Management Discussion and Analysis

Overview

4Q13 and 2013 Performance

2013 was another successful year for Minor International Public Company Limited ("MINT"), thanks to the Company's diversification strategy, amidst Thailand's political uncertainties and slowdown in domestic consumption towards the end of the year. MINT reported 2013 net profit of Bt 4,101m, a notable growth of 26%, as a result of improved performance of all three business units. Excluding one-time insurance claims received in 2012 following the floods in 2011, 2013 net profit would have increased at a larger magnitude of 33%. The solid results reflect MINT's strong business foundation with high barriers to entry, together with the successful execution of diversification strategy over the past several years. These have proven to help mitigate the impact from negative external factors. MINT's revenue contribution from overseas business increased remarkably from 4% in 2007 to 38% in 2013, and the figure is expected to continue growing in the coming years.

In addition, MINT's Board of Directors declared cash dividend payment in the amount of Bt 0.35 per share, payable on April 30th, 2014, to shareholders on record as of April 18th, 2014. The dividend payment is subject to the approval of MINT's shareholders at the Annual General Meeting of Shareholders to be held on April 2nd, 2014.

For MINT's 4Q13 performance, restaurant services exhibited the highest revenue growth of 17% y-y, primarily from robust expansion of restaurant outlets, together with the consolidation of Beijing Riverside & Courtyard ("Riverside") in China, which MINT acquired 49% of at the end of 2012. Hotel & mixed-use showed revenue growth of 14% in 4Q13, driven by strong performance of hotel operations, including owned and managed hotels, as well as real estate business. Revenue from retail trading and contract manufacturing increased by 1% y-y.

Hotel & mixed-use business contributed 51% of total revenue in 4Q13. Restaurant business accounted for 40% while retail trading and contract manufacturing contributed the remaining 9% in 4Q13.

Revenue Breakdown

Bt million	**4Q13**	**4Q12**	**%Chg**
Restaurant Services	3,997	3,406	17%
Hotel & Mixed-Use	5,181	4,549	14%
Retail Trading & Contract Manufacturing	915	905	1%
Total Revenue	**10,094**	**8,860**	**14%**

For the full-year 2013, MINT reported total revenue growth of 12% y-y with strong improvement from all three business units. In terms of revenue breakdown in 2013, hotel & mixed-use business and restaurant business accounted for 49% and 41% of total revenues, respectively. Retail trading and contract manufacturing contributed the remaining 10%.

Revenue Breakdown

Bt million	**2013**	**2012**	**%Chg**
Restaurant Services	15,343	13,192	16%
Hotel & Mixed-Use	17,977	16,390	10%
Retail Trading & Contract Manufacturing	3,616	3,412	6%
Total Revenue	**36,936**	**32,994**	**12%**

In 4Q13, MINT reported EBITDA of Bt 2,699m, a 34% growth over the same period last year. EBITDA margin significantly increased from 23% in 4Q12 to 27% in 4Q13, primarily from the higher profitability of the hotel and real estates business, the turnaround of the restaurant business in China together with effective cost control amidst the slowdown in domestic consumption, and the stronger performance of fashion business.

Hotel & mixed-use and restaurant businesses accounted for 69% and 28% of total EBITDA in 4Q13, respectively. Retail trading & contract manufacturing contributed the remaining 3% of total EBITDA.

EBITDA Breakdown			
Bt million	**4Q13**	**4Q12**	**%Chg**
Restaurant Services	761	592	29%
Hotel & Mixed-Use	1,847	1,360	36%
Retail Trading & Contract Manufacturing	90	69	31%
Total EBITDA	**2,699**	**2,021**	**34%**
EBITDA Margin	**27%**	**23%**	

MINT's 2013 EBITDA grew by 18% to Bt 8,304m, attributable to all three business units, while EBITDA margin increased from 21% in 2012 to 22% in 2013. Excluding the insurance claim received in 2012, 2013 EBITDA expanded by 20% y-y. In 2013, hotel & mixed-use business represented 63% of total EBITDA, while restaurant business accounted for 33%. Retail trading and contract manufacturing business accounted for the remaining 4%.

EBITDA Breakdown			
Bt million	**2013**	**2012**	**%Chg**
Restaurant Services	2,759	2,238	23%
Hotel & Mixed-Use	5,206	4,535	15%
Retail Trading & Contract Manufacturing	338	289	17%
Total EBITDA	**8,304**	**7,063**	**18%**
EBITDA Margin	**22%**	**21%**	

In 4Q13, MINT reported net profit growth of 34% y-y, at the same rate as the growth of EBITDA. Net profit margin therefore improved to 15% in 4Q13 from 13% in 4Q12.

