Management Discussion and Analysis

Overview

4Q14 and 2014 Performance

Minor International Public Company Limited ("MINT") reported y-y net profit growth of 4% in 4Q14 and 7% in 2014 as a result of improved performance of all three business units. MINT's leading position in the domestic market, together with its international expansion strategy, which has not only brought in more revenue and earnings but also made its portfolio more diversified, helped overcome domestic challenges of political uncertainty and consumption slowdown, together with the sluggish macro backdrop in 2014. In a move to reward its shareholders, MINT's Board of Directors also approved the proposed to pay cash dividend in the amount of Baht 0.25 per share, together with stock dividend at the ratio of ten existing shares to one new common share to its shareholders. The dividend payment is subject to MINT's shareholder approval at the Annual General Meeting of Shareholders to be held on April 3rd, 2015.

During the fourth quarter of 2014, restaurant services reported revenue growth of 5% y-y, driven by the strong organic business operation of Thailand and Australia hubs, together with disciplined outlet expansion most notably in China, and increased franchise fee. Hotel & mixed-use business showed a 5% revenue growth in 4Q14 from the same period last year, from the strong performance of overseas hotel operations, primarily Oaks in Australia, continued improvement of Thailand hotels especially Bangkok hotels, together with hotel management business. Revenue from retail trading and contract manufacturing exhibited the highest growth of 9% y-y, primarily from significantly higher sales of fashion business.

In 4Q14, restaurant business contributed 40% of total revenues. Hotel & mixed-use business accounted for 51% of total revenues, while retail trading and contract manufacturing businesses contributed the remaining 9%.

Revenue Breakdown

Bt million	**4Q14**	**4Q13**	**%Chg**
Restaurant Services	4,199	3,997	5%
Hotel & Mixed-Use	5,418	5,181	5%
Retail Trading & Contract Manufacturing	999	915	9%
Total Revenue	**10,615**	**10,094**	**5%**

For the full-year 2014, MINT reported total revenue growth of 8% y-y with strong improvement primarily from restaurant and hotel & mixed-use business units. In terms of revenue breakdown in 2014, restaurant and hotel & mixed-use businesses accounted for 42% and 49% of total revenues, respectively. Retail trading and contract manufacturing contributed another 9%.

Revenue Breakdown

Bt million	**2014**	**2013**	**%Chg**
Restaurant Services	16,760	15,343	9%
Hotel & Mixed-Use	19,328	17,977	8%
Retail Trading & Contract Manufacturing	3,699	3,616	2%
Total Revenue	**39,787**	**36,936**	**8%**

In 4Q14, MINT reported EBITDA of Bt 2,773m, a 3% growth over the same period last year, slightly slower than the growth rate of revenue. The increase in EBITDA was primarily the result of increase in EBITDA of retail trading and contract manufacturing business from the stronger sales of fashion business, coupled with extensive cost-saving measures. However, EBITDA of hotel & mixed-use and restaurant businesses experienced minimal growth in 4Q14 y-y because of the continued impact of the political events on Bangkok hotels, primarily in the first two months of the fourth quarter, lower recognition of the higher-margin residential sales, together with lower operating leverage of the Singapore restaurant hub. As a result, EBITDA margin decreased from 27% in 4Q13 to 26% in 4Q14.

In 4Q14, restaurant and hotel & mixed-use businesses accounted for 28% and 67% of total EBITDA, respectively.

Retail trading & contract manufacturing contributed the remaining 5% of total EBITDA.

EBITDA Breakdown

Bt million	**4Q14**	**4Q13**	**%Chg**
Restaurant Services	762	761	0%
Hotel & Mixed-Use	1,865	1,847	1%
Retail Trading & Contract Manufacturing	146	90	62%
Total EBITDA	**2,773**	**2,699**	**3%**
EBITDA Margin	**26%**	**27%**	

MINT's 2014 EBITDA grew by 7% to Bt 8,849m, mainly attributable to hotel & mixed use and retail trading & contract manufacturing businesses, while EBITDA margin was stable at 22%, compared to last year. Hotel & mixed-use business represented 64% of total EBITDA in 2014, while restaurant business accounted for 32%. Retail trading and contract manufacturing business accounted for the remaining 4%.

EBITDA Breakdown

Bt million	**2014**	**2013**	**%Chg**
Restaurant Services	2,817	2,759	2%
Hotel & Mixed-Use	5,647	5,206	8%
Retail Trading & Contract Manufacturing	384	338	14%
Total EBITDA	**8,849**	**8,304**	**7%**
EBITDA Margin	**22%**	**22%**	

In 4Q14, MINT reported net profit growth of 4% y-y, in line with the growth of revenue. 4Q14 net profit margin was stable at 15%, compared to last year. MINT's 2014 net profit grew by 7% y-y and 2014 net profit margin was stable at 11%, compared to last year.

