Management Discussion and Analysis

Overview

1Q15 Performance

Minor International Public Company Limited ("MINT") reported consolidated revenue and net profit growth in 1Q15 of 14% and 52% y-y respectively, attributable to the recovery of both hotel and restaurant businesses in Thailand, together with net bargain purchase gain from business acquisition in Sun International hotels in Africa. Net bargain purchase gain from business acquisition signified MINT's ability to make investments at the purchase price that is significantly lower than its fair value of net assets. Such gain amounted to Bt 650m, which comprised fair value adjustment recorded as (1) other revenues for hotels in Botswana and Namibia of Bt 453m and (2) share of profit of investments in associates and joint ventures for hotels in Zambia and Lesotho of Bt 197m.

In 1Q15, hotel & mixed-use business showed the highest revenue growth of 25% y-y, from the recovery of Bangkok hotels, increment revenues from recently acquired hotels, namely Sun International and Tivoli hotels, strong performance of Anantara Vacation Club and the successful sale of the last unit of St. Regis Residences, together with net bargain purchase gain from business acquisition in Sun International hotels. In 1Q15, restaurant business posted 6% revenue growth y-y, primarily because of outlet expansion of both owned and franchised outlets. Revenue from retail trading and contract manufacturing business decreased by 8% y-y, primarily from the decline in revenues from contract manufacturing business.

In 1Q15, hotel & mixed-use business contributed 55% of total revenue. Restaurant business accounted for 38% while retail trading and contract manufacturing business contributed the remaining 7% in 1Q15.

Revenue Breakdown

Bt million	**1Q15**	**1Q14**	**%Chg**
Restaurant Services	4,575	4,307	6%
Hotel & Mixed-Use	6,666	5,322	25%
Retail Trading & Contract Manufacturing	923	1,001	-8%
Total Revenue	**12,164**	**10,630**	**14%**

MINT reported 1Q15 EBITDA of Bt 3,337m, 30% growth over the same period last year. While restaurant business saw a healthy EBITDA growth of 18% y-y, EBITDA of hotel & mixed-use business increased by 36% y-y, primarily as a result of net bargain purchase gain from business acquisition. Retail trading and contract manufacturing business reported a decline in EBITDA by 8% y-y because of discretionary spending slowdown and delayed production and orders from key customers of contract manufacturing business. EBITDA margin improved from 24% in 1Q14 to 27% in 1Q15 because of net bargain purchase gain from business acquisition.

In 1Q15, hotel & mixed-use and restaurant businesses accounted for 72% and 25% of total EBITDA, respectively. Retail trading & contract manufacturing business contributed the remaining 3% of total EBITDA.

EBITDA Breakdown

Bt million	**1Q15**	**1Q14**	**%Chg**
Restaurant Services	838	708	18%
Hotel & Mixed-Use	2,401	1,761	36%
Retail Trading & Contract Manufacturing	98	107	-8%
Total EBITDA	**3,337**	**2,575**	**30%**
EBITDA Margin	**27%**	**24%**	

By the same token, MINT's net profit was Bt 2,157m in 1Q15, up 52% y-y. Net profit margin increased from 13% in 1Q14 to 18% in 1Q15 primarily driven by net bargain purchase gain from business acquisition.

Net Profit			
Bt million	**1Q15**	**1Q14**	**%Chg**
Total Net Profit	2,157	1,420	52%
Net Profit Margin	**18%**	**13%**	

Major Developments in 1Q15

	Developments
Restaurant	• Opened 19 outlets, net q-q, majority of which were The Pizza Company and The Coffee Club outlets
Hotel & Mixed-Use	• Made a strategic acquisition to enter into Europe and South America, consisting of (1) two hotels, an operating platform and the Tivoli Hotels & Resorts brand in Brazil, and (2) four hotel properties in Portugal • Through Elewana, further strengthened presence in Kenya through 50% investment in Cheli & Peacock Group, comprising four owned lodges and camps and two managed camps in Kenya, together with safari tour operators in Kenya and Tanzania • Opened Phase 2 of PER AQUUM Niyama Maldives, a 50% joint-venture hotel • Successfully rebranded Four Seasons Bangkok to Anantara Siam Bangkok • Opened the first hotels under management contract: in Qatar - Banana Island Resort Doha by Anantara, and in Seychelles - AVANI Seychelles Barbarons Resort & Spa • Completed the sales of St. Regis Residences Project with the transfer of the last unit
Retail Trading	• Launched the American-based fashion brand, Banana Republic, at Emquartier.

