February 26, 2019 — Minor International Public Company Limited

Management Discussion and Analysis

Overview

4Q18 and 2018 Performance

Summary: Minor International ("MINT") announced core net profit (excluding non-recurring items) of Baht 2,133 million in 4Q18, a 32% increase from core net profit of Baht 1,611 million in 4Q17. This exceptional fourth quarter performance drove MINT's full year core net profit to Baht 5,957 million in 2018, a 10% increase from Baht 5,415 million in 2017. MINT's core profit increase was attributable to the overall performance of Minor Hotels and in particular the consolidation of NH Hotel Group, which commenced on October 2, 2018 (the date that the Spanish Stock Exchange Commission or CNMV approved the takeover bid).

Note that in 2018 and in particular 4Q18, MINT recorded non-core accounting-related items as required under Thai Generally Accepted Accounting Principles (Thai GAAP), which are detailed in the table on page 3. Including non-core items, MINT reported full-year 2018 results with revenue of Baht 79,328 million and net profit of Baht 5,445 million, 35% and 1% growth respectively. For 4Q18, MINT's reported revenue more than doubled to Baht 32,233 million, while reported net profit showed a decline of 7% to Baht 1,500 million, compared to the same period last year.

In a move to reward its shareholders, MINT's Board of Directors proposed to pay cash dividend for 2018 in the amount of Baht 0.40 per share, and warrants at the ratio of 20:1, with conversion ratio of 1:1 at the price of Baht 43 per share and a tenor of 2 years and 4 months. The issuance of the warrants is expected to further strengthen MINT's equity base and in turn its balance sheet position. Both the dividend payment and warrant issuance are subject to shareholder approval.

For fourth quarter performance, MINT demonstrated remarkable growth of its core revenue, which more than doubled from 4Q17 revenue. The increase was attributable to substantial revenue contribution from the consolidation of NH Hotel Group, together with favorable performance of organic hotel operations and continued growth of retail trading & contract manufacturing business.

In 2018, MINT's core revenue increased by 34%, driven mainly by positive contribution of NH Hotel Group. Furthermore, growth of organic hotel operations, Anantara Vacation Club (AVC) and retail trading & contract manufacturing business also contributed to MINT's overall revenue expansion in 2018.

Revenue Breakdown

Baht million	4Q18	4Q17	%Chg	%Contribution
As Reported				
Restaurant Services	5,756	6,053	-5	18
Hotel & Mixed-Use	25,243	8,352	202	78
Retail Trading & Contract Manufacturing	1,234	1,173	5	4
Total Revenue	**32,233**	**15,578**	**107**	**100**
Core*				
Restaurant Services	5,756	6,053	-5	18
Hotel & Mixed-Use	24,535	8,352	194	78
Retail Trading & Contract Manufacturing	1,234	1,173	5	4
Total Revenue	**31,525**	**15,578**	**102**	**100**

* Exclude non-core items as detailed in the table on page 3

Revenue Breakdown

Baht million	2018	2017	%Chg	%Contribution
As Reported				
Restaurant Services	23,604	23,582	0	30
Hotel & Mixed-Use	51,285	30,970	66	65
Retail Trading & Contract Manufacturing	4,439	4,091	9	5
Total Revenue	**79,328**	**58,644**	**35**	**100**
Core*				
Restaurant Services	23,484	23,582	0	30
Hotel & Mixed-Use	50,577	30,970	63	64
Retail Trading & Contract Manufacturing	4,439	4,091	9	6
Total Revenue	**78,499**	**58,644**	**34**	**100**

* Exclude non-core items as detailed in the table on page 3

In 4Q18, MINT's core EBITDA increased significantly by 95% y-y, mainly attributable to substantial contribution of NH Hotel Group, together with effective cost control of AVC. Nevertheless, the EBITDA increase was slower than revenue increase, resulting in a decline in core EBITDA margin to 21.3% in 4Q18, compared to 4Q17 EBITDA margin of 22.0%. The decrease was primarily driven by lower profitability of restaurant business with same-store-sales contraction, mismatch of sales recognition from residential development and higher personnel-related expense of MLR portfolio.

In 2018, MINT's core EBITDA showed a 32% increase, mainly from positive contribution of NH Hotel Group, together with favorable performance of organic hotel operations and AVC. However, core EBITDA margin declined slightly to 20.7% in 2018, compared to 2017 EBITDA margin of 20.9%, primarily for the same reasons as in 4Q18. Nonetheless, profitability of organic hotel operations for 2018 showed an improvement from prior year, supported by Minor Hotel's pro-active approach to revenue and cost management.

EBITDA Breakdown

Baht million	**4Q18**	**4Q17**	**%Chg**	**%Contribution**
As Reported				
Restaurant Services	584	1,118	-48	10
Hotel & Mixed-Use	5,353	2,201	143	89
Retail Trading & Contract Manufacturing	85	115	-26	1
Total EBITDA	**6,022**	**3,435**	**75**	**100**
EBITDA Margin (%)	**18.7**	**22.0**		
Core*				
Restaurant Services	710	1,118	-37	11
Hotel & Mixed-Use	5,907	2,201	168	88
Retail Trading & Contract Manufacturing	85	115	-26	1
Total EBITDA	**6,703**	**3,435**	**95**	**100**
EBITDA Margin (%)	**21.3**	**22.0**		

* Exclude non-core items as detailed in the table on page 3

EBITDA Breakdown

Baht million	**2018**	**2017**	**%Chg**	**%Contribution**
As Reported				
Restaurant Services	3,642	4,285	-15	23
Hotel & Mixed-Use	11,736	7,684	53	75
Retail Trading & Contract Manufacturing	307	304	1	2
Total EBITDA	**15,685**	**12,273**	**28**	**100**
EBITDA Margin (%)	**19.8**	**20.9**		
Core*				
Restaurant Services	3,647	4,285	-15	22
Hotel & Mixed-Use	12,290	7,684	60	76
Retail Trading & Contract Manufacturing	307	304	1	2
Total EBITDA	**16,245**	**12,273**	**32**	**100**
EBITDA Margin (%)	**20.7**	**20.9**		

