## Separate financial statement

31 December 2021

## Fixed interest rates

	At call	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Interest rate (% per annum)
<b>Financial assets</b>								
Cash and cash equivalent					77	3	80	0.05 - 0.20
Trade and other receivables						12	12	
Lease receivables			3	23			26	10 - 19
Share return receivables						41	41	
			3	23	77	56	159	
<b>Financial liabilities</b>								
Trade and other payables						50	50	
Long-term loans from related parties			30				30	1.52 - 2.25
Lease liabilities		172	575	243			990	2.04 - 3.44
Long-term loans			4		473		477	Note 17
		172	609	243	473	50	1,547	

(Unit: Million Baht)

## Consolidated financial statement

31 December 2020

## Fixed interest rates

	At call	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Interest rate (% per annum)
<b>Financial assets</b>								
Cash and cash equivalent					110	4	114	0.05 - 0.70
Trade and other receivables						22	22	
Share return receivables						42	42	
Restricted deposits of financial institution		5					5	1.05
		5			110	68	183	
<b>Financial liabilities</b>								
Trade and other payables						45	45	
Lease liabilities		169	682	347			1,198	2.60 - 3.38
Long-term loans	10		58		323		391	Note 17
	10	169	740	347	323	45	1,634	

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(Unit: Million Baht)

Separate financial statement							
31 December 2020							
Fixed interest rates							
At call	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Interest rate (% per annum)
<b>Financial assets</b>							
Cash and cash equivalent				89	2	91	0.05 - 0.70
Trade and other receivables					22	22	
Lease receivables		2	24			26	10 - 19
Share return receivables					42	42	
		2	24	89	66	181	
<b>Financial liabilities</b>							
Trade and other payables					51	51	
Long-term loans from related parties		30				30	1.52 - 2.25
Lease liabilities	166	674	347			1,187	2.60 - 3.38
Long-term loans				366		366	Note 17
	166	704	347	366	51	1,634	

**Interest rate sensitivity**

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of market rate affected as at 31 December 2021 with all other variables held constant.

2021			
Currency	Consolidated and Separate financial statements	Consolidated financial statement	Separate financial statement
	Increase/decrease	Effect on profit before tax	
	(%)	(Million Baht)	(Million Baht)
Baht	0.5	(2.3)	(2.2)
	(0.5)	2.3	2.2



2020			
Currency	Consolidated and Separate financial statements	Consolidated financial statement	Separate financial statement
	Increase/decrease	Effect on profit before tax	
	(%)	(Million Baht)	(Million Baht)
Baht	0.5	(2.4)	(2.3)
	(0.5)	2.4	2.3

The above analysis has been prepared assuming that the amounts loans from and all other variables remain constant over one year. Moreover, the floating legs of these loans are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions and should be used with care.

#### Foreign currency risk

The Group's exposure to foreign currency risk arises from deposit at overseas banks, purchase and service transactions that are denominated in foreign currencies. The Group does not expect to incur material losses from the exchange rates as their businesses are sales and services to minor customers. The Group had no forward contracts outstanding balance as at the end of reporting period.

As at 31 December 2021 and 2020, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currencies	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2021	2020	2021	2020	2021	2020
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US Dollar	7	7	-	-	31.81	30.04
Hong Kong Dollar	706	706	-	-	4.07	3.88
Euro	-	-	-	3	-	36.88
Pound sterling	-	-	1	4	44.44	40.64

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Foreign currencies	Separate financial statements			
	Financial assets		Average exchange rate	
	2021	2020	2021	2020
	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US Dollar	1	-	31.81	-
Hong Kong Dollar	706	706	4.07	3.88

### Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank loans and lease contracts. Approximately 21% of the Group's debt will mature in less than one year at 31 December 2021 (2020: 19%) (the Company only: 21% (2020: 19%)) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and the Group's operating, the Group concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities instruments as at 31 December 2021 based on contractual undiscounted cash flows:

(Unit: Million Baht)

	Consolidated financial statement				
	31 December 2021				
	On Demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Trade and other payables	-	37	-	-	37
Lease liabilities	-	175	580	243	998
Interest on lease liabilities	-	26	58	24	108
Long-term loans	-	114	384	24	522
Interest on long-term loans	-	15	25	1	41
<b>Total</b>	-	367	1,047	292	1,706



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

(Unit: Million Baht)