Segment Performance

Restaurant Business

At the end of 1Q15, MINT's total restaurants reached 1,727 outlets, comprising 866 equity-owned outlets (50% of total), and 861 franchised outlets (50% of total). Of total, 1,096 outlets (63% of total) are in Thailand, while the remaining 631 outlets (37% of total) are in Australia, New Zealand, Singapore, China, Middle East, Maldives, Egypt, UK and other countries in Asia.

Restaurant Outlets by Owned Equity and Franchise

	1Q15	Chg q-q	Chg y-y
Owned Equity	866	18	58
- Thailand	707	15	33
- Overseas	159	3	25
Franchise	861	1	101
- Thailand	389	0	42
- Overseas	472	1	59
Total Outlets	**1,727**	**19**	**159**

Restaurant Outlets by Brand

	1Q15	Chg q-q	Chg y-y
The Pizza Company	335	13	24
Swensen's	310	4	6
Sizzler	52	-1	1
Dairy Queen	384	-3	11
Burger King	43	1	7
The Coffee Club	419	6	67
Ribs and Rumps	14	0	0
Thai Express	83	-5	5
Riverside	44	0	12
Breadtalk	19	0	19
Others*	24	4	7
Total Outlets	**1,727**	**19**	**159**

* Others include restaurants at the airport under MINT's 51% JV, Select Service Partner, together with GRAB outlets in London, England

Brand Performance Analysis

Total-system-sales (including sales from franchised outlets) increased by 17.9% y-y in 1Q15, from same-store-sales growth of 0.6% because of the continued positive momentum of Thailand hub and the stable performance of Australia hub, together with the outlet expansion of 10% y-y.

In 1Q15, Thailand hub showed the strongest same-store-sales growth of 3.5%, primarily from MINT's marketing efforts to maintain the leading position in the industry, although the improvement of domestic consumption appears to be slower than expected. The two brands that saw notable increase in same-store-sales growth in 1Q15 were The Pizza Company and Burger King. The Pizza Company demonstrated positive same-store-sales growth every month of the quarter, with the growth especially high in March, as a result of the successful promotion of the buy-one-get-one free (BOGO) campaign. Burger King's substantial increase in same-store-sales was attributable to higher customer count primarily from increased domestic traffic and effective marketing campaign. The two softer-performing brands in the quarter were Swensen's and Sizzler. While Swensen's marketing campaigns were not as effective in the quarter, which were historically the cause for any brand at any one time in the midst of the rapidly changing consumers' preference, Sizzler's more premium brand positioning was impacted from the prolonged domestic economic challenge. The same-store-sales growth of 3.5%, together with continued outlet expansion, resulted in Thailand hub's strong total-system-sales growth of 12.1% in 1Q15.

China hub had robust 1Q15 total-system-sales growth of 28.8%, primarily attributable to the rapid expansion of Riverside outlets especially in Shanghai, with 12 outlets opened, or a 38% growth y-y. As a result, same-store-sales growth was naturally negative in 1Q15.

Australia hub reported the strongest 1Q15 total-system-sales growth of 29.4% y-y from continued outlet expansion of The Coffee Club, together with the addition of Veneziano the coffee roaster, and the Grove Train and Coffee Hit brands since 3Q14. In addition, the hub's organic operations are stable, with 1Q15 same-store-sales growth of 0.7%.

