

DITTO (THAILAND) DITTO TB

THAILAND / TECHNOLOGY

HOLD

FROM BUY

Rosy road already priced in

- Strong 4Q21 core profit of THB33m (+74% y-y, -32% q-q).
- THB1.6b secured backlog to be realised as revenue in 2022-23.
- Raise TP to THB34, but downgrade to HOLD.

TARGET PRICE	THB34.00
CLOSE	THB36.75
UP/DOWNSIDE	-7.5%
PRIOR TP	THB21.00
CHANGE IN TP	+61.9%
TP vs CONSENSUS	n/a

Strong 4Q21 results on both revenue and margin

DITTO posted a strong y-y 4Q21 core profit of THB33m (+74% y-y, -32% q-q), driven by: 1) slight revenue growth – especially in its document and data management solutions (DDM) business; and 2) a higher profitability margin. Its net recurring margin also improved from 8.3% in 4Q20 to 13.9% in 4Q21 thanks to higher operating leverage and better interest savings by utilising capital from its IPO to repay debts. Its 4Q21 net profit was THB72m (+275% y-y, +47% q-q), following a special gain on an investment of THB38.8m (net of tax). DITTO announced a cash dividend of THB0.011 per share and a stock dividend of 5:1 (existing stocks:dividend stock), and a rights offering for DITTO-W1 at 5:1 (existing stocks:warrant), with a THB40 per share exercise price and a 3-year maturity. The XR is on 28 Apr-22.

Plenty of secured backlogs and more bidding projects to come

DITTO has cTHB1,600m in secured backlogs from both DDM and its technology and engineering services (TES) business which could realise revenue in 2022-23. There should also be recurring revenue of at least THB250m-300m per year to be booked. There are still many projects waiting to be bid upon, such as the sequel projects work for the Court of Justice, data management of sub-district and provincial administrative organisations, and other related IT projects. We believe DITTO has a very high chance of winning thanks to its experience.

Strong earnings growth should continue in 2022

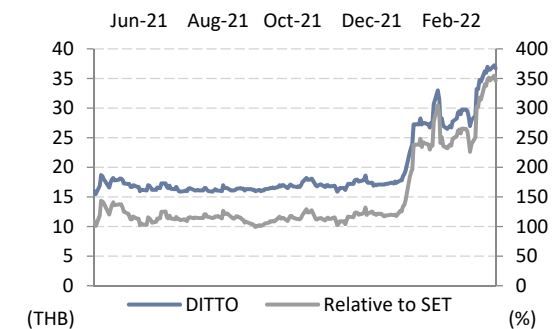
Due to the larger-than-expected backlogs and the profitability margin of its DDM business, we revise up our 2022-23E core profit by 7%/12%. We expect its 2022 core profit to surge 49% y-y vs 43% y-y in 2021 on: 1) a rise in its revenue of 31% y-y in its DDM and TSE businesses; and 2) an improvement in its net margin to 16.9% from 14.9% in 2021 based on economies of scale and interest savings.

Downgrade to HOLD thanks to tight valuation

We raise our TP to THB34 from THB21, at 68x 2022E P/E. We give a premium valuation to DITTO due to: 1) its solid bottom-line growth with an improving ROE and margin; and 2) its unique business structure, fit for the digital and IT trends. However, we downgrade DITTO to HOLD as we believe the bright outlook has already been priced in. An upside risk is winning large projects that generate recurring income.

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	1,091	1,432	1,822	2,291
Net profit	201	242	332	431
EPS (THB)	0.48	0.50	0.62	0.74
vs Consensus (%)	-	(1.0)	(8.8)	-
EBITDA	258	353	472	600
Core net profit	162	242	332	431
Core EPS (THB)	0.39	0.50	0.62	0.74
Chg. In EPS est. (%)	nm	(2.4)	(7.8)	nm
EPS growth (%)	14.0	27.9	24.6	19.2
Core P/E (x)	93.8	73.4	58.9	49.4
Dividend yield (%)	0.0	0.6	0.8	1.1
EV/EBITDA (x)	45.7	33.0	24.6	14.4
Price/book (x)	11.7	10.1	8.2	2.3
Net debt/Equity (%)	(34.1)	(39.8)	(35.8)	(65.4)
ROE (%)	23.7	21.7	24.8	12.6