* Exclude non-core items as detailed in the table on page 3

In 4Q18, MINT's core net profit grew by 32% y-y, but core net profit margin declined to 6.8%, compared to 4Q17 net profit margin of 10.3%. The change in net profit and net profit margin was due to the same reasons as EBITDA. In addition, the acquisition of NH Hotel Group resulted in higher interest expense, which more than doubled, and higher minority interest, in particular from NH Hotel Group, especially in October when MINT had 46% shareholding. Furthermore, 4Q18 effective tax rate rose sharply as NH Hotel Group's effective rate was 29%, which was much higher than MINT's average. Consequently, these three factors further exacerbated downward pressure on the overall margin of the group.

In 2018, MINT's core net profit showed an increase of 10%, supported by contribution of NH Hotel Group, together with improved performance of existing hotel operations. However, core net profit margin decreased to 7.6% in 2018, compared to 2017 net profit margin of 9.2% due to the same reasons as in 4Q18.

Net Profit

Baht million	**4Q18**	**4Q17**	**%Chg**
As Reported			
Total Net Profit	**1,500**	**1,611**	**-7**
Net Profit Margin (%)	**4.7**	**10.3**	
Core*			
Total Net Profit	**2,133**	**1,611**	**32**
Net Profit Margin (%)	**6.8**	**10.3**	

* Exclude non-core items as detailed in the table on page 3

Net Profit

Baht million	**2018**	**2017**	**%Chg**
As Reported			
Total Net Profit	**5,445**	**5,415**	**1**
Net Profit Margin (%)	**6.9**	**9.2**	
Core*			
Total Net Profit	**5,957**	**5,415**	**10**
Net Profit Margin (%)	**7.6**	**9.2**	

* Exclude non-core items as detailed in the table on page 3

Non-Recurring Items

Timeline	Amount *(Baht million)*	Non-Recurring Items
2Q18	121	Gain on fair value adjustment on the investment in Benihana *(other income)*
4Q18	708	Gain on fair value adjustment on the investment in NH Hotel Group *(other income)*
	-800	Loss from changing status of investment in NH Hotel Group *(SG&A expenses)*
	-96	Impairment charge of Oaks Grand Gladstone *(SG&A expenses)*
	-280	Impairment charge of Rani Investment *(SG&A expenses)*
	-126	Impairment charge of Grab *(SG&A expenses)*
	-87	Foreign exchange loss on unmatched USD Cross-Currency Swap *(SG&A expenses)*

Major Developments in 4Q18

Developments	
Restaurant	• Added 96 outlets, net q-q, majority of which were The Pizza Company, Dairy Queen and The Coffee Club outlets • Entered into a joint-venture agreement with Vietnam Investments Group to operate as the master franchisee of The Coffee Club brand in Vietnam • Launched the first outlets of The Coffee Club in Qatar, Cambodia and China
Hotel & Mixed-Use	• Completed tender offer for NH Hotel Group in October 2018, resulting in current shareholding of 94.1% • Opened Anantara Quy Nhon Villas with a total of 26 keys in Vietnam • Launched Oaks Santai Resort Casuarina, a management letting rights contract in New South Wales, Australia • Opened Oaks Resort Port Douglas, a management letting rights contract in Queensland, Australia • Invested in 10% stake in Global Hotel Alliance (GHA), the world's leading alliance of independent hotel brands
Lifestyle	• Launched Save My Bag, a handbag and accessory brand from Italy in Thailand
Corporate	• Issued perpetual non-call 3-year senior guaranteed capital securities in the amount of USD 300 million • Issued unsubordinated and unsecured EUR-denominated debentures in the amount of EUR 80 million

Segment Performance

Restaurant Business

At the end of 4Q18, MINT's total restaurants reached 2,270 outlets, comprising of 1,159 equity-owned outlets (51% of total) and 1,111 franchised outlets (49% of total). 1,500 outlets (66% of total) are in Thailand, while the remaining 770 outlets (34% of total) are in 26 other countries in Asia, Oceania, Europe and Canada.

Restaurant Outlets by Owned Equity and Franchise

	4Q18	Chg q-q	Chg y-y
Owned Equity	1,159	51	87
- Thailand	949	48	83
- Overseas	210	3	4
Franchise	1,111	45	119
- Thailand	551	39	76
- Overseas	560	6	43
Total Outlets	**2,270**	**96**	**206**

Restaurant Outlets by Brand

	4Q18	Chg q-q	Chg y-y
The Pizza Company	528	28	81
Swensen's	316	-6	-12
Sizzler	66	2	0
Dairy Queen	503	38	56
Burger King	109	10	16
The Coffee Club	462	14	29
Thai Express	95	4	4
Riverside	70	6	14
Breadtalk	47	-4	1
Benihana	20	1	20
Others*	54	3	-3
Total Outlets	**2,270**	**96**	**206**

* Others include restaurants at the airport under MINT's 51% JV, "Select Service Partner" and restaurants in the UK under "Grab", "Patara" and "Suda" brands.

Hub Performance Analysis

In 4Q18, total-system-sales (including sales from franchised outlets) increased by 2.8% y-y, supported by 10% outlet expansion, primarily in Thailand, China, Vietnam and the UAE, together with the consolidation of Benihana since the acquisition in April 2018. Same-store-sales decreased by 4.3% y-y, mainly due to industry-wide consumption slowdown and increased competition across all key hubs.