Net Profit

Bt million	**4Q14**	**4Q13**	**%Chg**
Total net profit	1,619	1,556	4%
Net Profit Margin	**15%**	**15%**	
	2014	**2013**	**%Chg**
Total net profit	4,402	4,101	7%
Net Profit Margin	**11%**	**11%**	

Major Developments in 4Q14

	Developments
Restaurant	• Opened 60 outlets, net q-q, majority of which were outlets of BreadTalk from the new joint-venture in Thailand, The Coffee Club in Australia and Riverside in China • Opened the first Coffee Club restaurant in the United Arab Emirates • Invested in convertible loan of GRAB Food Ltd., the operator of two Thai restaurants in London, England
Hotel & Mixed-Use	• Completed the acquisition transaction of Sun International hotels, resulting in ownership and management of six hotels in Botswana, Lesotho, Namibia and Zambia • Entered into a 50% joint-venture with Natural Park Pcl. to develop Anantara Chiang Mai Serviced Suites, a luxury resort-style condominium project in the city center of Chiang Mai • Assumed the management of a hotel in Zanzibar, Tanzania, to be rebranded to Per AQUUM by the end of 2015 • Transferred and recorded revenues for 2% of total sellable area of St. Regis Residences

Segment Performance

Restaurant Business

At the end of 2014, MINT's total restaurants reached 1,708 outlets, comprising 848 equity-owned outlets (50% of total), and 860 franchised outlets (50% of total). Of total, 1,081 outlets (63% of total) are in Thailand, while the remaining 627 outlets (37% of total) are in Australia, New Zealand, Singapore, China, Middle East, Maldives, Egypt and other countries in Asia. Net sixty outlets were opened in 4Q14. The joint venture with BreadTalk in Thailand added 19 outlets to MINT's restaurant portfolio, while The Coffee Club and Riverside opened 14 and 9 new outlets, respectively during the quarter.

Restaurant Outlets by Owned Equity and Franchise

	4Q14	Chg q-q	Chg y-y
Owned Equity	848	16	34
- Thailand	692	2	24
- Overseas	156	14	10
Franchise	860	44	130
- Thailand	389	29	47
- Overseas	471	15	83
Total Outlets	**1,708**	**60**	**164**

Restaurant Outlets by Brand

	4Q14	Chg q-q	Chg y-y
The Pizza Company	322	2	19
Swensen's	306	2	8
Sizzler	53	1	2
Dairy Queen	387	5	19
Burger King	42	2	6
The Coffee Club	413	14	65
Ribs and Rumps	14	1	1
Thai Express	88	4	9
Riverside	44	9	13
BreadTalk	19	19	19
Others*	20	1	3
Total Outlets	**1,708**	**60**	**164**

* Others include restaurants at the airport under MINT's 51% JV, Select Service Partner

Brand Performance Analysis

Total-system-sales (including sales from franchised outlets) increased by 16.5% y-y in 4Q14, primarily from same-store-sales growth of 0.4% from the continued positive momentum of Thailand hub and the stable performance of Australia hub, together with the outlet expansion of 11% y-y.

In 4Q14, Thailand hub showed the strongest same-store-sales growth of 3.3%, from MINT's marketing efforts to maintain the leading position in the industry, together with the continuous improving sentiment of domestic consumption from the political and economy stability. As a result, most of the brands in Thailand showed continued positive same-store-sales growth in 4Q14. The brands that showed notable same-store-sales growth are Swensen's and Dairy Queen, attributable to effective marketing campaigns and promotions. The Pizza Company reported slightly negative same-store-sales growth in 4Q14 as the focus in the past quarter has been on driving traffic, which will eventually be the base for the brand to drive sales growth going forward. Same-store-sales growth, together with continued outlet expansion, resulted in Thailand hub's strong total-system-sales growth of 11.8% in 4Q14.

China hub reported robust 4Q14 total-system-sales growth of 15.6%, primarily attributable to the expansion of Riverside outlets. Riverside opened 13 outlets in 2014, or a 42% growth y-y. Same-store-sales growth, however, was negative in 4Q14, naturally from the rapid outlet expansion especially in Shanghai since MINT's acquisition in 2012.

Australia hub had the strongest 4Q14 total-system-sales growth of 27.6% y-y. The growth was attributable to the stable organic operations, with 4Q14 same-store-sales growth of 1.0% and outlet expansion of the existing brands, together with the addition of Veneziano the coffee roaster, and the Grove Train and Coffee Hit brands since 3Q14.

