November 12, 2021 **Minor International Public Company Limited**

MANAGEMENT DISCUSSION AND ANALYSIS

Overview
3Q21 and 9M21 Performance

Summary: Minor International Public Company Limited ("MINT") reported positive operational recovery both y-y and q-q in 3Q21. MINT posted core revenue of Baht 19,745 million in the quarter, an increase of 33% compared to the same period last year. The y-y better performance was driven by the healthy rebound of hotel business, principally in Europe and the Maldives despite challenging operating environment of Minor Food and Minor Lifestyle, especially in Thailand in which strict COVID-19 measures were imposed on restaurants, shopping malls and entertainment outlets in the dark red zone cities.

Core EBITDA in 3Q21 jumped by almost three folds y-y to Baht 4,337 million, attributable to strong improvement of hotels in Europe and timeshare businesses from robust rebound in demand and continued cost minimization.

As a result of the above, core loss narrowed down by half from Baht 4,783 million in 3Q20 to core loss of Baht 2,366 million in 3Q21.

For 9M21, MINT posted core revenue growth of 9% y-y to Baht 47,831 million, supported by recovery of Minor Hotels and Minor Food business units. Meanwhile, core EBITDA surged at a faster pace, jumping by 200% y-y given higher sales flow-through, together with disciplined cost control. Consequently, core loss improved to Baht 10,971 million in 9M21, compared to core loss of Baht 15,119 million in 9M20.

Including the non-core items as detailed in the appendix, revenue rose 39%, compared to the same period in prior year to Baht 20,705 million while EBITDA increased at a higher rate of 850% to Baht 6,256 million in 3Q21. Reported bottom line was at a loss of Baht 436 million in 3Q21, much lower than a net loss of Baht 5,595 million in the same period of last year. For 9M21, MINT posted a 11% and 297% y-y increase in revenue and EBITDA to Baht 49,044 million and Baht 7,770 million, respectively. Reported net loss also improved from Baht 15,816 million in 9M20 to Baht 11,609 million in 9M21.

Financial Performance

Bt million	**3Q21**	**3Q20**	**%Chg**
As Reported			
Total Revenue	20,705	14,904	39
Total EBITDA	6,256	658	850
EBITDA Margin (%)	**30.2**	**4.4**	
Total Net Profit	-436	-5,595	-92
Net Profit Margin (%)	**-2.1**	**-37.5**	
Core*			
Total Revenue	19,745	14,887	33
Total EBITDA	4,337	1,495	190
EBITDA Margin (%)	**22.0**	**10.0**	
Total Net Profit	-2,366	-4,783	-51
Net Profit Margin (%)	**-12.0**	**-32.1**	

	9M21	**9M20**	**%Chg**
As Reported			
Total Revenue	49,044	44,135	11
Total EBITDA	7,770	1,959	297
EBITDA Margin (%)	**15.8**	**4.4**	
Total Net Profit	-11,609	-15,816	-27
Net Profit Margin (%)	**-23.7**	**-35.8**	
Core*			
Total Revenue	47,831	43,989	9
Total EBITDA	7,958	2,651	200
EBITDA Margin (%)	**16.6**	**6.0**	
Total Net Profit	-10,971	-15,119	-27
Net Profit Margin (%)	**-22.9**	**-34.4**	

* Exclude non-core items as detailed in the appendix

Performance Breakdown by Business*

9M21	% Core Revenue Contribution	% Core EBITDA Contribution
Hotel & Mixed-use	64	57
Restaurant Services	32	43
Retail trading & Contract Manufacturing	4	0
Total	**100**	**100**

* Exclude non-core items as detailed in the appendix

Restaurant Outlets by Owned Equity and Franchise

	3Q21	Chg q-q	Chg y-y
Owned Equity	1,200	10	17
- Thailand	940	-2	-16
- Overseas	260	12	33
Franchise	1,173	-4	0
- Thailand	650	5	24
- Overseas	523	-9	-24
Total Outlets	**2,373**	**6**	**17**

Major Developments in 3Q21

	Developments
Restaurant	• Added 6 outlets, net q-q, majority of which were a result of store opening of Riverside in China and Coffee Journey in Thailand, which offset the closure of The Coffee Club outlets in Thailand and Australia during the quarter
Hotel & Mixed-Use	• Completed the sale and manage back transaction of Tivoli Marina Vilamoura and Tivoli Carvoeiro in Portugal • Opened one hotel q-q: One leased NH Collection hotel in Denmark • Closed a total of 2 hotels q-q - NH Hotels: One managed hotel in Romania - Oaks: One MLR hotel in Australia
Corporate	• Issued Baht 10 billion Thai Baht unsubordinated and unsecured debentures • Issued USD 300 million guaranteed senior perpetual capital securities

Restaurant Outlets by Brand

	3Q21	Chg q-q	Chg y-y
The Pizza Company	563	-2	-10
Swensen's	327	1	3
Sizzler	64	0	1
Dairy Queen	492	-2	-7
Burger King	118	1	-1
The Coffee Club	417	-8	-35
Thai Express	79	3	-1
Riverside	133	9	34
Benihana	17	-2	-2
Bonchon	92	1	18
Coffee Journey	22	4	20
Others*	49	1	-3
Total Outlets	**2,373**	**6**	**17**

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

Segment Performance

Restaurant Business

At the end of 3Q21, MINT's total restaurants reached 2,373 outlets, comprising of 1,200 equity-owned outlets (51% of total) and 1,173 franchised outlets (49% of total). 1,590 outlets (67% of total) are in Thailand, while the remaining 783 outlets (33% of total) are in 22 other countries in Asia, Oceania, Middle East, Europe and Mexico.