In 4Q18, Thailand hub reported total-system-sales growth of 5.7% y-y, supported by 12% outlet growth. However, 4Q18 same-store-sales declined by 4.0% y-y as weak domestic consumption continued to put pressure on the performance of almost every brand. In addition, the continued slowdown of Chinese tourist arrivals to Thailand also adversely affected the same-store-sales performance of outlets in tourist locations, most of which are under Burger King and The Coffee Club brands. Nevertheless, Dairy Queen successfully maintained performance resilience amidst the macro slowdown and delivered positive same-store-sales growth in 4Q18. The operational improvement was supported by its affordable price point and seasonal menus, such as Coconut Soft Serve, which were well received by the local market. To restore growth, Thailand hub will focus on ramping up product and service innovation and increasing competitiveness through digital technology, covering areas of data analytics, marketing, order management, delivery system and customer relationship management. In addition, Thailand hub expects to benefit from improving domestic consumption and consumer confidence as the macro environment recovers.

China hub reported total-system-sales growth of 9.3% y-y in 4Q18, mainly attributable to a rapid expansion of Riverside, which had a net increase of 14 outlets or 25% growth y-y. 4Q18 same-store-sales, although showed month-on-month improving trend, decreased by 5.5% y-y. The soft performance was primarily from lower store traffic in tier-2 cities, which was adversely affected by increased competition. Going into 2019, China Hub aims to dominate the grilled fish segment in tier-1 cities. It will continue to drive expansion of Riverside outlets in Beijing and Shanghai, and strengthen its product quality by implementing a food traceability program, which is expected to improve customer value and drive customer growth.

The prolonged slowdown in domestic consumption resulted in a decline in Australia hub's same-store-sales by 4.1% y-y in 4Q18. Nevertheless, overseas operations, led by The Coffee Club in the Maldives and New Zealand, continued to show robust growth. 4Q18 total-system-sales decreased by more than 10% y-y, primarily from the impact of the portfolio rationalization program carried out in late December 2017. Excluding the impact of the rationalization program for a like-for-like comparison, 4Q18 total-system-sales was flat y-y. To turn around its performance in the domestic market, Australia hub will elevate brand experience of The Coffee Club by enhancing convenience for customers through delivery service, launching new and exciting product menus for various occasions and customer segments, as well as introducing loyalty program. For international business, Australia hub will continue to grow The Coffee Club's footprints, from the current 9 countries to more than 12 countries in 2019.

Overall, 2018 group-wide total-system-sales was flat from last year. The positive total-system-sales growth of Thailand and China hubs helped offset the soft performance of other overseas markets. With challenging business environments across Minor Food's key operating markets, Minor Food ended full-year 2018 with a 3.3% decline in same-store-sales.

For 2019, Minor Food remains positive on its growth outlook. Its strong product and marketing strategies, together with the transformation of restaurant experience through digital innovation and best-in-class delivery service, are expected to turn same-store-sales performance to positive territory. Furthermore, its ongoing outlet expansion, particularly in Thailand and China, will help strengthen growth momentum of the overall group. Lastly, the overall profitability is expected to improve as Minor Food expands in scale and drives operational excellence.

Restaurant Business Performance

%	4Q18	4Q17	2018	2017
Average Same-Store-Sales Growth	(4.3)	(1.1)	(3.3)	(0.8)
Average Total-System-Sales Growth	2.8	3.2	0.2	5.1

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

Financial Performance Analysis

4Q18 total restaurant revenue declined by 5% y-y. The resilient top-line growth of Thailand hub helped offset the slowdown in Australia and the impact of strategic outlet closures in Singapore. Franchise fee grew by 3% y-y in 4Q18, led by solid growth of franchise income from Thailand, especially The Pizza Company brand. 4Q18 core EBITDA declined by 37% y-y as all key hubs experienced heightened margin pressure from same-store-sales contraction, together with promotional campaigns and higher sales and marketing expense as a result of Minor Food's efforts to drive customer traffic amidst sluggish economic environment and high competition. Furthermore, the ramping up of new outlets from rapid expansion in Thailand and China during the quarter also temporarily put pressure on the overall margin. Consequently, core EBITDA margin declined to 12.3% in 4Q18, compared to 4Q17 EBITDA margin of 18.5%.

2018 total core restaurant revenue remained flat from prior year. The resilient growth of Thailand hub, which benefitted from disciplined outlet expansion throughout the year, helped offset the slowdown of overseas operations. 2018 core EBITDA dropped by 15%, mainly from negative same-store-sales growth of all hubs and impact of product and promotional campaigns to combat market downturn in Thailand. As a result, core EBITDA margin decreased to 15.5% in 2018, compared to 2017 EBITDA margin of 18.2%.

Financial Performance*

Baht million	**4Q18**	**4Q17**	**%Chg**
Revenue from Operation**	5,333	5,641	-5
Franchise Fee	423	412	3
Total Revenue	**5,756**	**6,053**	**-5**
EBITDA	**710**	**1,118**	**-37**
EBITDA Margin (%)	**12.3**	**18.5**	
	2018	**2017**	**%Chg**
Revenue from Operation**	21,842	21,918	0
Franchise Fee	1,641	1,665	-1
Total Revenue	**23,484**	**23,582**	**0**
EBITDA	**3,647**	**4,285**	**-15**
EBITDA Margin (%)	**15.5**	**18.2**	

* Exclude non-core items as detailed in the table on page 3
** Include share of profit and other income

Hotel & Mixed-Use Business

Hotel Business

At the end of 4Q18, MINT owns 369 hotels and manages 144 hotels and serviced suites in 51 countries. Altogether, these properties have 75,241 hotel rooms and serviced suites, including 54,995 rooms that are equity-owned and 20,246 rooms that are purely-managed under the Company's brands including Anantara, AVANI, Oaks, Tivoli, NH Collection, NH Hotels, nhow and Elewana Collection. Of the total, 4,272 rooms in Thailand accounted for 6%, while the remaining 70,969 rooms or 94% are located in 50 other countries in Asia, Oceania, Europe, the Americas and Africa.