In Singapore, the casual dining restaurant industry continued to experience pressure from the deceleration of domestic economy, which partially resulted from the decline in international visitor arrivals to Singapore especially Chinese tourists, together with constant change in consumer taste which resulted from intense competition of new food concepts. As a result, Singapore hub reported negative same-store-sales growth and total-system-sales growth in 4Q14. In an on-going response to the current market pressures with the ultimate objective to increase customer count and overall sales, Minor Food Group Singapore continued to regularly create new and innovative menus for the key brands - Thai Express and Xin Wang, selectively expand outlets in Singapore, consolidate the non-core brands and leverage on the expertise from Thailand head office. In addition, Minor Food Group in Singapore is taking the opportunity of economic slowdown to do major renovation on decor and design of Thai Express existing outlets, with the objective of enhancing customers' dining experience and attract more traffic.

With the favourable same-store-sales growth in the last three quarters of 2014, which more than offset the negative same-store-sales growth in 1Q14 resulting from the industry-wide decline in domestic consumption, MINT ended full-year 2014 with comparable sales growth of 0.4%.

With outlet expansion of 11% y-y, 2014 total-system-sales growth remained strong at 13.1% y-y.

Restaurant Business Performance

%	4Q14	4Q13	2014	2013
Average Same-Store-Sales Growth	0.4	0.9	0.4	1.5
Average Total-System-Sales Growth	16.5	14.3	13.1	13.8

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

Financial Performance Analysis

4Q14 total restaurant revenues grew by 5% y-y, driven by both revenues from operation and franchise fee. Revenues from operation increased by 5%, as a result of increase in same-store-sales, together with expansion of equity outlet by 4% y-y. Franchise fee grew by 6% y-y from continued growth of franchising business, especially Swensen's and Dairy Queen in Thailand. 4Q14 EBITDA was flat y-y, resulting in a decline in EBITDA margin from 19% in 4Q13 to 18% in 4Q14, mainly attributable to the negative same-store-sales growth in Singapore, which put pressure on margin of the Singapore hub.

2014 total restaurant revenues grew by 9% y-y from same-store-sales growth and continued expansion of the equity outlets, together with the growth of the franchise business. 2014 restaurant EBITDA increased by 2%, slower than the increase in revenues from lower operating leverage when same-store-sales of Thailand and Singapore fell alongside industry-wide slowdown in domestic consumption in 1Q14 and 2H14, respectively. As a result, EBITDA margin was 17% in 2014 compared to 18% in 2013.

Going forward, MINT will continue to implement pro-active marketing strategies across all food brands to drive traffic and sales, and will maintain on-going outlet expansion, both within the hubs and across hubs where possible to ensure growth. With bigger scale and expanding same-store-sales growth, MINT will also benefit from the higher operating leverage in the years to come.

Revenue Breakdown

Bt million	4Q14	4Q13	%Chg
Revenues from Operation*	4,042	3,850	5%
Franchise Fee	157	147	6%
Total Revenues	4,199	3,997	5%
EBITDA	**762**	**761**	**0%**
EBITDA Margin (%)	**18%**	**19%**	
	2014	**2013**	**%Chg**
Revenues from Operation*	16,171	14,832	9%
Franchise Fee	589	511	15%
Total Revenues	16,760	15,343	9%
EBITDA	**2,817**	**2,759**	**2%**
EBITDA Margin (%)	**17%**	**18%**	

* Includes share of profit and other income

Hotel & Mixed-Use Business

Hotel Business

At the end of 2014, MINT owns forty-five hotels and manages seventy-four hotels and serviced suites in eighteen countries. Altogether, these properties have 14,721 hotel rooms and serviced suites, including 5,045 that are equity-owned and 9,676 that are purely-managed by the Company and its subsidiary, Oaks. Of the total, 3,728 rooms in Thailand accounted for 25%, while the remaining 10,993 rooms or 75% are located in Australia, New Zealand, Maldives, China, Indonesia, Sri Lanka, Vietnam, Malaysia, Cambodia, Tanzania, Kenya, Mozambique, Zambia, Namibia, Lesotho, Botswana and the United Arab Emirates.

Hotel Rooms by Owned Equity and Management

	4Q14	Chg q-q	Chg y-y
Equity-owned*	5,094	61	1,445
- Thailand	2,229	0	0
- Overseas	2,865	61	1,445
Management	9,627	178	476
- Thailand	1,499	0	0
- Overseas	8,128	178	476
Total Hotel Rooms	**14,721**	**239**	**1,921**

* Equity owned includes all hotels which are majority-owned and joint ventures

Hotel Rooms by Ownership

	4Q14	Chg q-q	Chg y-y
Owned Hotels	3,122	0	369
Joint Venture	1,923	12	1,027
Managed	3,453	49	199
MLR*	6,223	178	326
Total Hotel Rooms	**14,721**	**239**	**1,921**

