

Management Discussion and Analysis

12 November 2024

Overview

3Q24 and 9M24 Performance

Summary: Minor International Public Company Limited (“MINT”) delivered strong core profit growth and margin expansion in 3Q24, showcasing the effectiveness of its strategic initiatives and disciplined execution in alignment with its long-term growth plan.

In 3Q24, MINT’s core revenue increased by 5% y-y to Baht 42,028 million. This growth was primarily driven by sustained momentum in its hotel portfolio, with notable RevPAR (Revenue per Available Room) and ADR (Average Daily Rate) gains in Europe during its high season and in Thailand despite the rainy season. These improvements were supported by robust demand for both business and leisure travel, coupled with effective RevPAR management. In the restaurant segment, Same-Store Sales Growth (SSSG) for key brands in Thailand and Singapore was fueled by innovative product launches, targeted marketing, and strategic management of dine-in and delivery channels, which collectively boosted customer traffic and transaction volumes.

Core EBITDA in 3Q24 increased by 9% y-y to Baht 12,036 million, lifting the EBITDA margin to 28.6%, up from 27.8% in the prior year. This margin expansion was driven by yield optimization through strategic channel management, specifically higher direct bookings in hotels and increased dine-in traffic in restaurants, along with disciplined cost control and productivity gains in back-office operations. By capitalizing on economies of scale across its hotel and restaurant segments, MINT effectively mitigated inflationary pressures, resulting in enhanced overall profitability.

MINT’s core net profit for 3Q24 reached Baht 2,636 million, a 16% y-y increase, with a net profit margin of 6.3%. This growth reflects MINT’s strategic ability to capitalize on RevPAR and ADR expansion in the hotel segment, along with operational gains for both businesses, positioning the company to benefit from favorable industry dynamics.

For 9M24, MINT’s core revenue increased by 9% y-y to Baht 124,277 million, driven by both the hotel and restaurant segments. The hotel business maintained ADR uplift and occupancy gains, while the restaurant business benefited from positive Total System Sales (TSS) across key markets. Core EBITDA for 9M24 reached Baht 33,623 million, an 11% y-y increase, with a margin of 27.1%. Core net profit for 9M24 stood at Baht 5,514 million, reflecting a 19% y-y growth and a net profit margin of 4.4%, demonstrating effective cost structure management and strategic growth initiatives.

Including non-core items, MINT reported revenue of Baht 42,000 million for 3Q24, up 5% y-y. Reported EBITDA declined by 12% y-y to Baht 9,709 million, while net profit for the quarter was Baht 149 million, down

from Baht 2,144 million in 3Q23. This decline was primarily from non-cash accounting impacts from the marked-to-market valuation of derivative hedging instruments amid significant foreign exchange fluctuations, with the Thai Baht swinging 12% against the USD and 9% against the EUR within the quarter. This non-core FX loss, resulting from currency hedges, does not affect core operational performance or actual cash profitability, as these gains and losses are expected to be neutralized upon the settlement of derivative contracts.

For 9M24, MINT's reported revenue rose by 10% y-y to Baht 124,473 million, while reported EBITDA increased by 8% y-y to Baht 32,545 million. Reported net profit stood at Baht 4,119 million, a 7% decline from 9M23, due to the aforementioned foreign exchange impacts and other non-core adjustments.

MINT strategically uses these hedging instruments to manage debt servicing costs by optimizing funding across multiple markets and aligning debt currency with income sources, thereby benefiting from lower funding costs. Based on the current derivative portfolio and recent movements in the spot and forward curves amid the weakening Thai Baht in October, this trend has reversed, and we estimate a non-core gain of approximately THB 600 million for the month.

Minor Hotels remained the primary contributor, accounting for 81% of core revenue, 84% of core EBITDA, and 67% of core profit in 9M24.

Financial Performance			
<i>Bt million</i>	3Q24	3Q23 (Restated)	%Chg
Core*			
Total Revenue**	42,028	39,887	5
Total EBITDA	12,036	11,090	9
EBITDA Margin	28.6	27.8	
Total Net Profit	2,636	2,273	16
Net Profit Margin	6.3	5.7	
As Reported			
Total Revenue**	42,000	39,888	5
Total EBITDA	9,709	10,981	-12
EBITDA Margin	23.1	27.5	
Total Net Profit	149	2,144	-93
Net Profit Margin	0.4	5.4	
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<i>Bt million</i>	9M24	9M23 (Restated)	%Chg
Core*			
Total Revenue**	124,277	113,501	9
Total EBITDA	33,623	30,226	11
EBITDA Margin	27.1	26.6	
Total Net Profit	5,514	4,630	19
Net Profit Margin	4.4	4.1	
As Reported			
Total Revenue**	124,473	113,617	10
Total EBITDA	32,545	30,169	8
EBITDA Margin	26.1	26.6	
Total Net Profit	4,119	4,423	-7
Net Profit Margin	3.3	3.9	

