

Management Discussion and Analysis

13 May 2025

Overview

1Q25 Performance

Summary: Minor International Public Company Limited (“MINT”) achieved a historic milestone in 1Q25 by recording its first-ever first-quarter core profit since the integration with Minor Hotels Europe & Americas in 2018, a notable achievement given the seasonality-driven losses typically experienced in the European hotel industry during this period.

In 1Q25, core revenue decreased slightly by 2% y-y to Baht 36,738 million, primarily due to the appreciation of the Thai Baht against the Euro. Adjusted for the impact of foreign exchange translation, core revenue would have grown by 3%, reflecting the sustained recovery in global travel, rising contributions from Minor Hotels’ strategically diversified portfolio and continued strength across Minor Food’s leading brands.

The aforementioned currency translation effect resulted in stable core EBITDA of Baht 8,382 million. Excluding this impact, core EBITDA showed a 6% increase, compared to the same period of the previous year. Robust hotel operations in Thailand, Europe and the Maldives, as well as strong performance from the restaurant business in Thailand led the growth.

MINT recorded a positive core profit of Baht 50 million in 1Q25, its first in the first quarter despite low seasonality in its primary European operations. The outstanding results represented a significant y-y turnaround from a core loss of THB 352 million in 1Q24. The stronger underlying performance in both hotel and restaurant segments, coupled with lower financial costs resulting from reduced debt levels and lower cost of funds contributed to this bottom-line recovery.

Including non-core items, as outlined in the appendix, reported revenue in 1Q25 saw 1% decrease to Baht 37,596 million as a result of translation impact from THB appreciation. Reported EBITDA and net profit declined by 12% and 64%, respectively, mainly due to accounting foreign exchange gains from hedging and derivatives recorded in 1Q24, compared to a small loss in 1Q25.

Minor Hotels remained the dominant contributor, accounting for 78% of core revenue in 1Q25.

<i>Bt million</i>	1Q25	1Q24	%Chg
Core*			
Total Revenue**	36,738	37,649	-2
Total EBITDA	8,382	8,353	0
EBITDA Margin	22.8	22.2	
Total Net Profit	50	-352	-114
Net Profit Margin	0.1	-0.9	

As Reported

Total Revenue**	37,596	38,050	-1
Total EBITDA	8,710	9,923	-12
EBITDA Margin	23.2	26.1	
Total Net Profit	417	1,146	-64
Net Profit Margin	1.1	3.0	

* Exclude non-core items as detailed in the appendix

** Include share of profit and other income

1Q25	% Core Revenue Contribution	% Core EBITDA Contribution
Hotel & Mixed-use	78	78
Restaurant Services	22	22
Total	100	100

* Exclude non-core items as detailed in the appendix

Major Developments in 1Q25

Restaurant

- Closed 8 outlets, net q-q, primarily Coffee Journey in Thailand, following the exit of the partnership as the partner sold the business to a third party, and The Coffee Club in Australia, in line with efforts to enhance franchisee profitability through a more focused store network
- Launched a new artisanal Neopolitan pizza brand- Extra Virgin Pizza in Singapore
- Introduced franchised store of GAGA in Laos

Hotel & Mixed-Use

- Opened a total of 5 hotels q-q
 - Elewana: One JV hotel in Tanzania
 - Oaks: Two management letting right hotels in Australia
 - NH Collection: One managed hotel in Italy
 - NH: One managed hotel in Thailand

Corporate

- Fitch Ratings revised the outlook of Minor Hotels Europe & Americas to 'positive' from 'stable' and affirmed the rating at 'BB-'
- TRIS Rating upgraded MINT's company rating and the ratings on its outstanding senior unsecured debentures to 'A+', up from 'A'.

Segment Performance

Hotel & Mixed-use Business

Hotel Business

At the end of 1Q25, MINT owns 369 hotels and manages 193 hotels and serviced suites in 57 countries. Altogether, these properties have 81,092 hotel rooms and serviced suites, including 55,322 rooms that are equity-owned and leased and 25,770 rooms that are purely-managed under the Company's brands including Anantara, Avani, Oaks, Tivoli, NH Collection, NH, nhow and Elewana Collection. Of the total, 5,960 rooms in Thailand accounted for 7%, while the remaining 75,132 rooms or 93% are located in 56 other countries in Asia, Oceania, Europe, the Americas and Africa.