Similarly, MINT's 2013 net profit grew by 26% y-y. Excluding the insurance claim received in 2012, 2013 net profit increased by 33% y-y and net profit margin expanded from 9% in 2012 to 11% in 2013.

Net Profit			
Bt million	**4Q13**	**4Q12***	**%Chg**
Total net profit	1,556	1,159	34%
Net Profit Margin	**15%**	**13%**	
	2013	**2012***	**%Chg**
Total net profit	4,101	3,243	26%
Net Profit Margin	**11%**	**10%**	

* Restated per the new accounting policy on current and deferred income taxes

Major Developments in 4Q13

	Developments
Restaurant	• Opened 80 outlets, net q-q, majority of which were Dairy Queen, The Coffee Club and The Pizza Company outlets • Launched a new concept, "Penang Street", a sub-brand of Thai Express in Singapore
Hotel & Mixed-Use	• Reopened Anantara Veli in the Maldives and Anantara Bophut Koh Samui after closure for renovation since April 2013 • Invested 49.9% in Peace Haven Resorts Limited, the company which will develop an Anantara hotel in Tangalle, a town on the south coast of Sri Lanka • Acquired a 50% stake in NIYAMA, Maldives, a modern 86-key resort which is part of the Per AQUUM brand • Opened three management hotels under Anantara brand: Anantara Chiang Mai, Anantara Dubai the Palm and Anantara Sir Bani Yas Island Al Sahel Villa Resort in Abu Dhabi • Assumed the management of a hotel in Bangkok, to be rebranded into Avani Atrium Bangkok after renovation • Added 465 rooms, net q-q under Oaks brand, including investment in two properties in Hunter Valley and Broome and management letting rights of four properties in Melbourne, Moranbah, Middlemount and Bowen Hills • Opened Grand Hotel, an invested hotel under Oaks in Gladstone • Transferred and recorded 5% of total sellable area of St. Regis Residences and one unit of the Estates Samui

Segment Performance

Restaurant Business

At the end of 2013, MINT's total restaurants reached 1,544 outlets, comprising 814 equity-owned outlets (53% of total), and 730 franchised outlets (47% of total). Of total, 1,010 outlets (65% of total) are in Thailand, while the remaining 534 outlets (35% of total) are in Australia, New Zealand, Singapore, China, Middle East, Maldives, Egypt and other countries in Asia. Eighty-one outlets were opened in 4Q13, while one outlet was closed. Dairy Queen continued to accelerate its domestic franchising by adding another 25 franchised outlets during the quarter.

Restaurant Outlets by Owned Equity and Franchise

	4Q13	Chg q-q	Chg y-y
Owned Equity	814	38	54
- Thailand	668	20	27
- Overseas	146	18	27
Franchise	730	42	109
- Thailand	342	26	69
- Overseas	388	16	40
Total Outlets	**1,544**	**80**	**163**

Restaurant Outlets by Brand

	4Q13	Chg q-q	Chg y-y
The Pizza Company	303	11	11
Swensen's	298	9	17
Sizzler	51	4	6
Dairy Queen	368	25	59
Burger King	36	2	7
The Coffee Club	348	12	35
Ribs and Rumps	13	0	1
Thai Express	79	8	15
Riverside	31	7	10
Others*	17	2	2
Total Outlets	**1,544**	**80**	**163**

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

Brand Performance Analysis

In 4Q13, total-system-sales (including sales from franchised outlets) increased by 14.3% y-y, primarily from the outlet expansion of 12% y-y. Same-store-sales in 4Q13 saw a reasonable growth of 0.9%, considering the domestic consumption slowdown, mainly as a result of a high-base effect from the prior year when the government implemented more populist policies, and the ongoing political event. The Pizza Company reported solid same-store-sales growth of 6.6%, demonstrating the success of the restructuring of its menu and marketing campaigns, which ultimately resulted in higher traffic for the brand. The positive impact of the diversification strategy, The Pizza Company's performance, together with the stable performance of overseas brands including Thai Express and The Coffee Club, has somewhat mitigated the slowdown of other domestic brands which were affected by the slower domestic consumption. It also helped alleviate the impact of the unusually cooler weather in Thailand for an abnormally longer period of time which has resulted in softened same-store-sale growth of Swensen's and Dairy Queen during the quarter.