* Exclude non-core items as detailed in the appendix

** Includes share of profit and other income

Performance Breakdown by Business*

9M24	% Core Revenue Contribution	% Core EBITDA Contribution	% Core Profit Contribution
Hotel & Mixed-use	81	84	67
Restaurant Services	19	16	33
Total	100	100	100

* Exclude non-core items as detailed in the appendix

Major Developments in 3Q24

Restaurant

- Opened 6 outlets, net q-q, majority of which were the openings of The Pizza Company, Swensen's, Dairy Queen and GAGA in Thailand
- Launched the first Xiao Tai Bao in China and GAGA in Indonesia

Hotel & Mixed-Use

- Opened a total of 4 hotels q-q
 - Anantara: One joint venture hotel in Indonesia
 - Tivoli: One leased hotel in Italy
 - Oaks: One leased hotel in Australia
 - Other: One leased hotel in Australia

Corporate

- Paid an interim cash dividend payment of Baht 0.25 per share to shareholders for operating performance during 1H24.

Segment Performance

Hotel & Mixed-use Business

Hotel Business

At the end of 3Q24, MINT owns 375 hotels and manages 186 hotels and serviced suites in 57 countries. Altogether, these properties have 81,430 hotel rooms and serviced suites, including 56,231 rooms that are equity-owned and leased and 25,199 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, 5,865 rooms in Thailand accounted for 7%, while the remaining 75,565 rooms or 93% are located in 56 other countries in Asia, Oceania, Europe, the Americas and Africa.

Hotel Rooms by Owned Equity and Management

	3Q24	Chg q-q	Chg y-y
Owned Equity*	56,231	-26	-291
- Thailand	3,558	-233	-38
- Overseas	52,673	207	-253
Management	25,199	909	3,133
- Thailand	2,307	-54	184
- Overseas	22,892	963	2,949
Total Hotel Rooms	81,430	883	2,842

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

	3Q24	Chg q-q	Chg y-y
Owned Hotels	18,727	-304	-381
Leased Hotels	35,667	162	282
Joint-venture Hotels	1,837	116	-192
Managed Hotels	18,077	453	2,610
MLRs*	7,122	456	523
Total Hotel Rooms	81,430	883	2,842

* Properties under management letting rights in Australia and New Zealand

Hotel Performance Analysis by Ownership

Owned & Leased Hotels

MINT's owned and leased hotels portfolio contributed approximately 83% of core hotel & mixed-use revenues in 3Q24. The portfolio reported a y-y increase of 9% in system-wide RevPAR, reflecting solid demand and the strength of Minor Hotels' pricing strategy as well as operational enhancements. Compared to pre-pandemic levels, RevPAR outperformed by 42%, indicating continued recovery and growth in demand.

In Europe and the Americas, the owned and leased hotel portfolio delivered solid performance in 3Q24, with RevPAR in EUR terms increasing by 9% y-y. This growth was fueled by strong leisure demand coupled with steady growth in business travel, supported by Minor Hotels' strategic brand positioning and premium pricing initiatives. Spain, Central Europe, and the Benelux led revenue growth, followed closely by Italy and Latin America. Average occupancy across these regions reached 72%, up 1% y-y, while ADR hit EUR 155, reflecting a 7% increase. This continued ADR growth underscores the success of our targeted revenue management strategies and brand upgrades, which are tailored to both corporate and leisure travelers. New openings in 9M24, including new NH hotels in Paris, Anantara & Avani hotels in Amsterdam, further enhance our footprint and reinforce our commitment to growth in high-demand markets.

In Asia, our hotel portfolio experienced significant demand growth in 3Q24, with Thailand leading the region. System-wide RevPAR for owned hotels in Thailand rose by 12% y-y, driven by an influx of international arrivals and increased ADR in key destinations, including Bangkok, Samui, Phuket, and Chiang Mai. This strong performance in Thailand reflects the continued recovery in tourism. Despite the rainy season, our Thailand properties benefited from a well-executed direct booking strategy and exclusive packages that captured revenue across room, F&B, and other hotel services. In the Maldives, RevPAR for owned hotels declined by 7% y-y. However, targeted marketing campaigns and partnerships have supported gradual recovery, with improving trends toward the end of the quarter.