	1Q25	Chg q-q	Chg y-y
Owned Equity*	55,322	-502	-1,154
- Thailand	3,558	0	-233
- Overseas	51,764	-502	-921
Management	25,770	250	2,725
- Thailand	2,402	95	874
- Overseas	23,368	155	1,851
Total Hotel Rooms	81,092	-252	1,571

* Owned equity includes all hotels which are majority-owned, leased and joint-venture.

	1Q25	Chg q-q	Chg y-y
Owned Hotels	18,251	-271	-892
Leased Hotels	35,238	-227	-374
Joint-venture Hotels	1,833	-4	112
Managed Hotels	18,455	62	2,093
MLRs*	7,315	188	632
Total Hotel Rooms	81,092	-252	1,571

* Properties under management letting rights in Australia and New Zealand

Hotel Performance Analysis by Ownership

Overall Hotel Portfolio

In 1Q25, THB experienced a significant appreciation against major currencies, including an 8% increase against the EUR, 5% against the USD, and 9% against the AUD, compared to the same period in the previous year. As a result of this currency appreciation, reported THB RevPAR registered a modest y-y decrease of 1%, attributable solely to the strengthening of the THB. Excluding the impact of foreign exchange translation, RevPAR would have shown y-y growth, supported by improved performance across hotels in Thailand, Europe, and the Maldives.

Owned & Leased Hotels

MINT's owned and leased hotels, which accounted for approximately 81% of core hotel and mixed-use revenues in 1Q25, recorded a 1% y-y increase in system-wide RevPAR in THB terms. Adjusted for the THB appreciation, RevPAR growth would have been more pronounced, driven by Minor Hotels' ability to capture the ongoing increase in travel demand and enhance its offerings, resulting in rising room rates across key markets.

Europe & Americas: RevPAR rose 8% y-y in EUR terms, supported by continued strength in both leisure and corporate travel segments, together with property upgrades. The average occupancy rate increased to 64% in 1Q25 from 62% in the same period last year, while the average room rate rose 4% y-y to EUR 131. All regions in Europe posted strong RevPAR growth, led by Benelux, followed by Spain, Italy, and Central Europe.

During the quarter, Minor Hotels strengthened its footprint via asset-light model with the opening of NH Collection Alagna Mirtillo Rosso in Italy, a luxurious family retreat hotel offering year-round appeal, with skiing in winter and a wide range of summer activities.

Asia: Thailand's RevPAR increased 10% y-y in 1Q25, driven primarily by higher room rates. Hotels in the upcountry performed well, supported by Minor Hotels' focus on high-spending source markets such as the UK, Russia, and Israel.

In the Maldives, RevPAR maintained its recovery momentum, marking positive y-y growth for a second consecutive quarter, increasing by 18% in 1Q25. The average occupancy rate rose significantly to 68% from 49% in the same quarter last year, thanks to effective sales initiatives focused on experiential offerings that attracted guests to the properties.

A notable opening in Asia during the quarter was the successful conversion and opening of NH Bangkok Asoke in Thailand, marking the continued expansion of the NH brand in the region.

Management Letting Rights (MLRs) in Australia and New Zealand

RevPAR in AUD of the MLR portfolio which contributed 8% of MINT's core hotel and mixed-use revenues in 1Q25 fell 6%, affected by a high comparison base due to major events such as concerts and the Formula 1 Grand Prix in Melbourne and Sydney concentrated in the first quarter of the previous year, and the adverse impact of Cyclone Alfred.

During the quarter, Oaks R Suites Geelong and Oaks Vue Suites Geelong were newly launched, marking a key milestone in growth strategy in Victoria. Both properties boast a prime location in the heart of Geelong, just a short stroll from the city's vibrant waterfront cafes, restaurants and popular Eastern Beach.

Management Contracts

The management contract portfolio, accounting for 3% of MINT's core hotel and mixed-use revenues in 1Q25, saw system-wide RevPAR 5% lower y-y in THB terms. The y-y decline was partly due to the appreciation of the THB against other currencies compared to the previous year, along with the integration of newly opened hotels that are in the initial phase of operational optimization.

