

MINT REPORTS WORST 2Q20 LOSS IN HISTORY

Minor International Public Company Limited ("MINT") today announced its second quarter financial results for the year 2020. While the second quarter results reflected severe losses due to the COVID-19 situation, MINT is experiencing current positive business momentum and targets to navigate its businesses back to pre-COVID levels as quickly as possible.

With COVID-19 inflicted its greatest impact during the second quarter, when many countries including Thailand implemented strict lockdown measures, MINT reported net loss of Baht 8.4 billion in 2Q20, compared to net profit of Baht 1.8 billion in 2Q19. On a like-for-like basis (core and before the effect of TFRS 16 accounting impact), net loss was Baht 6.9 billion, compared with core net profit of Baht 2.1 billion in 2Q19. The performance was the direct result of minimal operations across MINT's three business units (specifically in April and May) with temporary forced closure of the large majority of MINT's hotels, restaurants and lifestyle outlets across the globe. In April and May, RevPar of owned and leased hotels portfolio was down by 99%, before improving to -89% in June as hotels started to reopen. In response to these business closures, MINT moved quickly and aggressively implemented measures to control costs and was able to reduce its costs by over 50% in 2Q20 compared to 2Q19. As a result, MINT's performance improved month-on-month, from a core loss post-TFRS 16 of Baht 2.8 billion in April to Baht 2.4 billion in May and Baht 2.0 billion in June. For the first half of 2020, MINT reported core loss pre-TFRS 16 of Baht 9.7 billion, compared to net profit of Baht 2.7 billion in 1H19. Going into the third quarter, MINT intends to speed up its business reopening where commercially viable as the pandemic situation improves and lockdowns in various countries start to ease.

During this extremely challenging time, MINT's strategic plan and timely execution of its liquidity and balance sheet management initiatives have proven effective. During the quarter, MINT continued to focus on protecting cash flow and preserving liquidity with various cost cutting initiatives and control of capital expenditure. As at end of July, MINT had approximately Baht 36 billion of cash on hand and Baht 26 billion of unutilized credit facilities, which combined amount is more than sufficient to support its operations going forward. In addition, the successful issuance of USD 300 million perpetual bonds during the second quarter strengthened its equity base following the net operating losses during the quarter, resulting in only a slight increase in debt-to-equity ratio from 1.61x as at end of 1Q20 to 1.64x as at end of 2Q20. Moreover, at the beginning of the third quarter, MINT successfully executed a rights offering, raising new capital of nearly Baht 10 billion and also issued warrants which will potentially be exercised into equity of another additional Baht 5 billion over the course of the coming three years. As a result, MINT expects that this will further strengthen of its equity base, which will help to mitigate the risk of any continued challenging trading conditions going forward.

Since the end of May, as borders have gradually opened with lock down measures being eased and countries have begun to resume economic activities, MINT has resumed its operations across the globe. As of today, over 70% of its hotels worldwide are operational and over 90% of its restaurants have reopened and its businesses are seeing improving performance week-on-week trends. MINT targets to fully reopen its hotel and restaurant portfolios by the fourth quarter, and will proactively drive sales, while operating at a much higher level of efficiency. Minor Hotels' immediate strategy is to focus on strong domestic travel where borders remain closed and then add regional customers as countries start to open up, and expand to international travelers as and when the pandemic situation improves. Minor Food will continue to leverage on its digital and delivery platform to drive sales, taking advantage of the strong momentum of these platforms during the COVID-19 lockdown period, while improving customers dine-in experience at restaurants and continuing to launch new products. The launch of "Cloud Kitchens" during the quarter has been a great success for Minor Food to expand its area of coverage with its brands.

Mr. Dillip Rajakarier, Group CEO of Minor International commented, "The second quarter was the hardest quarter, not only for MINT, but globally across all hospitality and travel sectors. We are disappointed with the second quarter results, but have taken measures to mitigate the impact on our earnings. Facing such extreme challenges, we proactively implemented measures to drive efficiency while also strengthening our balance sheet and preserving cash. We believe the worst is over. As the world marches forward, MINT now looks to resume the growth of its business and to start delivering positive returns to its shareholders again. We also very much appreciate all our stakeholders and team members who've been very supportive during these challenging times."

About Minor International: Minor International (MINT) is a global company focused on three core businesses: hospitality, restaurants and lifestyle brands distribution. MINT is a hotel owner, operator and investor with a portfolio of 526 hotels under the Anantara, Avani, Oaks, Tivoli, NH Collection, NH Hotels, nhow, Elewana, Marriott, Four Seasons, St. Regis, Radisson Blu and Minor International brands in 55 countries across Asia Pacific, the Middle East, Africa, the Indian Ocean, Europe, South and North America. MINT is also one of Asia's largest restaurant companies with over 2,300 outlets system-wide in 26 countries under The Pizza Company, The Coffee Club, Riverside, Benihana, Thai Express, Bonchon, Swensen's, Sizzler, Dairy Queen and Burger King. MINT is one of Thailand's largest distributors of lifestyle brands and contract manufacturers. Its brands include Anello, Bodum, Bossini, Brooks Brothers, Charles & Keith, Esprit, Etam, Joseph Joseph, OVS, Radley, Scmadi, Zwilling J.A. Henckels and Minor Smart Kids. For more information, please visit www.minor.com.

Press Contacts: Chaiyapat Paitoon / Jutatip Adulbhan at Tel: (662) 365-7500