Expansion remains a focus across Asia, highlighted by recent openings of Anantara and NH hotels in prime locations like Bali, India, the Maldives, Sri Lanka, and Thailand. These new properties bolster our presence in high-growth markets and support Minor Hotels' cross-brand expansion strategy, positioning MINT to capture diverse consumer segments throughout the region.

Management Letting Rights (MLRs) in Australia and New Zealand

The MLR portfolio contributed 7% of core hotel & mixed-use revenues in 3Q24. RevPAR in AUD terms remains significantly above pre-pandemic levels, up by 30% compared to 2019. However, RevPAR saw a 7% y-y decline, primarily due to a high base effect from the prior year and subdued domestic leisure demand amid challenging economic conditions and increased international outbound tourism. Increased corporate

travel and international inbound tourism helped offset some of these impacts, maintaining occupancy at a solid 80%.

Management Contracts

The management contract portfolio contributed 2% to MINT’s core hotel & mixed-use revenues in 3Q24. System-wide RevPAR under management contracts surpassed both 2023 and 2019 levels by 4%, with strong performances from properties in key international markets such as Bali and UAE. This was achieved through strategic expansion and the addition of new managed properties.

Overall Hotel Portfolio

For 3Q24, MINT’s system-wide RevPAR for the entire portfolio rose by 8% y-y, outpacing pre-COVID-19 levels by 42%. This growth is a testament to the ongoing travel recovery and the effective execution of Minor Hotels’ sales, pricing, and brand initiatives, which have positioned the portfolio to capitalize on heightened market demand.

Hotel Business Performance by Ownership				
(System-wide)	Occupancy (%)			
	3Q24	3Q23	9M24	9M23
Owned Hotels*	71	70	68	67
Joint Ventures	34	34	35	37
Managed Hotels*	61	57	61	56
MLRs**	80	82	79	79
Average	69	68	67	65

(System-wide)	ADR (Bt/night)			
	3Q24	3Q23	9M24	9M23
Owned Hotels*	6,007	5,610	5,983	5,409
Joint Ventures	6,674	5,851	8,505	6,871
Managed Hotels*	4,898	5,011	5,703	5,436
MLRs**	5,200	5,383	5,331	5,371
Average	5,758	5,500	5,900	5,426

(System-wide)	RevPar (Bt/night)			
	3Q24	3Q23	9M24	9M23
Owned Hotels*	4,272	3,927	4,090	3,597
Joint Ventures	2,298	2,015	2,967	2,562
Managed Hotels*	2,975	2,869	3,484	3,065
MLRs**	4,157	4,434	4,199	4,235
Average	3,985	3,742	3,969	3,538

* These numbers include NH Hotel Group

** Properties under Management Letting Rights in Australia & New Zealand

Mixed-Use Business

One of MINT’s mixed-use businesses is plaza and entertainment business. The Company owns and operates three shopping plazas in Bangkok, Phuket and Pattaya. In addition, MINT is the operator of seven entertainment outlets in Pattaya, which include the famous Ripley’s Believe It or Not Museum and The Louis Tussaud’s Waxworks.

MINT's residential development business develops and sells properties in conjunction with the development of some of its hotels. MINT has five projects in Thailand and Malaysia that are either currently available for sale or under construction, as well as another office development project, to ensure continuous pipeline of MINT's real estate business in the coming years.

Another real estate business of MINT is the point-based vacation club under its own brand, Anantara Vacation Club (AVC). At the end of 3Q24, AVC had a total inventory of 347 units in Thailand, New Zealand, Indonesia, China and UAE. The number of members increased by 3% y-y to 18,752 members at the end of 3Q24.

Overall Hotel & Mixed-Use Financial Performance Analysis

In 3Q24, the hotel & mixed-use business recorded a total core revenue increase of 6% y-y to Baht 34,068 million, driven by strong performance in hotel operations across Europe, Latin America, and Thailand. Management income grew by 15% y-y, supported by positive RevPAR trends in managed hotels and the addition of new properties under management contracts. Mixed-use revenue rose by 7% y-y, fueled by steady contributions from residential projects, shopping plazas & entertainment businesses as well as contribution from Pop Mart.

Core EBITDA for the hotel & mixed-use segment grew by 10% y-y to Baht 10,233 million, with an EBITDA margin of 30.0%, up from 29.0% in 3Q23. This margin expansion was driven by revenue growth that outpaced modest cost inflation, along with economies of scale and increased operating leverage across key regions.