(System-wide)		Occupancy (%)	
	1Q25		1Q24
Owned Hotels	64		63
Joint Ventures	41		41
Managed Hotels	62		63
MLRs*	79		82
Average	65		64
		ADR (Bt/night)	
(System-wide)			
	1Q25		1Q24
Owned Hotels	5,181		5,287
Joint Ventures	11,198		10,274
Managed Hotels	6,109		6,376
MLRs*	4,922		5,537
Average	5,397		5,566

(System-wide)	RevPar (Bt/night)	
	1Q25	1Q24
Owned Hotels	3,340	3,306
Joint Ventures	4,536	4,227
Managed Hotels	3,791	3,989
MLRs*	3,881	4,545
Average	3,496	3,548

* Properties under Management Letting Rights in Australia & New Zealand

Mixed-Use Business

MINT's mixed-use business includes plaza and entertainment, residential development, vacation club businesses, restaurants in the UK, and retail trading. The Company owns and operates three shopping plazas in Bangkok, Phuket and Pattaya, along with seven entertainment outlets in Pattaya, including the famous Ripley's Believe It or Not Museum and The Louis Tussaud's Waxworks.

MINT's residential development business develops and sells properties alongside its hotels. There are currently five ongoing projects in Thailand and Malaysia, along with an office development project to sustain future real estate growth.

Anantara Vacation Club (AVC), MINT's point-based vacation club, had a total inventory of 358 units across Thailand, New Zealand, Indonesia, China and the UAE by the end of 1Q25. Membership increased by 4% y-y to 19,133 members.

The Wolseley Hospitality Group operates nine restaurants in the UK including The Wolseley, Delaunay, Brasserie Zedel, Colbert, Fischers, Bellanger, Soutine, Manzi's, and Wolseley City.

For retail trading business, MINT is one of Thailand's largest distributors of lifestyle brands. Its brands include Anello, Bossini, Charles & Keith, Crash, BergHOFF, Joseph Joseph, Pop Mart, Zwilling J.A. Henckels and Minor Smart Kids.

Overall Hotel & Mixed-Use Financial Performance Analysis

In 1Q25, core revenue from hotel & mixed-use operations decreased slightly by 3% y-y to Baht 28,722 million, solely attributable to appreciation of THB against other currencies, particularly EUR, compared to last year. Without the impact of foreign exchange translation, revenue would have shown a 4% y-y growth, reflecting stronger performance in hotels across Europe, Thailand and the Maldives from increased travel demand and an effective dynamic pricing strategy. Core revenue from hotel operations and related services reported a 3% y-y decline for the same FX-related reasons, while management income surged by 16% y-y, supported by new hotel management contracts added during the year. Mixed-use revenue fell by 8% y-y, largely due to lower residential sales income, which was a result of the timing of unit transfers, along with lower revenue from Minor Lifestyle, despite higher share of profit contribution from Pop Mart.

Core EBITDA rose by 1% y-y to Baht 6,563 million and would have seen stronger growth at 7% without FX effects. This increase was a result of improved underlying profitability in hotels located in Europe, Thailand and the Maldives. Consequently, core EBITDA margin in 1Q25 improved to 22.8%, up from 22.0% in the same period last year.

<i>Bt million</i>	1Q25	1Q24	%Chg
Hotel & related services **	25,640	26,436	-3
Management fee	797	684	16
Mixed-use	2,286	2,486	-8
Total Revenue	28,722	29,606	-3
EBITDA	6,563	6,513	1
EBITDA Margin (%)	22.8	22.0	

* Exclude non-core items as detailed in the appendix

** Include share of profit and other income

Restaurant & Manufacturing Businesses

At the end of 1Q25, MINT's total restaurants reached 2,717 outlets, consisting of 1,433 equity-owned outlets (53% of total) and 1,284 franchised outlets (47% of total). Out of these, 2,109 outlets (78%) are under Thailand hub, with the remaining 608 outlets (22%) overseas across 23 countries in Asia, Oceania, the Middle East, United Kingdom, Europe, and Canada.

