

**Minor International Pcl (MINT TB) - BUY, Price Bt26, TP Bt44****Results Comment**

Siriporn Arunothai | Email: siriporn.aru@thanachartsec.co.th

**Good 3Q24 normalized profit, in line**

- MINT reported normalized profit of Bt2.6bn in 3Q24, up 16% y-y but down 18% q-q. This was in line with ours and the market's expectation.
- Including FX gain (loss) and other extra items, MINT reported net profit of Bt149m in 3Q24, down by 93% y-y and 95% q-q.
- NH reported €75m net profit, up 37% y-y but down 20% q-q. The y-y earnings increase resulted from rising revenue and expanding EBITDA margin. The q-q earnings drop resulted from 2Q high season in Europe. OR was at 72% in 3Q24 vs. 71.3% in 3Q23 and 72.9% in 2Q24. ARR was at €152/night in 3Q24, up 7% y-y but down 6% q-q. RevPar was at €110/night in 3Q24, up 9% y-y but down 6% q-q.
- Hotel business' EBITDA was at Bt10.2bn in 3Q24, up 10% y-y but down 10% q-q. Overall RevPar in 3Q24 was at Bt3,985/night, up 6.5% y-y but down 8.9% q-q. Average OR was at 69% in 3Q24 vs. 68% in 3Q23 and 69% in 2Q24. ARR in 3Q24 was at Bt5,758/room/night, up 4.7% y-y but down 9.4% q-q.
- Overall food business' EBITDA made profit at Bt1.8bn in 3Q24, up 3% y-y but down 3% q-q. Overall SSSG was at -2.7% in 3Q24. Its food business was supported by the food business in Thailand.
- With MINT's improving operation in overseas markets and Thailand, we estimate MINT's earnings will still improve y-y in 4Q24 and 2025. We maintain BUY on MINT.

Income Statement						(consolidated)					
Yr-end Dec (Bt m)	3Q23	4Q23	1Q24	2Q24	3Q24						
Revenue	38,904	38,780	36,121	43,891	40,654						
<b>Gross profit</b>	<b>18,216</b>	<b>16,683</b>	<b>14,669</b>	<b>20,042</b>	<b>18,087</b>						
SG&A	12,732	10,530	14,212	13,124	10,722						
Operating profit	5,484	6,153	457	6,918	7,364						
<b>EBITDA</b>	<b>10,270</b>	<b>12,239</b>	<b>5,873</b>	<b>12,542</b>	<b>12,883</b>						
Other income	936	952	1,295	589	988						
Other expense	176	1,637	(1,640)	308	3,230						
Interest expense	2,811	2,260	3,475	2,798	1,937						
<b>Profit before tax</b>	<b>3,433</b>	<b>3,207</b>	<b>(82)</b>	<b>4,400</b>	<b>3,185</b>						
Income tax	1,027	729	360	1,082	723						
Equity & invest. income	47	254	232	119	388						
Minority interests	(180)	(231)	(142)	(208)	(213)						
Extraordinary items	(130)	(1,517)	1,499	(406)	(2,488)						
<b>Net profit</b>	<b>2,144</b>	<b>984</b>	<b>1,146</b>	<b>2,823</b>	<b>149</b>						
<b>Normalized profit</b>	<b>2,273</b>	<b>2,501</b>	<b>(352)</b>	<b>3,230</b>	<b>2,636</b>						
EPS (Bt)	0.38	0.18	0.20	0.50	0.03						
Normalized EPS (Bt)	0.41	0.45	(0.06)	0.57	0.46						

