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SET\_DV8-2022017

August 11<sup>th</sup>, 2022

To: The President  
The Stock Exchange of Thailand

Subject: Management Discussion and Analysis  
Quarter 2 ended June 30, 2022

DV8 Public Company Limited (the "Company") would like to notify the financial statements of the Company and its subsidiaries for the second quarter ended June 30, 2022 reviewed by the certified auditor as follows.

#### Revenues

In the second quarter ended June 30, 2022 the Company's operating revenues and other revenues totaled Baht 41.89 million, An increased from the same quarter of last year of Baht 30.01 million. The Increase of Baht 11.88 million or 39.59% was mainly from the following items::

- Instore media revenue of 33.16 million, an increase from 21.78 million from the quarter of last year of bath 11.38 million or an increase of 52.25%, mainly from the company adding department stores and targeting more selling instore media and the company could organize more events.
- Revenue from construction contracts of the Project of Smart Public Awareness Program with intelligent public relations sign, as announced by the Office of the Permanent Secretary of the Interior. For the construction of digital publicity signages for the 76 provinces and amount of 8.73 million, an increase of 5.03 million from the same quarter of last year of baht 3.70 million or an increase of 73.56% .Because the company has more revenue from construction than in the same quarter last year.
- In the same quarter of the last year, the company had other revenue of 3.20 million, The other revenue mainly consisted of interest income and gain from asset disposal.

#### Cost

In the second quarter ended June 30, 2022, the Company's total cost was Baht 30.21 million, an Increased from Baht 28.74 million from the same quarter of last year of Baht 1.47 million or an increase of



5.11%. The cost incurred according to the revenues in this quarter consists of media-advertising costs of Baht 24.22 million and construction cost of Baht 5.99 million.

### **Expenses**

- Administrative expenses of Baht 10.16 million decreased from Baht 11.16 million in the same quarter of last year of Baht 1.01 million or a decrease of 9.05%, affected by the Company's restructuring of employees.
- Executive Remuneration of Baht 5.13 million, decreased by Baht 7.38 million from the same quarter of last year of Baht 2.23 million, affected by the Company's new organization management structure.
- Financing costs of Baht 0.27 million, decreased by Baht 0.50 million, from the same quarter of last year of Baht 0.23 million or decreased 46% due to the recognition of the contract period.
- The company sold its investment in the associated company, resulting in the company having no share of loss in the associate in the current period. which decreased from 0.72 million baht in the same quarter last year.

### **Operating Results**

In the first quarter ended June 30, 2022, the Company showed a net loss of Baht 3.89 million. This net loss included the profit of non-controlling interests of Baht 0.21 million, resulting in a net loss attributable to the parent company of Baht 3.68 million since the Company has performance as mentioned above.

### **Financial Position**

#### Total Assets

The Company has total assets as of June 30, 2022 of Baht 535.99 million and as of December 31, 2021 of Baht 536.53 million, an decrease of Baht 0.54 million or 0.10%. The Company's assets as at June 30, 2022 included 76.41% current assets and 23.59% non-current assets.

- Inventories of 47.52 million baht, an increase of 17.9 million baht from the previous year by 29.62 million baht or 165.47% because the company has LED screens for the Office of the Permanent Secretary of the Interior, as announced by the Office of the Project of Smart Public Awareness Program with intelligent public relations sign



- Other current financial assets of 90 million baht, decreased from 160 million baht from the previous year to 70 million baht or 43.75% because the company has managed fixed deposits to use as working capital of the company.
- Investments in associated companies decreased from the previous year by 4.02 million baht because the company sold its investment in Revolution of Digital Employee Experience Company Limited, which operates the business of producing and provide application services for corporate management.
- Building improvements, Decorations, and equipment amounted to 22.07 million baht, an increase from 18.4 million baht from the previous year. or an increase of 19.95% because the company has increased department stores to sell advertising media at the point of sale, so it needs to install more equipment for broadcasting
- Intangible assets amounted to 10.90 million baht, an increase from 7.96 million baht from the previous year by 2.94 million baht or an increase of 36.93%, which was caused by the company producing a short drama and realizing all costs as intangible assets.
- Other non-current assets amounted to 14.61 million baht, an increase from 11.16 million baht from the previous year by 3.45 million baht or an increase of 30.91%, which was mainly caused by the company's income tax withholding increased according to the income that preliminary

### Total Liabilities

The company has total liabilities as of June 30, 2022, amounting to 87.39 million baht and as of December 31, 2021, amounting to 79.37 million baht, an increase of 8.02 million baht or an increase of 10.10%. The company's liabilities as of June 30 2022 consists of current liabilities accounted for 72.59% and non-current liabilities 27.41%, most of which were changed from trade payables and other current payables, amounting to 37.63 million baht as of June 30, 2022, increasing from 28.68 million baht from the previous year by 8.95 million baht or increased. 31.21%, which was mainly due to an increase in account payables and accrued expenses.

### **Liquidity**

#### Cash flow

The Company has cash and cash equivalents as of June 30, 2022 of Baht 97.94 million. Details of the source and use of cash are as follows:

- Net cash used in operating activities 36.94 million baht, mainly due to increase in inventories. and assets arising from the contract



- Net cash received from investing activities 69.04 million baht, mainly due to decrease in temporary investment.
- Net cash used in financing activities of 1.15 million baht arising from cash payments for financial lease liabilities.

#### Liquidity ratio

The Company's liquidity ratio as of June 30, 2022, was 6.46 times, which the Company reduced current assets and increased current liabilities compared to those as of December 31, 2021, which had a liquidity ratio of 7.46 times. In most cases, the Company has reduced current assets in respect of trade receivables and other current receivables and has increased current liabilities on the part of trade creditors and other current payables. Therefore should there is still pandemics of Covid-19, the Company still maintain adequate liquidity for operations since the Company has enough current assets to pay off current liabilities under liquidity ratios as mentioned above.

Please be informed accordingly.



Yours Sincerely,

(Mr. Nathaphol Kasamvilas)

Chief Executive Officer