Hub Performance Analysis

In 3Q21, total-system-sales (including sales from franchised outlets) decreased by 7.5% y-y. The positive total-system-sales growth of China hub attributable to store expansion could not fully mitigate the challenging operating environments of Minor Food in Thailand and Australia. Overall same-store-sales in the quarter fell by 7.2% y-y, pressured by governments' restrictions and lockdown in response to new wave of COVID-19 in all hubs which led to temporary store closure and softer in-store traffic. Nevertheless, the decline of overall same-store-sales improved m-m in the last month of 3Q21, supported by the easing of COVID-19 restrictions in Thailand and well-controlled COVID-19 situation in China.

Thailand hub in 3Q21 reported a 14.3% y-y decline of total-system-sales, attributable to a decrease of 8.4% in same-store-sales and temporary store closure. In seven weeks during July and August, stringent restrictions were imposed on restaurants in thirteen dark-red zone provinces, which accounts for approximately half of the Thailand hub's portfolio. The restrictions included no dine-in services, with only delivery services allowed with shorter operating hours, while restaurants located in shopping malls were temporarily closed. However, m-m sequential improvement was more apparent in September with Thailand hub posting only slight negative same-store-sales growth in the month as restrictions were gradually lifted, albeit continued limited operating hours and dine-in seating capacity. In the quarter, Minor Food responded promptly to ensure operational agility including expanding the delivery coverage radius, adjusting menu to cater more to delivery, managing stocks, as well as, leveraging on existing opened stores as cloud kitchens for brands that are mostly in shopping malls which could not be opened during the lockdown. Notably, The Pizza Company and Burger King delivered positive same-store-sales growth in the quarter, driven by increasing number of dockets from marketing activities and strong traffic in drive-thru channel. In addition, Minor Food successfully improved its own 1112D platform with increased driver productivities, number of active drivers and driver ratings. Minor Food will continue to focus on delivery hygiene, strengthen drivers' delivery practice to gain more confidence from customers and decrease the overall driver cost.

Total-system-sales of China hub increased by 14.9% y-y in 3Q21, mainly fueled by successful store expansion which totally offset a decrease in same-store-sales of 6.2%. Same-store-sales growth remained in the positive territory in July, but turned negative in August and September as Delta variant of COVID-19 hit some of the cities which resulted in limitations of dine-in activities and temporary closure of some stores. Nevertheless, the pandemic started to subside in late August and the spread of COVID-19 was restrained in September, leading to improving operations m-m. During the quarter, China implemented a supply chain management software enhancement to improve operational efficiency and effectiveness, upgraded its payment system and successfully launched the first store of its new trial brand.

Total-system-sales of Australia hub fell by 13.1% y-y in 3Q21, a result of lower number of stores from permanent and temporary closures and a decrease of 10.2% y-y in same-store-sales. The same-store-sales decline was due to the lockdown in the states of Victoria, New South Wales and Queensland with the restricted operational trading to only takeaway and delivery. During the quarter, Australia hub launched new menu and drive delivery sales, and partnered with delivery aggregators to build sales momentum. However, the extended lockdown in some states such as New South Wales started to be lifted from October onwards.

Overall, 9M21 group-wide total-system-sales increased by 2.0% y-y as the strong total-system-sales growth of China and Australia hubs especially in the first half of the year mitigated the soft performance of Thailand hub. Group-wide same-store-sales fell by 6.4% y-y, mainly from the strict government's restrictions in Thailand which led to lower sales activities amidst COVID-19 pandemic.

Restaurant Business Performance

%	3Q21	3Q20	9M21	9M20
Average Same-Store-Sales Growth	(7.2)	(15.9)	(6.4)	(16.1)
Average Total-System-Sales Growth	(7.5)	(17.2)	2.0	(19.6)

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

Financial Performance Analysis

3Q21 total core restaurant revenue decreased by 7% y-y. The positive top-line growth of China hub from successful store expansion and Australia hub from lower discount offerings partially helped alleviate the softer sales performance in Thailand and higher loss contribution from joint ventures. Franchise income declined by 18%, compared to the same period last year as the increasing local franchise income of The Pizza Company was not sufficient to offset lower franchise revenue from other brands.

Core EBITDA in 3Q21 continued to be in positive territory but fell by 6% y-y to Baht 1,136 million, in tandem with lower revenue. As a result, core EBITDA margin increased to 23.6% in 3Q21, compared to 3Q20 EBITDA margin of 23.2%.

