

Ref. NCH 030/2022

November 14, 2022

Subject : Management's Discussion and Analysis Q3/2022

Attention : Director and Manager

The Stock Exchange of Thailand

N.C. Housing Plc. ("the Company") would like to summarize its Q3/2022 operating performance for the period ending 30 September 2022 as follows:

1. **For the three-month period**, the Company and its subsidiaries posted a net profit of Baht 76.97 million for the Q3/2022 as compared to a net loss of Baht 39.23 million posted in the Q3/2021, which was increased of Baht 37.74 million or 96.22 percent, mainly due to the following reasons:

➤ **Revenues**

**Total Revenues**

The Company and its subsidiaries' total revenue for Q3/2022 of Baht 623.74 million, increased from the Q3/2021 of Baht 492.22 million, which was increased by Baht 131.52 million or 26.72 percent.

**Sales Revenue**

The Company and its subsidiaries' sales revenue earned for Q3/2022 of Baht 609.41 million, increased from the Q3/2021 of Baht 484.84 million, which was increased by Baht 124.57 million or 25.69 percent. due to the increased ability to transfer ownership from Charm Classic, Palm Park 2, Loft Pattaya, Neola and Baan Fah Greenery Theo Pinklao Petchkasem.

## Rental Income and Service Revenue

The Company and its subsidiaries' rental income and service revenue earned increase of Baht 7.37 million or 161.30 percent. due to the increase in income from health rehabilitation services care for the elderly and service business "NC REGEN"

### ➤ Expenses

#### Cost of Sales

The Company and its subsidiaries' cost of sales increased by Baht 65.76 million baht, but the cost of sales rate decreased from 66.19 percent in Q3/2021 to 63.45 percent in Q3/2022 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 1.98 million or 15.85 percent

#### Distribution costs and administrative expenses

The Company and its subsidiaries' Distribution costs of Baht 52.55 million due to, an increase of Baht 4.51 million, or 9.40 percent from Q3/2021, in line with an increase of the revenue however the Distribution costs rate decreased from 9.91 percent in Q3/2021 to 8.62 percent in Q3/2022 due to promotional expenses The cost of advertising and public relations has decreased.

The Company and its subsidiaries' administrative expenses amounting to Baht 66.33 million increased of Baht 9.51 million, or 16.73 percent from Q3/2021

#### Financial Costs

The Company and its subsidiaries' financial costs was decreased Baht 1.30 million or 39.65 percent

#### Tax expenses

The Company and its subsidiaries' tax expenses was increased Baht 10.22 million or 70.23 percent from the Q3/2021. Due to an increase in Company' posted a net profit increased.

2. For the nine-month period ended 30 September 2022, the Company and its subsidiaries posted a net profit of THB 276.53 million as compared to THB 171.61 million net posted the previous year, which was THB 104.91 million or 61.13 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/2022, totaled Baht 1,941.67 million, increased from the 9M/2021, of Baht 1,911.94 million, which was increased by Baht 29.74 million or 1.56 percent.

Sales Revenue

The Company and its subsidiaries' sales revenue earned for 9M/2022 totaled Baht 1,901.12 million, increased from the 9M/2021, of Baht 1,886.53 million, which was increased by Baht 14.58 million or 0.77 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 13.43 million or 69.74 percent. due to the increase in income from health rehabilitation services care for the elderly and service business "NC Regen"

➤ **Expenses**

Cost of Sales

The Company and its subsidiaries' cost of sales decreased of Baht 106.81 million baht, or 8.23 percent, Due to the management and control of marketing more effectively.

Cost for Rent and Service

The Company and its subsidiaries' cost for rent and service Baht 42.68 million increased from Baht 33.96 million in 9M/2021 or increased of Baht 8.71 million or 25.65 percent, due to increase in income

### Distribution costs and administrative expenses

The Company and its subsidiaries' Distribution costs amounting to Baht 152.04 million, decreased of Baht 10.25 million, or 6.32 percent from 9M/2021, due to promotional expenses Advertising media costs, reduced.

The Company and its subsidiaries' administrative expenses amounting to Baht 194.23 million increased of Baht 12.15 million, or 6.67 percent, This was due to increased personnel costs, utility bills and general service expenses.

### Financial Costs

The Company and its subsidiaries' financial costs was decreased Baht 2.14 million or 17.79 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 21.59 million or 35.73 percent from the 9M/2021. due to an increase in of the Company net profit.

## 3. Financial Status

### Total Assets

As of September 30, 2022, the company and its subsidiaries has total assets of Baht 4,962.16 million, which was a Baht 629.87 million or 14.54 percent increase from as of December 31, 2021. This is due to increased inventories transfer and the land awaiting development was transferred to the cost of land development. In terms of project development and construction, more land is purchased for project development.

### Total Liabilities

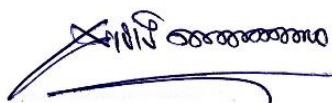
As of September 30, 2022, the company and its subsidiaries have total liabilities of Baht 1,908.49 million, increased from the amount as of December 31, 2021, by Baht 453.00 million, or an increase of 31.12 percent, due to borrowing from financial institutions.

### Shareholder's Equity

As of September 30, 2022, shareholder's equity of the Company and its subsidiaries totaled Baht 3,067.41 million which is a 6.28 percent increase from as of December 31, 2021, totaled Baht 2,886.20 million, because the company increased profit during the period.

Sincerely Yours,

N.C. Housing Public Company Limited



(Mr. Somchao Tanthathodtham)

Director and Chief Executive Officer

Authorized to sign on behalf of the company

Investor Relations Department

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