With the favorable same-store-sales growth in 1Q13, MINT ended the year with full-year 2013 comparable sales growth of 1.5%, while total-system-sales growth remained strong at 13.8% y-y.

Restaurant Business Performance by Brand

Same-Store-Sales (% chg y-y)

	4Q13	4Q12	2013	2012
The Pizza Company	6.6	(0.8)	(0.8)	5.9
Swensen's	(10.1)	14.2	2.3	10.7
Sizzler	(0.3)	14.6	0.5	6.1
Dairy Queen	(4.5)	9.1	(0.9)	17.5
Burger King	7.2	18.2	7.6	10.2
The Coffee Club	2.4	2.3	2.5	3.1
Ribs and Rumps	(9.6)	(0.8)	(8.4)	(0.5)
Thai Express	1.7	1.8	4.6	(0.4)
Average	**0.9**	**4.6**	**1.5**	**5.5**

Total-System-Sales (% chg y-y)

	4Q13	4Q12	2013	2012
The Pizza Company	11.9	4.2	2.9	14.6
Swensen's	(5.9)	22.2	7.3	18.9
Sizzler	9.8	12.6	6.7	7.0
Dairy Queen	14.4	27.5	17.6	30.2
Burger King	15.7	19.5	14.4	10.8
The Coffee Club	10.4	8.7	10.6	10.3
Ribs and Rumps	(7.7)	N/A	6.9	N/A
Thai Express	17.0	4.2	14.5	5.2
Average	**14.3**	**11.4**	**13.8**	**15.1**

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

Financial Performance Analysis

4Q13 total restaurant revenues grew by 17% y-y, mainly driven by continued outlet expansion, increased franchise fee together with the consolidation of Riverside in China.

Franchise fee increased by 20% y-y in 4Q13, primarily from higher international franchise fee that The Pizza Company and Swensen's received as they expanded into a new territory, Myanmar, together with the opening of 47 new franchised outlets of DQ in Thailand or by 65% y-y to 119 outlets at the end of 2013.

4Q13 EBITDA grew at a rate of 29% y-y, higher than revenue growth, as a result of the improved sales leverage and effective cost control amidst the slowdown of the macro backdrop, together with increase in higher-margin franchising business and the turnaround of China business. 4Q13 EBITDA margin improved from 17% in 4Q12 to 19% in 4Q13.

Total restaurant revenue in 2013 grew by 16% y-y, while restaurant EBITDA increased by 23%, resulting in higher EBITDA margin of 18% in 2013. This was because of MINT's continued efforts to expand its business in order to maintain its leading position in the market, together with effective cost control measures to propel sales growth and profit margin.

Revenue Breakdown

Bt million	**4Q13**	**4Q12**	**%Chg**
Revenues from Operation*	3,850	3,283	17%
Franchise Fee	147	123	20%
Total Revenues	3,997	3,406	17%
EBITDA	**761**	**592**	**29%**
EBITDA Margin (%)	**19%**	**17%**	
	2013	**2012**	**%Chg**
Revenues from Operation*	14,832	12,767	16%
Franchise Fee	511	425	20%
Total Revenues	15,343	13,192	16%
EBITDA	**2,759**	**2,238**	**23%**
EBITDA Margin (%)	**18%**	**17%**	

* Includes share of profit and other income

Hotel & Mixed-Use Business

Hotel Business

At the end of 2013, MINT owns thirty-five hotels and manages sixty-eight hotels and serviced suites in fourteen countries. Altogether, these properties have 12,800 hotel rooms and serviced suites, including 3,649 that are equity-owned and 9,151 that are purely-managed by the Company and its subsidiary, Oaks. Of the total, 3,728 rooms in Thailand accounted for 29%, while the remaining 9,072 rooms or 71% are located in Australia, New Zealand, Maldives, China, Indonesia, Sri Lanka, Vietnam, Malaysia, Cambodia, Tanzania, Kenya, Mozambique, and the United Arab Emirates. In 4Q13, Harbour View Hotel was rebranded to AVANI Haiphong Harbour View.