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	25.6	114.9	n/a
Relative to country (%)	23.2	101.8	n/a
Mkt cap (USD m)	495		
3m avg. daily turnover (USD m)	4.1		
Free float (%)	66		
Major shareholder	Ratanakamolporn family (64%)		
12m high/low (THB)	38.75/15.00		
Issued shares (m)	3,145.90		

*Currently only covered by FSSIA

Sources: Bloomberg consensus; FSSIA estimates


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Investment thesis

DITTO is a technology and innovation company which is in the process of transforming itself into more of a star business, like converting and managing paper-based documents to online documents. Although the income stream might be inconsistent during the transformation, the company's strength is that it still has cash cow businesses which can generate a recurring cash flow stream over the next three years. DITTO is also one of the leaders in innovative technology engineering projects, providing it with continuous income from these projects. This should allow it to deliver outstanding bottom-line growth.

We raise our TP to THB34 from THB21, pegged at 68x 2022E P/E. We give a premium valuation to DITTO due to: 1) its outstanding bottom-line growth with an improving ROE and margin; and 2) its unique business structure which can ride the digital and IT trend. However, we downgrade DITTO to Hold as we believe the bright outlook has already been priced in.

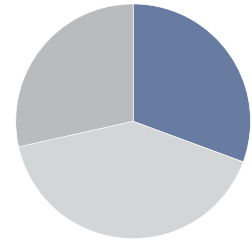
Company profile

DITTO is a technology and innovation company. Its main business can be divided into three groups: 1) document and data management solutions; 2) technology & engineering services; and 3) document services & other solutions.

www.dittothailand.com

Principal activities (revenue, 2021)

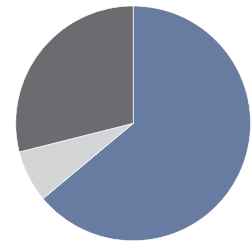
- Document service and other solutions - 30.6 %
- Document and data management solutions - 40.9 %
- Technology and engineering services - 28.5 %



Source: Ditto (Thailand)

Major shareholders

- Ratanakamolporn family - 63.9 %
- Suamornrattanukul family - 7.2 %
- Others - 28.9 %



Source: Ditto (Thailand)

Catalysts

Potential share price catalysts for DITTO include:

- Getting new data management service jobs from large corporates or government agencies;
- Getting new technology engineering projects;
- Effective cost control.

Risks to our call

Downside risks to our PEG-based TP include 1) technological changes that will affect competitiveness; and 2) income and gross margin inconsistency due to the nature of the project service business. Upside risks to our PE-based TP include 1) higher-than-expected winning projects; and 2) faster-than-expected changes in the digital environment of Thailand.

Event calendar

Date	Event
Mid-May 2022	1Q22 results announcement

Key assumptions

	2022E	2023E	2024E
	(%)	(%)	(%)
Net profit (THB m)	242	332	431
Net profit growth	20.8	37.1	29.6
Sales growth	31.3	27.2	25.8
Gross margin	31.8	33.3	33.9
EBITDA margin	24.7	25.9	26.2
Net margin	16.9	18.2	18.8

Source: FSSIA estimates

Earnings sensitivity

			2021E	
Sales growth (%)	±1ppt	30.3	31.3	32.3
% change in net profit		(2.0)	-	(2.0)
Gross margin (%)	±1ppt	30.8	31.8	32.8
% change in net profit		(6.0)	-	6.0
SG&A to sales (%)	±1ppt	9.8	10.8	11.8
% change in net profit		(5.0)	-	(5.0)

Source: FSSIA estimates

Strong 4Q21 results on both revenue and margin

DITTO posted a 4Q21 core profit of THB33m (+74% y-y, -32% q-q), with a strong y-y increase in its performance driven by slight revenue growth – especially in its DDM business – and a higher profitability margin. The drop q-q in its 4Q21 net profit came from seasonality.

DITTO's 4Q21 revenue increased 3% y-y due mainly to a significant rise in its DDM revenue. Regarding its TES, 4Q21 revenue came in at -55% y-y and -54% q-q. We have few concerns over this as it is usual that revenue recognition might be volatile during 4Q. Its document services and other solutions (DS) revenue also declined on the lower demand for photocopying. This is in line with the company's business plan to shift its focus to the DDM business. Its net recurring margin also improved from 8.3% in 4Q20 to 13.9% in 4Q21 thanks to higher operating leverage and better interest savings by utilising capital from its IPO to repay debts.