Hotel Rooms by Owned Equity and Management

	4Q18	**Chg q-q**	**Chg y-y**
Owned Equity*	54,995	-38	45,896
- Thailand	2,716	0	24
- Overseas	52,279	-38	45,872
Management**	20,246	-4,983	9,136
- Thailand	1,556	0	-139
- Overseas	18,690	-4,983	9,275
Total Hotel Rooms	**75,241**	**-5,021**	**55,032**

* Owned equity includes all hotels which are majority-owned, leased and joint-venture.
** Management includes all hotels which are under management contracts and management letting rights. The reduction in number of management in 4Q18 was mainly due to the termination of Hesperia management contract, which was part of NH Hotel Group.

Hotel Rooms by Ownership

	4Q18	**Chg q-q**	**Chg y-y**
Owned Hotels	19,152	176	12,113
Leased Hotels	33,817	-180	33,817
Joint Ventures	2,026	-34	-34
Managed Hotels	13,311	-5,300	8,619
MLRs*	6,935	317	517
Total Hotel Rooms	**75,241**	**-5,021**	**55,032**

* Properties under management letting rights in Australia and New Zealand

Hotel Performance Analysis

MINT's existing owned hotels portfolio (excluding NH Hotel Group), which accounted for 22% of core hotel & mixed-use revenue in 4Q18, reported y-y organic revenue per available room ("RevPar") increase of 1% in 4Q18. Owned hotels in Thailand saw a decline of organic RevPar by 1% y-y. Although owned hotels in Bangkok continued to deliver robust RevPar growth of 6% y-y, the operation in the provinces of Thailand was impacted by the slowdown of inbound tourists from China and some European countries such as France and Sweden, which resulted in a decrease of organic RevPar by 6% y-y. Outside of Thailand, organic RevPar of owned overseas hotels grew by 5% y-y, led by robust performance of operations in the Maldives, Brazil and Africa. In the Maldives, the owned hotel showed organic RevPar growth of 9% y-y, primarily driven by higher occupancy as a result of MINT's successful marketing program. The Brazil portfolio delivered organic RevPar growth of 5% y-y in Thai Baht term, despite the devaluation of Brazilian real by 15% y-y. The growth was driven by robust demand from domestic and the US markets, as well as MINT's effective revenue management, which resulted in an ADR increase of almost 10% y-y in local currency. Lastly, in Africa, the organic RevPar growth of owned hotels increased by 22% y-y, led by strong performance of hotels in Zambia and Botswana. Excluding the foreign exchange translation impact from the strengthening of the Thai Baht, organic RevPar of owned hotels grew at a faster rate of 5% y-y in 4Q18.

The NH Hotel Group portfolio, contributing 65% of core hotel & mixed-use revenue in 4Q18, saw organic RevPar of its owned and leased hotel portfolio in EUR terms increase by 9% y-y in 4Q18. The strong RevPar growth was supported by higher demand and effective pricing strategies across all of its key markets. Spain and Latin America showed particular strength with double-digit organic RevPar growth in 4Q18, supported by increased MICE activities in Spain and favorable tourism demand in both markets. With the inclusion of new hotels, 4Q18 system-wide RevPar of NH Hotel Group's owned and leased portfolio grew by 4% y-y in EUR terms.

With the inclusion of new hotels and NH Hotel Group, system-wide RevPar of MINT's entire owned and leased hotel portfolio declined by 29% y-y. The decrease was merely because of the change in mix of the hotel portfolio with NH Hotel Group commanding much lower RevPar than MINT's average.

The management letting rights (MLRs) portfolio, contributing 6% of 4Q18 core hotel & mixed-use revenue, showed a decline in RevPar by 2% y-y in Australian dollar term. The slowdown was attributable to softer domestic demand amidst challenging economic environment. With the weakening of Australian dollar, 4Q18 RevPar of MLRs portfolio decreased by 9% y-y in Thai Baht term.

Revenue contribution of management contract (excluding NH Hotel Group) to MINT's core hotel & mixed-use revenue was 2% in 4Q18. Organic RevPar of management contract portfolio increased by 7% y-y in 4Q18, led by improved performance of managed hotels in Oman, Qatar and Indonesia, all of which delivered double-digit RevPar growth in 4Q18. Excluding the foreign exchange translation impact with the strengthening of Thai Baht, organic RevPar of managed hotels grew at a faster rate of 8% y-y in 4Q18. Including the new hotels, which are still ramping up, system-wide RevPar of managed hotels grew by 1% y-y in 4Q18.

In summary, in 4Q18, MINT's organic RevPar of the entire portfolio decreased by 1% y-y, attributable to the soft performance of MLRs portfolio, which was adversely affected by the weakening of Australian dollar. Including new hotels and NH Hotel Group, which commanded lower RevPar than MINT's average, system-wide RevPar of MINT's entire portfolio decreased by 26% y-y in 4Q18.

In 2018, organic RevPar of MINT's entire portfolio decreased by 1%. The robust performance of existing owned hotel portfolio, both in Thailand and overseas, partly alleviated the slowdown of managed hotel and MLRs portfolios from the foreign exchange translation impact with the strengthening of Thai Baht. Including new hotels and NH Hotel Group, system-wide RevPar of the entire portfolio decreased by 15% in 2018.