Singapore hub continued to experience pressure from the slowdown of its economy, together with high competition of new food concepts. As a result, it reported negative same-store-sales growth and total-system-sales growth in 1Q15. Minor Food Group Singapore is taking the opportunity of the domestic economic slowdown to pause its outlet expansion plans and to focus on refreshing its key brands. The initial project starts with Thai Express, which includes the renovation of the decor and ambiance of the restaurant, creation of new menus, as well as improvement of services and food quality.

Restaurant Business Performance

%	1Q15	1Q14
Average Same-Store-Sales Growth	0.6	(1.8)
Average Total-System-Sales Growth	17.9	9.4

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

Financial Performance Analysis

1Q15 total restaurant revenues grew by 6% y-y, driven by both the revenue from operations and franchise fee. Revenue from operations increased by 6% as a result of a strong performance of Thailand hub and disciplined outlet expansion of 10% y-y. Franchise fee grew by 8% y-y from continued growth of franchising business, especially The Pizza Company, Swensen's and Dairy Queen in Thailand.

Restaurant business reported 1Q15 EBITDA of Bt 838m, increasing 18% y-y, due mainly to higher operating leverage of Thailand hub compared to 1Q14 with negative same-store-sales growth, together with improving performance of Australia hub. As a result, EBITDA margin increased to 18% in 1Q15 compared to 16% in 1Q14.

Going forward, MINT will continue to implement its pro-active marketing and cost-saving strategy amidst the slowdown of the economy globally. In addition, MINT will ensure the execution of its expansion plans in order to drive its growth in 2015.

Financial Performance

Bt million	1Q15	1Q14	%Chg
Revenues from Operation*	4,421	4,164	6%
Franchise Fee	154	143	8%
Total Revenues	4,575	4,307	6%
EBITDA	**838**	**708**	**18%**
EBITDA Margin	**18%**	**16%**	

* Includes share of profit and other income

Hotel & Mixed-Use Business

Hotel Business

At the end of 1Q15, MINT owns 56 hotels and manages 76 hotels and serviced suites in twenty two countries. Altogether, these properties have 16,872 hotel rooms and serviced suites, including 6,839 that are equity-owned and 10,033 that are purely-managed under the Company's brands including Anantara, AVANI, Oaks, PER AQUUM, Tivoli and Elewana. Of the total, 3,728 rooms in Thailand accounted for 22%, while the remaining 13,144 rooms or 78% are located in Australia, New Zealand, Maldives, China, Indonesia, Sri Lanka, Vietnam, Malaysia, Cambodia, Tanzania, Kenya, Mozambique, Botswana, Namibia, Zambia, Lesotho, Qatar, Seychelles, Brazil, Portugal and the United Arab Emirates.

During 1Q15, MINT added 2,151 hotel rooms, primarily from (1) the acquisition of six hotels with 1,685 rooms under the Tivoli Hotels & Resorts brand in Brazil and Portugal; (2) a 50% investment in Cheli & Peacock Group to operate 4 owned lodges and camps and 2 managed camps with 68 rooms; (3) a 48 rooms extension of PER AQUUM Niyama, Maldives (Phase 2); and (4) the opening of two new managed hotels: a 117 rooms Anantara in Qatar and a 124 rooms AVANI in Seychelles.

Hotel Rooms by Owned Equity and Management

	1Q15	Chg q-q	Chg y-y
Equity-owned*	6,839	1,794	2,970
- Thailand	2,229	0	0
- Overseas	4,610	1,794	2,970
Management	10,033	357	774
- Thailand	1,499	0	0
- Overseas	8,534	357	774
Total Hotel Rooms	**16,872**	**2,151**	**3,744**

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

Hotel Rooms by Ownership

	1Q15	Chg q-q	Chg y-y
Owned Hotels	4,807	1,685	2,054
Joint Venture	2,032	109	916
Managed	3,703	250	299
MLR*	6,330	107	475
Total Hotel Rooms	**16,872**	**2,151**	**3,744**