Hotel Rooms by Owned Equity and Management

	4Q13	**Chg q-q**	**Chg y-y**
Equity-owned*	3,649	248	504
- Thailand	2,229	0	0
- Overseas	1,420	248	504
Management	9,151	629	1,948
- Thailand	1,499	73	641
- Overseas	7,652	556	1,307
Total Hotel Rooms	**12,800**	**877**	**2,452**

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

Hotel Room by Brand

	4Q13	**Chg q-q**	**Chg y-y**
Anantara	3,480	585	799
Four Seasons	505	0	0
Marriott	563	0	0
Oaks	6,210	465	915
AVANI	1,263	185	753
Others	779	-358	-15
Total Hotel Rooms	**12,800**	**877**	**2,452**

Hotel Segment Performance Analysis

Despite the political turmoil in Bangkok in 4Q13, Minor Hotel Group's revenue per available room ("RevPar") of system-wide portfolio increased by 7%, as a result of MINT's well-diversified business model. Although hotels in Bangkok experienced lower occupancy rate y-y because of the unfortunate ongoing political event, they are offset by improvement in occupancy rates of hotels in upcountry and outside of Thailand, in particular in Bali, Indonesia, Sri Lanka and Sanya, China. As a result, system-wide occupancy in 4Q13 remained stable at 71%. 4Q13 system-wide average daily rate ("ADR") increased by 6%, as MINT continues to raise rates of most of the hotels in the portfolio. The notable rate increases are hotels in Koh Samui, the Maldives, Indonesia, Abu Dhabi and Sri Lanka.

Owned-hotels portfolio, which accounted for 43% of hotel and mixed-use revenues in 2013, reported y-y organic RevPar increase of 10% in 4Q13, higher than the RevPar increase of the system-wide portfolio. While the occupancy was flat because of the Bangkok hotels, ADR increased by 11% y-y. Oaks, contributing 27% of 2013 hotel and mixed-use revenues, saw 4Q13 RevPar increase of 7% in Australian dollar term, from occupancy increase of 2% to 79%, and ADR increase of another 4% to AUD 169. Because of the exchange rate translation, Oaks' 4Q13 RevPar was flat in Thai Baht terms compared to last year.

With the current political demonstration in Bangkok, while some of MINT's hotels are unavoidably impacted; i.e. Four Seasons Bangkok, St Regis Hotel Bangkok and Anantara Baan Rajprasong, Anantara Bangkok Riverside located by the Chao Phraya River is less affected. With the diversification strategy, impact of the protest on MINT was limited as revenue contribution from Bangkok hotels have significantly declined over the past five years to only 15% of hotel and mixed-use revenue, or only 7% of total MINT revenue in 2013.

For 2013, system-wide RevPar increased by 1% y-y from increase in occupancy rate of 1% while ADR was flat. Taking out the impact of newly-opened hotels and foreign exchange rate, which significantly affected Oaks' performance, 2013 organic RevPar increased by a larger magnitude of 7%, from occupancy increase of 3% and ADR increase of 3%. Owned-hotels, joint-ventured hotels and managed hotels all contributed to the higher RevPar for the full-year 2013. In particular, owned hotel which made up almost half of total hotel and mixed-use revenue, saw organic RevPar increase by 15% y-y in 2013.

Hotel Business Performance by Ownership

(System-wide)	Occupancy (%)			
	4Q13	**4Q12**	**2013**	**2012**
Owned Hotels	69	72	68	66
Joint Venture	60	55	55	50
Managed	62	57	58	54
MLR*	79	77	78	77
Average	**71**	**71**	**70**	**69**

	ADR (Bt/night)			
	4Q13	**4Q12**	**2013**	**2012**
Owned Hotels	6,957	6,380	6,385	6,035
Joint Venture	16,341	13,004	14,895	13,657
Managed	6,506	5,583	5,594	5,047
MLR*	4,957	5,156	4,788	5,160
Average	**6,098**	**5,740**	**5,573**	**5,589**

	RevPar (Bt/night)			
	4Q13	**4Q12**	**2013**	**2012**
Owned Hotels	4,784	4,563	4,372	3,977
Joint Venture	9,773	7,174	8,163	6,852
Managed	4,066	3,177	3,227	2,748
MLR*	3,923	3,983	3,730	3,962
Average	**4,355**	**4,075**	**3,901**	**3,871**

*Properties under Management Letting Rights in Australia and New Zealand

Hotel Business Performance by Brand

(System-wide)	Occupancy (%)			
	4Q13	**4Q12**	**2013**	**2012**
Anantara	61	60	58	57
Marriott	77	83	78	75
Four Seasons	69	71	69	64
Oaks	79	77	78	77
Others	66	58	61	55
Average	**71**	**71**	**70**	**69**
MINT's Portfolio in Thailand	**70**	**70**	**70**	**65**
Industry Average in Thailand	**65**	**65**	**65**	**61**