* Properties under Management Letting Rights in Australia and New Zealand

Hotel Segment Performance Analysis

In 4Q14, MINT's system-wide revenues per available room ("RevPar") increased 1% y-y, thanks to the improved overall tourism environment in Thailand, together with MINT's diversified hotel portfolio. 4Q14 RevPar of Thai hotels showed y-y growth for the first time in 2014, after being put under pressure from political situation in Thailand since the beginning of the year. Although Thai hotels portfolio has seen RevPar decline throughout 2014 up until November, MINT has seen gradual y-y improvement every month in 2H14, since the lowest point of RevPar performance in June and July following the government being taken over by the military. In December 2014, the Thai hotels' occupancy surged to the normalized level of mid-70%, resulting in RevPar growth for the first time of the year. The December RevPar growth was strong enough to fully offset the decline in October and November 2014, resulting in positive RevPar growth for the quarter. The trend of MINT's Thailand portfolio continued to improve going into January of 2015. Outside of Thailand, the performance of MINT's overseas hotels portfolio (excluding Oaks) remained strong with average RevPar growing by 6%, mainly from hotels in Malaysia, the United Arab Emirates, China and the Maldives.

Owned-hotels portfolio, which accounted for 42% of hotel and mixed-use revenues in 4Q14, reported y-y RevPar increase of 2% in 4Q14. With similar trend as the system-wide portfolio as explained above, Revpar of Bangkok owned hotels rose impressively by over 30% y-y in December 2014, enough to more than offset the decline in October and November RevPar, ending 4Q14 Bangkok hotels' RevPar with a growth of 3% y-y. In addition to the turnaround of Bangkok owned hotels, overseas owned hotels continued to perform well, with 4Q14 RevPar growth of 8% y-y. While relatively new hotels such as Anantara Angkor and Anantara Hoi An experienced significant improvement in RevPar y-y, the 4Q14 RevPar increase was primarily attributable to the persistent growth of Anantara Kihavah Villas in the Maldives.

Oaks, contributing 28% of 4Q14 hotel and mixed-use revenues, reported strong and stable performance in Australian dollar term, with high occupancy rate of 77% and ADR increase of 2% to AUD 173. Because of the exchange rate translation, Oaks' 4Q14 RevPar declined by 5% y-y in Thai Baht terms compared to last year.

Revenue contribution of management contract to MINT's hotel and mixed-use revenue increased significantly from 3% in 4Q13 to 7% in 4Q14. System-wide RevPar of management contract portfolio increased by 11% y-y in 4Q14, led by hotels in the United Arab Emirates, China and Sikao-Thailand, together with the benefit of Thai Baht appreciation, when translating local currency ADRs into Thai Baht.

In 2014, system-wide RevPar increased by 3% y-y, thanks to the overseas as well as non-Bangkok Thai hotels which helped offset the impact of domestic political events on Bangkok hotels. Excluding hotels in Bangkok, the y-y growth in 2014 RevPar was 8%, with RevPar of hotels outside Thailand, the majority of which are Anantara hotels, increasing by 25% y-y. The increase was attributable to higher occupancies and ADR's, both in existing properties and new openings.

Hotel Business Performance by Ownership

(System-wide)	Occupancy (%)			
	4Q14	**4Q13**	**2014**	**2013**
Owned Hotels	67	69	59	68
Joint Venture	62	60	57	55
Managed	63	62	55	58
MLR*	77	79	76	78
Average	**70**	**71**	**66**	**70**
MINT's Portfolio in Thailand	**68**	**70**	**58**	**70**
Industry Average in Thailand**	**64**	**65**	**56**	**65**

ADR (Bt/night)

	4Q14	4Q13	2014	2013
Owned Hotels	7,227	6,957	7,028	6,385
Joint Venture	14,101	16,341	16,299	14,895
Managed	7,141	6,506	6,748	5,594
MLR*	4,848	4,957	4,795	4,788
Average	**6,266**	**6,098**	**6,110**	**5,573**
MINT's Portfolio in Thailand	**5,044**	**4,791**	**4,973**	**4,882**
Industry Average in Thailand**	**2,119**	**2,104**	**1,981**	**1,942**

RevPar (Bt/night)

	4Q14	4Q13	2014	2013
Owned Hotels	4,859	4,784	4,168	4,372
Joint Venture	8,707	9,773	9,218	8,163
Managed	4,517	4,066	3,737	3,227
MLR*	3,715	3,923	3,643	3,730
Average	**4,409**	**4,355**	**4,024**	**3,901**
MINT's Portfolio in Thailand	**3,425**	**3,359**	**2,865**	**3,396**
Industry Average in Thailand**	**1,361**	**1,361**	**1,101**	**1,260**

*Properties under Management Letting Rights in Australia and New Zealand
**Source for Industry Average: Bank of Thailand

Hotel Performance Analysis

Because of MINT's diversification strategy and the visible improvement of the overall tourism environment in Thailand, 4Q14 revenues from hotel and related services operation increased by 9% y-y, despite the global economic slowdown, the impact from the weakening of Russian Rubles which resulted in a decline in Russian tourists around the world and the impact from foreign exchange translation on Oaks' performance. For owned hotels, the increase continued to be mainly from the strong growth of overseas hotels and improving performance of hotels in the provinces, together with revenues from the new Anantara Phuket Layan. Oaks also saw 4Q14 revenue growth y-y, primarily from the addition of number of rooms by 5% y-y.