Hotel Business Performance by Ownership

(System-Wide)	Occupancy (%)			
	4Q18	**4Q17**	**2018**	**2017**
Owned & Leased*	69	59	68	62
Joint-Venture	57	53	53	49
Managed	63	64	63	64
MLRs**	79	80	79	78
Average*	**69**	**67**	**69**	**67**
MINT's Portfolio in Thailand	75	75	77	77
Industry Average in Thailand***	71	69	71	68

(System-Wide)		ADR (Baht/Night)		
	4Q18	**4Q17**	**2018**	**2017**
Owned & Leased*	3,985	6,617	4,575	6,228
Joint-Venture	8,387	9,032	8,152	9,336
Managed	6,223	6,075	5,811	6,108
MLRs**	4,332	4,689	4,297	4,588
Average*	**4,207**	**5,850**	**4,765**	**5,705**
MINT's Portfolio in Thailand	5,318	5,278	5,048	4,844
Industry Average in Thailand***	1,846	1,801	1,710	1,613

(System-Wide)		RevPar (Baht/Night)		
	4Q18	**4Q17**	**2018**	**2017**
Owned & Leased*	2,743	3,881	3,117	3,865
Joint-Venture	4,743	4,801	4,343	4,577
Managed	3,902	3,876	3,651	3,917
MLRs**	3,411	3,740	3,391	3,596
Average*	**2,900**	**3,903**	**3,278**	**3,837**
MINT's Portfolio in Thailand	4,006	3,972	3,889	3,753
Industry Average in Thailand***	1,313	1,250	1,221	1,104

(Organic)		Occupancy (%)		
	4Q18	**4Q17**	**2018**	**2017**
Owned & Leased	62	59	65	62
Joint-Venture	57	53	53	49
Managed	66	64	64	64
MLRs**	79	80	79	78
Average	**68**	**67**	**69**	**67**
MINT's Portfolio in Thailand	76	75	79	77

(Organic)		ADR (Baht/Night)		
	4Q18	**4Q17**	**2018**	**2017**
Owned & Leased	6,313	6,617	6,305	6,228
Joint-Venture	8,590	9,032	8,723	9,336
Managed	6,323	6,075	5,833	6,108
MLRs**	4,332	4,689	4,297	4,588
Average	**5,649**	**5,850**	**5,532**	**5,705**
MINT's Portfolio in Thailand	5,346	5,278	5,097	4,844

(Organic)		RevPar (Baht/Night)		
	4Q18	**4Q17**	**2018**	**2017**
Owned & Leased	3,932	3,881	4,119	3,865
Joint-Venture	4,854	4,801	4,658	4,577
Managed	4,149	3,876	3,755	3,917
MLRs**	3,411	3,740	3,391	3,596
Average	**3,867**	**3,903**	**3,817**	**3,837**
MINT's Portfolio in Thailand	4,076	3,972	4,004	3,753

* 4Q18 and 2018 numbers include NH Hotel Group
** Properties under Management Letting Rights in Australia & New Zealand
*** Source for Industry Average: Bank of Thailand

Hotel Performance Analysis

In 4Q18, core revenue from hotel and related services operation increased more than threefold from the same period last year, with substantial revenue contribution from the consolidation of NH Hotel Group, together with robust growth of organic hotel operations, especially in overseas markets. 4Q18 management income grew by 48% y-y, primarily from robust organic RevPar growth of managed hotels, together with additional management fees, including both technical service and termination fees.

In 2018, core revenue from hotel and related services operation grew by 84%, chiefly due to the revenue consolidation of NH Hotel Group, together with favorable performance of organic hotel operations in Thailand and overseas. 2018 management income increased by 19%, primarily from higher income of managed hotels, especially in Thailand, together with fee contribution from the continued expansion of managed hotel portfolio.

Mixed-Use Business & Performance Analysis

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. The first project is The Estates Samui, consisting of 14 villas, adjacent to MINT's Four Seasons Resort Koh Samui. The second project is St. Regis Residences, with 53 residential units located above The St. Regis Bangkok. To date, all units of St. Regis Residences have been sold. The latest project is Layan Residences by Anantara in Phuket, with 15 villas next to Anantara Layan Phuket Resort. In addition, MINT launched three joint-venture residential projects. Anantara Chiang Mai Serviced Suites, a 50% joint-venture project with U City PCL, is situated across Anantara Chiang Mai Resort & Spa and consists of 44 condominium units available for sale. Avadina Hills by Anantara is located next to Layan Residences by Anantara in Phuket with 16 luxury villas for sale. Lastly, the Torres Rani in Maputo, Mozambique consists of 187 condominium units. While most of the units are leased out, there are six penthouses available for sale. In addition, two new residential development projects are currently under construction, including Anantara Desaru in Malaysia and Anantara Ubud Bali in Indonesia 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 2018, AVC had a total inventory of 229 units in Samui, Phuket, Bangkok and Chiang Mai in Thailand, Queenstown in New Zealand, Bali in Indonesia, and Sanya in China. With the successful sales and marketing efforts, AVC maintained positive momentum in 2018 with the increase in number of members by 21% to 12,347 members at the end of 2018.

Revenue from mixed-use business declined by 32% y-y in 4Q18, mainly due to mismatch of sales recognition of residential development. For 2018, revenue from mixed-use business declined by 13%, primarily because of slower pace of residential sales than prior year. Nevertheless, AVC sales continued to show an improvement in 2018, despite the strengthening of Thai Baht, especially in the first half of the year.

Overall Hotel & Mixed-Use Financial Performance Analysis

In 4Q18, total core revenue of hotel & mixed-use business grew by almost threefold from the same period last year with a significant increase from the revenue consolidation of NH Hotel Group, together with favorable performance of existing hotel operations. Nevertheless, mixed-use business experienced revenue contraction due to mismatch of sales recognition of residential development. Core EBITDA of hotel & mixed-use business more than doubled in 4Q18, compared to the same period last year, mainly from significant contribution of NH Hotel Group and improved profitability of AVC with its effective cost control during the quarter. However, the slower growth rate of core EBITDA than core revenue growth rate was due to residential development from mismatch of sales compared to the same period last year and MLR portfolio with higher personnel-related expenses. Consequently, core EBITDA margin of hotel & mixed-use business decreased to 24.1% in 4Q18, compared with 4Q17 EBITDA of 26.4%.