	ADR (Bt/night)			
	4Q13	**4Q12**	**2013**	**2012**
Anantara	8,377	6,906	7,078	6,554
Marriott	4,528	4,359	4,254	4,047
Four Seasons	9,795	9,068	8,930	8,455
Oaks	4,886	5,071	4,714	5,138
Others	5,927	5,983	5,810	6,075
Average	**6,098**	**5,740**	**5,573**	**5,589**
MINT's Portfolio in Thailand	**4,791**	**5,029**	**4,882**	**4,819**
Industry Average in Thailand	**2,104**	**1,979**	**1,942**	**1,891**

RevPar (Bt/night)

	4Q13	4Q12	2013	2012
Anantara	5,111	4,167	4,139	3,752
Marriott	3,499	3,607	3,318	3,050
Four Seasons	6,754	6,426	6,141	5,374
Oaks	3,872	3,917	3,677	3,945
Others	3,913	3,449	3,529	3,315
Average	**4,355**	**4,075**	**3,901**	**3,871**
MINT's Portfolio in Thailand	**3,359**	**3,517**	**3,396**	**3,126**
Industry Average in Thailand	**1,362**	**1,283**	**1,260**	**1,151**

Source for Industry Average: Bank of Thailand

Hotel Performance Analysis

Because of MINT's diversification strategy, 4Q13 revenues from hotel operation increased by 9% y-y, despite the economic slowdown in Thailand, the political demonstrations in Bangkok, and the impact from foreign exchange translation on Oaks' performance. The re-opening of Anantara Veli in the Maldives and Anantara Bophut Koh Samui in September and November respectively after the completion of the renovation has allowed MINT to increase rates with better products. Management income significantly increased by 73% y-y, mainly due to the improved performances of existing managed hotels, the addition of 1,231 rooms under management over the past 12 months and the initial technical advisory services fees of newly signed management contracts.

2013 revenue from hotel operations grew by 5% y-y. Excluding Oaks, whose performance has been impacted by the strengthening of the Thai Baht throughout 2013, revenue from owned-hotel operations increased by 12%. Management income increased by 46% y-y due to both organic growth and newly signed management contracts.

Mixed-Use Business & Performance Analysis

MINT's spa business is operated under Anantara, Mandara and Elemis brands. At the end of 2013, MINT owns and manages 47 spas in Thailand, China, Maldives, Tanzania, Jordan, UAE, Vietnam, Indonesia, Malaysia, Mozambique, Egypt and Korea. In 4Q13, MINT reported an 18% decrease in revenues from spa services, mainly from the foreign exchange rate impact as 33 spas are located outside of Thailand, together with the closure of the spa in India. Similarly, revenue from spa services also declined by 7% y-y in 2013.

Another mixed-use business of MINT 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. However, Royal Garden Plaza Bangkok has been temporarily closed since April 2013 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. Despite the loss of revenues from the temporary closure of Royal Garden Plaza Bangkok, revenues from plaza and entertainment business in 4Q13 reported an increase of 4% y-y. This was primarily from the increase in advertising income of entertainment business. However, for the full-year 2013, revenues from plaza and entertainment business declined by 6% y-y because of the closure of the Royal Garden Plaza Bangkok.

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, 10 villas of the Estates Samui and 90% of the sellable area of St. Regis Residences have been sold. Next project in the pipeline is The Residences by Anantara, Phuket, which will be launched in 2014. 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. During 4Q13, Anantara Vacation Club added 15 purpose-built villas in Phuket to the inventory portfolio, bringing total inventory to 106 units in Samui, Phuket, Queenstown-New Zealand, Bangkok, Bali and Sanya-China. With Anantara Vacation Club's strong sales growth of 46%, revenues from real estate development increased by 29%

y-y in 4Q13. In 2013, revenues from real estate development increased by 28% y-y.

Overall Hotel & Mixed-Use Financial Performance Analysis

Total hotel and mixed-use revenues increased by 14% y-y in 4Q13. All hotel and mixed-use businesses, except spa services reported healthy revenue growth in 4Q13. EBITDA increased by a higher extent at 36% y-y and EBITDA margin increased significantly from 30% in 4Q12 to 36% in 4Q13 due primarily to the significantly improved operating leverage particularly from hotel management business and well-diversified hotel portfolio.

For 2013, total hotel and mixed-use revenues increased by 10% and its EBITDA increased by 15% y-y due to similar reasons mentioned earlier. Also, EBITDA margin increased from 28% in 2012 to 29% in 2013 due to operating leverage from hotel operations and hotel management, together with improved margin of the real estate business.

