

Ref. NCH 037/2021

August 13, 2021

Subject : Management's Discussion and Analysis 2Q/2021

Attention : President

The Stock Exchange of Thailand

N.C. Housing Plc. ("the Company") would like to summarize its Q2/2021 operating performance for the period ending 30 June 2021 as follows:

1. For the three-month, the Company and its subsidiaries posted a net profit of Baht 51.99 million for the Q2/2021 as compared to a net profit of Baht 60.11 million posted in the Q2/2020, which was decreased of Baht 8.12 million or 13.51 percent.

➤ **Revenues**

**Total Revenues**

The Company and its subsidiaries' total revenue earned for Q2/2021 totaled Baht 522.29 million, decreased from the Q2/2020 totaled Baht 525.32 million, which was decreased of Baht 3.04 million or 0.58 percent.

**Sales Revenue**

The Company and its subsidiaries' sales revenue earned for Q2/2021 totaled Baht 510.79 million, decreased from the Q2/2020 totaled Baht 520.14 million, which was decreased of Baht 9.35 million or 1.80 percent. due to decreased ability to transfer ownership in the category of condominiums.

**Rental Income and Service Revenue**

The Company and its subsidiaries' rental income and service revenue earned increase of Baht 3.97 million or 137.59 percent, this was due to an increase in income from Health rehabilitation and care for the elderly.

➤ **Expenses**

**Cost of Sales**

The Company and its subsidiaries' cost of sales decreased of Baht 0.35 million baht, but the cost of sales rate increased from 65.89 percent in Q.2/2020 to 67.03 percent in Q.2/2021 to expedite the transfer and closure of the project.

**Cost for Rent and Service**

The Company and its subsidiaries' cost for rent and service was increased of Baht 4.04 million or 62.95 percent, this was in line with the increase in income from health rehabilitation and elderly care services

**Distribution costs and Administrative Expenses**

The Company and its subsidiaries' distribution costs and administrative expenses amounting to Baht 46.54 million, increased of Baht 5.21 million, or 12.59 percent from Q2/2020, because to advertising costs, public relations increase

The Company and its subsidiaries' administrative expenses amounting to Baht 53.21 million decreased of Baht 1.20 million, or 2.21 percent.

**Financial Costs**

The Company and its subsidiaries' financial costs was decreased Baht 3.82 million or 47.58 percent, this was because loans from financial institutions and loans from other companies decreased.

**Tax expenses (income)**

The Company and its subsidiaries' tax expenses was increased Baht 3.40 million or 25.93 percent from the Q2/2020. Because of the Company' posted a net profit increased.

2. For the six-month period ended 30 June 2021, the Company and its subsidiaries posted a net profit of THB 132.39 million as compared to THB 68.46 million net posted the previous year, which was THB 63.93 million or 93.38 percent increase from the previous year.

## ➤ Revenues

### Total Revenues

The Company and its subsidiaries' total revenue earned for 1H/2021 totaled Baht 1,424.66 million, increased from the 1H/2020 totaled Baht 858.61 million, which was increased of Baht 566.05 million or 65.93 percent.

### Sales Revenue

The Company and its subsidiaries' sales revenue earned for 1H/2021 totaled Baht 1,401.69 million, increased from the 1H/2020 totaled Baht 849.12 million, which was increased of Baht 552.57 million or 65.08 percent. Because of the ability to transfer ownership increase.

### Rental Income and Service Revenue

The Company and its subsidiaries' rental income and service revenue earned increase of Baht 9.36 million or 177.34 percent, this was due to an increase in income from Health rehabilitation and care for the elderly.

## ➤ Expenses

### Cost of Sales

The Company and its subsidiaries' cost of sales increased of Baht 405.81 million baht, or 71.04 percent, due to increased sales revenue.

### Cost for Rent and Service

The Company and its subsidiaries' cost for rent and service Baht 21.46 million increased from Baht 12.36 million in 1H/2020 or increased of Baht 9.10 million or 73.61 percent, this was in line with the increase in income from health rehabilitation and elderly care services.

### Distribution costs and Administrative Expenses

The Company and its subsidiaries' distribution costs and administrative expenses amounting to Baht 114.25 million, increased of Baht 38.61 million, or 51.05 percent from 1H/2020, This was due to the increase in sales promotion expenses, advertising media fees, specific business taxes and transfer fees by sales revenue.

The Company and its subsidiaries' administrative expenses amounting to Baht 130.20 million increased of Baht 29.57 million, or 29.39 percent, due to personnel expenses, donations, utilities property maintenance cost and Increased duty fees.

### Financial Costs

The Company and its subsidiaries' financial costs was decreased Baht 8.84 million or 50.32 percent, because loans from financial institutions and loans from other companies decreased.

### Tax expenses (income)

The Company and its subsidiaries' tax expenses was increased Baht 31.39 million or 216.65 percent from the 1H/2020. Because of in the Company' posted a net profit increased.

## 3. Financial Status

### ➤ Total Assets

As of June 30, 2021, the company and its subsidiaries' total assets stood Baht 4,102.22 million, which was a Baht 226.66 million or 5.85 percent increase from as of December 31, 2020. due to higher cash and bank deposits Including inventories and development costs for the purchase of new land projects increased. and the land awaiting development is transferred to the cost of land development

### ➤ Total Liabilities


As of June 30, 2021, the company and its subsidiaries have total liabilities of Baht 1,337.98 million, increased from the amount as of December 31, 2020, by Baht 149.38 million, or an increase of 12.57 percent, The Company and its subsidiaries have increased short-term borrowings from financial institutions. (But the portion of short-term borrowing from related companies decreased)

### ➤ Shareholder's Equity

As of June 30, 2021, shareholder's equity of the Company and its subsidiaries totaled Baht 2,764.24 million which is a 2.88 percent increase from as of December 31, 2020, totaled Baht 2,686.95 million because the Company' posted unappropriated retained earnings was increased.

Sincerely Yours,

N.C. Housing Public Company Limited

A handwritten signature in blue ink, appearing to read 'Somchao Tanthathodtham', with a long horizontal flourish underneath.

(Mr.Somchao Tanthathodtham)

Director and Chief Executive Officer

Authorized to sign on behalf of the company

Investor Relations Department

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