In 9M21, total core revenue of Minor Food grew by 2% y-y. Strong demand recovery of China hub and an improvement in sales activities in Australia, especially in 2Q21, together with the low base effect in 2Q20 fully mitigated the challenging operating environment in Thailand. Core EBITDA grew at a faster rate, jumping by 30% y-y, supported by disciplined cost management. Consequently, overall core EBITDA margin increased from 17.5% in 9M20 to 22.3% in 9M21.

Financial Performance*

Bt million	3Q21	3Q20	%Chg
Revenue from Operation**	4,552	4,872	-7
Franchise Fee	263	319	-18
Total Revenue	**4,815**	**5,191**	-7
EBITDA	**1,136**	**1,206**	-6
EBITDA Margin (%)	**23.6**	**23.2**	
	9M21	**9M20**	**%Chg**
Revenue from Operation**	14,241	13,943	2
Franchise Fee	928	897	3
Total Revenue	**15,169**	**14,840**	2
EBITDA	**3,385**	**2,603**	30
EBITDA Margin (%)	**22.3**	**17.5**	

* Exclude non-core items as detailed in the appendix
** Includes share of profit and other income

Hotel & Mixed-use Business

Hotel Business

At the end of 3Q21, MINT owns 373 hotels and manages 153 hotels and serviced suites in 56 countries. Altogether, these properties have 75,546 hotel rooms and serviced suites, including 56,806 rooms that are equity-owned and leased and 18,740 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, 4,809 rooms in Thailand accounted for 6%, while the remaining 70,737 rooms or 94% are located in 55 other countries in Asia, Oceania, Europe, the Americas and Africa.

Hotel Rooms by Owned Equity and Management

	3Q21	Chg q-q	Chg y-y
Owned Equity*	56,806	440	-213
- Thailand	3,188	0	0
- Overseas	53,618	440	-213
Management	18,740	-136	-209
- Thailand	1,621	0	27
- Overseas	17,119	-136	-236
Total Hotel Rooms	**75,546**	**304**	**-422**

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

Hotel Rooms by Ownership

	3Q21	Chg q-q	Chg y-y
Owned Hotels	19,111	46	-85
Leased Hotels	35,866	394	-128
Joint-venture Hotels	1,829	0	0
Managed Hotels	12,342	-76	-258
MLRs*	6,398	-60	49
Total Hotel Rooms	**75,546**	**304**	**-422**

* Properties under management letting rights in Australia and New Zealand

Hotel Performance Analysis

Owned & Leased Hotels

MINT's owned and leased hotels portfolio (including NH Hotel Group), which accounted for 83% of core hotel & mixed-use revenues in 3Q21, reported y-y system-wide revenue per available room ("RevPar") increase of 98%, mainly due to the continued recovery of hotels in many geographies, together with the low base effect during the same period in prior year as many hotels were under temporary closure. All key regions, except for Thailand in which travel between many cities were restricted amidst the new wave of COVID-19 pandemic, showed significant improvement in operations. Particularly, overall hotel performance improved m-m throughout the quarter, driven by a strong recovery of domestic and regional demand in Europe.

Owned and leased hotel portfolio in Europe and Latin America reported system-wide RevPar increase of 102% y-y in 3Q21, led by the reopening of hotels and stronger demand, as well as, the low base last year with imposed travel limitations. The successful vaccination rollout in Europe allowed for higher business activities in all European regions which resulted in m-m increase in average occupancy level, reaching more than 50% in the month of August and September, together with stronger average room rate. Meanwhile, recovery was also seen in Latin America as COVID-19 situation improved with restrictions gradually lifted.

In the Maldives, rebound has been very robust since the hotels reopening in 4Q20. Within 12 months of operation, system-wide RevPar in USD term is already 9% above the 2019 pre-COVID level in 3Q21, driven by both occupancy and average room rate from Minor Hotels' sales efforts and the Maldives' tourism campaign with no quarantine restrictions for tourists to visit the island.

3Q21 system-wide RevPar of owned hotels in Thailand decreased by 22% y-y as the new wave of COVID-19 hit the country since mid of April 2021. Although the operations of hotels in the upcountry showed a q-q progressive improvement in 3Q21 as the Phuket Sandbox initiative helped lift the overall occupancy rate, the rest of the destinations experienced a slowdown because of the restrictions in inter-provincial travel in the first two months of 3Q21. Nevertheless, travel activities gradually recovered in September, supported by the easing of travel restrictions which allows more domestic flights to resume.

Management Letting Rights

The management letting rights portfolio (MLRs), contributing 7% of 3Q21 core hotel & mixed-use revenues, recorded an increase in RevPar of 3% y-y in AUD despite the lockdown of many cities in Australia. A jump in average room rate helped offset the temporary decline in average occupancy rate amidst the travel restrictions imposed in many states of Australia, together with the suspension of Trans-Tasman travel bubble between Australia and New Zealand. With the AUD appreciation against Thai Baht, 3Q21 RevPar in Thai Baht term increased at a higher rate of 11% y-y.