Its 4Q21 net profit was at THB72m (+275% y-y, +47% q-q), following a special gain on an investment of THB38.8m (net of tax).

DITTO's 2021 core profit hit a record high of THB162m, up 43% y-y, driven by: 1) a rise in its revenue of 11% y-y, with a strong showing from DDM and DS revenue in particular; and 2) an improvement in its recurring net margin to 14.9% from 11.5% in 2020. Its 2021 net profit was THB201m, an increase of 77% y-y, supported by a special gain on an investment of THB38.8m (net of tax).

DITTO announced a cash dividend of THB0.011 per share and a stock dividend of 5:1 (existing stocks:dividend stock), implying THB0.1 per share. Therefore, its total dividend is THB0.111 per share, implying a dividend yield of 0.3%. The XD is on 15 Mar-22. It also announced a rights offering for DITTO-W1 at 5:1 (existing stocks:warrant), with a THB40 per share exercise price and a three-year maturity. The XR is 28 Apr-22.

Exhibit 1: DITTO 4Q21/2021 results

Year to Dec 31	4Q20	1Q21	2Q21	3Q21	4Q21	----- Change -----		2021	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(y-y%)	(q-q%)	(THB m)	(y-y%)
Sales	232	258	256	337	240	3	(29)	1,091	11
Gross profit	57	80	78	93	71	25	(23)	323	26
Operating costs	31	27	32	32	30	(2)	(5)	(121)	16
Operating profit	27	53	46	61	41	55	(33)	201	33
Operating EBITDA	41	67	60	76	55	36	(27)	258	24
Other income	0	1	0	1	1	505	(31)	3	144
Other expense	0	0	0	0	0	n/a	n/a	0	
Interest expense	3	2	2	1	1	(70)	(19)	(6)	(50)
Profit before tax	24	52	44	61	41	74	(33)	198	41
Tax	5	10	6	12	8	74	(36)	(36)	33
Non-recurring items	0	0	0	0	38	n/a	n/a	38	n/a
Reported net profit	19	41	38	49	72	275	47	201	77
Recurring net profit	19	41	38	49	33	74	(32)	162	43
Key Ratios (%)									
Gross margin	24.7	31.1	30.5	27.5	29.8	5.1	2.3	29.6	3.6
Operating margin	11.4	20.6	17.9	18.1	17.2	5.7	(0.9)	18.5	3.1
Recurring net margin	8.3	16.1	15.0	14.5	13.9	5.7	(0.6)	14.9	3.4
SG&A / Sales	13.3	10.5	12.5	9.4	12.6	(0.7)	3.2	11.1	0.5
Effective tax rate	19.1	19.9	13.1	20.1	19.1	(0.0)	(1.0)	18.3	(1.1)
Interest coverage (EBITDA) (x)	13.5	33.3	31.3	68.3	60.9			43.4	

Sources: DITTO; FSSIA's compilation

Strong earnings growth should continue in 2022

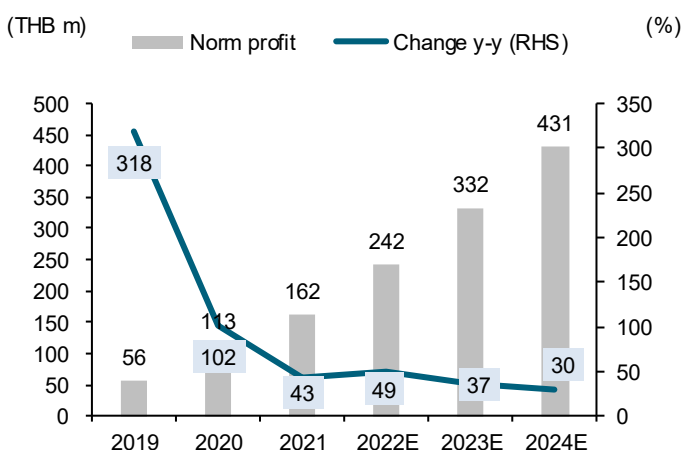
Due to the larger-than-expected backlogs and the profitability margin of its DDM business, we revise up our 2022-23 core profit forecast by 7%/12%. We expect 2022 core profit to surge 49% y-y vs 37% y-y in 2021, driven by: 1) a rise in revenue by 31% y-y, especially in its DDM and TSE businesses; and 2) an improvement in its recurring margin to 16.9% from 14.9% in 2021. based on improvements in economies of scale and interest savings.