For 2018, total core revenue of hotel and mixed-use business increased by 63%, supported by substantial revenue contribution of NH Hotel Group, together with continued growth of existing hotel & related services and management business. 2018 core EBITDA of hotel & mixed-use business grew by 60%, primarily from positive contribution of NH Hotel Group, together with robust improvement of existing hotel operations. However, EBITDA of mixed-use business showed a decline in 2018 due to margin pressures from impact of foreign exchange translation on AVC's profitability during the first nine months of the year with the strengthening of Thai Baht and lower residential sales than prior year. As a result, core EBITDA margin of hotel & mixed-use business contracted to 24.3% in 2018, compared to 2017 EBITDA of 24.8%.

Going into 2019, Minor Hotels is optimistic on the outlook of its key operating markets. Thailand will continue to benefit from strong inbound tourism trend and the recovery of Chinese tourists, with higher occupancy and ADR. In Europe, Portugal is expected to perform well with positive tourism outlook and improved product offerings, while other European countries, as part of NH Hotel Group, will see stable growth in line with the economy as majority of their business is related to domestic corporate travelers. In addition, 2019 will be the first year of full-year consolidation of NH Hotel Group's financials. In Australia, the MLRs business is expected to improve as domestic economy recovers. Lastly, the mixed-use business will continue to contribute positively to revenue and earnings growth of the overall group.

Financial Performance*

Baht million	**4Q18**	**4Q17**	**%Chg**
Hotel & Related Services**	22,986	6,459	256
Management Fee	485	328	48
Mixed-Use	1,064	1,565	-32
Total Revenue	**24,535**	**8,352**	**194**
EBITDA	**5,907**	**2,201**	**168**
EBITDA Margin (%)	**24.1**	**26.4**	
	2018	**2017**	**%Chg**
Hotel & Related Services**	44,168	24,010	84
Management Fee	1,396	1,171	19
Mixed-Use	5,013	5,790	-13
Total Revenue	**50,577**	**30,970**	**63**
EBITDA	**12,290**	**7,684**	**60**
EBITDA Margin (%)	**24.3**	**24.8**	

* Exclude non-core items as detailed in the table on page 3
** Include share of profit and other income

Retail Trading & Contract Manufacturing Business

At the end of 4Q18, MINT had 490 retail trading points of sales, an increase of 92 points of sales from 398 points at the end of 4Q17. Of total 490 retail trading outlets, 83% are operated under fashion brands including Anello, Bossini, Brooks Brothers, Charles & Keith, Esprit, Etam, OVS, Pedro, Radley and Save My Bag, while 17% are operated under home and kitchenware brands including Joseph Joseph, Zwilling J.A. Henckels and Bodum.

Retail Trading's Outlet Breakdown

	4Q18	Chg q-q	Chg y-y
Fashion	409	27	45
Home & Kitchenware	81	11	47
Total Outlets	**490**	**38**	**92**

In 4Q8, total retail trading & contract manufacturing revenue grew by 5% y-y, driven by improved performance of MINT's retail portfolio, both fashion and home & kitchenware segments, together with higher sales volume of contract manufacturing business. 4Q18 EBITDA of retail trading & contract manufacturing business decreased by 26% y-y with margin pressure from mark-downs on end of season sales of some fashion brands. As a result, EBITDA margin decreased from 9.8% in 4Q17 to 6.9% in 4Q18.

2018 total revenue from retail trading & contract manufacturing increased by 9%, mainly driven by higher sales of retail portfolio. 2018 EBITDA showed a 1% growth. The improved profitability of contract manufacturing business partially offset the lower operating leverage of retail trading business, which was temporarily affected by mark-downs on end of season sales amidst sluggish retail environment in Thailand. Therefore, EBITDA margin declined from 7.4% in 2017 to 6.9% in 2018.

Financial Performance

Baht million	4Q18	4Q17	%Chg
Retail Trading	953	904	5
Manufacturing	282	269	5
Total Revenue*	**1,234**	**1,173**	**5**
EBITDA	**85**	**115**	**-26**
EBITDA Margin (%)	**6.9**	**9.8**	

Baht million	2018	2017	%Chg
Retail Trading	3,448	3,112	11
Manufacturing	992	979	1
Total Revenue*	**4,439**	**4,091**	**9**
EBITDA	**307**	**304**	**1**
EBITDA Margin (%)	**6.9**	**7.4**	

* Include share of profit and other income

Balance Sheet & Cash Flows

At the end of 2018, MINT reported total assets of Baht 267,700 million, an increase of Baht 148,600 million from Baht 119,100 million at the end of 2017. The increase was primarily the result of (1) Baht 81,749 million increase in property, plant and equipment, mainly from the consolidation of NH Hotel Group, (2) Baht 42,446 million increase in intangible assets, mainly from fair value adjustment on brands of NH Hotel Group and (3) Baht 7,424 million increase in cash and cash equivalents, mainly from the consolidation of NH Hotel Group.

MINT reported total liabilities of Baht 184,626 million at the end of 2018, an increase of Baht 116,030 million from Baht 68,596 million at the end of 2017. The increase was primarily due to (1) the increase in trade accounts payable of Baht 13,037 million, majority of which was due to the consolidation of NH Hotel Group, (2) the increase in bridging facilities and long-term borrowings of Baht 59,411 million, mainly used to support MINT's investment in NH Hotel Group and additional investment in Riverside in China, (3) the increase in debentures of Baht 15,376 million, mainly from the consolidation of NH Hotel Group and (4) the increase in deferred tax liabilities of Baht 20,894 million, mainly related to gain on fair value adjustment on brands of NH Hotel Group.