In 9M24, total revenue from the hotel & mixed-use business rose by 11% y-y to Baht 100,171 million, reflecting continued recovery and growth. Core EBITDA for 9M24 grew by 12% y-y to Baht 28,112 million, with the EBITDA margin improving to 28.1% from 27.9% in 9M23, supported by higher operational flow-through and effective tax management.

Financial Performance*			
<i>Bt million</i>	3Q24	3Q23 (Restated)	%Chg
Hotel & related services **	31,128	29,466	6
Management fee	619	537	15
Mixed-use	2,321	2,165	7
Total Revenue	34,068	32,168	6
EBITDA	10,233	9,331	10
EBITDA Margin (%)	30.0	29.0	
	9M24	9M23 (Restated)	%Chg
Hotel & related services **	90,899	81,652	11
Management fee	1,870	1,536	22
Mixed-use	7,402	7,152	4
Total Revenue	100,171	90,339	11
EBITDA	28,112	25,166	12
EBITDA Margin (%)	28.1	27.9	

* Exclude non-core items as detailed in the appendix

** Include share of profit and other income

Restaurant & Manufacturing Businesses

At the end of 3Q24, MINT's total restaurants reached 2,661 outlets, consisting of 1,374 equity-owned outlets (52% of total) and 1,287 franchised outlets (48% of total). Out of these, 2,045 outlets (77%) are under Thailand hub, with the remaining 616 outlets (23%) overseas across 23 countries in Asia, Oceania, the Middle East, United Kingdom, Europe, Mexico, and Canada.

Restaurant Outlets by Ownership and Hub			
	3Q24	Chg q-q	Chg y-y
Owned Equity	1,374	9	65
Franchise	1,287	-3	-11
Total Outlets	2,661	6	54

	3Q24	Chg q-q	Chg y-y
Thailand*	2,045	14	71
China	133	-1	-7
Australia	307	-6	-18
Others	176	-1	8
Total Outlets	2,661	6	54

* Thailand hub includes stores in CLMV and Japan

Restaurant Outlets by Brand			
	3Q24	Chg q-q	Chg y-y
The Pizza Company	593	6	9
Swensen's	372	4	18
Sizzler	74	0	1
Dairy Queen	526	5	18
Burger King	129	0	2
The Coffee Club	384	-5	-14
Thai Express	99	1	-6
Riverside	138	-3	-9
Benihana	21	0	1
Bonchon	120	0	5
Coffee Journey	82	-4	-10
GAGA	54	5	18
Others*	69	-3	21
Total Outlets	2,661	6	54

* 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 3Q24, Thailand and Singapore remained the key growth drivers. Thailand's total-system-sales (TSS) growth was fueled by new store openings, increased dine-in traffic, and targeted promotions tailored to different store segments. Meanwhile, strategic product and concept innovations that resonated well with local consumers supported strong performance in both Thailand and Singapore, effectively offsetting softer results in other regions.

Thailand

The Thailand hub delivered strong performance, with TSS growing by 5.5% y-y and SSS remaining stable with a slight dip of 0.7%. Key growth drivers included successful menu innovations and strong value offerings across core brands like The Pizza Company, Sizzler, and Dairy Queen. These initiatives focused on

driving docket growth, expanding the customer base, as well as boosting both dining occasions and visit frequency.

Singapore

Our Singapore operations serve as a strategic hub for brand innovation and development, acting as a launchpad for new concepts that can be expanded into other markets. Despite a highly competitive environment, the Singapore hub actively explores and tests new brands and dining concepts aimed at capturing diverse consumer segments. In 3Q24, TSS for Singapore grew by 7.7% y-y, driven by a focus on concept innovation. This led to the launch of new brands and the creation of unique dining experiences, ranging from classic fish & chips to Vietnamese pho, resonating with a broad customer base in the country.

China

The China hub continued to experience macroeconomic challenges, with total-system-sales and same-store-sales decreasing by 21.3% and 20.0% y-y, respectively. Subdued consumer confidence and macroeconomic headwinds weighed on performance but Minor Food China introduced a new Thai brand, aiming to capture a broader audience with affordable price point, aligning with a strategy to increase reach while maintaining a lean capital approach.