Revenue Breakdown

Bt million	**4Q13**	**4Q12**	**%Chg**
Hotel operations*	3,544	3,251	9%
Management fee	167	96	73%
Spa services	70	86	-18%
Plaza & entertainment	151	145	4%
Real estate development	1,249	971	29%
Total Revenues	5,181	4,549	14%
EBITDA	**1,847**	**1,360**	**36%**
EBITDA Margin (%)	**36%**	**30%**	
	2013	**2012**	**%Chg**
Hotel operations*	12,611	11,990	5%
Management fee	520	355	46%
Spa services	300	323	-7%
Plaza & entertainment	573	611	-6%
Real estate development	3,973	3,110	28%
Total Revenues	17,977	16,390	10%
EBITDA	**5,206**	**4,535**	**15%**
EBITDA Margin (%)	**29%**	**28%**	

* Includes share of profit and other income

Retail Trading and Contract Manufacturing Business

At the end of 2013, MINT had 276 retail trading points of sales under Esprit, Bossini, Charles & Keith, Pedro, GAP, Tumi, Red Earth and Henckels brands. During 4Q13, the Company opened 20 new outlets. Of total at year-end 2013, 86% of the points of sales are operated under fashion brands, 7% are operated under Red Earth and another 7% are operated under Henckels.

Retail Trading's Outlet Breakdown

	4Q13	**Chg q-q**	**Chg y-y**
Fashion	238	17	36
Cosmetics	20	0	0
Others	18	3	5
Total Outlets	**276**	**20**	**41**

In 4Q13, retail trading and contract manufacturing business reported revenue growth of 1% y-y. 4Q13 revenue from retail trading business grew by 14% y-y from a combination of 3.3% same-store-sales growth and 17% points of sale expansion y-y. However, revenue from NMT contract manufacturing declined by 21% y-y because of delayed ordering from its key customers. All in all, retail trading and contract manufacturing business reported EBITDA growth of 31%, with an EBITDA margin expansion to 10% in 4Q13 compared with 8% in 4Q12 because of the higher-margin nature of the retail trading business, which grew faster, compared to lower-margin contract manufacturing business.

In 2013, revenues from retail trading and contract manufacturing grew by 6% y-y, attributable to increased revenue from fashion business, especially Charles & Keith, GAP and Tumi. 2013 EBITDA increased by a larger degree at 17% y-y. Excluding the insurance claim NMT manufacturing plant received in 2012 following the business interruption from the flood at the end of 2011, revenue of retail trading and contract manufacturing business would have grown by 9% y-y in 2013, while EBITDA would have significantly increased by 78% y-y from higher growth of the higher-operating leverage retail trading business. As a result, EBITDA margin increased from 6%, excluding insurance claim in 2012, to 9% in 2013.

Retail Trading and Contract Manufacturing's Revenue Breakdown			
Bt million	**4Q13**	**4Q12**	**%Chg**
Retail Trading	655	575	14%
Manufacturing	260	330	-21%
Total Revenues*	**915**	**905**	**1%**
EBITDA	**90**	**69**	**31%**
EBITDA Margin	**10%**	**8%**	
	2013	**2012**	**%Chg**
Retail Trading	2,454	2,207	11%
Manufacturing	1,162	1,204	-4%
Total Revenues*	**3,616**	**3,412**	**6%**
EBITDA	**338**	**289**	**17%**
EBITDA Margin	**9%**	**8%**	

* Includes share of profit and other income

Balance Sheet & Cash Flows

At the end of 2013, MINT reported total assets of Bt 59,936m, an increase of Bt 8,215m from Bt 51,721m at the end of 2012. The increase was primarily the result of:

1. Bt 1,541m increase in trade receivables long- term contract corresponding with the significant growth of Anantara Vacation Club's sales;
2. Bt 3,547m increase in property, plant and equipment, part of which is from the increased investment in Oaks' Tidal Swell, acquisition of 2 hotels in Vietnam and 1 hotel in Cambodia, increased inventory of Anantara Vacation Club, the renovation of Anantara Layan Phuket and Anantara Bophut Samui together with expansion of restaurant outlets;
3. Bt 1,263m increase in intangible assets mainly from Oaks' acquisition of additional Management Letting Right ("MLR") and goodwill from the acquisition of hotels in Vietnam and Cambodia

MINT reported total liabilities of Bt 33,062m at the end of 2013, an increase of Bt 403m from Bt 32,659m at the end of 2012, as a result of increasing in trade payables and other short term liabilities, netted off with repayments of borrowings,

Shareholders' equity increased by Bt 7,814m to Bt 26,875m at the end of 2013 from Bt 19,061m at the end of 2012 owing mainly to net profit of Bt 4,101m, the exercise of rights-offering and ESOP warrants (MINT-W4 and ESOP5) of Bt 3,602m, the currency translation adjustment of Bt 592m and the increase in non-controlling interests of Bt 586m, netted off with net dividend payment of Bt 1,185m.