## Separate financial statement

31 December 2021

	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Trade and other payables	-	50	-	-	50
Lease liabilities	-	172	575	243	990
Interest on lease liabilities	-	26	58	24	108
Long-term loans	-	108	351	18	477
Interest on long-term loans	-	13	22	-	35
Long-term loans - related parties	-	-	30	-	30
Interest on long-term loans - related parties	-	1	5	-	6
<b>Total</b>	-	370	1,041	285	1,696

(Unit: Million Baht)

## Consolidated financial statement

31 December 2020

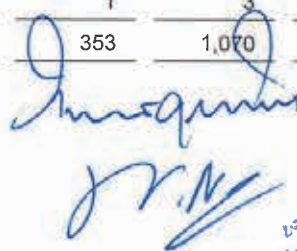
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Trade and other payables	-	45	-	-	45
Lease liabilities	-	169	682	347	1,198
Interest on lease liabilities	-	32	77	32	141
Long-term loans	10	93	288	-	391
Interest on long-term loans	-	10	15	-	25
<b>Total</b>	10	349	1,062	379	1,800

(Unit: Million Baht)

## Separate financial statement

31 December 2020

	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Trade and other payables	-	51	-	-	51
Lease liabilities	-	166	674	347	1,187
Interest on lease liabilities	-	32	76	32	140
Long-term loans	-	93	273	-	366
Interest on long-term loans	-	10	14	-	24
Long-term loans - related parties	-	-	30	-	30
Interest on long-term loans - related parties	-	1	3	-	4
<b>Total</b>	-	353	1,070	379	1,802



**SIAM WELLNESS** 67  
 บริษัท สยามเวลเนส จำกัด (มหาชน)  
 Siam Wellness Public Company Limited

### 30.2 Fair values of financial instruments

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and deposit at financial institutions, trade and other receivables and trade and other payables, their carrying amounts in the statements of financial position approximate their fair values.
- For current investments, their fair values are generally derived from quoted market prices.
- For share return receivables, their carrying amounts in the statements of financial position approximates their fair values.
- Future cash flow by the current market interest rate of the loans with similar terms and conditions. As at 31 December 2021 and 2020, fixed rate long-term loans are detailed below.

(Unit: Million Baht)

	Consolidated financial statements				Separate financial statements			
	Carrying amount		Fair value		Carrying amount		Fair value	
	2021	2020	2021	2020	2021	2020	2021	2020
Long-term loans from financial								
institutions - fixed interest rate	167	68	161	64	123	43	118	40

- For long-term loan carrying interest approximate to the market rate, their carrying amounts in the statements of financial position approximates their fair values.
- For lease receivables and lease liabilities which their interest rates are close to the market rate, their carrying amounts in the statements of financial position approximate their fair values.

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

### 31. Capital management

The primary objective of the Group's capital management is to ensure that they have appropriate capital structure in order to support their businesses and maximise shareholder value. As at 31 December 2021, the Group's debt-to-equity ratio was 2.65:1 (2020: 1.91:1) and the Company's was 2.65:1 (2020: 1.95:1).





**32. Event after the reporting period**

On 15 February 2022, Siam Wellness Group (Cambodia) Co., Ltd., a subsidiary of the Company, received the notice of the application for company dissolution from a relevant authority in Cambodia. Currently, the application is during the consideration by the related authority.

**33. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 28 February 2022.


69



# Part 04

Certificate of Information  
and Data Accuracy  
for Submitting  
One Report



## **Attachment 1**

### **Details of Directors, Management, Company Secretary and Other Key Positions**

Attachment 1

## 1. Details of Directors, Management, Company Secretary and Other Key Position

Name	Age	Education	Share- holding (%)	Relationship with other	Past Working Experiences (5 years)			
					Period	Position	Company / Organization	Business Type
1. Mrs. Pranee Suphawatanakiat	64	Bachelor of Political Science, Ramkhamhaeng University  Training Program - Director Accreditation Program (2013) - Role of the Chairman Program (2014)	9.13%	Sibling of Mrs. Thanit and Mr. Wiboon  Aunt of Mr. Narun	2013 - Present	Chairwoman	Siam Wellness Group Public Co., Ltd	Spa
					2017 - Present	Director	Klomklaw Pattana Co., Ltd	Real Estate
					1989 - Present	Director Executive Director	B.U. Enterprises Co., Ltd	Real Estate and Serviced Apartment
					2010 - Present	Director Executive Director	Asian Fortune Property Co., Ltd	Real Estate
					2013 - Present	Director Executive Director	Cyberprint Group Co., Ltd	Printing Services
					2013 - Present	Director Executive Director	Utsahajit Holdings Co., Ltd	Holding Company investing in Printing Services and Service Apartment