Exhibit 2: Earnings revisions and key financial highlights

	Actual	----- Current forecast -----			---- Previous forecast ----		----- Change -----	
	2021 (THB m)	2022E (THB m)	2023E (THB m)	2024E (THB m)	2022E (THB m)	2023E (THB m)	2022E (%)	2023E (%)
Sales	1,091	1,432	1,822	2,291	1,336	1,678	7	9
Gross profit	323	455	606	777	423	549	7	11
Operating costs	121	155	197	247	144	178	7	11
Operating profit	201	300	409	530	279	371	8	10
Operating EBITDA	258	353	472	600	252	344	40	37
Other income	3	3	4	5	3	3	7	9
Other expense	-	0	0	0	-	-		
Interest expense	6	4	3	3	3	5	19	(38)
Profit before tax	198	299	410	531	278	369	7	11
Tax	36	56	77	100	53	71	7	9
Non-recurring items	38	0	0	0	-	-		
Reported net profit	201	242	332	431	226	298	7	12
Recurring net profit	162	242	332	431	226	298	7	12
Key Ratios (%)								
Gross margin	29.58	31.76	33.27	33.92	31.70	32.68		
Operating margin	18.45	20.96	22.47	23.12	20.90	22.08		
Recurring net margin	14.86	16.93	18.25	18.80	16.90	17.74		
SG&A / Sales	11.12	10.80	10.80	10.80	10.80	10.60		
Effective tax rate	18.31	18.90	18.90	18.90	18.90	19.30		
Interest coverage (EBITDA) (x)	2.30	1.16	0.66	0.49	1.37	1.46		