Balance Sheet						(consolidated)					
Yr-end Dec (Bt m)	3Q23	4Q23	1Q24	2Q24	3Q24						
Cash & ST investment	19,902	14,260	13,703	14,834	10,340						
A/C receivable	19,844	18,487	19,703	20,248	18,407						
Inventory	3,876	3,820	3,756	3,907	3,908						
Other current assets	5,828	6,008	7,275	7,377	7,799						
Investment	10,142	10,300	10,600	10,455	10,556						
Fixed assets	127,718	125,996	130,766	133,734	124,056						
Other assets	182,761	180,324	183,011	181,828	169,493						
<b>Total assets</b>	<b>370,070</b>	<b>359,196</b>	<b>368,813</b>	<b>372,383</b>	<b>344,559</b>						
S-T debt	18,734	17,036	11,511	19,784	18,139						
A/C payable	23,542	24,953	24,726	23,792	22,804						
Other current liabilities	27,408	24,406	26,689	26,644	24,745						
L-T debt	93,584	85,879	92,874	86,326	80,281						
Other liabilities	118,729	119,627	121,152	121,064	109,099						
Minority interest	10,826	10,657	11,349	11,549	10,923						
<b>Shareholders' equity</b>	<b>77,247</b>	<b>76,637</b>	<b>80,512</b>	<b>83,224</b>	<b>78,568</b>						
Working capital	177	(2,646)	(1,267)	362	(489)						
Total debt	112,318	102,916	104,385	106,109	98,420						
<b>Net debt</b>	<b>92,416</b>	<b>88,656</b>	<b>90,682</b>	<b>91,275</b>	<b>88,080</b>						

Sources: Company data, Thanachart estimates

Income Statement			9M as				
(Bt m)	q-q%	y-y%	% 2024F	2024F	2025F		
Revenue	(7)	4	75	161,565	164,246		
<b>Gross profit</b>	<b>(10)</b>	<b>(1)</b>	<b>73</b>	<b>72,062</b>	<b>73,801</b>		
SG&A	(18)	(16)	73	52,027	52,902		
Operating profit	6	34	74	20,035	20,899		
<b>EBITDA</b>	<b>3</b>	<b>25</b>	<b>78</b>	<b>39,946</b>	<b>41,015</b>		
Other income	68	5	106	2,707	2,487		
Other expense	948	1,740	(190)	(1,000)	(900)		
Interest expense	(31)	(31)	70	11,748	10,761		
<b>Profit before tax</b>	<b>(28)</b>	<b>(7)</b>	<b>63</b>	<b>11,993</b>	<b>13,525</b>		
Income tax	(33)	(30)	60	3,598	4,058		
Equity & invest. income	225	725	113	655	712		
Minority interests	na	na	na	(777)	(793)		
Extraordinary items	na	na	na	(508)	0		
<b>Net profit</b>	<b>(95)</b>	<b>(93)</b>	<b>53</b>	<b>7,764</b>	<b>9,386</b>		
<b>Normalized profit</b>	<b>(18)</b>	<b>16</b>	<b>67</b>	<b>8,272</b>	<b>9,386</b>		
EPS (Bt)	(95)	(93)	68	1.07	1.36		
Normalized EPS (Bt)	(18)	14	84	1.16	1.36		

Financial Ratios					
(%)	3Q23	4Q23	1Q24	2Q24	3Q24
Sales grow th	15.9	6.7	13.3	10.7	4.5
Operating profit grow th	119.4	26.1	(52.6)	24.8	34.3
EBITDA grow th	38.2	25.5	(0.5)	18.9	25.4
Norm profit grow th	13.1	5.1	na	7.5	16.0
Norm EPS grow th	6.6	(0.9)	na	3.7	14.5
Gross margin	46.8	43.0	40.6	45.7	44.5
Operating margin	14.1	15.9	1.3	15.8	18.1
EBITDA margin	26.4	31.6	16.3	28.6	31.7
Norm net margin	5.8	6.4	(1.0)	7.4	6.5
D/E (x)	1.3	1.2	1.1	1.1	1.1
Net D/E (x)	1.0	1.0	1.0	1.0	1.0
Interest coverage (x)	3.7	5.4	1.7	4.5	6.7
Interest rate	9.9	8.4	13.4	10.6	7.6
Effective tax rate	29.9	22.7	(437.2)	24.6	22.7
ROA	2.5	2.7	(0.4)	3.5	2.9
ROE	11.9	13.0	(1.8)	15.8	13.0

### General Disclaimers And Disclosures:

This report is prepared and issued by Thanachart Securities Public Company Limited (TNS) as a resource only for clients of TNS, Thanachart Capital Public Company Limited (TCAP) and its group companies. Copyright © Thanachart Securities Public Company Limited. All rights reserved. The report may not be reproduced in whole or in part or delivered to other persons without our written consent.