4Q14 management income increased significantly by 131% primarily due to the remarkable performance of managed hotels in United Arab Emirates and the Maldives, the ramping up of relatively new hotels, together with the addition of new hotels, which resulted in an increase in number of rooms by 6% y-y.

By the same token, 2014 revenue from hotel and related services operations grew by 9% y-y, due to the improved performance of both owned hotels and Oaks. Owned hotels saw strong operations both in the provinces of Thailand and overseas, together with the addition of hotel rooms y-y from both new hotels and the reopening of Anantara Bophut Samui and Anantara Veli in the Maldives after the temporary closure for renovation in 2013. Oaks also reported revenue growth, primarily from the addition of number of rooms throughout 2014. Management income increased significantly by 143% y-y from the outstanding performance of managed hotels in the Maldives and United Arab Emirates, together with the addition of new hotel rooms.

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, namely; (1) Royal Garden Pattaya, (2) Turtle Village Shopping Plaza Phuket and (3) Royal Garden Plaza Bangkok. Since April 2013, Royal Garden Plaza Bangkok has been temporarily closed for renovation, together with the construction of the flagship AVANI Hotel and convention center in Bangkok. In addition, MINT is the operator of eight entertainment outlets, namely (1) Ripley's Believe It or Not Museum; (2) 4D Moving Theater; (3) Haunted Adventure; (4) Infinity Maze; (5) The Louis Tussaud's Waxworks; (6) surreal journey Scream in the Dark; (7) Ripley's Sky Rider; and (8) Ripley's The Vault. 4Q14 revenues from plaza and entertainment business decreased by 9% y-y to Bt 136 m because of decline in Russian tourists to Thailand from the weakening Russian Rubles, which impacted in particular the Royal Garden Pattaya. However, for the full-year 2014, revenues from plaza and entertainment business were flat y-y at Bt 571 m.

The other mixed-use business that is the bigger contribution to MINT's hospitality business is the real estate business, which comprises residential development and vacation club. 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 Hotel in Samui. The second project is St. Regis Residences, with 53 residential units located above St. Regis Hotel Bangkok. To date, 11 villas of the Estates Samui and 94% of the sellable area of St. Regis

Residences have been sold. Next project in the pipeline is The Residences by Anantara, Phuket, next to Anantara Layan, to be launched in 2015. In addition, in October 2014, MINT, together with Natural Park Pcl, announced a 50 / 50 joint venture to develop Anantara Chiang Mai Serviced Suites its first luxury resort-style 44-units condominium project in the city center of Chiang Mai,. The project is expected to be completed in 2016. Additional residential development projects are being considered to ensure continuous pipeline of MINT's real estate business.

Another real estate business of MINT is the point-based vacation club under its own brand, Anantara Vacation Club. At the end of 2014, Anantara Vacation Club had a total of 119 units in Samui, Phuket, Queenstown-New Zealand, Bangkok, Bali and Sanya-China. Although sales of Anantara Vacation Club improved to almost the normal level in 4Q14, following the reopening of the biggest sales gallery in Phuket after the temporary closure for renovation in 3Q14, the business unit reported a slight 4Q14 sales decline y-y because of the closure of sales gallery in Shanghai. Nevertheless, 2014 revenue grew by 15% because of the strong performance in 1H14. Anantara Vacation Club's number of customers increased by 40% y-y to 5,413 members at the end of 2014. With lower recognition of residential sales in 2014 together with the performance of Anantara Vacation Club, revenues from real estate development declined by 22% y-y in 4Q14 and 14% y-y in 2014.

Overall Hotel & Mixed-Use Financial Performance Analysis

Total hotel and mixed-use revenues increased by 5% y-y in 4Q14, primarily from the outstanding performance of management hotels, the continued strong overseas hotel operations, and the stable performance of provincial hotels in Thailand. EBITDA margin decreased from 36% in 2013 to 34% to 2014, as a result of the impact of the political events on Bangkok hotels and the lower recognition of higher-margin residential sales.

