



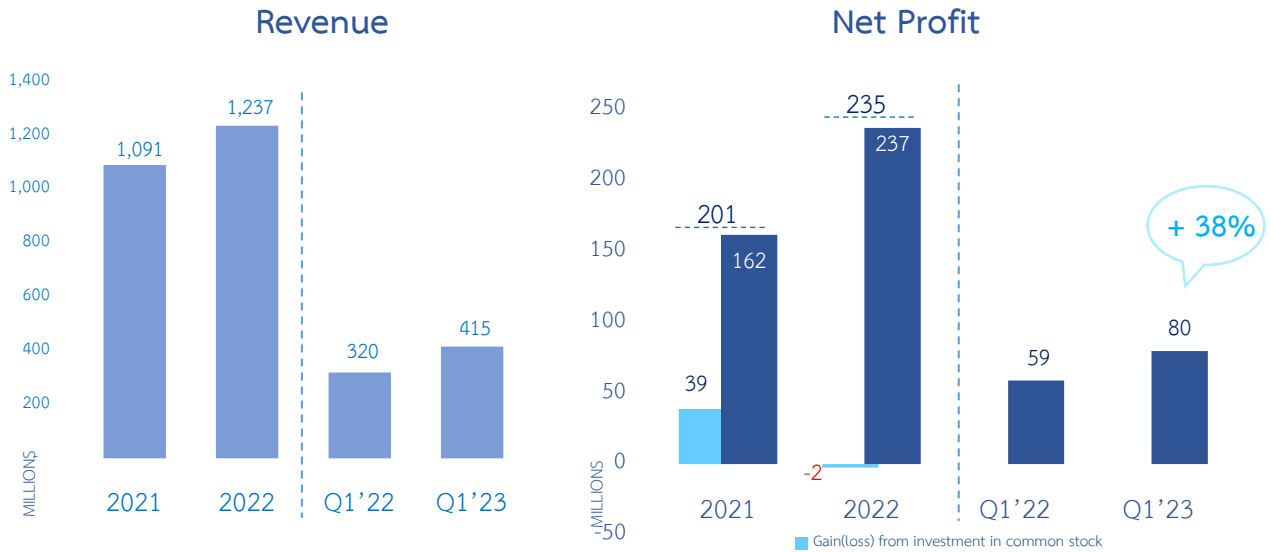
Ditto (Thailand) Public Company Limited and its subsidiary

Management Discussion and Analysis for the Quarter ended 31 March 2023

Executive Summary

Ditto (Thailand) Public Company Limited and its subsidiary (“Company and its subsidiary”) have the pleasure of reporting the operating results of the Company and its subsidiary for the three-month period ended 31 March 2023 as shown below:

Operating result	For the 3- Month		Change	
	Q1'23	Q1'22	MB	%
Revenues from sales and services	415.32	319.76	95.57	30%
Cost of sales and services	(278.42)	(212.91)	(65.51)	31%
Gross profit	136.90	106.85	30.05	28%
	33%	33%		
Other income	0.58	1.12	(0.54)	(48%)
Selling expenses	(7.24)	(5.29)	(1.95)	37%
Administrative expenses	(28.60)	(22.07)	(6.54)	30%
Profit before financial cost and income tax	101.64	80.62	21.02	26%
Finance income	0.14	0.03	0.11	367%
Gain (Loss) from disposal and revaluation on short-term investments	1.25	(6.13)	7.39	(120%)
Finance costs	(0.52)	(0.69)	0.18	(26%)
Share of profit (loss) from investment in associates and joint ventures	(0.97)	-	(0.97)	100%
Hedging losses for hedge of group of items with offsetting risk positions	-	(0.58)	0.58	(100%)
Profit before income tax	101.54	73.24	28.30	39%
Tax income (expense)	(20.71)	(14.63)	(6.08)	42%
Net Profit	80.83	58.61	22.22	38%
	19%	18%		
Other comprehensive income				
Gain from investments measured at fair value through other comprehensive income	32.50	-	32.50	100%
Income tax relating to items that will never be reclassified subsequently to profit or loss	(6.50)	-	(6.50)	100%
Other comprehensive income	26.00	58.61	26.00	100%



“Q1/2023
 The Company generates
 Continuous net profit
 expansion at **38% (YoY)**”

For Q1/2023, Ditto (Thailand) Public Company and its subsidiary (“DITTO”) generates revenue from sales and services at 415.32 million Baht, 95.57 million Baht increase from the previous year, which is a 30% growth and generate profit of 80.83 million Baht, 22.22 million Baht increase from the previous year, which is a 38% growth.