This report is prepared by analysts who are employed by the research department of TNS. While the information is from sources believed to be reliable, neither the information nor the forecasts shall be taken as a representation or warranty for which TNS or TCAP or its group companies or any of their employees incur any responsibility. This report is provided to you for informational purposes only and it is not, and is not to be construed as, an offer or an invitation to make an offer to sell or buy any securities. Neither TNS, TCAP nor its group companies accept any liability whatsoever for any direct or consequential loss arising from any use of this report or its contents.

The information and opinions contained herein have been compiled or arrived at from sources believed reliable. However, TNS, TCAP and its group companies make no representation or warranty, express or implied, as to their accuracy or completeness. Expressions of opinion herein are subject to change without notice. The use of any information, forecasts and opinions contained in this report shall be at the sole discretion and risk of the user.

TNS, TCAP and its group companies perform and seek to perform business with companies covered in this report. TNS, TCAP, its group companies, their employees and directors may have positions and financial interest in securities mentioned in this report. TNS, TCAP or its group companies may from time to time perform investment banking or other services for, or solicit investment banking or other business from, any entity mentioned in this report. Therefore, investors should be aware of conflict of interest that may affect the objectivity of this report.

Note: Thanachart Securities Public Company Limited act as a Market Maker and Derivative Warrants Issuer. At present, TNS has issued Derivative Warrants underlying securities before making investment decisions.

**Note:** Thanachart Capital Pcl (TCAP) holds an 89.96% of Thanachart Securities (TNS). TCAP holds a 100% of Thanachart SPV1 Co. Ltd. TCAP and Thanachart SPV1 combinedly hold a 60% stake in THANI.

**Note:** Thanachart Capital Public Company Limited (TCAP), TMBThanachart Bank Public Company Limited (TTB), are related companies to Thanachart Securities Public Company Limited (TNS). Thanachart Securities Pcl is a subsidiary of Thanachart Capital Pcl (TCAP) which holds 24.35% of the shareholding in TMBThanachart Bank Pcl.

**Note:** Thanachart Capital Public Company Limited (TCAP), Ratchthani Leasing Public Company Limited (THANI), MBK PUBLIC COMPANY LIMITED (MBK) and PATUM RICE MILL AND GRANARY PUBLIC COMPANY LIMITED (PRG ) are related companies to Thanachart Securities Public Company Limited (TNS) . Since TNS covers those securities in research report, consequently TNS incurs conflicts of interest.

**Note:** Thanachart Securities Public Company Limited (TNS) acts as an underwriter of “Debentures of Srisawad Corporation Public Company Limited (SAWAD) No. 4/2024 (B.E. 2567) tranche 1-3 which its maturity at 2027-29 (B.E. 2570-72), therefore investors need to be aware that there could be conflicts of interest in this research.

**Note:** Thanachart Securities Public Company Limited (TNS) acts as an underwriter of “Debentures of MUANGTHAI CAPITAL PUBLIC COMPANY LIMITED No. 7/2024 (B.E. 2567) tranche 1-3 which its maturity at 2026-28 (B.E. 2569-71)”, therefore investors need to be aware that there could be conflicts of interest in this research.

### Disclosure of Interest of Thanachart Securities

#### Investment Banking Relationship

Within the preceding 12 months, Thanachart Securities has lead-managed public offerings and/or secondary offerings (excluding straight bonds) of the securities of the following companies: Euroasia Total Logistics Pcl (ETL TB).