For 2014, total hotel and mixed-use revenues increased by 8% y-y, also from the same reasons as stated above. 2014 EBITDA increased by 8% y-y, in line with revenue growth, from the higher operating leverage in the beginning of the year. As a result, EBITDA margin remained stable at 29% in 2014.

With the visible turnaround of the performance of Bangkok hotels in December 2014 and the continued momentum into January 2015, MINT is confident of the outlook of the Thailand's tourism industry for the rest of 2015. With the improved performance of both domestic and overseas portfolio, MINT will continue to grow its hospitality business through owned hotels, managed hotels, expansion plans and acquisitions.

Revenue Breakdown

Bt million	**4Q14**	**4Q13**	**%Chg**
Hotel & related services*	3,923	3,615	9%
Management fee	386	167	131%
Plaza & entertainment	136	151	-9%
Real estate development	972	1,249	-22%
Total Revenues	5,418	5,181	5%
EBITDA	**1,865**	**1,847**	**1%**
EBITDA Margin (%)	**34%**	**36%**	
	2014	**2013**	**%Chg**
Hotel & related services*	14,093	12,912	9%
Management fee	1,265	520	143%
Plaza & entertainment	571	573	0%
Real estate development	3,400	3,973	-14%
Total Revenues	19,328	17,977	8%
EBITDA	**5,647**	**5,206**	**8%**
EBITDA Margin (%)	**29%**	**29%**	

* Includes share of profit and other income; from 2Q14 onwards, revenue from spa services has been reclassified as part of revenue from hotel operations. The figures are retrospective in 4Q13 and 2013.

Retail Trading and Contract Manufacturing Business

At the end of 2014, MINT had 297 retail trading points of sales under Esprit, Bossini, Charles & Keith, Pedro, GAP, Tumi, Red Earth and Henckels brands. In 2014, the Company opened 21 new outlets. Of total at year-end 2014, 87% of the points of sales are operated under fashion brands, 7% are operated under Red Earth and another 6% are operated under Henckels.

Retail Trading's Outlet Breakdown

	4Q14	Chg q-q	Chg y-y
Fashion	257	9	19
Cosmetics	22	0	2
Others	18	0	0
Total Outlets	**297**	**9**	**21**

In 4Q14, retail trading and contract manufacturing business reported revenue growth of 9% y-y because of improved revenue of both retail trading and contract manufacturing businesses. 4Q14 revenue from retail trading business grew by 11% y-y, primarily attributable to better performance of fashion brands, notably Charles & Keith, Tumi and Pedro, together with higher sales of Henckels, and 8% points of sale expansion y-y. Revenue from contract manufacturing business increased by 3% y-y because of partial recovery of ordering from its key customers. All in all, retail trading and contract manufacturing business reported EBITDA growth of 62%, with an EBITDA margin expansion to 15% in 4Q14 compared with 10% in 4Q13 because of the faster increase of the higher-margin nature and cost efficiency of the retail trading business, and recovery of the contract manufacturing business.

In 2014, revenues from retail trading and contract manufacturing grew by 2% y-y, attributable to increased revenue from fashion business, especially Charles & Keith, Tumi, Henckels and Pedro. 2014 EBITDA increased by a larger degree of 14% y-y from higher growth of the higher-operating leverage retail trading business, together with its cost-saving measures. As a result, EBITDA margin increased from 9% to 10% in 2014.

Retail Trading and Contract Manufacturing's Revenue Breakdown

Bt million	**4Q14**	**4Q13**	**%Chg**
Retail Trading	730	655	11%
Manufacturing	269	260	3%
Total Revenues*	**999**	**915**	**9%**
EBITDA	**146**	**90**	**62%**
EBITDA Margin	**15%**	**10%**	

	2014	**2013**	**%Chg**
Retail Trading	2,592	2,454	6%
Manufacturing	1,107	1,162	-5%
Total Revenues*	**3,699**	**3,616**	**2%**
EBITDA	**384**	**338**	**14%**
EBITDA Margin	**10%**	**9%**	

* Includes share of profit and other income

Balance Sheet & Cash Flows

At the end of 2014, MINT reported total assets of Bt 74,279m, an increase of Bt 14,156m from Bt 60,124m at the end of 2013. The increase was primarily the result of:

1. Bt 2,002m increase in cash and cash equivalents from the increase in long-term borrowings in preparation for new investments;
2. Bt 2,448m increase in long-term loans to related companies for the expansion of hotel and mixed-use business in Africa;
3. Bt 1,822m increase in investments in associates and joint ventures from recognition of share of profit from existing associates and joint ventures, together with new investments in hotel and mixed-use projects in Mozambique with Rani Investment and BreadTalk Thailand;
4. Bt 2,362m increase in property, plant and equipment, part of which is from the construction of AVANI Bangkok and Anantara Phuket Layan, investment in Oaks' properties and the increase in Anantara Vacation Club's inventories, together with expansion of restaurant outlets; and
5. Bt 3,806m increase in other non-current assets mainly from advanced payment for investments in Sun International and Tivoli.