In Q1/2023, the Company is able to continuously maintain revenue and profit growth from cyber security service, business process outsourcing (“BPO”) customer base expansion, and the expansion of the technology engineering project which involve the introduction of technology and new innovation to the environment conservative museum for Thai youth.

The Company and its subsidiary have continuously invested and expanded into new business with major events as follow:

- **“Toward the Green Technology for sustainable growth”** The Company have entered into the Mangroves Reforestation for Carbon Credit Project for the year 2022 with the Department of Mineral and Coastal Resources. Total allocated area for mangrove reforestation for the Company up until now is 48,166.19-2-22 Rai (12,002.55 acres) which is split into two types of projects; 1) Mangroves Reforestation for Carbon Credit Project where the Company is allocated 11,448.30 Rai (1,808.67 acres) of land with project period of 30 years and on 20 April 2023, the Company has partnered with non-related company for another 10,209.89 Rai of land (1,602.34 acres). Total land area of the



Company related to this project is 21,658.19 Rai (3,465.82 acres). 2) Mangroves Reforestation for Carbon Credit with community year 2023 with the Department of Mineral and Coastal Resources where the Company is allocated 26,508-2 -22 Rai (6,601.98 acres) from 14 communities with project period of 30 years.

- **DITTO and TEAM Consulting Engineering and Management PCL (“TEAMG”)** jointly established **DTX Co., Ltd. or DTX** which integrate the engineering knowledge and information from TEAMG with expertise in data management from DITTO. DTX operates the Core Technology called Digital Twin with registered capital of 30 million Baht; both companies hold 50% of the registered capital.
- On 9 February 2023, the Company invested in ordinary shares of **Blue Venture Group Public Company Limited** which operates platform and application service for insurance business management system by purchasing of 10 million shares at IPO price at 3.85 THB per share, totaled at 38.50 million Baht which the gain(loss) from investment recognized is measured at fair value through other comprehensive (FVOCI).
- The Company and its subsidiary have signed contract for **the Construction of the New Zoo Phase 1, Khlong Hok with the Zoological Park Organization of Thailand under the Royal Patronage of H.M. the King** under **RSDT Consortium** on 12 April 2023. Total project value (including VAT) is 5.354 billion Baht with the Company and its subsidiary proportion as follow:

No.	Company	Ratios	Company’s proportion value (Including VAT)
1	DITTO (THAILAND) PUBLIC COMPANY LIMITED	30%	1,606 million baht
2	SIAM TC TECHNOLOGY COMPANY LIMITED	29%	1,553 million baht
	Total	59%	3,159 million baht

- The objective of this project is for the construction of the New Zoo in Khlong Hok, Thanyaburi, Pathum Thani Province on the 300 Rai land with the target to become a modern world-class zoo that serves as the learning source for natural and wildlife in the country as well as be the environmental-friendly recreational destination for tourists and public area for general public. The project will implement the first Digital Zoo technology in Thailand such as:
 - A non-intrusive zoo touring that does not interfere with animals and their environmental systems;
 - 4D exhibition with world-class projection and sound system;



- Animals monitoring system via command center with data analytic platform;
- Advance ticket reservation system with multiple booking channels;
- Smart transportation and advance car park-booking system;
- Smart zoo map via mobile app
- In Q1/2023, the Company's subsidiary has entered into contract of other five technology engineering projects with total Company's proportion valued at 684.75 million Baht (include VAT)
- On 10 April 2023, the Company together with Vongsayam Korsang Co., Ltd. and TEAM Engineering Consulting and Management PCL to operate in water resource management business by establishing a new company named **VDT Water Supply Co., Ltd.** with registered capital of 5 million Baht.

Revenue from sales and services

Business Unit	3-Month		Change	
	2023	2022	MB	%
1. Distribution and provision of Data & Document Management and Cyber Security	106.25	89.71	16.54	18%
2. Technology engineering projects	228.18	181.18	47.00	26%
3. Rental, sales, and provision of services for photocopiers, printers and other technology products	80.89	48.87	32.02	65%
Total	415.32	319.76	95.56	30%

For Q1/2023, the Company and its subsidiary generated 95.53 million Baht higher revenue from sales and services from same period last year, which is a 30% growth, with detail as follow:

- 1) Revenue from Distribution and provision of Data & Document Management and Cyber Security business has grown due to Cyber Security service and the expansion of customers base for Business Process Outsourcing service (“BPO”).
- 2) Revenue from Technology Engineering Projects increased from the previous year due to the expansion of the projects. The Company's subsidiary has implemented technology and world-class innovation for Youth Learning Center project. Other significant projects include the Construction of Underwater Sealife in Phuket Province, Constructing and Developing of Ranong Mangrove Forest Learning Center, Development of Koh Man Nai for Eco-tourism, and Early Warning Projects



- 3) Revenue from Rental, sales, and provision of services for photocopiers, printers and other technology products increased from selling of scanner machines, server equipment, and other products.