Shareholders' equity increased by Baht 32,570 million, from Baht 50,504 million at the end of 2017 to Baht 83,074 million at the end of 2018, owing mainly to (1) 2018 net profit of Baht 5,445 million, (2) perpetual debentures of Baht 23,778 million and (3) non-controlling interest of Baht 8,047 million arising from the investment in NH Hotel Group netted off with (4) dividend payment of Baht 1,848 million.

For the full-year 2018, MINT and its subsidiaries reported positive cash flows from operations of Baht 7,360 million, an increase of Baht 775 million. The consolidation of NH Hotel Group had significant impact on the movement of operating assets and liabilities items.

Cash flow paid for investing activities was Baht 83,145 million, due primarily to (1) acquisition of subsidiaries, net cash acquired of Baht 77,608 million, mainly from the acquisition of NH Hotel Group, netted of cash on hand of NH Hotel Group and (2) capital expenditures of hotel, restaurant, and other businesses amounted to Baht 8,809 million.

The Company reported net cash receipt from financing activities of Baht 82,971 million, comprising primarily of (1) cash received from issuance of perpetual debentures of Baht 24,822 million and (2) net receipt of bridging facilities and long-term borrowings of Baht 58,523 million.

In summary, cash flows from operating, investing and financing activities resulted in MINT's net cash and cash equivalents' increase of Baht 12,713 million at the end of 2018.

Financial Ratio Analysis

MINT's gross profit margin decreased from 58.8% in 2017 to 56.3% in 2018, due mainly to higher room and spa costs and depreciation expense recorded in direct cost of hotel and related services operation. Nevertheless, 2018 gross profit margin of restaurant and retail trading & contract manufacturing businesses showed improvement from prior year. MINT reported a decrease in net profit margin to 6.9% in 2018 from 9.2% in 2017. Excluding non-recurring items, core net profit margin declined to 7.6% in 2018. The decline was primarily due to lower profitability of mixed-use, MLR and restaurant businesses, as well as higher interest expense, minority interest and tax rate.

Return on equity decreased from 11.9% in 2017 to 8.2% in 2018, partly as a result of the issuance of perpetual debentures to finance the acquisition of NH Hotel Group. Furthermore, the investment in NH Hotel Group, which MINT began to consolidate its financials only for three months, also put temporary pressure on the overall return on equity as equity base expanded. Return on assets declined from 4.8% in 2017 to 2.8% in 2018, mainly from the consolidation of NH Hotel Group, whose assets were elevated to market value, resulting in lower return on asset. Moreover, MINT's recent investments, which were still ramping up also put temporary pressure on the overall return for the full year.

Collection days remained stable at 58 days in 2018. The provision for impairment as a percentage of gross trade receivables slightly increased from 5.5% for the year 2017 to 5.7% in 2018, mainly from restaurant business with the consolidation of Benihana. MINT's inventory comprises primarily raw materials, work-in-process and finished products of the restaurant and retail trading & contract manufacturing businesses, as well as the C&K operation, which is part of hotel business. Inventory days decreased from 56 days in 2017 to 44 days in 2018, mainly from the consolidation of NH Hotel Group with lower inventory level than MINT's existing businesses. Account payable days increased from 48 days in 2017 to 93 days in 2018, mainly from hotel business with the consolidation of NH Hotel Group's financials.

Current ratio decreased from 1.3x at the end of 2017 to 0.9x at the end of 2018, primarily because of the increase in current portions of debentures and long-term borrowings, together with the increase in trade accounts payable from the consolidation of NH Hotel Group. Interest bearing debt to equity increased from 1.0x at the end of 2017 to 1.5x at the end of 2018, largely from the increase in borrowings to support the Company's investment in NH Hotel Group, which was partly offset by the Company's larger equity base as a result of the issuance of perpetual debentures and net profit contribution during the year. MINT expects the improved return from new investments, the full-year consolidation of NH Hotel Group's financials and the proactive management of capital structure together with continued improvement in overall performance, will bring the ratio down to the internal policy of 1.3x by the end of 2019. Interest coverage ratio decreased from 5.1x in 2017 to 4.0x in 2018, mainly because of higher interest expense from acquisition of NH Hotel.

Financial Ratio Analysis

Profitability Ratio	**31 Dec 18**	**31 Dec 17**
Gross Profit Margin (%)	56.3	58.8
Net Profit Margin (%)	6.9	9.2
Core Net Profit Margin* (%)	7.6	9.2

Efficiency Ratio	31 Dec 18	31 Dec 17
Return on Equity (%)	8.2	11.9
Return on Assets (%)	2.8	4.8
Collection Period (days)	58	58
Inventory Days	44	56
Accounts Payable Days	93	48
Liquidity Ratio	**31 Dec 18**	**31 Dec 17**
Current Ratio (x)	0.9	1.3
Leverage & Financial Policy	**31 Dec 18**	**31 Dec 17**
Interest Bearing Debt/Equity (x)	1.5	1.0
Net Interest Bearing Debt/Equity (x)	1.4	0.9
	31 Dec 18	**31 Dec 17**
Interest Coverage (x)	4.0	5.1

* Exclude non-core items as detailed in the table on page 3

NH Hotel Group

NH Hotel Group delivered solid financial results in 2018 with reported revenue growth of 5%. RevPar of the overall portfolio increased by 4% in 2018 with particular strength in Benelux and Italy. Including hyperinflation accounting effect (IAS 29), NH Hotel Group's revenue grew by 4% to EUR 1,620 million in 2018.

2018 recurring EBITDA grew by 13% to EUR 263 million, which was ahead of NH Hotel Group's original target. The robust EBITDA growth was supported by sound top-line growth and effective cost control of both payroll and operating expenses, resulting in improvement in recurring EBITDA margin from 15.0% in 2017 to 16.3% in 2018.