For the 12 months of 2013, MINT and its subsidiaries reported cash flows from operations of Bt 5,181m, an increase of Bt 1,135m y-y. Cash flow paid for investing activities was Bt 6,974m, due primarily to (1) normal capital expenditure of hotel, restaurant and other businesses of Bt 3,745m (2) acquisition of hotels in Vietnam and Cambodia of Bt 665m (3) investment in Anantara Vacation Club's inventory in order to accommodate selling rights for new club members of Bt 561m and (4) renovation of Anantara Layan Phuket, Anantara Bophut Samui and Four Seasons Koh Samui of Bt 1,429m and (5) investment in Breadtalk of Bt 342m.

The Company reported net cash received from financing activities of Bt 1,445m, comprising primarily of net proceeds from the exercise of MINT-W4 and ESOP5 of Bt 3,602m, netted off debenture repayment of Bt 2,000m and dividend payment of Bt 1,185m.

Financial Ratio Analysis

MINT's gross profit margin increased to 58.0% in 2013 compared to 56.0% in 2012 from the improved gross profit margins of real estate development business as well as retail trading & contract manufacturing business. As a result of this, together with higher operating leverage of hotel and restaurant businesses, net profit margin increased to 11.1% in 2013 compared to 9.8% in 2012.

Return on equity decreased to 17.9% in 2013 from 19.1% in 2012 as a result of the increase in shareholders' equity from the exercise of warrants and ESOP during 2013. Return on assets increased to 7.4% in 2013 from 7.0% in 2012 as a result of significant improvement in net profit.

Collection days increased significantly from 27 days in 2012 to 42 days in 2013, 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 6.4% in 2012 to 5.9% in

2013, primarily due to the effective management of trade receivables of hotel business. 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 slightly decreased from 50 days in 2012 to 49 days in 2013 due to the effective inventory management of restaurant business. Accounts payable days increased from 41 days in 2012 to 46 days in 2013 mainly from the increased accounts payable of NMT plant in 2013 because of its full-year operation compared to half-year operations in 2012.

Current ratio decreased from 1.2x at the end of 2012 to 1.0x in 2013, primarily from the increase in current portion of long-term borrowings. The warrant and ESOP exercise resulted in increase in equity, which led to the decrease in net interest bearing debt to equity from 1.1x in 2012 to 0.7 in 2013. Interest coverage ratio increased to 6.7x in 2013 from 5.2x in 2012 because of the higher cash flow from operations.

Financial Ratio Analysis		
Profitability Ratio	**31-Dec-13**	**31-Dec-12**
Gross Profit Margin (%)	58.04%	55.96%
Net Profit Margin (%)	11.10%	9.83%
Return on Equity (%)	17.86%	19.08%
Efficiency Ratio	**31-Dec-13**	**31-Dec-12**
Return on Assets (%)	7.35%	6.95%
Collection Period (days)	42	27
Inventory Days	49	50
Accounts Payable Days	46	41
Liquidity Ratio	**31-Dec-13**	**31-Dec-12**
Current Ratio (x)	0.97	1.15
Leverage & Financial Policy	**31-Dec-13**	**31-Dec-12**
Interest Bearing Debt/Equity (x)	0.86	1.27
Net Interest Bearing Debt/Equity (x)	0.74	1.07
Interest Coverage (x)	6.70	5.24

Management's Outlook

Outlook Remains Positive Throughout 2014 Despite Challenge from Political Tension

Anti-government protest in some areas of Thailand's capital city resulted in weakening consumer confidence and consumer discretionary spending, and specifically to MINT, inevitable booking cancellation of Bangkok hotels. However, 2013 revenue contribution from Bangkok hotels accounted for only 7% of MINT's total revenues. Although, the first few months of 2014 may appear challenging, the Company believes that tourist and consumer confidence will be restored quickly after the political situation is resolved. As a result, the impact of political turmoil is expected to be temporary. With MINT's diversification strategy, business outlook for the rest of 2014 remains solid. The Company adheres to its long-term business plan which focuses on the following strategies;

1) Drive a portfolio of own brands, with additional contribution from selected international brands;
2) Maximize asset value and productivity; and
3) Expand internationally through strategic investments and acquisitions.