Management Contracts

Revenue contribution of management contract to MINT's core hotel & mixed-use revenues was 2% in 3Q21. System-wide RevPar of management contract portfolio increased by 45% y-y, attributable to a recovery across Europe, the Middle East and the Maldives from the reopening of hotels and higher travel activities.

Overall Hotel Portfolio

In summary, in 3Q21, MINT's system-wide RevPar of the entire portfolio surged by 75% y-y, reflecting operational recovery, especially in Europe and the Maldives from the stronger demand in the quarter and low base effect of previous year.

In 9M21, system-wide RevPar of MINT's entire portfolio rose by 13% y-y. The business improvement in 2Q21 and 3Q21 helped mitigate the soft performance in 1Q21 which was impacted by COVID-19 pandemic, compared to the first two months of 2020 which were still the pre-COVID-19 base.

Hotel Business Performance by Ownership

(System-wide)	Occupancy (%)			
	3Q21	**3Q20**	**9M21**	**9M20**
Owned Hotels*	47	30	28	28
Joint Ventures	26	18	26	24
Managed Hotels*	41	28	32	28
MLRs**	50	64	65	57
Average	**46**	**32**	**32**	**31**
MINT's Portfolio in Thailand	18	18	16	24
Industry Average in Thailand***	5	27	10	31
(System-wide)	ADR (Bt/night)			
	3Q21	**3Q20**	**9M21**	**9M20**
Owned Hotels*	3,793	3,023	3,489	3,305
Joint Ventures	6,306	2,606	6,748	5,301
Managed Hotels*	4,463	4,566	4,573	4,618
MLRs**	4,381	3,069	4,233	3,221
Average	**3,962**	**3,234**	**3,833**	**3,543**
MINT's Portfolio in Thailand	2,799	3,487	3,041	5,067
Industry Average in Thailand***	807	987	922	1,128
(System-wide)	RevPar (Bt/night)			
	3Q21	**3Q20**	**9M21**	**9M20**
Owned Hotels*	1,778	899	984	938
Joint Ventures	1,665	482	1,746	1,289
Managed Hotels*	1,819	1,258	1,463	1,291
MLRs**	2,181	1,965	2,746	1,837
Average	**1,816**	**1,038**	**1,220**	**1,083**
MINT's Portfolio in Thailand	507	640	492	1,231
Industry Average in Thailand***	44	271	98	407

* These 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 3Q21, core revenue from hotel and related services operation jumped by 74% y-y. This was driven by strong demand recovery across all geographies except for Thailand, together with the low base last year. Europe and the Maldives saw the strongest rebound y-y, attributable to the reopening of hotels and robust travel activities. 3Q21 management income also reported an increase of 20%, compared to the same period in prior year from the same reason as mentioned above despite the exit of some hotel management contracts in the quarter.

In 9M21, core revenue from hotel and related services operations increased 12% y-y as the business recovery in 2Q21 and 3Q21 from an easing of COVID-19 measures, particularly in Europe totally offset soft performance in the first quarter of the year. By the same token, 9M21 management income grew by 16% from the same period last year due to improving RevPar of managed hotels and the resumption of hotel openings.

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. MINT has completed the sales of the first two projects, The Estates Samui and St. Regis Residences in Bangkok. The projects that are currently available for sale include Layan Residences by Anantara in Phuket, Anantara Chiang Mai Serviced Suites, Avadina Hills by Anantara in Phuket and Torres Rani in Maputo. In addition, two new residential development projects, Anantara Desaru in Malaysia and Anantara Ubud Bali in Indonesia, are currently under construction, 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 3Q21, AVC had a total inventory of 262 units in Samui, Phuket, Bangkok and Chiang Mai in Thailand, Queenstown in New Zealand, Bali in Indonesia, and Sanya in China. The number of members increased by 9% y-y to 16,166 members at the end of 3Q21.

Revenue from mixed-use business increased by 15% y-y in 3Q21, mainly driven by improving performance of AVC. Minor Hotels' earlier strategy to upgrade its AVC's point redemption program which helped to increase number of members and points sold fully mitigated the decline in plaza and entertainment and residential revenues. The government's restrictions on the opening of shopping malls and entertainment outlets in the dark red zone cities dampened plaza and entertainment business while there was a mismatch of real estate sales activities compared to last year. For 9M21, revenue from mixed-use business surged by 56% from the same period last year due to strong real estate sales activities especially in the first half of the year and the recovery of AVC operations.

Overall Hotel & Mixed-Use Financial Performance Analysis

In 3Q21, hotel & mixed-use business posted total core revenue increase of 66% y-y, attributable to operational recovery across the portfolio, as well as the low base effect in the same period last year.

Core EBITDA of hotel & mixed-use business in 3Q21 jumped by more than 12 folds to Baht 3,227 million, given higher flow-through from revenue improvement, especially at NH Hotel Group with its nature of higher fixed cost, and Anantara Vacation Club, together with continuous effort on cost minimization. Consequently, core EBITDA margin improved from 3.1% in 3Q20 to 22.4% in 3Q21.