Name	Age	Education	Share-holding (%)	Relationship with other	Past Working Experiences (5 years)			
					Period	Position	Company / Organization	Business Type
2. Mr. Wiboon Utsahajit	58	Bachelor of Computer Science, University of Southern California, Los Angeles, USA  Training - Director Accreditation Program (2013) - Financial Statements for Directors (2014) - Director Certification Program (2014)	11.11%	Sibling of Mrs. Pranee and Mrs. Thanit  Uncle of Mr. Narun	2001-Present	Director / Chairman of Executive Committee Chief Executive Officer	Siam Wellness Group Public Co., Ltd	Spa
					2005-Present	Director Executive Director	Siam Wellness Resort Co., Ltd	Resort and Restaurant
					2013 - Present	Director	Siam Wellness Lab Co., Ltd	Spa Product
					2007 - Present	Director Executive Director	Siam Wellness Education Co., Ltd	Spa Academy
					2011 - Present	Director Executive Director	Asian Fortune Property Co., Ltd	Real Estate
					2010 - Present	Director	Cyberprint Group Co., Ltd	Printing Services
					2013 - Present	Director	Utsahajit Holdings Co., Ltd	Holding Company investing in Printing Services and Service Apartment
					2015 - Present	Vice President	Thai Smart SME Association	Association

Name	Age	Education	Share- holding (%)	Relationship with other	Past Working Experiences (5 years)			
					Period	Position	Company / Organization	Business Type
3. Mr. Polchet Likittanasombat	54	Master of Business Administration, Chulalongkorn University  Bachelor of Electrical Engineering, King Monkut's University of Technology Thonburi  Trainings: - Director Certification Program (2006) - Audit Committee Program (2013)	-	None	2013 - Present	Director Independent Director Chairman of Audit Committee Member of Corporate Governance Committee Chairman of Nomination and Compensations Committee	Siam Wellness Group Public Co., Ltd	Spa
					2021 - Present	Independent Director Chairman of Audit Committee	Union Textile Industries Public Co., Ltd	Textiles
					2017 - 2018	Director	Preecha Group Public Co.,Ltd	Real Estate
					2014 - 2017	Director Executive Director Advisor	AEC Securities Public Co.,Ltd	Securities

Name	Age	Education	Share- holding (%)	Relationship with other	Past Working Experiences (5 years)			
					Period	Position	Company / Organization	Business Type
4. M.R. Pensiri Chakrabandhu	56	Master of Environment Technology Management, Mahidol University  Bachelor of Education, Sirinakharinviroj Pathumwan  Training Director Accreditation Program (2013)	-	None	2013 - Present	Director Independent Director  Member of Audit Committee Member  Chairwoman of Corporate Governance Committee  Member of Nomination and Compensations Committee	Siam Wellness Group Public Co., Ltd	Spa
							Chaipattana Foundation	Non-Profit Organization
							Chaipattana Foundation	Non-Profit Organization
					12 Nov 2018 - Present	Executive Director, Special Projects		
					2013 - 2018	Director, Special Projects		

Name	Age	Education	Share- holding (%)	Relationship with other	Past Working Experiences (5 years)			
					Period	Position	Company / Organization	Business Type
5.Mrs. Kobboon Srichai	55	Master of Business Administration (International Business), Azusa Pacific University, USA  Bachelor of Laws, Thammasat University  Trainings -Director Leadership Certification Program (2020) -Director Certificate Program (2008) -Company Secretary Program (2005)	-	None	2021 – Present	Director Independent Director  Member of Audit Committee  Chairwoman of Risk Committee	Siam Wellness Group Public Co., Ltd	Spa
					2021 - Present	Company Secretary	Charoen Pokphand Foods Public Co.,Ltd	Agriculture and Food
					2020 - Present	Executive Director	Charoen Pokphand Foods Public Co.,Ltd	Agriculture and Food
					1995 - Present	Head of Investor Relations and Capital Market	Charoen Pokphand Foods Public Co.,Ltd	Agriculture and Food
					2016 - Present	Sub-Committee, Consideration of Criteria for Issuance and Offering of Equity Securities	Securities Exchange Commission	Government Agency
					2019 - Present	Working Group, ESG Best Practices for Directors	Institute of Directors	Education