	1Q25	Chg q-q	Chg y-y
Owned Equity	1,433	7	61
Franchise	1,284	-15	-5
Total Outlets	2,717	-8	56

	1Q25	Chg q-q	Chg y-y
Thailand*	2,109	0	71
China	128	-2	-5
Australia	297	-9	-18
Others	183	3	8
Total Outlets	2,717	-8	56

* Thailand hub includes stores in CLMV, Japan and Indonesia

	1Q25	Chg q-q	Chg y-y
The Pizza Company	596	-1	9
Swensen's	377	0	16
Sizzler	74	-1	0
Dairy Queen	569	4	31
Burger King	128	-2	-1
The Coffee Club	372	-11	-20
Sanook Kitchen	106	3	10
Riverside	132	-2	-8
Benihana	21	0	1
Bonchon	122	0	1
Coffee Journey	72	-7	-16
GAGA	70	8	23
Others*	78	1	10
Total Outlets	2,717	-8	56

* Others include restaurants at the airport under MINT's 51% JV, "Select Service Partner", restaurants in the UK under "Patara" brand and "Poulet" brand

Hub Performance Analysis

In 1Q25, Minor Food's group-wide total-system-sales (including sales from franchised outlets) remained relatively stable (-0.5%) y-y. This performance was supported by the expansion of store networks in Thailand and Singapore. However, overall same-store-sales fell by 2.3% y-y, largely due to the shifting of marketing campaign launches, together with external factors such as the earthquake in Thailand, cyclone in Australia and subdued consumer sentiment in China.

Thailand

In Thailand (excluding CLMV countries), total-system-sales grew by 1.8% y-y in 1Q25, primarily driven by network expansion. Overall same-store-sales were 1.3% lower than those in the same period of previous year, impacted by a combination of the shift of marketing campaign launches for ice-cream brands following unusually cold weather in Thailand and limited disruptions to operating hours during the final week of March due to the Myanmar earthquake. Despite these temporary challenges, sales of key hot chain brands remained strong, supported by successful new product launches and initiatives aimed at increasing customer visits.

Singapore

Total-system-sales in Singapore increased by 2.3% y-y in 1Q25, fueled by the expansion of existing brands such as Sanook Kitchen and Go Ang Chicken Rice and the introduction of a new concepts including Battercatch, Cafe Jubilant, Vicoletto Osteria, Moon Moon, Chil Chil, and Extra Virgin Pizza. However, same-store sales fell by 8.0% y-y, largely due to the temporary closure of high-traffic outlets for renovation, including key locations under Poulet and Riverside brands.

China

China hub experienced total system sales and same-store-sales declines of 4.0% and 5.4%, respectively, in 1Q25. The slowdown was a result of ongoing macroeconomic challenges, weakened consumer confidence and selected store closures. On a more positive note, Shanghai showed positive same-store sales growth in February, driven by improved mall traffic following the issuance of government's consumption vouchers. The hub continued to drive innovation through new core menu items, side dishes, and desserts to enhance value propositions and boost traffic.

Australia

In Australia, total system sales declined by 6.0% while same-store were down 1.3% y-y in 1Q25, reflecting a combination of reduced store count, temporary store closures caused by Cyclone Alfred and softer consumer sentiment amid broader economic pressures. Nevertheless, the strong performance in contract roasting of NOMAD Coffee Group helped cushion the impact, while ongoing efforts in brand and store refresh are also supporting long-term value creation.

%	1Q25	1Q24
Average Same-Store-Sales Growth	-2.3	-3.4
Average Total-System-Sales Growth	-0.5	2.7

Note: Calculation based on local currency to exclude the impact of foreign exchange

Financial Performance Analysis

In 1Q25, Minor Food's total core restaurant revenue remained stable y-y at Baht 8,015 million. Revenue growth in Thailand and Australia was offset by softer performance in China and income from joint ventures, together with the impact of THB appreciation against other currencies. After adjusting for the foreign exchange impact, total core restaurant revenue increased by 2% y-y. In Thailand, network expansion supported revenue growth while increased contract roasting operations under NOMAD was the main driver for Australia's revenue improvement. Franchise income reported a decrease of 5% y-y to Baht 365 million, due to foreign exchange impact and a reduced number of franchised outlets in Australia, in line with a more focused store network to enhance franchisee profitability.

Core EBITDA was down slightly by 1% y-y to Baht 1,819 million. Excluding foreign exchange effects, EBITDA showed a 2% increase, mainly supported by contributions from the Thailand and Australia operations. Profitability dipped only marginally, with core EBITDA margin decreasing to 22.7% in 1Q25, compared to 22.9% in 1Q24.