These strategies are being executed in each of MINT's geographical hubs that stretch from Australia to Africa. Although each hub will develop its own action plan corresponding with prevailing market conditions, they will also work together to enlarge cluster and enhance the economies of scale.

- ***Thailand***
  As at the end of 2013, MINT has 21 hotels, 1,010 restaurants and 276 points of sale in Thailand. Since Thailand remains one of the most popular and desired destinations on the planet, increasing tourist arrivals will continue to drive growth of the tourism sector over the long term. The growing middle class and increasing urbanization should also provide support to consumption, benefiting the restaurant sector going forward. The Company is poised to weather the storm in Thailand and generate year-on-year growth in 2014 on the back of strong fundamentals, active revenue management plan, diversification strategy and economies of scale.
- ***South East Asia, ex. Thailand***
  MINT currently has 8 hotels and 110 restaurants across 7 countries in South East Asia (excluding Thailand). This region is forecasted to grow at a faster pace than the developed economy in terms of economic expansion, private consumption, tourist arrival as well

as urbanization. The Company has long prepared for the rapid development in this region; from its initial investment in Harbour View Hotel (rebranded to AVANI Haiphong) in Vietnam in 1998, to the latest acquisition of majority ownership in a luxury boutique resort in Siem Reap, Cambodia, Anantara Angkhor. In addition to hotel investment and management, the restaurant group also made strategic move to dominate casual-dining markets in Cambodia, Vietnam, Laos, Philippines and Malaysia through the franchising of The Pizza Company, Swensen's and Thai Express. Given the success in the existing markets, MINT is extending its restaurant footprint to Myanmar.

- ***China***
  Despite the expectation of decelerating China's economic growth, the country is still viewed as a highly attractive market for business operators, with its Gross Domestic Product ("GDP")'s growth forecast of over 7% in 2014. China is expected to add twice as much demand to the world economy than the United States. MINT presently operates 2 hotels and 47 restaurants in the country. Riverside and Sizzler China has successfully turned around the profitability of Minor Food Group China, while the latest hotel under management, Anantara Xishuanbanna, won several awards over the course of 2013. The Company plans to open over 20 owned restaurants and 8 new managed hotels across China within the next few years as per the current pipeline.
- ***Australia & New Zealand***
  Australia and New Zealand account for a significant contribution to overall business portfolio with 44 hotels and 338 restaurants. Throughout 2013, The Coffee Club reports solid same-store-sales growth, while Oaks' stable RevPar reflects the continued momentum in domestic travelling. In addition, Oaks has made extensive investment in Management Letting Rights, alongside selective acquisitions of properties with over 700 additional rooms under management during the past 12 months. Such investments will drive revenue and profit growth as well as enhance yield and Oaks' diversification going forward.
- ***Indian Ocean, incl. India***
  MINT continues to build a strong track record in the Indian Ocean, particularly in the Maldives, Sri Lanka and India, with 10 hotels and 14 restaurants. In 2013, MINT strengthened its footprint in the Maldives through the investment in Per AQUUM brand, NIYAMA resort, and in several restaurants. Over the next few years, the Company plans to open 5 additional resorts and 12 restaurants in Maldives, Sri Lanka and India as per the current pipeline.
- ***Middle East and Africa***
  The Company aims to gain first-mover advantage in the Middle East and Africa. From the franchising of The Pizza Company in Saudi Arabia to the latest investment in Anantara Bazaruto Mozambique, MINT currently has 17 hotels and 23 restaurants in the two regions. The Company is confident in the development outlook on the back of continued public spending in the Middle East and the rise of Africa as a fast-growing tourist destination. MINT plans to open more restaurants in the Middle East through the joint venture with the local conglomerate, Al Nasser Holdings, while exploring other opportunities in Africa to take advantage of these high-growth markets.

The Company strives to ensure that each hub creates synergistic value to the Minor Group. Employee dedication, effective front- and back-office operations, diversified scale and extensive management expertise are the core strengths and competitive advantage of the Company. They are the important source of strong confidence in MINT's future. The Company maintains its target to deliver the average growth rate of 15% - 20% in net profit over the next five years.

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Ms. Trithip Sivakriskul
Corporate Chief Financial Officer