Name	Age	Education	Share- holding (%)	Relationship with other	Past Working Experiences (5 years)			
					Period	Position	Company / Organization	Business Type
6. Mr. Prasert Jiravanstit	59	Bachelor of Marketing Bentley University, Massachusetts, USA  Training - Director Accreditation Program (2013)	10.33%	None	2001 - Present	Director	Siam Wellness Group Public Co., Ltd	Spa
					2017 - Present	Executive		
						Director Member of Executive Committee Managing Director		
					2017 - Present	Director Executive Director	Siam Wellness Resort Co., Ltd	Resort and Restaurant
					2005 - Present	Director Executive Director	Siam Wellness Lab Co., Ltd	Spa Product
					2011 - Present	Director	Siam Wellness Education Co., Ltd	Spa Academy
					2018 - Present	Director	G.G.P. Property Co., Ltd	Real Estate
					2013 - Present	Vice President International Trade Relations Committee Chair	Thai Spa Association	Association



Name	Age	Education	Share-holding (%)	Relationship with other	Past Working Experiences (5 years)			
					Period	Position	Company / Organization	Business Type
7. Mrs. Thanit Amorntrisan	59	Master of Business Administration, Chulalongkorn University  Master of Graphic Design, California State University Los Angeles, USA  Bachelor of Architecture, Chulalongkorn University  Training: - Director Accreditation Program (2013)	8.40%	Sibling of Mrs. Pranee and Mr. Wiboon Aunt of Mr. Narun	2010-Present	Director Executive Director Member of Executive Committee	Siam Wellness Group Public Co., Ltd	Spa
					2017 - Present	Director	Klomklaw Pattana Co., Ltd	Real Estate
					2013 - Present	Director	Siam Wellness Lab Co., Ltd	Spa Product
					2010-Present	Director	Siam Wellness Resort Co., Ltd	Resort and Restaurant
					2010-Present	Director	Asian Fortune Property Co., Ltd	Real Estate
					2013 - Present	Director	Utsahajit Holdings Co., Ltd	Holding Company investing in Printing Services and Service Apartment
					2013 - Present	Director	Cyberprint Group Co., Ltd	Printing Services

Name	Age	Education	Share- holding (%)	Relationship with other	Past Working Experiences (5 years)			
					Period	Position	Company / Organization	Business Type
8. Mr. Narun Wiwattanakrai	34	Master of Business Administration ( Marketing / Strategic Management), Sasin Business School  Bachelor of Arts (Economics / Political Studies), University of Auckland, New Zealand  Trainings - Director Accreditation Program (2013) - Risk Management Program (2014)	3.55%	Nephew of Mrs. Pranee, Mr. Wiboon and Mrs. Thanit	2010 - Present	Director Executive Director Member of Executive Committee Member of Risk Committee Deputy Managing Director	Siam Wellness Group Public Co., Ltd	Spa
					2010 - Present	Director Executive Director	Siam Wellness Resort Co., Ltd	Resort and Restaurant
					2013 - Present	Director Executive Director	Siam Wellness Lab Co., Ltd	Spa Product
					2013 - Present	Director	G.G.P. Property Co.,Ltd	Real Estate
					2010 - Present	Director	Asian Fortune Property Co., Ltd	Real Estate

Name	Age	Education	Share- holding (%)	Relationship with other	Past Working Experiences (5 years)			
					Period	Position	Company / Organization	Business Type
9. Mr. Phumiphan Bunjapamai	57	Doctoral Degree in Business Management Phychology, California School of Professional Psycholo- gy, Los Angeles, Califor- nia, USA  Master Degree in Marketing ,Thammasart University, Bangkok, Thai- land  Bechelor of Business Administration, Major in Management Assumption University, Bangkok, Thailand Training Director Certification Program (DCP 236/2017)	0.052%	None	22 Feb 2021 - Present	Director Independent Director Member of Risk Committee	Siam Wellness Group Public Co.,Ltd	Spa
					2002 - Present	Chairman	TKI Perpetual Company Limited.	Watches
					1994 - Present	Chairman	TKI Trading Company Limited	Watches
					1986 - Present	Chairman	TKI Group, since 1946	Watches
					2013 - Present	Executive Committee Consultant Samutprakarn Chamber of Commerce	The Samutprakarn Chamber of Commerce	Association