For 9M21, hotel & mixed-use business reported total revenue increase of 16% y-y to Baht 30,843 million and a surge of 75 folds in core EBITDA to Baht 4,572 million, due to stronger performance of NH Hotel Group, management letting rights, residential and AVC business units, as well as cost cutting measures. As a result, overall core EBITDA margin was at 14.8% in 9M21, compared to 0.2% in the same period of prior year.

Financial Performance*

Bt million	**3Q21**	**3Q20**	**%Chg**
Hotel & related services **	13,002	7,483	74
Management fee	259	216	20
Mixed-use	1,158	1,004	15
Total Revenue	**14,418**	**8,704**	66
EBITDA	**3,227**	**266**	1,114
EBITDA Margin (%)	**22.4**	**3.1**	
	9M21	**9M20**	**%Chg**
Hotel & related services **	26,245	23,470	12
Management fee	796	689	16
Mixed-use	3,802	2,442	56
Total Revenue	**30,843**	**26,601**	16
EBITDA	**4,572**	**61**	7,431
EBITDA Margin (%)	**14.8**	**0.2**	

* Exclude non-core items as detailed in the appendix
** Include share of profit and other income

Retail Trading & Contract Manufacturing Business

At the end of 3Q21, MINT had 447 retail trading points of sales, a decrease of 21 points of sales from 468 points at the end of 3Q20, primarily from the closing down of OVS and ETAM brands and fewer stores of other brands in order to focus on efficiency, netted off with the addition of Scomadi stores and the launch of new kitchenware brand from Belgium 'BergHOFF' in May 2021. Of total 447 retail trading outlets, 72% are operated under fashion brands including Anello, Bossini, Charles & Keith, Esprit and Radley, while 28% are operated under lifestyle brands including Joseph Joseph, Zwilling J.A. Henckels, Bodum, BergHOFF and Scomadi.

Retail Trading's Outlet Breakdown

	3Q21	Chg q-q	Chg y-y
Fashion	323	4	-65
Lifestyle*	124	11	44
Total Outlets	**447**	**15**	**-21**

* Include Scomadi distributor stores

In 3Q21, total retail trading & contract manufacturing revenue declined by 48% y-y, dragged by both businesses due to stringent restrictions amidst deteriorating COVID-19 situation in Thailand despite the growth of e-commerce sales which was driven mainly by Charles & Keith standalone website. The retail trading outlets of fashion and home and kitchen brands in dark red zone cities were temporarily closed, particularly in July and August as the shopping malls were ordered to be shut down in order to control the COVID-19 transmission. Meanwhile, manufacturing business saw softer demand from major FMCG customers and lower production capacity from the reduced workforce density in production line to mitigate COVID-19 spread. Nevertheless, business operations picked up in September, supported by the easing of COVID-19 restricted measures in which shopping malls in dark red zone were allowed to reopen. Consequently, home and kitchenware, together with manufacturing businesses reported an increase in sales m-m.

With the revenue decline y-y, 3Q21 overall core EBITDA of retail trading & contract manufacturing turned into a loss of Baht 27 million from positive EBITDA of Baht 24 million in the same quarter last year. The cost savings, especially in rental in which Minor Lifestyle received the discount from the landlord during the lockdown period, as well as higher profitability of e-commerce business from less discount campaign could only partially compensate for the lower sales flowthrough of overall operations. However, core EBITDA improved in the month of September, in tandem with the revenue growth.

9M21 revenue from retail trading & contract manufacturing decreased by 29% y-y, attributable to all business units amidst the challenging environment with COVID-19 pandemic. Nevertheless, core EBITDA turned positive to Baht 1 million in 9M21 from a loss of Baht 13 million in the same period last year. This was supported by an EBITDA turnaround of retail trading business, primarily in the first half of the year, as well as cost savings in all areas across Minor Lifestyle. Consequently, EBITDA margin was positive at 0.05% in 9M21.

Financial Performance*

Bt million	3Q21	3Q20	%Chg
Retail Trading	249	706	-65
Manufacturing	263	286	-8
Total Revenues**	**512**	**992**	**-48**
EBITDA	**-27**	**24**	**-211**
EBITDA Margin	**-5.2**	**2.4**	
Bt million	**9M21**	**9M20**	**%Chg**
Retail Trading	1,055	1,729	-39
Manufacturing	764	819	-7
Total Revenues**	**1,819**	**2,548**	**-29**
EBITDA	**1**	**-13**	**-107**
EBITDA Margin	**0.0**	**-0.5**	

* Exclude non-core items as detailed in the appendix
** Include share of profit and other income

Balance Sheet & Cash Flows

At the end of 3Q21, MINT reported total assets of Baht 359,720 million, a decrease of Baht 2,607 million from Baht 362,327 million at the end of 2020. The decrease was primarily attributable to (1) Baht 2,905 million decrease in cash due to repayment of some borrowings, (2) Baht 844 million decrease in land and real estate project for sales due to real estate sales activities, (3) Baht 4,035 million decrease in non-current assets classified as held-for-sale from the sale and manage back of Tivoli hotels in 3Q21 and (4) Baht 3,165 decrease in property, plant and equipment, from the sale and lease back of NH Collection hotel in 2Q21, the regular depreciation and amortization schedule and impairment of assets related to COVID-19, netted off with Baht 4,297 increase in intangible assets mainly as a result of translation adjustment.