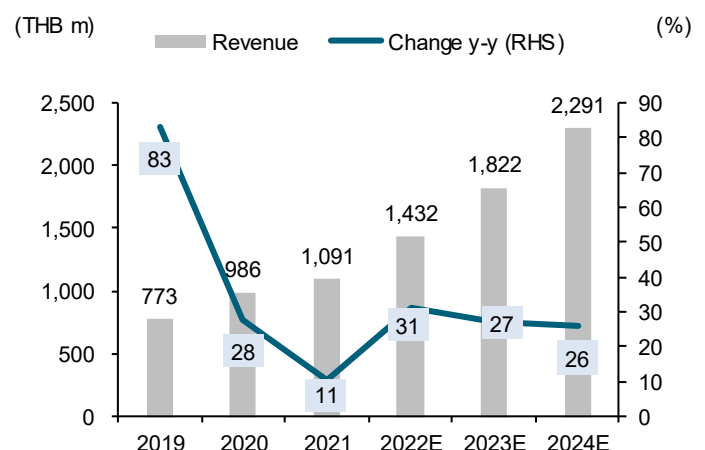
Sources: DITTO; FSSIA's estimates

Exhibit 3: Norm profit growth



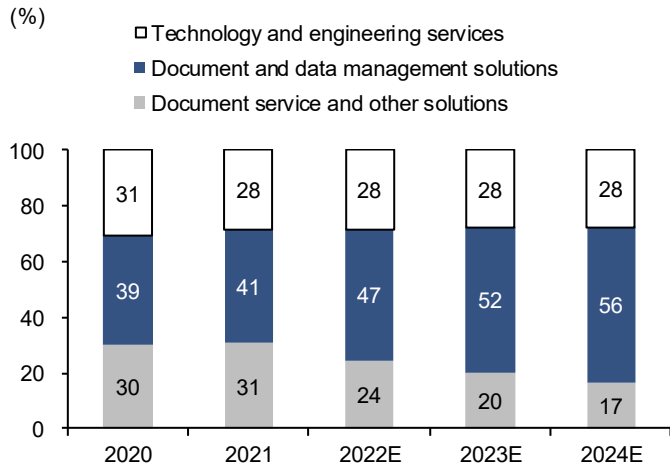
Sources: DITTO; FSSIA estimates

Exhibit 4: Revenue growth



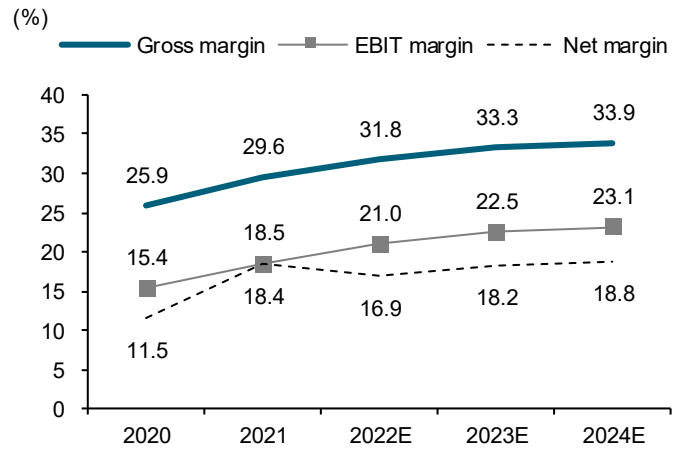
Sources: DITTO; FSSIA estimates

Exhibit 5: Revenue breakdown



Sources: DITTO; FSSIA estimates

Exhibit 6: Gross, EBIT, and net margins



Sources: DITTO; FSSIA estimates

Valuation and TP

We raise our TP to THB34 from THB21, pegged at 68x 2022E P/E (this is the fully diluted target price from stock dividends). We give a premium valuation to DITTO due to: 1) its outstanding bottom-line growth with an improving ROE and margin; and 2) its unique business structure which can ride the digital and IT trends. However, we downgrade DITTO to Hold as we believe the bright outlook has already been priced in. DITTO might grab our attention if it can bid on large projects that can generate recurring income.

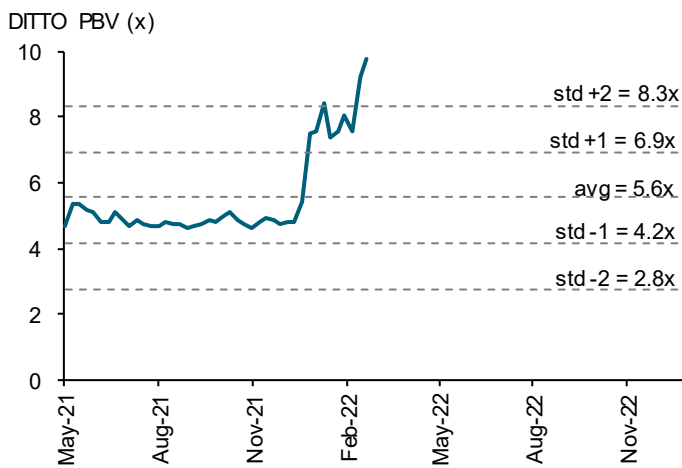
Note, we think three technology and innovation companies, namely Humanica (HUMAN TB, not rated), I&I Group (IIG TB, not rated), and Netbay (NETBAY TB; not rated), could be the best representatives to compare valuations with.

Exhibit 7: Peers comparison as of 1 Mar 2022

Company	BBG	Rec	Share price		Up side (%)	Market Cap (USD m)	PE		DivYld		ROE		PBV		EV/EBITDA	
			Current (LCY)	Target (LCY)			22E (x)	23E (x)	22E (%)	23E (%)	22E (%)	23E (%)	22E (x)	23E (x)	22E (x)	23E (x)
DITTO THAILAND	DITTO TB	HOLD	36.75	34	(7.5)	495	73.4	58.9	0.6	0.8	21.7	24.8	10.1	8.2	33.0	24.6
HUMANICA	HUMAN TB	NR	12.40	n/a	n/a	258	35.1	28.4	1.7	2.3	17.2	17.2	5.0	4.3	21.9	17.6
I&I GROUP	IIG TB	NR	33.00	n/a	n/a	101	28.5	23.0	1.8	2.0	19.7	21.3	5.5	4.9	22.1	17.0
NETBAY	NETBAY TB	NR	23.70	n/a	n/a	145	26.0	22.0	3.7	4.2	37.3	41.7	9.6	9.2	19.9	17.0
Average						1,010	39.3	33.3	2.0	2.3	24.0	26.2	7.6	6.7	24.4	19.2