<i>Bt million</i>	1Q25	1Q24	%Chg
Revenue from Operation**	7,650	7,660	0
Franchise Fee	365	383	-5
Total Revenue	8,015	8,043	0
EBITDA	1,819	1,840	-1
EBITDA Margin (%)	22.7	22.9	

* Exclude non-core items as detailed in the appendix

** Includes share of profit and other income

Balance Sheet & Cash Flows

At the end of 1Q25, MINT reported total assets of Baht 355,544 million, an increase of Baht 8,699 million from Baht 346,845 million at the end of 2024. The increase was attributable to:

- (1) Baht 1,189 million increase in cash and cash equivalents, mainly from cash flows from operations, receipts from short-term borrowings from financial institutions, and proceeds from asset sales,
- (2) Baht 1,594 million increase in trade and other receivables,
- (3) Baht 1,684 million increase in property, plant and equipment and Baht 2,399 million increase in intangible assets from asset additions, along with gains on translation adjustment and
- (4) Baht 3,313 million increase in right-of-use assets as a result of the application of the amendment to TFRS 16 relating to lease liabilities in a sale and leaseback operation.

These were partially offset by Baht 2,608 million decrease in non-current assets classified as held-for-sale as a result of disposal of two hotels in Portugal and Germany.

Total liabilities were Baht 257,227 million at the end of 1Q25, up from Baht 247,708 million at the end of 2024, increased of Baht 9,518 million. This increase was primarily driven by:

- (1) Baht 3,088 million increase in interest bearing debt due to borrowings from financial institutions to support activities during typically low season in Europe, as well as unrealized loss on exchange rates, adjusted fair value under hedge accounting and translation adjustments recorded on borrowings and debentures and

- (2) Baht 4,054 million increase in lease liabilities as a result of the application of the amendment to TFRS 16 relating to lease liabilities in a sale and leaseback operation.

These were partially offset by Baht 2,362 million decrease in trade and other current payables.

Shareholders' equity decreased by Baht 819 million, from Baht 99,137 million at the end of 2024 to Baht 98,317 million at the end of 1Q25 amidst Europe low season, mainly due to interest payments of Baht 856 million on perpetual bonds.

For the first three months of 2025, MINT and its subsidiaries reported positive cash flows from operations of Baht 5,797 million, a slight decrease of Baht 451 million y-y, largely attributed to shortened payment days across Europe.

Cash flows received in investing activities was Baht 664 million, primarily due to of Baht 2,625 million proceeds from disposal of two hotels in Portugal and Germany, offset by:

- (1) The acquisition of two hotels in Australia amounting of Baht 296 million,
- (2) Baht 163 million allocated to further investments in Pop Mart, along with an increase in the stake in Australian coffee roasting business from 22.5% to 50% and
- (3) Baht 1,849 million in ongoing capital expenditures for hotel and restaurant projects.

The Company reported net cash used for financing activities of Baht 5,615 million in 1Q25, primarily due to:

- (1) Repayment of lease liabilities totaling Baht 3,142 million and
- (2) Cash paid for interest expenses on debt of Baht 2,823 million and on perpetual debentures of Baht 856 million

These were partially offset by net receipts of Baht 1,217 million in borrowings from financial institutions.

In summary, cash flows from operating, investing and financing activities resulted in a y-y net increase of MINT's net cash and cash equivalents by Baht 846 million in 1Q25. MINT's cash and cash equivalents at the end of 1Q25 stood at Baht 14,508 million.

Free cash flow, defined as operating cash flow net of lease liability repayment, interest payments (including those to perpetual bond holders) and net CAPEX, was negative at Baht 360 million in 1Q25, mainly due to regular seasonality of the European tourism business. However, the figures improved from negative free cash flow of Baht 2.8 billion in 1Q24.

Financial Ratio Analysis

MINT's gross profit margin decreased to 40.8% in 1Q25 from 41.3% in 1Q24, primarily due to reduced restaurant profitability from temporary closure of high-traffic outlets for renovations in Singapore and temporary store closures caused by Cyclone Alfred in Australia. Core net profit margin turned positive to 0.1% from core losses in the same period of last year.