Name	Age	Education	Share-holding (%)	Relationship with other	Past Working Experiences (5 years)			
					Period	Position	Company / Organization	Business Type
Ms. Yonlawan Ahemalongkorn	40	Master Degree in Business Administration, Saint Martin's University, Washington, USA  Bachelor degree in Accounting, Thammasat University	-		2012 - Present	Assistant Managing Director (Chief Financial Officer)	Siam Wellness Group Public Co.,Ltd	Spa
Ms. Chutaporn Jiravanstit	31	Master Degree in Marketing, Manchester Business School, University of Manchester, UK  Bachelor degree of Engineering, Chulalongkorn University, Thailand	0.087%	Niece of Mr. Prasert	2015 - 2021	Assistant Chief Operating Officer Operations Manager	Siam Wellness Group Public Co.,Ltd	Spa
					2021 - Present	Assistant Managing Director (Chief Operating Officer)	Siam Wellness Group Public Co.,Ltd	Spa

Name	Age	Education	Share- holding (%)	Relationship with other	Past Working Experiences (5 years)		
					Period	Position	Company / Organization Business Type
Mr. Prin Ekmanochai	49	LLM University of Wisconsin Master of Law, Thammasat University Bachelor of Law, Thammasat University	0.00 %(36,450 shares)	Nephew of Mrs. Pranee, Mr. Wiboon and Mrs. Thanit	2017 - 2020	Legal Director Company Secretary	Siam Wellness Group Public Co.,Ltd Spa
					2021 - Present	Assistant Managing Director (Chief Legal Officer) Legal Director Company Secretary	Siam Wellness Group Public Co.,Ltd Spa

## 2. Details of Directors, Management, Company Secretary and Other Key Position in Subsidiary and Related Companies

Company Name		Company	Subsidiary Companies					Related Companies					
Name			Siam Wellness Resort Co.,Ltd	Siam Wellness Lab Co.,Ltd	Siam Wellness Education Co.,Ltd	Tiger Eyes Trading (Thailand) Co.,Ltd	Blooming Co.,Ltd	Asian Fortune Property Co.,Ltd	B.U. Enterprises Co.,Ltd	Cyberprint Group Co.,Ltd	Utsahajit Holdings Co.,Ltd	Klomkliaw Pattana Co.,Ltd	G.G.P. Property Co.,Ltd
1. Mr. Wiboon Utsahajit		I , II, O	I, II	/	I, II			/		/	/	Ø	
2. Mr. Polchet Likittanasombat		I , III											
3. M.R. Pensiri Chakrabandhu		I , III											
4. Mrs. Kobboon Srichai		I , III											
5. Mr. Phumiphan Bunjapamai		/											
6. Mr. Prasert Jiravanstit		I , II, O	I, II	I, II	/						Ø		/
7. Mrs. Thanit Amorntirasan		I , II, O	/	/				/	/	/	Ø		
8. Mrs. Pranee Suphawatanakiat		X , /						I, II	I, II	I, II	I, Ø		
9. Mr. Narun Wiwattanakrai		I , II, O	I, II	I, II				/			Ø		I, II
10. Ms. Yonlawan Ahemalongkorn		O											
11. Mr. Prin Ekmanochai		O											
12. Ms. Chutaporn Jiravanstit		I,O				/							

Remarks: X - Chairman, / - Director, // - Executive Director, /// - Audit Committee, O - Management, ø -Partner

### 3. Duties and Responsibilities of Company Secretary

The company secretary must perform duties in accordance with the scope of duties and responsibilities under Section 89/15 of the Securities and Exchange Act as follows:

1. Prepare and maintain the following documents:
  - 1.1 Register of Directors
  - 1.2 Invitation to the Board of Directors Meeting board meeting minutes and the company's annual report
  - 1.3 Invitation to the shareholders' meeting and the minutes of the shareholders' meeting
2. Keeping stakeholder reports reported by directors or executives. and send it to the chairman and the chairman of the audit committee within 7 days since the company received that report
3. Other actions as announced by the Capital Market Supervisory Board

## **Attachment 2**

### **Details of Directors of Subsidiary Companies Details of Directors, Management and Other Key Positions in Subsidiary Companies**