Australia

Despite high cost-of-living pressures contributing to a 4.1% y-y decline in total-system-sales and a 1.6% drop in same-store-sales, Australia’s revenue in 3Q24 increased by 12% y-y, driven by higher coffee bean sales from the expanded coffee roaster capacity. Meanwhile, The Coffee Club cafés are experiencing a positive impact from their store and menu refurbishment program. The revamped stores have delivered strong results, with like-for-like sales growth in the high single digits y-y.

Minor Food Performance

For 9M24, Minor Food’s total-system-sales increased by 2.0% y-y, primarily driven by solid growth in Thailand and Singapore. Same-store-sales across the group decreased by 2.9% y-y, reflecting the ongoing macroeconomic pressures in China and Australia, which countered gains in other markets.

Restaurant Business Performance

%	3Q24	3Q23	9M24	9M23
Average Same-Store-Sales Growth	-2.7	-2.0	-2.9	5.4
Average Total-System-Sales Growth	0.4	4.7	2.0	13.7

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

Financial Performance Analysis

In 3Q24, total core restaurant revenue increased by 3% y-y to Baht 7,960 million, supported by steady operational improvements in Thailand and Singapore, alongside strategic expansion initiatives. The Thailand hub benefited from higher average transaction values and network growth, leveraging product innovations and effective marketing campaigns to boost customer traffic. Singapore’s revenue grew by 9% y-y, driven by concept innovations and the introduction of new dining experiences, while Australia’s revenue rose by 12% y-y, with contract roasting volumes providing stable support despite challenging market conditions. Franchise income also grew by 7% y-y to Baht 414 million, reflecting robust performance in both domestic and international franchise operations.

Core EBITDA in 3Q24 rose by 2.5% y-y to Baht 1,803 million, with an EBITDA margin of 22.6%, a slight contraction from 22.8% in 3Q23 due to mixed market conditions in overseas operations. However, cost management measures and selective menu pricing strategies in Thailand helped offset some of these impacts.

For 9M24, Minor Food's total core revenue rose by 4% y-y to Baht 24,105 million, driven by sustained growth in Thailand and Singapore, along with steady performance across key international markets. Franchise income also saw a 2% y-y increase, totaling Baht 1,217 million, supported by consistent revenue flow from franchised outlets in both Thailand and overseas.

Core EBITDA for 9M24 grew by 9% y-y to Baht 5,511 million, with an EBITDA margin of 22.9%, up from 21.8% in 9M23. This margin improvement reflects successful cost optimization efforts, particularly in Thailand, where operational efficiencies through in-house manufacturing and controlled raw material costs contributed to enhanced profitability. In China, supply chain adjustments and cost-cutting measures helped mitigate the impact of weaker consumer demand, while selective expansion in high-performing locations ensured effective capital utilization.

Overall, the performance in 3Q24 and 9M24 demonstrates Minor Food's resilience in navigating varied market conditions while capitalizing on growth opportunities in core regions, supported by disciplined cost management and targeted expansion.

Financial Performance*			
<i>Bt million</i>	3Q24	3Q23	%Chg
Revenue from Operation**	7,546	7,331	3
Franchise Fee	414	388	7
Total Revenue	7,960	7,719	3
EBITDA	1,803	1,759	2
EBITDA Margin (%)	22.6	22.8	
	9M24	9M23	%Chg
Revenue from Operation**	22,888	21,966	4
Franchise Fee	1,217	1,196	2
Total Revenue	24,105	23,162	4
EBITDA	5,511	5,060	9
EBITDA Margin (%)	22.9	21.8	

* Exclude non-core items as detailed in the appendix

** Includes share of profit and other income

Balance Sheet & Cash Flows

At the end of 3Q24, MINT reported total assets of Baht 344,559 million, a decrease of Baht 14,637 million from Baht 359,196 million at the end of 2023. Key changes include a decline in cash and cash equivalents from Baht 14,260 million to Baht 10,340 million, decreased of Baht 3,920 million as cash was utilized for debt repayments, strategic investments and dividend payment. Non-current assets saw a reduction primarily in right-of-use assets and intangible assets, which decreased from Baht 87,430 million to Baht 79,423 million, and THB 70,844 million to THB 67,288 million, respectively. The reduction was partly due to amortization charge and translation adjustments.

Total liabilities were Baht 255,068 million at the end of 3Q24, down from Baht 271,901 million at the end of 2023, decreased of Baht 16,833 million. This decrease was primarily driven by THB 6,670 million reduction in long-term borrowings from financial institutions and debentures. Lease liabilities also showed a decline from rent payment and translation adjustment.