MINT reported total liabilities of Bt 44,255m at the end of 2014, an increase of Bt 11,006m from Bt 33,249m at the end of 2013. The increase was due mainly to the issuance of 5-year debenture of Bt 4,500m, combined with increasing in short-term and long-term borrowings from financial institutions of Bt 12,356m, netted off with debenture repayment of Bt 2,060m and loan repayment of Bt 3,370m.

Shareholders' equity increased by Bt 3,149m to Bt 30,024m at the end of 2014 from Bt 26,875m at the end of 2013 owing mainly to 2014 net profit of Bt 4,402m, netted off with dividend payment of Bt 1,411m.

For the 12 months of 2014, MINT and its subsidiaries reported cash flows from operations of Bt 4,785m, a decrease of Bt 396m y-y. Cash flow paid for investing activities was Bt 12,771m, due primarily to (1) cash invested in investments in subsidiaries, associates and joint ventures both in hotel and food businesses of Bt 5,116m (2) capital expenditure of hotel, restaurant and other businesses of Bt 5,485m and (3) cash paid as long-term loans to related companies of Bt 2,450m for the expansion of hotel and mixed-use business in Africa. The Company reported net cash received from financing activities of Bt 10,027m, comprising primarily of (1) cash receipts from borrowings from financial institutions of Bt 12,356m, (2) proceeds from the issuance of 5-year debenture of Bt 4,500m, netted off with (1) repayment of borrowings from financial institutions of Bt 3,370m, (2) debenture repayment of Bt 2,060m and (3) dividend payment of Bt 1,411m. Together with loss on exchange rate of Bt 37m, MINT's net cash and cash equivalents increased by Bt 2,002m in 2014.

Financial Ratio Analysis

MINT's gross profit margin slightly increased to 58.6% in 2014 compared to 58.0% in 2013, primarily from the improved gross profit margins of Anantara Vacation Club business which started to show higher operating leverage in the fourth year of operation. Net profit margin was stable at 11.1% in 2014.

Return on equity decreased to 15.5% in 2014 from 17.9% in 2013 as a result of the significant increase in shareholders' equity from the exercise of warrants and ESOP since May 2013. Return on assets declined to 6.6% in 2014 from 7.3% in 2013 because of the increased investments and property, plant, and equipment over the past year to support the Company's expansion plans.

Collection days increased significantly from 42 days in 2013 to 59 days in 2014, due primarily to the increased receivables from instalment sales of Anantara Vacation Club. The provision for impairment as a percentage of gross trade receivables decreased from 5.9% in 2013 to 5.1% in 2014, primarily due to the effective management of trade receivables of all three businesses. MINT's inventory is primarily the raw materials, work-in-process and finished products of the restaurant, retail trading and contract manufacturing businesses, while hotel business has lower level of inventory because of the nature of its business. Inventory days increased from 49 days in 2013 to 51 days in 2014 because retail trading business ordered more new collections and season's inventories in anticipation for higher sales in 1Q15. Accounts payable days increased from 46 days in 2013 to 48 days in 2014 mainly from the higher accounts payable of NMT plant in 2014. This was because of partial recovery of ordering from its key customers.

Current ratio was 1.0x at the end of 2014, flat y-y. Net interesting bearing debt to equity increased from 0.7x at the end of 2013 to 1.0x at the end of 2014 from the increase in long-term borrowings from financial institutions in order to support new investments in the beginning of 2015. Interest coverage ratio decreased to 5.5x in 2014 from 6.7x in 2013 because of the lower cash flow from operations in 2014.

Financial Ratio Analysis		
Profitability Ratio (Full year)	**31 Dec 14**	**31 Dec 13**
Gross Profit Margin (%)	58.58%	58.04%
Net Profit Margin (%)	11.06%	11.10%
Efficiency Ratio	**31 Dec 14**	**31 Dec 13**
Return on Equity (%)	15.47%	17.86%
Return on Assets (%)	6.55%	7.33%
Collection Period (days)	59	42
Inventory Days	51	49
Accounts Payable Days	48	46
Liquidity Ratio	**31 Dec 14**	**31 Dec 13**
Current Ratio (x)	0.96	0.95
Leverage & Financial Policy	**31 Dec 14**	**31 Dec 13**
Interest Bearing Debt/Equity (x)	1.14	0.87
Net Interest Bearing Debt/Equity (x)	0.96	0.74
	31 Dec 14	**31 Dec 13**
Interest Coverage (x)	5.53	6.70