## **Attachment 2**



## Details of Directors, Management and Other Key Positions in Subsidiary Companies

Name		Subsidiary Companies			
		Siam Wellness Resort Co., Ltd	Siam Wellness Lab Co., Ltd	Siam Wellness Education Co., Ltd	Tiger Eyes Trading (Thailand) Co., Ltd
1. Mr. Wiboon Utsahajit	/, //, O	/, //	/	/, //	
2. Mr. Polchet Likittanasombat	/ , ///				
3. M.R. Pensiri Chakrabandhu	/ , ///				
4. Mrs. Kobboon Srichai	/,///				
5. Mr. Phumiphan Bunjapamai	/				
6. Mr. Prasert Jiravanstit	/ , //, O	/ , //	/ , //	/	
7. Mrs. Thanit Amorntirasan	/ , //, O	/	/		
8. Mrs. Pranee Suphawatanakiat	X , /				
9. Mr. Narun Wiwattanakrai	/ , //, O	/ , //	/ , //		
10. Ms. Yonlawan Ahemalongkorn	O				
11. Mr. Prin Ekmanochai	O				
12. Ms. Chutaporn Jiravanstit	/ , O				/

**Remarks:** X - Chairman, / - Director, // - Executive Director, /// - Audit Committee, O - Management

### **Attachment 3**

## **Details of Head of Internal Audit and Company's Internal Audit**

### **Attachment 3**

## Details of Head of Internal Audit and Company's Internal Audit

Title	Details
Internal Audit (Outsource)	: P&L Internal Audit Company Limited 2nd Floor, The Fifth Avenue, B Building 281/158 Krungthep-Nonthaburi Road, Bangkhen sub-district, Muang district, Nonthaburi 11000 Tel. 02-526-6100 Fax 02-526-0300
Head of Internal Audit	: Ms. Monpat Bhumrattanajarin
Education	: • Master of Accounting (Management Accounting), Chulalongkorn University • Bachelor of Accounting, Dhurakij Bundit University
Work Experience	- Vice President, P&L Internal Audit Company Limited - Senior Internal Audit Manager, P&L Internal Audit Company Limited - Internal Audit Manager, P&L Internal Audit Company Limited - Marketing Officer, Zmico Securities Public Company Limited - Assistant Teacher, Dhurakij Bundit University - Accountant Staff, Sustainable Energy under Ashram Energy Association
Internal Audit Records	: Listed Company in Stock Exchange of Thailand TNR: Thai Nippon Industries Public Co., Ltd FN: FN Outlet Public Co., Ltd EKH: Ekachai Hospital Public Co., Ltd TKN: Tao Kae Noi Food & Marketing Public Co., Ltd NOK: Nok Air Public Co., Ltd SAWAD: Srisawad Corporation Public Co., Ltd JMART: Jay Mart Public Co., Ltd J: JAS Asset Public Co., Ltd JMT: JMT Network Services Public Co., Ltd SAPPE: Sappe Public Co., Ltd PCSGH: P.C.S. Machine Group Holdings Public Co., Ltd PLANB: Plan B Media Public Co., Ltd TVO: Thai Vegetable Oil Public Co., Ltd ACE: Absolute Clean Energy Public Co., Ltd SFLEX: Starflex Public Co., Ltd PRIME: Prime Road Power Public Co., Ltd TACC: T.A.C. Consumer Public Co., Ltd RP: Raja Ferry Port Public Co., Ltd PLANET: Planet Communication Asia Public Co., Ltd SEAOIL: Seaoil Public Co., Ltd UEC: Unimit Engineering Public Co., Ltd SPA: Siam Wellness Group Public Co., Ltd SISB: SISB Public Co., Ltd SAAM: SAAM Energy Development Public Co., Ltd TPS: The Practical Solutions Public Co., Ltd KASET: Thai Ha Public Co., Ltd