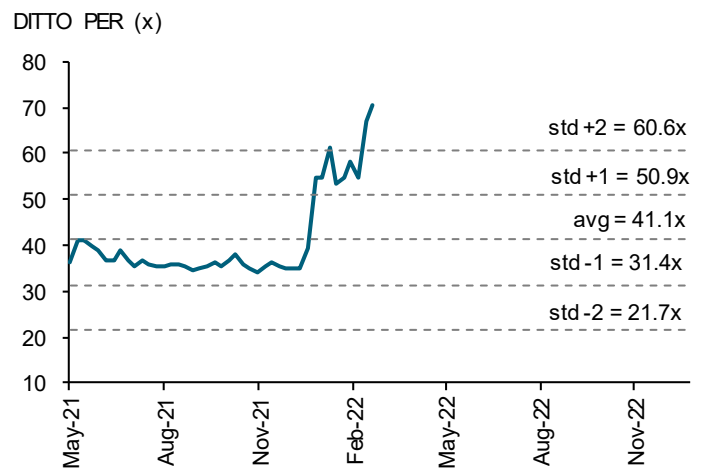
Sources: Company data; Bloomberg

Exhibit 8: DITTO – one-year forward rolling P/BV



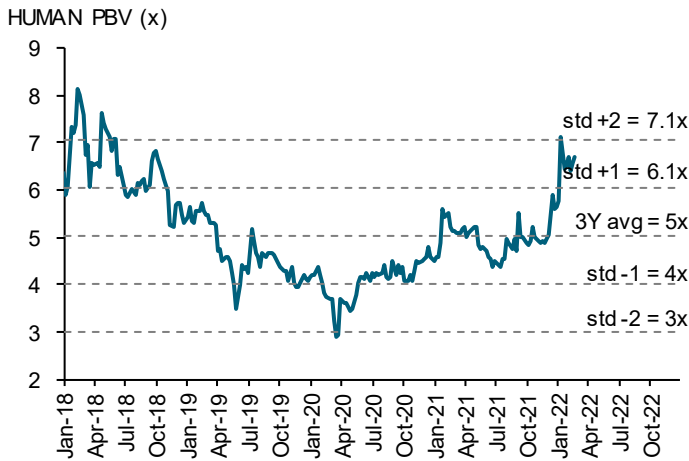
Source: Bloomberg

Exhibit 9: DITTO – one-year forward rolling P/E



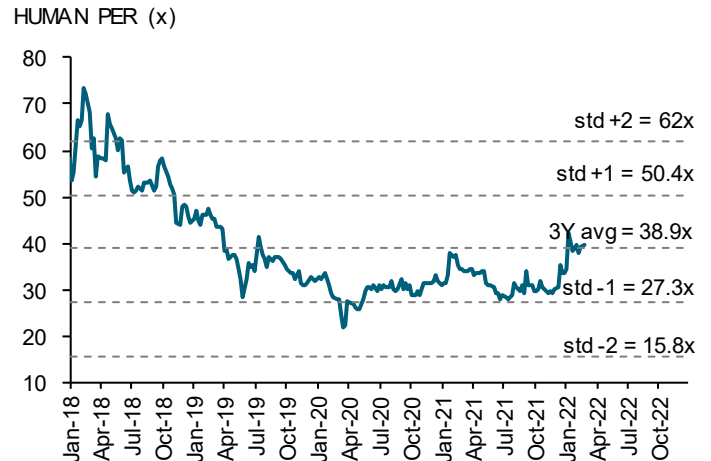
Source: Bloomberg

Exhibit 10: HUMAN – one-year forward rolling P/BV



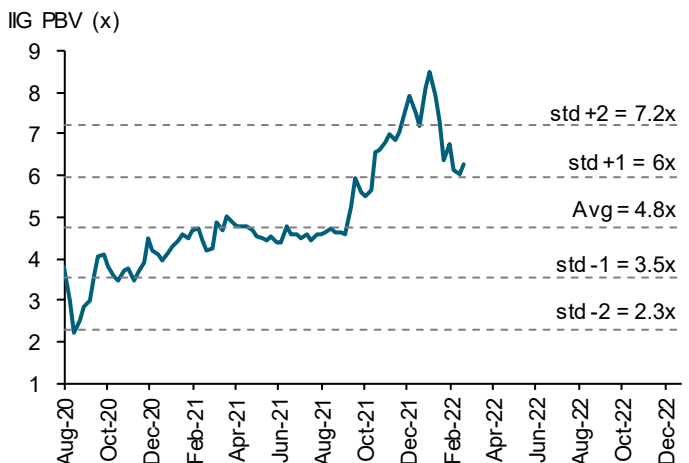
Source: Bloomberg

Exhibit 11: HUMAN – one-year forward rolling P/E



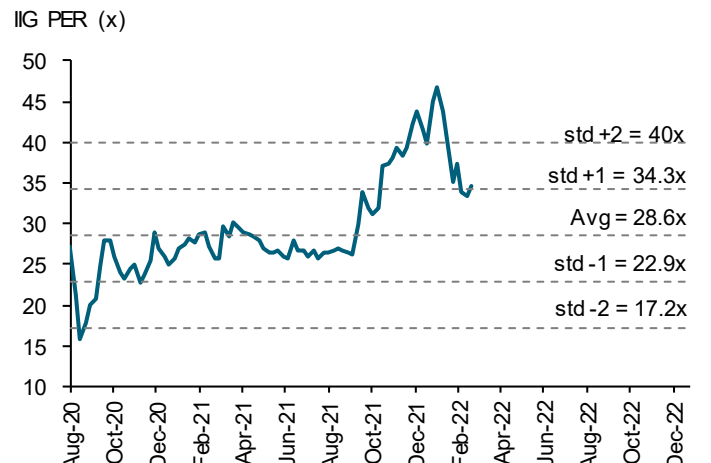
Source: Bloomberg

Exhibit 12: IIG – one-year forward rolling P/BV



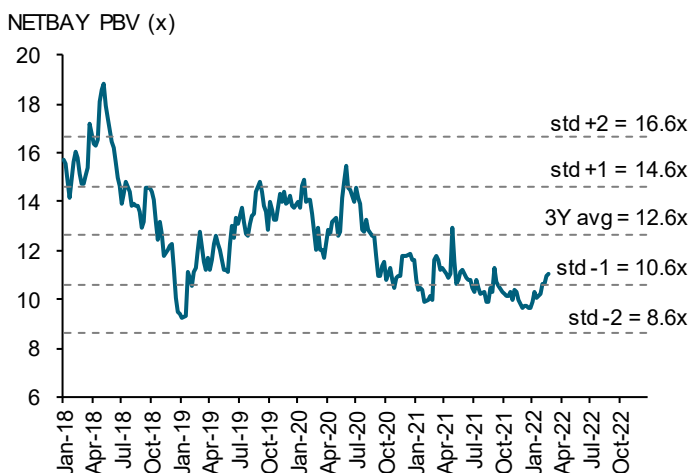
Source: Bloomberg

Exhibit 13: IIG – one-year forward rolling P/E



