

Ref. NCH 044/2021

November 12, 2021

Subject : Management's Discussion and Analysis Q3/2021

Attention : President

The Stock Exchange of Thailand

N.C. Housing Plc. ("the Company") would like to summarize its Q3/2021 operating performance for the period ending 30 September 2021 as follows:

1. **For the three-month period**, the Company and its subsidiaries posted a net profit of Baht 39.23 million for the Q3/2021 as compared to a net loss of Baht 0.54 million posted in the Q3/2020, which was increased of Baht 39.76 million or 7,418.10 percent, mainly due to the following reasons:

➤ **Revenues**

Total Revenues

The Company and its subsidiaries' total revenue for Q3/2021 of Baht 492.22 million, increased from the Q3/2020 of Baht 337.38 million, which was increased by Baht 154.84 million or 45.90 percent.

Sales Revenue

The Company and its subsidiaries' sales revenue earned for Q3/2021 of Baht 484.84 million, increased from the Q3/2020 of Baht 330.76 million, which was increased by Baht 154.08 million or 46.58 percent. due to the increased ability to transfer ownership.

Rental Income and Service Revenue

The Company and its subsidiaries' rental income and service revenue earned increase of Baht 0.92 million or 25.03 percent.

➤ Expenses

Cost of Sales

The Company and its subsidiaries' cost of sales increased by Baht 92.31 million baht, but the cost of sales rate decreased from 69.11 percent in Q3/2020 to 66.19 percent in Q3/2021 due to more efficient cost of sales management.

Cost for Rent and Service

The Company and its subsidiaries' cost for rent and service was increased by Baht 5.94 million or 90.43 percent, this was in line with the increase in income from health rehabilitation and elderly care services and also due to certain Fix Cost that cannot be reduced.

Distribution costs and administrative expenses

The Company and its subsidiaries' Distribution costs of Baht 48.04 million due to, an increase of Baht 13.99 million, or 41.07 percent from Q3/2020, in line with an increase of the revenue however the Distribution costs rate decreased from 10.29 percent in Q3/2020 to 9.91 percent in Q3/2021 due to efficiency in cost management.

The Company and its subsidiaries' administrative expenses amounting to Baht 56.83 million decreased of Baht 5.28 million, or 8.50 percent from Q3/2020

Financial Costs

The Company and its subsidiaries' financial costs was decreased Baht 2.97 million or 47.54 percent, due to an increase ownership transfer leading to an increase in loan repayment.

Tax expenses

The Company and its subsidiaries' tax expenses was increased Baht 12.99 million or 834.23 percent from the Q3/2020. Due to an increase in Company' posted a net profit increased.

2. For the nine-month period ended 30 September 2021, the Company and its subsidiaries posted a net profit of THB 171.61 million as compared to THB 67.92 million net posted the previous year, which was THB 103.69 million or 152.66 percent increase from the previous year, due to the following main reasons:

➤ **Revenues**

Total Revenues

The Company and its subsidiaries' total revenue earned for 9M/2021, totaled Baht 1,911.94 million, increased from the 9M/2020, of Baht 1,195.99 million, which was increased by Baht 715.94 million or 59.86 percent.

Sales Revenue

The Company and its subsidiaries' sales revenue earned for 9M/2021 totaled Baht 1,886.53 million, increased from the 9M/2020, of Baht 1,179.88 million, which was increased by Baht 706.66 million or 59.89 percent. due to an increase in ownership transfer activities.

Rental Income and Service Revenue

The Company and its subsidiaries' rental income and service revenue earned increase of Baht 10.30 million or 115.12 percent.

➤ **Expenses**

Cost of Sales

The Company and its subsidiaries' cost of sales increased of Baht 489.12 million baht, or 62.28 percent, in line with the increase of revenue from transfer of ownership.

Cost for Rent and Service

The Company and its subsidiaries' cost for rent and service Baht 33.96 million increased from Baht 18.93 million in 9M/2020 or increased of Baht 15.04 million or 79.45 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 amounting to Baht 162.29 million, increased of Baht 52.60 million, or 47.95 percent from 9M/2020, due to promotional advertising media expenses, separate business taxes and transfer fees increased in line with the revenue from sales in this period. However, the Distribution costs rate decreased from 9.30 percent in Q3/2020 to 8.60 percent in Q3/2021 due to efficiency in cost management.

The Company and its subsidiaries' administrative expenses amounting to Baht 182.08 million increased of Baht 19.35 million, or 11.89 percent, due to more donations

Financial Costs

The Company and its subsidiaries' financial costs was decreased Baht 11.81 million or 49.59 percent, due to a decrease in loans from financial institutions and loans from other companies decreased.

Tax expenses

The Company and its subsidiaries' tax expenses was increased Baht 44.38 million or 276.57 percent from the 9M/2020. due to an increase in of the Company net profit.

3. Financial Status

Total Assets

As of September 30, 2021, the company and its subsidiaries' has total assets of Baht 4,227.58 million, which was a Baht 352.03 million or 9.08 percent increase from as of December 31, 2020. This is due to an increas inventories transfer activities as well as a development of new projects causing some of the land awaiting development be transferred to the cost of land development.

Total Liabilities

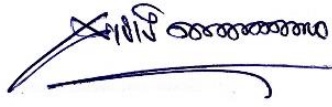
As of September 30, 2021, the company and its subsidiaries have total liabilities of Baht 1,425.16 million, increased from the amount as of December 31, 2020, by Baht 236.56 million, or an increase of 19.90 percent, due to borrowing from financial institutions and issuing debentures.

Shareholder's Equity

As of September 30, 2021, shareholder's equity of the Company and its subsidiaries totaled Baht 2,802.42 million which is a 4.30 percent increase from as of December 31, 2020, totaled Baht 2,686.95 million, due to an increase in company's profit during the period.

Sincerely Yours,

N.C. Housing Public Company Limited

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

(Mr.Somchao Tanthathoedtham)

Director and Chief Executive Officer

Authorized to sign on behalf of the company

Investor Relations Department

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