Attachment 3

Title	Details
	SWC: Sherwood Corporation (Thailand) Public Co., Ltd APP: Applicad Public Co., Ltd KUN: Villa Kunalai Public Co., Ltd YGG: Yggdrasil Group Public Co., Ltd SA: Siamese Asset Public Co., Ltd TTG: Thai Technoglass Public Co., Ltd ADD: Addtech Hub Public Co., Ltd SNNP: Srinanaporn Marketing Public Co., Ltd STEC: Siam Technique Concrete Public Co., Ltd TRV: T.R.V. Rubber Products Public Co., Ltd
Certificate	<ul style="list-style-type: none"> <li>- Certified Professional Internal Audit of Thailand – CPIAT, IIAT</li> <li>- Internal Auditing Certificate Program – IACP, TFAC)</li> <li>- SME Independent Auditor Certification, IOD</li> <li>- ICDL Data Protection Certification, DDTI</li> </ul>
Training	<ul style="list-style-type: none"> <li>- Update tax relief measures and important issues of financial reporting standards by Rajamangala University of Technology Rattanakosin</li> <li>- Solve corporate income tax complaints by the Faculty of Commerce and Accountancy Chulalongkorn University</li> <li>- Personal Data Protection Laws For Internal Audit (PDPA for Internal Audit) Class 6 by the Political Science Association of Kasetsart University</li> <li>- Ethical Audit, Association of Internal Auditors of Thailand (IIAT)</li> <li>- Techniques for developing Risk Universe and Audit Universe based on business processes for manufacturing enterprises Association of Internal Auditors (IIAT)</li> <li>- IA's New Value Proposal During and After the Crisis, Association of Internal Auditors of Thailand (IIAT)</li> <li>- Audits and Audit Considerations When Entities Use Computers to Process Data, Class 2/2018, Federation of Accounting Professions Under the Royal Patronage of His Majesty the King (TFAC)</li> <li>- Tax Accountant (Full Course) Federation of Accounting Professions Under the Royal Patronage of His Majesty the King (TFAC)</li> <li>- 108 Inheritance Tax VAT Issues Income tax from receiving from affection and update new tax law 2014-2015 The Revenue Department</li> <li>- Training program for obtaining a certificate in internal auditing, class 17, Federation of Accounting Professions Under the Royal Patronage (TFAC)</li> <li>- Developing the potential of accounting firms to meet quality standards by the Department of Business Development Department of Commerce (DBD)</li> <li>- Business Management for Internal Audit in the Digital 4.0 era, version 6, Federation of Accounting Professions Under the Royal Patronage of His Majesty the King (TFAC)</li> <li>- Preparation of auditors and internal auditors for "Working Paper for Better Corruption Prevention" Thai Institute of Directors Association (IOD)</li> <li>- Financial Statements Review for Internal Auditors, Class 1/2017, Federation</li> </ul>

## Attachment 3

Title	Details
	<p>of Accounting Professions Under the Royal Patronage of His Majesty the King (TFAC)</p> <ul style="list-style-type: none"> <li>- Accountants comply with the law No. 1/2017 The Revenue Department</li> <li>- IPO Focus "Effective Internal Control for Success IPO" Thai Institute of Directors Association (IOD)</li> <li>- In depth NPAE financial reporting standard with different issues with IFRS for SME, Federation of Accounting Professions Under the Royal Patronage of His Majesty the King (TFAC)</li> <li>- Integrated Audit 1/2018 Federation of Accounting Professions Under the Royal Patronage of His Majesty the King (TFAC)</li> <li>- Internal Audit Training Program To prepare to be International Certified Internal Auditors, Class 18 and Model 27 (Pre-CIA), Chulalongkorn University</li> <li>- Training Analysis Fundamental Information in Financial market and stock market</li> <li>- Thailand Securities Institute (TSI)</li> </ul>
Responsibilities	<ol style="list-style-type: none"> <li>1. Review the risk assessment. and internal control systems, which operate at two levels, namely the organizational level and the activity level. to summarize the adequacy of the Company's existing internal control system under the circumstances, business plans, regulations, laws and environmental factors both internally and externally</li> <li>2. Prepare an internal audit plan proposed to the Audit Committee</li> <li>3. Verify the Company's operations and compare it with the work system manual. company policy and various legal regulations related to business according to the core business process To summarize the efficiency and effectiveness of the internal control system according to the internal audit plan. and provide suggestions on findings from internal audits</li> <li>4. Internal audit results report and provide feedback on the findings</li> </ol>

## **Attachment 4**

### **Details about the property appraisal list**

**Attachment 4**

There is no information in this section.  
As the information appears in Part 1, Chapter 1, Structure of the Group,  
Clause 1.2.3 Assets Used in Business Operations

**Attachment 5**  
**Other Information**

**Attachment 5**



**None**

**SIAM WELLNESS GROUP PLC.**

565, 567 22 Floor B.U. Place Hotel Soi Suthiporn Prachasongkroah Road,  
DinDaeng, DinDaeng, Bangkok, THAILAND 10400

Tel 02 641 6619-20

[www.siamwellnessgroup.com](http://www.siamwellnessgroup.com)