Management's Outlook

Proven Diversification Strategy

Initiated over 10 years ago, MINT's diversification strategy has over the years become a key to overcome resource dependence and secure our long-term sustainable earnings growth. In 1998, MINT embarked on its first international expansion in Vietnam through a joint venture with local partner to invest in Haiphong Harborview Hotel. Since then, in addition to growing it homegrown Thailand market, MINT continued to diversify its businesses outside of Thailand through both asset heavy and asset light business models. By the end of 2014, MINT had a footprint in 32 countries, spanning from Africa to Australia. The diversification has demonstrated to be a wise strategy. In addition to being one of the key drivers to boost MINT's earnings growth, it also makes MINT's performance less susceptible to external challenges and uncontrollable events in any one country or region. As illustrated in 2014, MINT reported 7% earnings growth, despite various disruptions throughout the year, from the political unrest in Thailand to fluctuations in foreign currencies and a sharp drop in tourists especially from Russia with the plunge in the oil price.

On the Path to Become a Global Player

With such established success, diversification strategy continues to be part of MINT's long-term plans going forward. MINT aims to expand its hospitality and restaurant businesses under its own and franchised brands into more than 47 countries in the next five years. Simultaneously, the Company will deepen its presence in the international markets that it operates.

As an evidence of such strategic direction, going into 2015, MINT has already announced a number of acquisitions that have expanded its footprint to become a more global company, and will ensure its growth trajectory going forward. These include the following:

- First ever expansion into South America and Europe through the acquisition of two hotels, an operating platform and the brand under Tivoli Hotels and Resorts in Brazil, together with four hotels in Portugal. This transaction marks the transformation of MINT from a regional player to a global player.
- Strengthening of the hospitality's Africa hub through Elewana's acquisition of Serengeti Pioneer Camp in Tanzania.
- Announcement of the plan of the first investment in Malaysia to develop an Anantara hotel through the collaboration agreement with Destination Resorts & Hotels (DRH).

As MINT continues to expand its presence through acquisitions, the Company also puts great emphasis on the integration of the operation post-acquisition, in order to ensure quality growth of the organic businesses going forward.

Positive Outlook for 2015

Looking at more immediate prospects, MINT is confident that 2015 will be another record year with healthy revenue and profit growth, profitability expansion and ultimately increase in returns to shareholders. Outlook of some of MINT's key markets are as follows:

- Thailand, contributing 65% of MINT's revenue in 2014, is expected to see more visible improvement both in tourism and consumption industry. Ministry of Tourism and Sports forecasts a recovery in international tourist arrivals in 2015 to as many as 29 million, up from 24.7 million in 2014. The expected increase is attributable to improvement of political environment as well as policies and strategies by the current government to attract international visitors, including the launch of new campaigns on the country's natural and cultural assets by the Tourism Authority of Thailand. For domestic consumption in Thailand, the consumption sentiment of the middle class continues to be resilient, while private and public investment particularly the government infrastructure projects are expected to feed through to the system in 2015. In addition, International Monetary Fund (IMF) forecasts economic growth of Thailand to be around 3.8% in 2015. With such improvement of the macro back drop, together with MINT's continued efforts, both Thailand's hospitality and restaurant businesses will continue to grow in 2015.

- Australia, contributing 14% of MINT's 2014 revenue, is forecasted to show strong and stable growth in 2015. Because of the limited hotel supply in Australia and the depreciation of Australian Dollar, Oaks' serviced apartment business is the best choice for both business travelers and tourists in term of value for money and quality of accommodations. Together with its continued expansion, Oaks' growth plan is well in place for 2015. On the restaurant side, The Coffee Club posted strong performance, in term of same-store-sales growth, outlet expansion and profit growth since MINT's acquisition in 2008. Food business, especially coffee is relatively resilient. Today, viewed as an inexpensive item, coffee is part of the lifestyle and has become more of a necessity in everyday life. Together with disciplined outlet expansion across all food brands, Australia hub's future remains bright in 2015.
- Singapore, contributing 7% of MINT's revenue in 2014, is expected to show economic recovery in 2015 from the improving trend of domestic consumption sentiment. This is attributable to stable employment environment, falling oil prices and the strengthening of the Singapore dollar. Also, IMF forecasts Singapore's economic growth to be 3.6% in 2015. This will bode well for MINT's same-store-sales growth as consumption environment picks up.

Bigger and Better over the Next Five Years

Over the next 5 years, MINT is confident to achieve its target to deliver the average growth rate of 15% - 20% in net profit and over 15% in ROIC from driving a portfolio of own brands, maximizing asset value and productivity and expanding internationally through strategic investments and acquisitions. With its strong brands, operational excellent, experienced management team and committed employees, MINT is confident in delivering both its short term and long term objectives, for the benefit of the shareholders.

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Ms. Trithip Sivakriskul

Corporate Chief Financial Officer