Net recurring profit more than doubled in 2018, mainly driven by improvement in operational performance and substantial reduction in financial cost, following the early redemption of convertible bond in June 2018. Therefore, net recurring profit margin improved from 2.2% in 2017 to 5.3% in 2018. During 2018, NH Hotel Group recorded non-recurring gains of EUR 32m, mostly related to net capital gains from asset rotation. Including non-recurring gains, NH Hotel Group's reported net profit increased more than threefold to EUR 118m in 2018.

For 2019, NH Hotel Group is confident in its business outlook on the back of favorable demand across its key markets, improved asset quality and strong balance sheet and reiterated its full-year EBITDA target of EUR 285m in 2019.

Financial Performance*

EUR million	**2018**	**2017**	**%Chg**
Revenue	1,620	1,553	4
Recurring EBITDA	263	233	13
Recurring EBITDA Margin (%)	*16.3*	*15.0*	*1.3*
Net Recurring Profit	86	35	N/A
Net Recurring Profit Margin (%)	*5.3*	*2.2*	*3.1*
Net Profit	118	36	N/A
Net Profit Margin (%)	*7.3*	*2.3*	*5.0*

* Include hyperinflation accounting effect (IAS 29), which was implemented on 1 January 2018 and required the operating result of Argentina to be restated for the effects of inflation

Management's Outlook

2018 was a transformational year for MINT as it led a successful journey to become a truly global company, with operations spanning Australia, Asia, Africa, the Middle East, Europe and the Americas. Now with a solid foundation, MINT is prepared to drive even stronger performance in 2019. Below highlights key growth drivers and strategies in 2019.

Bigger and Better Hotel Platform to Fuel Growth

With wider footprints and broader spectrum of brands, Minor Hotels is well positioned for growth and expansion.

- RevPar maximization: Minor Hotels expects the favorable tourism trends across its key markets, including Thailand, Europe, Maldives and Australia, to help support RevPar expansion. To maximize the growth potential, Minor Hotels will strengthen its sales and distribution strategy, pro-active marketing efforts and revenue management capabilities. Cross-selling between Minor Hotels and NH Hotel Group is also being implemented through integrated digital platforms and combination of global sales force to drive higher occupancy of both platforms. Furthermore, Minor Hotels and NH Hotel Group are collaboratively mapping out plan for merger of loyalty program and cross-redemption in order to strengthen customer loyalty and increase sales.

- Accelerated growth of asset light model: with expansive portfolio of brands, ranging from mid-scale to high-end, Minor Hotels is set to accelerate the expansion of its hotel management business and expand both Minor Hotels and NH Hotel Group brands into their previously untapped markets. Over the next 5 years, Minor Hotels expects to secure more than 10 new management contracts under its owned brands in Europe, while NH Hotel Group targets to debut their brands in Asia with more than 20 management contracts to be signed. This, combined with existing hotel management pipelines, will bring the managed hotel portfolio of the group to more than 160 properties by 2023. Minor Hotels believes the growth of its hotel management business will contribute positively to its profitability and return on invested capital going forward.

- New Lever for Operational Excellence. Minor Hotels can capitalize on NH Hotel Group's well-established platform and expertise in Europe and Latin America to drive operational excellence of the Tivoli portfolio. Portugal and Brazil operations are being transferred to the management of NH Hotel Group with expected operational improvement on sales and marketing, distribution and combined support functions. In addition, Minor Hotels and NH Hotel Group uniformly reached out to trade partners for optimized pricing scheme based on enlarged hotel portfolio. Various cost saving opportunities from travel agents, both online and traditional, as well as procurement suppliers are being identified and pursued in order to maximize cost efficiency for the group.
- Financial accretion from NH Hotel Group: the full-year contribution from NH Hotel Group (pre-synergistic benefit) will accelerate earnings growth of the hospitality business in a meaningful way in 2019. Moreover, the synergistic benefits, mostly related to revenue expansion, are currently being quantified and expected to help spur incremental growth.

With exciting growth prospects, together with Minor Hotels' relentless pursuit of results, the company is set to embark on the next phase of growth in 2019.

Strengthening Restaurant Business through Innovation Excellence

Minor Food is pursuing a disciplined approach to innovation across all aspects of its operation to transform its restaurant business and drive same-store-sales growth.

- Product innovation: Minor Food is speeding up the rate of new product development to uplift brand excitement, while keeping up with the key trends to enhance brand relevancy to all generations. For example, The Pizza Company will focus on premiumizing its dine-in menus to enhance dining experience and drive customer spending, while expanding its product lines targeting kids and families to attract higher customer traffic.
- Service innovation: Minor Food is driving digital transformation to elevate customer experience, including online ordering system, self-ordering kiosk and cashless payment system. To maximize convenience for customers, Minor Food recently launched the group's single delivery aggregator platform, 1112Delivery where customers can order all of Minor Food brands in one go, receive all orders in one delivery and make one single payment.
- Innovation of store format: Minor Food is innovating various new store concepts, which are easy to scale and effectively help drive occasions and frequencies. For example, The Coffee Club recently launched a beverage bar with grab-and-go features to meet the fast-paced consumer lifestyle today. The new store space is well optimized to achieve the most flexibility and scalability for outlet expansion.

Minor Food is confident that its continued efforts of innovation will increase its competitiveness and turn around its performance and growth to positive trajectory in 2019.

Balance Sheet Management

With the issuance of perpetual bonds, MINT successfully maintained its leverage level below its financial covenant of 1.75x gross debt-to-equity-level (D/E) ratio at the end of 2018. Going into 2019, MINT expects its gearing level to come down further. The full-year consolidation of NH Hotel Group, together with opportunity to recycle some of its European assets, will help increase MINT's equity base and optimize its capital structure.

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Mr. Chaiyapat Paitoon

Deputy Corporate Chief Financial Officer