Gain (Loss) from disposal and revaluation on short-term investment

The Company realizes gain (loss) from investment in debt securities by Fair Value through Profit or Loss (FVPL) of 1.25 million Baht and in Q1/2022, the Company realizes gain (loss) on the disposal of the full amount of investment in shares from the common stocks of a business partner with a loss of 6.13 million Baht (net of tax gain of 4.90 million Baht) in which the Company has sold all amount of the investments in 2022.

Selling Expenses

Most of the Company and its subsidiary's selling expenses consisted of salary, commission fee, advertisement fee, promotion fee, and other expenses. Selling expenses in Q1/2023 increase due to the marketing of Data and Document Management Solutions which is targeted at government agencies in response to the Act on Electronic Performance of Administrative Functions and as well as the On Cloud Solutions under the name "dap" (data accelerate projection) which is aim at private firms.

Administrative Expenses

Major administrative expenses for Q1/2023 consisted of salary and welfares, depreciation, rental expenses, office expenses, and utility expenses which increase 6.54 million Baht from the previous year or 30% increase due to the yearly salary adjustment and from the hiring of the independent financial advisor and legal advisor for the investment in new business transaction.

Financial Cost

The financial costs had declined due to the repayment of a short-term loan for various projects (Project Finance) that requires working capital at the beginning of the project and also due to the increase in working capital from proceeds raised from selling common stocks to public (IPO).

Net profit

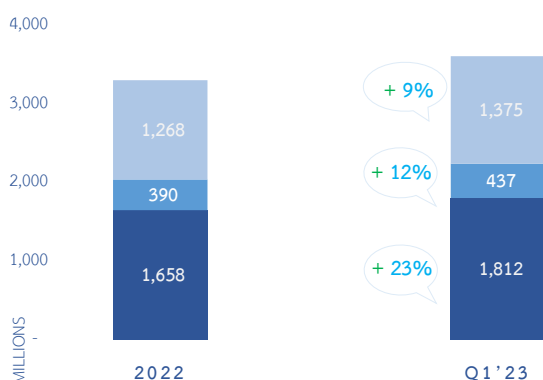
Net profit for Q1/2023 is 80.83 million Baht, an increase of 22.22 million Baht from the previous year, which is 38% increase. The main reason the Company is able to maintain gross profit at 33% is due to efficient project management. Although the Company has expenses related to independent financial advisor and legal advisor for the investment in new business transaction in Q1/2023, the company was still able to maintain net profit margin close to the same period of previous year.



Financial position

Financial position	As of 31 March 2023		As of 31 December 2022		Change	
	MB	%	MB	%	MB	%
Assets	1,811.77	100%	1,658.31	100%	153.46	9%
Liabilities	437.03	24%	390.40	24%	46.63	12%
Shareholders' equity	1,374.74	76%	1,267.91	76%	106.83	8%

■ Asset ■ Liabilities ■ Shareholders' equity



Assets

As of 31 March 2023 and 31 December 2022, the Company and its subsidiary have total assets of 1,811.77 million Baht and 1,658.31 million Baht respectively. Whilst at the end of Q1/2023, the Company's total assets increase by 153.46 million Baht, which is a 9% increase, mainly due to an increase in long-term

investment in Blue Ventures Group Public Company Limited and the mangrove planting concession that began operations in the Q1/2023.

Liabilities

As of 31 March 2023 and 31 December 2022, the Company and its subsidiary have total liabilities of 437.03 million Baht and 390.40 million Baht respectively. At the end of Q1/2023, the Company's total liabilities increased by 46.63 million Baht, which is 12% increase due to advances received from customers for the Technology Engineering Projects.

Shareholders' equity

As of 31 March 2023, and 31 December 2022, the Company and its subsidiary's shareholders' equity is 1,374.74 million Baht and 1,267.91 million Baht respectively. The shareholders' equity increase by 106.83 million Baht, or 8% increase, due to 1) an increase in retained earnings from the operating results for Q1/2023 amounted at 80.83 million Baht and 2) the profit realization from investment in Blue Venture Group PCL by Fair Value Through Other Comprehensive Income (FVOCI) at 26.00 million Baht.



Key Financial ratios