MINT reported total liabilities of Baht 296,239 million at the end of 3Q21, an increase of Baht 10,236 million from Baht 286,003 million at the end of 2020. The increase was mainly due to (1) Baht 2,605 million increase in derivative liabilities and (2) an increase in lease liabilities of Baht 1,343 million mainly as a result of the sale and lease back transaction of the NH Collection Barcelona Gran Hotel Calderon in 2Q21 and (3) Baht 2,308 million increase in payables, netted of with a decrease in net financing of Baht 31 million from the repayment of long-term borrowings.

Shareholders' equity decreased by Baht 12,843 million, from Baht 76,324 million at the end of 2020 to Baht 63,481 million at the end of 3Q21, owing mainly to (1) reported 9M21 net loss of Baht 11,609 million, (2) the redemption of perpetual debentures of Baht 9,993 million and (3) interest paid on perpetual bonds of Baht 1,300 million, netted with (1) the proceeds from the exercise of warrants amounting to Baht 384 million and (2) the receipts from issuance of new perpetual debentures of Baht 7,721 million.

For the first nine months of 2021, MINT and its subsidiaries reported positive cash flows from operations of Baht 5,508 million, an increase of Baht 7,253 million y-y, partly attributable to improved operations and partly from the working capital management.

Cash flow receipt for investing activities was Baht 7,925 million in 9M21, primarily due to (1) Baht 4,787 million proceeds from the sale and lease back transaction of the NH Collection Barcelona Gran Hotel Calderon in 2Q21 and (2) Baht 5,496 million proceeds from the sale and manage back of Tivoli Marina Vilamoura and Tivoli Carvoeiro in Portugal in 3Q21, netted off with regular capital expenditures of hotel, restaurant and other businesses.

The Company reported net cash used for financing activities of Baht 17,236 million in 9M21, primarily due to (1) repayment of lease liabilities of Baht 8,907 million, (2) interest paid on perpetual debentures of Baht 1,300 million, (3) net repayment of short term and long term borrowings, debentures and perpetual debentures of Baht 7,387 million, netted off with Baht 384 million proceeds received from the exercise of warrants.

In summary, cash flows from operating, investing and financing activities resulted in a net decrease of MINT's net cash and cash equivalents of Baht 3,803 million in 9M21.

Free cash flow, which is defined as operating cash flow, repayment of lease liabilities and net CAPEX, continued to be in a positive territory for the second consecutive quarter at Baht 4.9 billion, climbing from Baht 2.8 billion in 2Q21. The improvement was mainly due to improving operating cash flow sequentially and proceeds from the asset rotation implemented in 2Q21 and 3Q21.

Financial Ratio Analysis

MINT's gross profit margin rose strongly from 17.3% in 9M20 to 25.9% in 9M21, largely supported by robust rebound of hotel operations in Europe. Meanwhile, MINT's core loss also improved from higher operating leverage and stringent cost cutting measures in all three business units.

Annualized return on equity was negative at 20.9% in 9M21, improved from negative return on equity of 21.8% in 9M20, as a result of lower core net loss compared to last year. Correspondingly, MINT recorded negative annualized return on assets of 4.1% in 9M21.

Collection days decreased from 78 days in 9M20 to 67 days in 9M21, supported by MINT's efforts to collect payment faster. The provision for impairment as a percentage of gross trade receivables decreased from 18.4% in 9M20 to 16.0% in 9M21 from hotel and restaurant businesses due to higher quality of sales.

MINT's inventory comprises primarily raw materials, work-in-process and finished products of the restaurant and retail trading & contract manufacturing businesses. Inventory days rose slightly from 48 days in 9M20 to 50 days in 9M21 but improved from 56 days in 1H21 due to inventory management. Account payable days increased from 115 days in 9M20 to 125 days in 9M21 as MINT, particularly Minor Hotels was able to extend its payment.

Current ratio decreased to 0.9x in 3Q21, compared to 1.3x at the end of 2020 due to the increase in short-term loans and current portions of debentures, as well as lower cash level from mostly the repayment of long-term borrowings. According to MINT's new debt covenant definition which carves out lease liabilities from the calculation, interest bearing debt to equity ratio rose from 1.79x at the end of 2020 to 2.15x in 3Q21, primarily attributable to lower equity base from net loss during the period. Nevertheless, the extension of its financial covenant testing waiver until the end of 2022 from bondholders was successfully secured. Interest coverage ratio improved from 0.4x in 9M20 to 1.5x in 9M21 due to an improvement in cash flows from operations.