* Properties under Management Letting Rights in Australia and New Zealand

Hotel Performance Analysis

Owned-hotels portfolio, which accounted for 52% of hotel & mixed-use revenues in 1Q15, reported y-y organic revenues per available room ("RevPar") increase of 8% in 1Q15, as tourism into Bangkok has quickly recovered back to its normal level. RevPar of Bangkok owned hotels rose impressively by over 75% y-y in 1Q15, with 1Q15 RevPar rebounding to the level significantly higher than pre-political events level seen a few years ago. The increase of the Bangkok portfolio's RevPar was more than enough to offset the decline in RevPar of overseas owned hotels, especially Maldives hotel, Anantara Kihavah, which was impacted by the political issues in Maldives and the decline in Russian tourists in 1Q15, together with last year's high base performance with VIP guests. Hence, organic RevPar of the entire owned hotel portfolio still exhibited favorable growth. System-wide statistics which take into consideration the new additions such as Tivoli Sao Paulo, AVANI Gabarone and AVANI Windhoek commanded lower RevPar than the average RevPar of MINT's owned hotels, 1Q15 system-wide RevPar of MINT's owned hotels was as a result flat y-y.

Oaks, contributing 22% of 1Q15 hotel & mixed-use revenues, reported stable performance in Australian dollar term, with high occupancy rate of 75% and stable ADR of AUD 168. Because of the exchange rate translation, Oaks' 1Q15 RevPar declined by 14% y-y in Thai Baht term compared to the same period last year.

Revenue contribution of management contract to MINT's hotel & mixed-use revenue was 4% in 1Q15. System-wide RevPar of management contract portfolio increased by 15% y-y in 1Q15, led by hotels in China, Thailand and the United Arab Emirates.

In summary, in 1Q15, MINT's overall system-wide RevPar decreased by 5% y-y primarily from weaker performance of Oaks in terms of Thai Baht, high base performance of Maldives hotels last year and the addition of new hotels which had lower RevPar at its start-up stage than MINT's existing hotels. Excluding Oaks and new hotels, MINT's organic RevPar increased by 7% y-y in 1Q15.

Hotel Business Performance by Ownership

(System-wide)	Occupancy (%)	
	1Q15	1Q14
Owned Hotels	72	64
Joint Venture	48	55
Managed	66	57
MLR*	75	76
Average	**70**	**67**
MINT's Portfolio in Thailand	**77**	**61**
Industry Average in Thailand	**69**	**60**

(System-wide)	ADR (Bt/night)	
	1Q15	**1Q14**
Owned Hotels	7,550	8,581
Joint Venture	11,902	25,148
Managed	7,424	7,537
MLR*	4,309	4,966
Average	**6,359**	**6,968**
MINT's Portfolio in Thailand	**5,564**	**5,778**
Industry Average in Thailand	**2,348**	**2,254**

(System-wide)	RevPar (Bt/night)	
	1Q15	**1Q14**
Owned Hotels	5,460	5,498
Joint Venture	5,729	13,777
Managed	4,910	4,264
MLR*	3,245	3,777
Average	**4,431**	**4,673**
MINT's Portfolio in Thailand	**4,271**	**3,519**
Industry Average in Thailand	**1,608**	**1,360**

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

Hotel Performance Analysis

1Q15 revenues from hotel operations grew by 33% y-y. Apart from net bargaining purchase gain from business acquisition in Sun Internataional hotels, revenues from hotel operations were also driven by the outstanding performances of owned hotels in Bangkok, where RevPar increased over 75%, together with the additional revenues from newly acquired hotel portfolios: Tivoli hotels and Sun International hotels. On the other hand, 1Q15 management income decreased by 54%, back to the more normalized level, as 1Q14 was the quarter of remarkable performances of managed hotels in the Maldives, partly as a result of exceptionally strong contribution from VIP guest together with more Russian tourists before Russia experienced its economic crisis.

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 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. 1Q15 revenues from plaza and entertainment business decreased by 9% y-y to Bt 135m because of the decline in Russian tourists to Thailand from the weakening Russian Rubles, which directly impacted in particular both plaza and entertainment business of the Royal Garden Pattaya, especially in the first two months of the year.