Shareholders' equity increased by Baht 2,196 million, from Baht 87,295 million at the end of 2023 to Baht 89,491 million at the end of 3Q24, mainly due to (1) improved 9M24 financial results, (2) proceeds of Baht 2,300 million from the exercise of warrants and (3) Baht 468 million increase in other components of equity mainly as a result of land revaluation surplus of Baht 1,783 million and a loss on translation adjustment of Baht 1,156 million, netted with (1) interest payments of Baht 1,725 million on perpetual bonds and (2) dividend payment to shareholders of Baht 3,231 million.

For the nine-month period ending September 2024, MINT and its subsidiaries reported positive cash flows from operations of Baht 26,138 million, a slight decrease of Baht 787 million y-y, mainly due to shortened payment days across Europe.

Cash flows used in investing activities was Baht 6,351 million, primarily due to ongoing capital expenditures for hotel and restaurant projects of Baht 7,516 million, offset with (1) Baht 1,010 million interest income and Baht 317 million proceeds from the disposal of non-current assets classified as held-for-sale.

The Company reported net cash used for financing activities of Baht 23,084 million in 9M24, primarily due to (1) repayment of lease liabilities totaling Baht 8,657 million, (2) cash paid for interest expenses of Baht 8,933 million, (3) interest payments of Baht 1,725 million on perpetual debentures, (4) net repayment from debentures of Baht 3,318 million and (5) dividend payment of Baht 3,231 million to shareholders, offset by (1) proceeds of Baht 2,300 million from the exercise of warrants and (2) net addition of short-term and long-term borrowings from financial institutions totaling Baht 516 million.

In summary, cash flows from operating, investing and financing activities resulted in a net decrease of MINT's net cash and cash equivalents by Baht 3,297 million in 9M2024. MINT's cash and cash equivalents at the end of 3Q24 stood at Baht 10,340 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 positive at Baht 471 million in 9M2024. This reflects MINT's resilience despite the impact of new regulations in Europe that shortened payment terms.

Financial Ratio Analysis

MINT's gross profit margin decreased to 43.8% in 9M24 from 45.1% in 9M23, reflecting changes in the residential product mix within the mixed-use segment. Core net profit margin improved slightly, reaching 4.4% in 9M24 compared to 4.1% in 9M23, supported by higher operating leverage, particularly within the hotel segment.

Return on Equity (core basis) rose significantly to 8.3% in 9M24, compared to 7.2% in 9M23, driven by the overall improvement in profitability. Return on Assets also improved, reaching 2.1% from 1.7% in the same period last year, reflecting increased asset efficiency and impact from translation adjustment.

Collection Period shortened to 36 days in 9M24 from 39 days in 9M23, due to improved receivables management with provision for impairment of trade receivables lower from 9.2% in 9M23 to 8.6% in 9M24. MINT's inventory comprises primarily raw materials, work-in-process and finished products from the restaurant and retail trading & contract manufacturing businesses. Inventory Days reduced to 19 days in 9M24, down from 21 days in the prior year, from better control of Lifestyle products. Accounts Payable Days decreased to 65 days from 71 days a year ago, partly due to regulatory adjustments in Europe that mandate shorter payment cycles for food and beverage suppliers. The current ratio remained relatively stable at 0.6x at the end of 3Q24, compared to the end of 2023.

Net Interest-Bearing Debt to Equity ratio improved to 0.98x in 3Q24 from 1.01x at the end of 2023. Despite a reduction in interest-bearing debt by THB 7.6 billion during 3Q24, the equity increase was smaller than expected due to a non-core foreign exchange loss on derivatives from heightened currency volatility. This non-core loss offset some of the profit generation that would have otherwise contributed to a larger equity base. Without this impact, the Net Interest-Bearing Debt to Equity ratio would have decreased even further, underscoring the impact of MINT's effective debt reduction and profit generation on its leverage profile. Similarly, Interest-Bearing Debt to Equity decreased to 1.10x in 3Q24, down from 1.17x at the end of 2023. The interest coverage ratio declined to 4.1x in 3Q24 from 4.6x in 3Q23, primarily as a result of higher interest expenses.