Financial Ratio Analysis

Profitability Ratio	**30 Sept 21**	**30 Sept 20**
Gross Profit Margin (%)	25.9	17.3
Net Profit Margin (%)	-23.7	-35.8
Core Net Profit Margin* (%)	-22.9	-34.4
Efficiency Ratio	**30 Sept 21**	**30 Sept 20**
Return on Equity* (%)	-20.9	-21.8
Return on Assets* (%)	-4.1	-7.0
Collection Period (days)	67	78
Inventory (days)	50	48
Accounts Payable (days)	125	115
Liquidity Ratio	**30 Sept 21**	**31 Dec 20**
Current Ratio (x)	0.9	1.3
Leverage & Financial Policy	**30 Sept 21**	**31 Dec 20**
Interest Bearing Debt/Equity (x)	2.15	1.79
Net Interest Bearing Debt/Equity (x)	1.79	1.44
	30 Sept 21	**31 Sept 20**
Interest Coverage (x)	1.5	0.4

* Exclude non-core items as detailed in the appendix

Management's Outlook

Looking ahead, the outlook is very encouraging with accelerated recovery in many geographies with the vaccination rollout globally. As more population are vaccinated, more countries have shifted their national policy from "zero transmission policy" with lockdowns and curfews which had adverse impact socially and economically to "live with COVID-19" approach with target vaccination coverage and containment of hospitalization rate to below the capacity of the public health system. The move towards the latter approach will lead to countries' reopening which will in turn result in the return of international tourists and promote higher level of overall business activities.

Minor Hotels

In addition to the recovery of global tourism industry with the pent-up demand and countries' reopenings, Minor Hotels will leverage on its brands, sales and marketing initiatives, together with products and services offerings, in order to capture such demand and ensure that it is well ahead of the overall industry.

In Europe, more than 95% of hotels are operational currently. The demand trend continues to be robust, supported by the strong leisure segment, especially in the secondary cities, together with the recovery of business and corporate markets following the increase in mobility in all European markets since 2Q21. As a result, average occupancy rate of hotels has accelerated sequentially to 60% in October and early November 2021, together with an increase in room rate to over EUR 100, reaching closer to the pre-COVID-19 level in 2019. The strong demand momentum will continue into 2022, with the return of the events and MICE segment, which NH Hotel Group has started to receive enquiries and bookings for next year.

In Australia, restrictions on both domestic and international travels started to lift gradually as more than 70% of Australians have been fully vaccinated. The temporary domestic travel restrictions in some states have been eased recently, particularly in Victoria, New South Wales and the states of Australian Capital Territory. In addition, the country started to reopen its border to selected international travelers for the first time since March 2020. Starting on 1 November 2021, vaccinated travelers from New Zealand are allowed to travel to some states of the country without quarantine, with the addition of Singapore from 21 November 2021 onwards. Other countries are expected to be added to the list further.

In Thailand, 'Phuket Sandbox' and 'Samui Plus' campaigns have successfully paved the way to recovery. In addition, the accelerated nationwide vaccination rollout program with a target of 70% fully vaccination by December 2021 has allowed for the reopening of the country since 1 November 2021. This resulted in easier mobility within the country and the reopening of the borders to fully vaccinated visitors from 63 countries without having to quarantine. In addition, fully vaccinated travelers from other countries can sandbox-stay in several blue-zone destinations in Thailand. Such move has put Thailand in a position with competitive advantage to receive international tourists while borders of most of the destinations especially in this part of the world remain closed. Moreover, the government has launched "We Travel Together" campaign starting in October 2021 to subsidize for hotel stays, airfares and spending to boost the domestic tourism.

The Maldives is expected to enjoy continued robust demand in the coming months, given the high seasonality for the island, the lift of travel restrictions to South Asian visitors since July 2021, and its first mover advantage with regards to its country reopening. With the Maldives' no-quarantine policy and Minor Hotels' sales efforts, operational activities will remain strong with ability to increase its ADR, keeping its RevPar well above the 2019 pre-COVID level.

Minor Food

With the lifting of restrictions on mobility and social distancing, consumption is expected to pick up with positive impact on all of Minor Food's hubs. Minor Food will continue to focus on product development, strengthen its digital and delivery platform as well as further expand its outlets especially the cloud kitchen concept to further drive growth of the business.

In Thailand, there is a sequential pick-up in the sales of food business following the lifting of restrictions and curfew which allows restaurants to operate at regular hours and at increasing dine-in seating capacity in some cities. In any case, Thailand hub will remain agile in order to quickly adapt to any changing business environment, continue to implement cost control measures and strengthen all of its established sales channels including dine-in, takeaways, drive-thru and delivery.

Although the strong recovery of domestic consumption and Minor Food's loyalty platform have supported the dine-in business in China to return to its normal level of operations, restaurant market may face volatility in the short-term amidst the government's effort to curb the new wave of the pandemic which includes some targeted lockdowns and travel restrictions. China hub will continue to upgrade its Riverside brand to bring new excitement to the customers and stay competitive in the fast-growing industry. Furthermore, supply chain management continues to be a focus, among which is its traceable fish supply program in order to broaden the fish supply channels.

Restaurant operations in Australia hub are expected to be more stable and improve as the vaccination rollout nationwide would curtail the snap lockdown and recommence the economic activities. The Australia hub will remain focused on strengthening both its digital loyalty program and all of its sales channels.