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 real estate 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 all units of St. Regis Residences have been sold, with the last unit of St. Regis Residences sold and revenues recorded in 1Q15. Next project in the pipeline is The Residences by Anantara, Phuket, which is expected to be launched in the second half of this year. In addition, Anantara Chiang Mai Serviced Suites, a 50% joint-venture project with Natural Park Pcl., is expected to be completed in 2016. Additional residential projects are being considered to ensure continuous pipeline of MINT's real estate business.

Another real estate business is MINT's point-based vacation club under its own brand, Anantara Vacation Club. At the end of 1Q15, Anantara Vacation Club had a total of 119 units in Samui, Phuket, Queenstown-New Zealand, Bangkok, Bali and Sanya-China, unchanged q-q. Anantara Vacation Club reported strong y-y sales growth of 15% in 1Q15 from the increase in number of customers by 35% y-y to 5,865 members at the end of 1Q15. With Anantara Vacation Club's strong sales growth, together with the sale of the last unit of St.Regis Residences whereas none were sold in the same period last year, revenues from real estate development increased by 45% y-y in 1Q15.

Overall Hotel & Mixed-Use Financial Performance Analysis

In 1Q15, total hotel & mixed-use revenues increased by 36% y-y., mainly from the recovery of hotel operations in Bangkok, additional revenue sources from the newly acquired hotels under the Tivoli and Sun International brands, together with outstanding performance of real estate development which included both Anantara Vacation Club and residential sales, as well as net bargain purchase gain from business acquisition in Sun International hotels.

Total hotel & mixed-use EBITDA increased by 36% y-y in 1Q15 primarily due to net bargain purchase gain from business acquisition, as a result of solid M&A strategy. Consequently, total hotel & mixed-use EBITDA margin increased from 33% in 1Q14 to 36% in 1Q15. EBITDA growth and the expansion of EBITDA margin could have been even more significant if it was not because of the decrease in the higher-margin management fee in this quarter and lower profitability of Pattaya Marriot and Anantara Kihavah because of lower traffic from Russian tourists.

MINT expects the performance of the hospitality business to improve going into the remainder of 2015. As we continue to see the recovery of the hotels in Bangkok, overseas hotels will continue to grow, driven primarily by the Chinese tourists. Cost savings measures are also being implemented to ensure improvement in profitability going forward. The continued growth of Anantara Vacation Club, together with the launch of The Residences by Anantara, Layan in the second half of the year will also propel the growth of the hospitality business.

Financial Performance

Bt million	1Q15	1Q14	%Chg
Hotel operations*	5,198	3,897	33%
Management fee	242	526	-54%
Plaza & entertainment	135	148	-9%
Real estate development	1,091	751	45%
Total Revenues	6,666	5,322	25%
EBITDA	**2,401**	**1,761**	**36%**
EBITDA Margin	**36%**	**33%**	

* Includes share of profit and other income

Retail Trading and Contract Manufacturing Business

At the end of 1Q15, MINT had 298 retail trading points of sales under Esprit, Bossini, Charles & Keith, Pedro, GAP, Banana Republic, Tumi, Red Earth and Henckels brands. During 1Q15, the Company opened 1 net new outlet q-q, which was the official launch of the new fashion brand, Banana Republic, with an outlet at Emquartier, Bangkok. Banana Republic offers a wide range of classic apparel to men and women. Of total 298 retail trading outlets at the end of 1Q15, 87% are operated under fashion brands, 7% are operated under Red Earth and another 6% are operated under Henckels.

Retail Trading's Outlet Breakdown

	1Q15	Chg q-q	Chg y-y
Fashion	258	1	17
Cosmetics	22	-	2
Others	18	-	1
Total Outlets	**298**	**1**	**20**

In 1Q15, total retail trading and contract manufacturing revenue declined by 8% y-y, primarily from the discretionary spending slowdown, together with delayed production and orders from key contract manufacturing customers. Consequently, retail trading and contract manufacturing's EBITDA decreased by 8%, at the same rate as the decline in revenues, resulting in y-y stable EBITDA margin of 11%.