Financial Ratio Analysis		
Profitability Ratio	30 Sep 24	30 Sep 23 (Restated)
Gross Profit Margin (%)	43.8	45.1
Net Profit Margin (%)	3.3	3.9
Core Net Profit Margin* (%)	4.4	4.1
Efficiency Ratio	30 Sep 24	30 Sep 23 (Restated)
Return on Equity* (%)	8.3	7.2
Return on Assets* (%)	2.1	1.7
Collection Period (days)	36	39
Inventory (days)	19	21
Accounts Payable (days)	65	71
Liquidity Ratio	30 Sep 24	31 Dec 2023
Current Ratio (x)	0.62	0.64
Leverage & Financial Policy	30 Sep 24	31 Dec 2023
Interest Bearing Debt/Equity (x)	1.10	1.17
Net Interest Bearing Debt/Equity (x)	0.98	1.01
	30 Sep 24	30 Sep 23 (Restated)
Interest Coverage (x)	4.1	4.6

* Exclude non-core items as detailed in the appendix

Management's Outlook

Minor Hotels

As we enter 4Q24, our hotel portfolio in Asia is positioned to capture high-season demand, with booking volumes up year-over-year and surpassing last year's festive season levels. The recovery in flight and airport capacity has been robust, with air traffic operated by Asia Pacific airlines climbing 18.5% y-y in the first nine months of 2024.

Forward bookings indicate strong seasonal demand across key holiday destinations, driven by travelers seeking premium experiences. Popular locations like Bangkok and Phuket are set to see a surge in international arrivals as the peak season approaches. Tailored holiday packages featuring exclusive experiences continue to drive not only room revenue but also F&B and other hotel income, contributing to a solid outlook for 4Q24. Further boosting interest, HBO's recent announcement of The White Lotus Season 3, featuring our Four Seasons Resort in Samui, is expected to enhance our global appeal among luxury travelers in 2025, aligning with our strategy to capitalize on media exposure and position our properties in Samui and Phuket as premier luxury destinations.

In Europe, business and leisure travel remains robust, with corporate bookings strengthening in October and November and continued leisure demand expected through December. On-the-books reservations indicate high single-digit year-over-year growth for 4Q24.

Our positive outlook is supported by ongoing asset upgrades, enhancements to direct booking channels, and an expanded brand presence in high-growth markets. These initiatives include the recent openings of NH and NH Collection hotels in Thailand, Sri Lanka, the Maldives, and South Africa, along with Avani in Amsterdam and Anantara in India, positioning us in high-demand locations and capturing a diverse range of traveler segments. With these efforts, Minor Hotels is well-positioned to drive profitable growth and expand market share into 2025 and beyond.

Minor Food

Minor Food's diverse portfolio is also set to benefit from seasonal demand, with increased dine-in traffic expected during the festive period, especially in Thailand and Singapore. We are focusing on innovative campaigns and special menus tailored to 4Q24's celebratory occasions, aiming to boost footfall and capture higher average spend per guest. Our brands continue to lead in their categories, with Swensen's introducing festive dessert offerings, while The Pizza Company and Sizzler are rolling out bundles and thematic menu designed for holiday gatherings.

Additionally, we're elevating our brand offerings to capture new market segments and drive global growth. The Benihana brand proposition is being enhanced for broader international presence, establishing it as a unique, high-engagement dining experience worldwide. In China, we're introducing a new Thai brand at an affordable price point, targeting an additional segment within the market. In Thailand, we're preparing to launch an accessible steakhouse concept to reach a mass audience, aligning with consumer demand for quality dining at value-driven prices.

Our expansion strategy includes introducing new brands that align with emerging dining trends, piloting concepts across selected hubs to identify scalable opportunities. Successful food concepts developed in Singapore, such as Poulet and the elevated formats of Benihana and The Coffee Club, are then introduced to other Minor Food markets, offering additional franchising potential. This approach not only strengthens Minor Food's brand portfolio but also generates new revenue streams through asset-light opportunities across the region. Our focus on leveraging each brand's strengths supports our overarching goal of consistently enhancing customer engagement, capturing more dining occasions, and expanding market share.

Financial Discipline and Balance Sheet Strength

Looking ahead to 2025, we remain committed to reducing our leverage and strengthening our financial stability. In 4Q24, we are targeting further debt repayments using cash flows generated over recent quarters, ensuring that, even amidst currency fluctuations, our interest-bearing debt levels continue to decline. This disciplined approach provides us with the flexibility to invest strategically in property upgrades, residential inventory, new restaurant openings, and high-return partnerships, all of which support our long-term growth trajectory.

In addition to our commitment to financial discipline, Minor Hotels Europe & Americas (MHEA) has recently achieved a rating upgrade from Moody's, with its long-term corporate family rating raised to Ba3 from B1 and its €400 million senior secured notes upgraded to Ba2. This upgrade highlights both the steady improvement in MHEA's financial metrics and the operational and financial support from MINT, reinforcing our long-term commitment to reducing leverage and enhancing financial stability through 2026.