Minor Lifestyle

Amidst the challenging operating environment, Minor Lifestyle has put efforts to drive revenues through all channels by leveraging on customer relations management database. Furthermore, merchandising, inventory management and negotiation with the principal for the rebate and discounts continue to be the key spotlight in order to improve margins.

Cash Flow and Balance Sheet Management

Throughout the pandemic, MINT has proactively put effort in optimizing its balance sheet via liability and equity management, together with asset rotation. As a result, the Company now has a strong foundation to stay resilient and be prepared for any rising opportunities and upcoming strong demand rebound. Moreover, cost saving measures remain in place where possible, albeit an increase in business activities. Going forward, MINT will continue to strengthen its balance sheet position further to bring down its debt-to-equity ratio.

As at end of October, MINT's liquidity position remains strong with available cash on hand at Baht 23 billion and the unutilized credit facilities of Baht 33 billion. In terms of free cash flow, the cash burn rate has improved continuously and turned to positive since June. The liquidity position will further improve given the expected strong recovery in all key hubs going forward.

....

Mr. Chaiyapat Paitoon
Chief Strategy Officer

Appendix

Non-Recurring Items*

Period	Amount (Bt million)	Business Unit	Non-recurring Items
1Q20	113 revenue 49 net profit	Minor Hotels	Non-recurring items of NH Hotel Group (Revenue and SG&A expense)
	755	Minor Hotels	Foreign exchange gain on unmatched USD Cross-Currency Swap (SG&A expense)
	568 pre-tax 585 post-tax	Minor Hotels	Change in fair value of interest rate derivative (SG&A expense)
	10	Minor Food	Reversal of provision related to Ribs & Rumps (reversal of SG&A expense)
2Q20	17 revenue -152 net profit	Minor Hotels	Non-recurring items of NH Hotel Group (Revenue and SG&A expense)
	-251	Minor Hotels / Minor Food / Minor Lifestyle	Redundancy costs from cost cutting measures (SG&A expense)
	-218	Minor Hotels	Receivable provision for AVC (SG&A expense)
	-534	Minor Hotels	Foreign exchange loss on unmatched USD Cross-Currency Swap (SG&A expense)
	-130	Minor Hotels	Change in fair value of interest rate derivative (SG&A expense)
3Q20	17 revenue -96 net profit	Minor Hotels	Non-recurring items of NH Hotel Group (Revenue and SG&A expense)
	-110	Minor Hotels / Minor Food / Minor Lifestyle	Redundancy costs from cost cutting measures (SG&A expense)
	-17 revenue -13 net profit	Minor Food	Provision expenses for inventory (SG&A expense)
	-197	Minor Hotels	Foreign exchange loss on unmatched USD Cross-Currency Swap (SG&A expense)
	-396	Minor Hotels	Change in fair value of financial instruments (SG&A expense)
1Q21	119 revenue -100 net profit	Minor Hotels	Non-recurring items of NH Hotel Group (Revenue and SG&A expense)
	-2,349	Minor Hotels	Impairment of asset related to COVID-19 (SG&A expense)
	793	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 (SG&A expense)
	-12	Minor Hotels / Minor Lifestyle	Redundancy costs from cost cutting measures (SG&A expense)
	-236	Minor Food	Provision expenses for store closure and lease receivable, and write-off of prepaid rent (SG&A expense)
2Q21	134 revenue 83 net profit	Minor Hotels	Non-recurring items of NH Hotel Group (Revenue and SG&A expense)
	-340 pre-tax -103 post-tax	Minor Hotels	Loss from asset sale in Spain (SG&A expense)
	-737	Minor Hotels	Transaction cost related to NH Hotel Group's debt restructuring (Interest expense)
	-9	Minor Hotels	Redundancy costs from cost cutting measures (SG&A expense)
	-9	Minor Food	Provision expenses for store closure and write-off of prepaid rent (SG&A expense)
	272 pre-tax 209 post-tax	Minor Hotels	Foreign exchange gain on unmatched USD Cross-Currency Swap (SG&A expense)
	45 pre-tax 36 post-tax	Minor Hotels	Change in fair value of interest rate derivative (SG&A expense)
3Q21	35 revenue -75 net profit	Minor Hotels	Non-recurring items of NH Hotel Group (Revenue and SG&A expense)
	937	Minor Hotels	Gain from asset sale in Portugal (Revenue)
	5	Minor Hotels / Minor Lifestyle	Redundancy costs from cost cutting measures (SG&A expense)
	-12 revenue -17 net profit	Minor Food	Provision expenses for store closure, write-off of prepaid rent and share

			loss from JV (Revenue and SG&A expense)
	1,044 pre-tax 1,136 post-tax	Minor Hotels	Foreign exchange gain on unmatched USD Cross-Currency Swap (SG&A expense)
	50 pre-tax 76 post-tax	Minor Hotels	Change in fair value of interest rate derivative (SG&A expense)
	131	Minor Hotels	Ineffective hedge accounting (Interest expense)