Return on Equity (core basis) rebounded to positive territory at 0.2% in 1Q25, driven by travel demand and restaurant dine-in business, coupled with MINT's ability to expand profitability. The positive trend extended to return on assets (on a core basis), with a transition from a negative 0.4% in 1Q24 to a positive 0.1% in 1Q25.

Collection Period shortened drastically to 26 days in 1Q25 from 42 days in 1Q24, mainly due to lower account receivables balance following the sales of Anantara Vacation Club's account receivables as part of MINT's strategic financial management in 4Q24. Inventory Days increased slightly to 22 days in 1Q25, up from 20 days in 1Q24, from a higher inventory level required for new marketing campaigns of restaurant brands. Accounts Payable Days decreased to 68 days from 75 days a year ago, due to regulatory adjustments in Europe mandating shorter payment cycles for food and beverage suppliers. The current ratio remained stable at 0.7x at the end of 1Q25, compared to the figure at the end of 2024 as current asset grew in tandem with current liabilities.

Net interest-bearing debt to equity ratio increased only marginally to 0.83x at the end of 1Q25 from 0.80x at the end of 2024. The increase was mainly attributable to translation adjustments on borrowings and debentures following a THB depreciation q-q. Consequently, net debt to EBITDA increased slightly to 4.53x as at end 1Q25 from 4.32x at the end of 2024. On a positive note, the interest coverage ratio increased from 3.4x in 1Q24 to 3.6x in 1Q25, primarily due to lower interest expenses resulting from reduced debt levels and lower cost of funds.

	31 Mar 25	31 Mar 24
Profitability Ratio		
Gross Profit Margin (%)	40.8	41.3
Net Profit Margin (%)	1.1	3.0
Core Net Profit Margin* (%)	0.1	-0.9
Efficiency Ratio	31 Mar 25	31 Mar 24 (Restated)
Return on Equity* (%)	0.2	-1.6
Return on Assets* (%)	0.1	-0.4
Collection Period (days)	26	42
Inventory (days)	22	20
Accounts Payable (days)	68	75
Liquidity Ratio	31 Mar 25	31 Dec 24
Current Ratio (x)	0.7	0.7
Leverage & Financial Policy	31 Mar 25	31 Dec 24
Interest Bearing Debt/Equity (x)	0.97	0.93
Net Interest Bearing Debt/Equity (x)	0.83	0.80
Net Interest Bearing Debt/EBITDA(x)	4.53	4.32
	31 Mar 25	31 Mar 24
Interest Coverage (x)	3.6	3.4

* Exclude non-core items as detailed in the appendix

Management's Outlook

Looking ahead, MINT maintains a cautiously optimistic outlook for the prospects of our hotel and restaurant operations. To date, we have not observed any significant change in demand while operational trends for 2Q25 have remained consistent with our expectations. We continue to build on the strong progress made in 1Q25. Positive growth in RevPAR has been recorded for April, particularly across our key markets in Europe (low single-digit growth), Thailand (high single-digit growth) and the Maldives (double-digit growth). This performance has been driven by demand from both leisure and business travel segments. As the ongoing effects of U.S. trade policy remain fluid and evolving, we are closely monitoring any macroeconomic and geopolitical challenges that could potentially impact our operations.

Resilience Through Diversification

MINT's diversified portfolio, spanning multiple regions, continues to provide a buffer against external volatility and enhances earnings visibility. The strength of our feeder markets, with a broad and varied customer base from both domestic and international sources, enables us to avoid over-reliance on any single market. Combined with our strong premium positioning, we are confident in our ability to navigate through any challenges as our upscale and luxury guests witnessed remaining active even during periods of uncertainty. At the same time, Minor Food continues to demonstrate resilience, with casual dining and quick-service restaurants across different price points, agile marketing and pricing campaigns, and a broad portfolio of brands that cover both hot food, desserts and beverages, catering to a wide range of consumer preferences and occasions.

Our strategy of embracing asset-light models further supports our flexibility in this dynamic environment. This model allows us to reallocate capital quickly, adjust our footprint with minimal disruption, and maintain operational agility across diverse markets. Additionally, the scale of our operations provides a significant advantage. Our key hubs, including Europe through the MHEA platform, Thailand as our home base, and other high-potential markets continue to drive operational efficiency and stability throughout the group.