Retail Trading and Contract Manufacturing's Revenue Breakdown

Bt million	1Q15	1Q14	%Chg
Retail Trading	654	667	-2%
Manufacturing	269	334	-19%
Total Revenues*	**923**	**1,001**	**-8%**
EBITDA	**98**	**107**	**-8%**
EBITDA Margin	**11%**	**11%**	

* Includes share of profit and other income

Balance Sheet & Cash Flows

At the end of 1Q15, MINT reported total assets of Bt 77,692m, an increase of Bt 3,412m from Bt 74,279m at the end of 2014. The change was primarily the result of:

1. Bt 3,405m increase in property, plant and equipment due mainly to the consolidation of new

hotels of Sun International in Botswana and Namibia, and Tivoli in Brazil;

2. Bt 1,404m increase in associates and joint ventures investments mainly from the additional investment in Sun International hotels in Zambia and Lesotho and PER AQUUM Niyama, Maldives;
3. Bt 2,672m decrease in cash and cash equivalent from deployment of cash received from debenture issuance in 1Q14 over the year;
4. Bt 4,000m decrease in other non-current assets primarily from reclassification of advance payment for investments in Tivoli hotels in 4Q14 to land and real estates project for sales in 1Q15 upon completion of the acquisition.

MINT reported total liabilities of Bt 46,303m at the end of 1Q15, an increase of Bt 2,049m from Bt 44,255m at the end of 2014. The increase was due mainly to net increase in short-term and long-term loan from financial institution of Bt 666m to fund the recent acquisitions as well as normal operations, and additional deferred tax liabilities of Bt 677m.

Shareholders' equity increased by Bt 1,364m from Bt 30,024m at the end of 2014 to Bt 31,388m in 1Q15 owing mainly to 1Q15 net profit of Bt 2,157m, netted off with loss from foreign exchange rate in translation adjustment of Bt 1,452m from the weakening of Thai baht against foreign currencies especially Euro and Australian currencies.

For the first 3 months of 2015, MINT and its subsidiaries reported negative cash flows from operations of Bt 1,077m, a decrease of Bt 2,706m y-y. This was partly from increase in land and real estates project for sales of Bt 2,317m for the acquisition of four Tivoli hotels in Portugal. Cash flow paid for investing activities was Bt 2,037m, due primarily to normal capital expenditures of hotel, restaurant and other businesses of Bt 1,167m and net cash invested in investments in subsidiaries and associates of Bt 635m.

The Company reported net cash received from financing activities of Bt 797m, comprising primarily of net proceeds from long-term borrowings from financial institutions of Bt 1,863m, netted off with net repayment of short-term and long-term loan of Bt 1,113m.

Ultimately, cash flows from operating, investing and financing activities result in MINT's net cash and cash equivalents' decline by Bt 2,317m in 1Q15.

Financial Ratio Analysis

MINT's gross profit margin decreased from 61.1% in 1Q14 to 60.2% 1Q15, due mainly to real estate development business. Net profit margin increased to 17.7% in 1Q15 compared to 13.4% in 1Q14, owning mainly to net bargain purchase gain from business acquisition in Sun International hotels.

Annualized return on equity increased to 28.1% in 1Q15 from 20.5% in 1Q14. Correspondingly, annualized return on assets was up to 11.4% in 1Q15 from 9.0% in 1Q14. The increase of both ratios was a result of significantly improved net profit.

Collection days increased significantly from 49 days in 1Q14 to 58 days in 1Q15, due primarily to the increased receivables from instalment sales of Anantara Vacation Club. The provision for impairment as a percentage of gross trade receivables was stable at 6.0% in 1Q15. MINT's inventory comprises primarily 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 44 days in 1Q14 to 50 days in 1Q15 due to slower turnover of retail trading business as the business continued to be impacted by the slower-than-expected recovery of the domestic economy. Accounts payable days increased slightly to 43 days.