We are also proud to have secured an "Excellent" or "5-star" Corporate Governance (CG) rating—the highest ranking—for the 12th consecutive year from the Thai Institute of Directors (IOD), in association with the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). We also enhanced our global reputation for responsible corporate practices with "AA" MSCI ESG Rating, reflecting our commitment to a balanced approach that values both profitability and positive social impact.

By aligning our operational focus, financial discipline, and commitment to sustainability, we are effectively building a resilient foundation for future growth. Our integrated strategy allows us to leverage industry demand while ensuring long-term value creation for our stakeholders and supporting a sustainable future.

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Mr. Chaiyapat Paitoon
Chief Financial Officer

Appendix

Period	Amount (Bt million)	Business Unit	Non-recurring Items
1Q23	11 revenue 137 net profit	Minor Hotels	Non-recurring items of NH Hotel Group (Revenue and SG&A expense)
	-139	Minor Hotels	Foreign exchange loss on unmatched USD Cross-Currency Swap (SG&A expense)
	13	Minor Hotels	Change in fair value of interest rate derivative (SG&A expense)
	-167	Minor Hotels	Ineffective hedge accounting (Other losses)
	46	Minor Hotels	Deferred tax related to IFRS9 (Tax expense)
	-314	Minor Hotels	Unrealized loss from derivatives (Other losses)
	66	Minor Hotels	Unrealized gain from forward contracts of USD 300 million perpetual bond (Other gains)
	1 revenue 29 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)
2Q23	103 revenue 86 net profit	Minor Hotels	Non-recurring items of NH Hotel Group (Revenue and SG&A expense)
	447	Minor Hotels	Foreign exchange gain on unmatched USD Cross-Currency Swap (SG&A expense)
	-60	Minor Hotels	Change in fair value of interest rate derivative (Other losses)
	-237	Minor Hotels	Ineffective hedge accounting (Other losses)
	-41	Minor Hotels	Deferred tax related to IFRS9 (Tax expense)
	-73 EBITDA -201 net profit	Minor Hotels	Unrealized loss from derivatives (Other losses and interest expenses)
	347	Minor Hotels	Realized gain from forward contracts of USD 300 million perpetual bond (Other gains)
	-70	Minor Hotels	Unrealized loss from forward contracts of USD 300 million perpetual bond (Other losses)
	1 revenue -22 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)
3Q23	0.2 revenue 10 net profit	Minor Hotels	Non-recurring items of NH Hotel Group (Revenue and SG&A expense)
	291	Minor Hotels	Foreign exchange gain on unmatched USD Cross-Currency Swap (SG&A expense)
	-135	Minor Hotels	Change in fair value of interest rate derivative (Other losses)
	-162	Minor Hotels	Ineffective hedge accounting (Other losses)
	-43	Minor Hotels	Deferred tax related to IFRS9 (Tax expense)
	-121 EBITDA -91 net profit	Minor Hotels	Unrealized gain from derivatives (Other losses and interest expense)
	1 revenue 1 net profit	Minor Food	Reversal of provision expenses for asset impairment and amortization of deferred income related to IFRS15 (Revenue and SG&A expense)
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)
2Q24	-126 revenue -358 net profit	Minor Hotels	Non-recurring items of NH Hotel Group (Revenue and SG&A expense)
	158	Minor Hotels	Foreign exchange gain on unmatched USD Cross-Currency Swap (Other gains) - unmatched
	47	Minor Hotels	Change in fair value of perpetual bond (Other gains)
	19	Minor Hotels	Ineffective hedge accounting (Other gains)
	-0.5	Minor Hotels	Deferred tax related to IFRS9 (Tax expense)
	-242 EBITDA -271 net profit	Minor Hotels	Unrealized loss from derivatives (Other losses)
	-51 revenue -0.8 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)
3Q24	11 revenue -13 net profit	Minor Hotels	Non-recurring items of NH Hotel Group (Revenue and SG&A expense)
	-1,368	Minor Hotels	Foreign exchange loss on unmatched USD Cross-Currency Swap (Other gains) - unmatched
	-16	Minor Hotels	Change in fair value of perpetual bond (Other gains)
	270	Minor Hotels	Ineffective hedge accounting (Other gains)
	-32	Minor Hotels	Deferred tax related to IFRS9 (Tax expense)
	-1,134 EBITDA -1,266 net profit	Minor Hotels	Unrealized loss from derivatives (Other losses)
	-40 revenue -63 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)