

Ref. NCH 040/2019

November 8, 2019

Subject : Management's Discussion and Analysis Q.3/2019

Attention : President

The Stock Exchange of Thailand

N.C. Housing Plc. ("the Company") would like to summarize its Q3/2019 operating performance for the period ending 30 September 2019 as follows:

For the three-month, the Company and its subsidiaries' posted a net profit of Baht 14.76 million for the Q.3/2019 as compared to a net profit of Baht 10.68 million posted in the Q.3/2018, which was increased of Baht 4.08 million or 38.21 percent.

➤ **Revenues**

Total Revenues

The Company and its subsidiaries' total revenue earned for Q.3/2019 totaled Baht 370.14 million, increased from the Q.3/2018 totaled Baht 313.56 million, which was increased of Baht 56.58 million or 18.05 percent.

Sales Revenue

The Company and its subsidiaries' sales revenue earned for Q.3/2019 totaled Baht 351.60 million, increased from the Q.3/2018 totaled Baht 304.66 million, which was increased of Baht 46.94 million or 15.41 percent. Due to the company has sold 1 plot of land total price 68 million baht but revenue from sales of houses and condominiums were decreased.

Rental Income and Service Revenue

The Company and its subsidiaries' rental income and service revenue earned decrease of Baht 1.18 million or 20.69 percent.

➤ **Expenses**

Cost of Sales

The Company and its subsidiaries' cost of sales ratio was decreased from 63.79 percent in Q.3/2018 to 62.94 percent in Q.3/2019.

Cost for Rent and Service

The Company and its subsidiaries' cost for rent and services which decrease according to income from 92.56 percent in Q.3/2018 to 110.06 percent in Q.3/2019.

Sales and Administrative Expenses

The Company and its subsidiaries' selling expenses amounting to Baht 49.65 million, increased of Baht 8.46 million, or 20.54 percent from Q.3/2018, Due to increased marketing expenses Specific business taxes and transfer fees increase

The Company and its subsidiaries' administrative expenses amounting to Baht 53.95 million increased of Baht 18.18 million, or 50.82 percent. Due to the transfer of the club of the old project to the housing estate juristic person

Financial Costs

The Company and its subsidiaries' financial costs was decreased Baht 3.47 million or 22.83 percent, because loans from financial institutions and loans from other companies decreased.

Tax expenses

The Company and its subsidiaries' tax expenses was increased Baht 2.27 million or 81.50 percent from the Q.3/2018. Because of the Company' posted a net profit increased.

For the nine-month period ended 30 September 2019, the Company and its subsidiaries' posted a net profit of THB 38.01 million as compared to THB 37.04 million net posted the previous year, which was THB 0.96 million or 2.60 percent increase from the previous year.

➤ **Revenues**

Total Revenues

The Company and its subsidiaries' total revenue earned for Q.3/2019 totaled Baht 998.54 million, decreased from the Q.3/2018 totaled Baht 1,122.09 million, which was decreased of Baht 123.55 million or 11.01 percent.

Sales Revenue

The Company and its subsidiaries' sales revenue earned for Q.3/2019 totaled Baht 966.30 million, decreased from the Q.3/2018 totaled Baht 1,098.23 million, which was decreased of Baht 131.93 million or 12.01percent. Because the revenue from sales of houses and condominiums decreased.

Rental Income and Service Revenue

The Company and its subsidiaries' rental income and service revenue earned decrease of Baht 1.39 million or 8.32 percent.

➤ **Expenses**

Cost of Sales

The Company and its subsidiaries' cost of sales ratio was decreased from 64.75 percent in Q.3/2018 to 63.87 percent in Q.3/2019.

Cost for Rent and Service

The Company and its subsidiaries' cost for rent and service was decrease of Baht 0.61 million or 3.84 percent.

Sales and Administrative Expenses

The Company and its subsidiaries' selling expenses amounting to Baht 134.16 million, decreased of Baht 15.97 million, or 10.64 percent from Q.3/2018, Due to decrease Cost of sales and advertising expenses.

The Company and its subsidiaries' administrative expenses amounting to Baht 126.52 million increased of Baht 12.53 million, or 10.99 percent. Due to the transfer the old estate project's clubhouse into juristic person

Financial Costs

The Company and its subsidiaries' financial costs was decreased Baht 24.31 million or 42.58 percent, because loans from financial institutions and loans from other companies decreased.

Tax expenses

The Company and its subsidiaries' tax expenses was decreased Baht 2.98 million or 25.81 percent from the Q.3/2018. Because of in the Company' posted a net profit decreased.

➤ **Financial Status**

Total Assets

As of September 30, 2019 the company and its subsidiaries' total assets stood Baht 4,061.07 million, which was a Baht 188.55 million or 4.44 percent decreased from as of December 31, 2018. Due to inventories and land development costs decreased throughout the land Building and equipment Due to the transfer of the club of the old project to the housing estate juristic person

Total Liabilities

As of September 30, 2019, the company and its subsidiaries' has total liabilities of Baht 1,472.64 million, decreased from the amount as of December 31, 2018 by Baht 191.35 million, or an decrease of 11.50 percent, resulting from the effective debt management of the Company and its subsidiaries.

Shareholder's Equity

As of September 30, 2019, shareholder's equity of the Company and its subsidiaries totaled Baht 2,588.44 million which is a 0.11 percent increase from as of December 31, 2018 totaled Baht 2,585.64 million because the Company' posted a unappropriated retained earnings was increased.

Sincerely Yours,



(Mr. Wichian Silapacharanan)

Deputy Managing Director

Authorized to sign on behalf of the company

Investor Relations Department

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