Cost Management

To enhance our financial resilience, MINT remains committed to optimizing operating costs and improving efficiency across our hotel and restaurant properties, ensuring that these efforts do not compromise the guest and customer experience or the high standards of our brands.

Our centralized cost management strategy across business units and geographies provides us with significant leverage, not only in procurement but also in labor and other operating expenses. This integrated approach allows us to manage inventory efficiently, optimize workforce deployment and contain overall cost pressures. With diversified supply sources for each product category, we are well-positioned to mitigate supply chain disruptions. While we do not anticipate any escalation in the price of key raw materials following the announcement of U.S. trade policies, our procurement team has acted swiftly to secure more favorable terms from suppliers with excess inventory in impacted markets and have implemented labor productivity measures, resulting in improved cost efficiency across several areas of our operations.

On the operational front, while the new U.S. tariffs may lead to cost increases for certain materials, we anticipate that these impacts might affect major renovation plans of other hotel and restaurant operators. In contrast, our approach focuses on minor renovations and repositioning, which positions us advantageously to capture higher room rates and restaurant traffic as others scale back their investments.

MINT has a disciplined approach to CAPEX plan. Our capital expenditure strategy remains focused on maximizing return on investment. MINT is selectively advancing high-impact renovation and repositioning projects that not only preserve the long-term competitiveness of our assets but also strategically position us to capture higher room rates and drive increased customer traffic to our restaurants. These targeted investments are designed to enhance our market share and allow us to outperform competitors in key markets.

Continued Focus on Balance Sheet Optimization

Maintaining strong cash flow generation and paying down debt remain a top priority. We are strategically deploying available liquidity to further deleverage the balance sheet while making high-return investments that support sustainable growth. Additionally, we are actively reviewing our debt maturity schedules, refinancing options, and interest rate exposure to ensure ongoing financial flexibility and minimize financing costs. MINT anticipates a reduction in outstanding debt during 2H25, primarily due to the scheduled debt repayments occurring during this period, along with the positive impact of our capital expenditure (CAPEX) streamlining plan.

Recently, TRIS Rating upgraded MINT's company rating, underscoring the strengthening of our financial position and consistent improvements in operational performance. This positive development highlights the effectiveness of our financial strategies and the strength of our underlying business model.

MINT is confident in our ability to navigate the current economic and market conditions with resilience and adaptability. We are committed to delivering sustainable growth, thereby enhancing shareholder value over the long term.

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Mr. Chaipayat Paitoon
Chief Financial Officer

Appendix

Non-Recurring Items			
Period	Amount (Bt million)	Business Unit	Non-recurring Items
1Q24	402 revenue 308 net profit	Minor Hotels	Non-recurring items of NH Hotel Group (Revenue and SG&A expense)
	919	Minor Hotels	Foreign exchange gain on unmatched USD Cross-Currency Swap (SG&A expense)
	-73	Minor Hotels	Change in fair value of interest rate derivative (Other losses)
	-287	Minor Hotels	Ineffective hedge accounting (Other losses)
	3	Minor Hotels	Deferred tax related to IFRS9 (Tax expense)
	608 EBITDA 628 net profit	Minor Hotels	Unrealized gain from derivatives (Other gains)
	-0.1 revenue 0.5 net profit	Minor Food	Disposal of fixed asset, reversal of provision expenses for asset impairment and amortization of deferred income related to IFRS15 (Revenue and SG&A expense)
1Q25	858 revenue 787 net profit	Minor Hotels	Non-recurring items of Minor Hotels Europe & Americas (Revenue and SG&A expense)
	-200	Minor Hotels	Non-recurring items of mixed-use business
	-18	Minor Hotels	Foreign exchange loss on unmatched USD Cross-Currency Swap (Other losses)
	-35	Minor Hotels	Change in fair value of perpetual bond (Other losses)
	-103	Minor Hotels	Ineffective hedge accounting (Other losses)
	110	Minor Hotels	Deferred tax related to IFRS9 (Tax expense)
	-194 EBITDA -175 net profit	Minor Hotels	Unrealized loss from derivatives (Other losses)
	0 revenue 1 net profit	Minor Food	Amortization of deferred income related to IFRS15 and loss from store closure (Revenue and SG&A expense)