Current ratio decreased to 0.8x in 1Q15 from 1.0x at the end of 2014 due mainly to the increase in current portion of long-term borrowings. Net interest bearing debt/equity was stable at 1.0x in 1Q15. Interest coverage ratio slightly decreased to 5.2x in 1Q15 from 8.6x in 1Q14 due to the decrease in cash flows from operating activities.

Financial Ratio Analysis		
Profitability Ratio (3 months)	**31-Mar-15**	**31-Mar-14**
Gross Profit Margin (%)	60.16%	61.13%
Net Profit Margin (%)	17.73%	13.36%
Efficiency Ratio	**31-Mar-15**	**31-Mar-14**

Return on Equity* (%)	28.10%	20.47%
Return on Assets* (%)	11.35%	9.00%
Collection Period* (days)	58	49
Inventory Days*	50	44
Accounts Payable Days*	43	42
Liquidity Ratio	**31-Mar-15**	**31-Dec-14**
Current Ratio (x)	0.75	0.96
Leverage & Financial Policy	**31-Mar-15**	**31-Dec-14**
Interest Bearing Debt/Equity (x)	1.11	1.14
Net Interest Bearing Debt/Equity (x)	1.02	0.96
	31-Mar-15	**31-Mar-14**
Interest Coverage (x) (3 months)	5.21	8.59

Note: *Annualized

Management's Outlook

Over the past few years, MINT continued the expansion of its presence, in both of its key businesses in many countries through various investment models, whether through majority stake, joint venture with local partners, or asset light business models of hotel management contracts and restaurant franchises. Today, MINT is fast approaching the status of a global company, with its three primary businesses including restaurants, hospitality and lifestyle brands distribution with over 1,700 restaurant outlets, 130 hotels & resorts and 290 retail trading outlets in 35 countries from Africa to Australia, including South America and Europe. One of the key success factors in the management of the business operations in such complexity both in terms of different businesses and countries is to build a strong foundation to support the fast-growing pace going forward. The followings are some highlights of MINT's progress.

Hub Strategy

MINT has implemented the hub strategy for both of its restaurant and hotel businesses. At present, MINT has 4 restaurant hubs, in Thailand, Singapore, Australia and China, together with 6 hotel hubs, in Thailand, Australia, India Ocean, Middle East, China and South Africa. Each hub has its own management and operational support team to oversee the operations and performance in each of the particular region. The advantages of hub management include ease of control, quick response from management as the hubs are closer to the countries, and shared resources and knowledge within the hubs. Moreover, for the restaurant business, there are also opportunities to cross-sell among hubs. For example, MINT successfully introduced The Coffee Club from Australia to China and Thailand in the past few years. Finally, the hubs can be MINT's eyes and ears for new acquisition potentials. After the acquisition of The Coffee Club in 2008, MINT acquired Oaks Hotels and Resorts and Ribs and Rumps in 2011, and VGC Group in 2014.

Shared Network and Services

There are many benefits of the centralized service centers, especially for shared knowledge and know-how as well as cost efficiency. For example, MINT's supply chain management team helps each food brands not only in sourcing good quality raw materials at reasonable prices, but also in planning and designing of new promotional menus by the marketing team to correspond with the available raw materials in each period. Ultimately, profitability is improved while the quality of the products are ensured. Another example is the shared service of back office, including accounting, finance, legal and IT departments. The expertise as well as knowledge can be shared across business units, and the administration expenses are reduced.

Continued People Development

People development is one of MINT's five core values. MINT is in the service industry and therefore we are in a "People Business". People is MINT's valuable asset and therefore they are treated fairly with regards to work opportunities, remuneration, training and development. Employees are provided with professional and career development training through the promotion of high standards, operation excellence, ethical conduct, efficient evaluation system and continuous improvement programs. In 2014, MINT's employees received an average of 78 hours of training per year. MINT realizes that its sustainable success depends on how we invest in the human capital.

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Ms. Trithip Sivakriskul

Corporate Chief Financial Officer