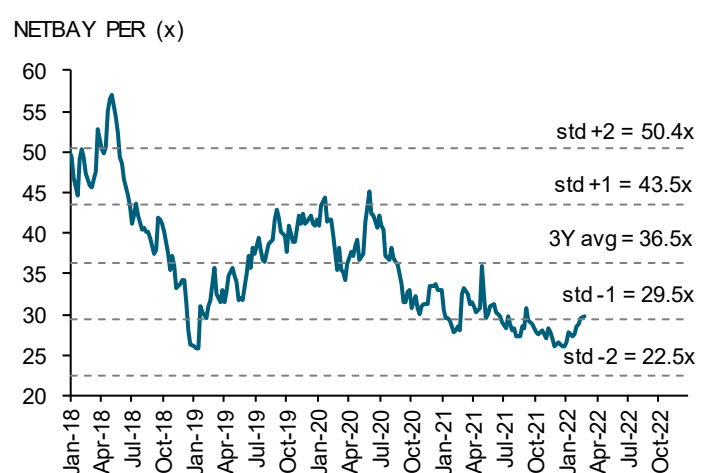
Source: Bloomberg

Exhibit 14: NETBAY – one-year forward rolling P/BV



Source: Bloomberg

Exhibit 15: NETBAY – one-year forward rolling P/E



Source: Bloomberg

Financial Statements

Ditto (Thailand)

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	986	1,091	1,432	1,822	2,291
Cost of goods sold	(674)	(711)	(924)	(1,154)	(1,444)
Gross profit	312	379	508	668	847
Other operating income	0	0	0	0	0
Operating costs	(104)	(121)	(155)	(197)	(247)
Operating EBITDA	208	258	353	472	600
Depreciation	(57)	(57)	(53)	(62)	(70)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	151	201	300	409	530
Net financing costs	(12)	(6)	(4)	(3)	(3)
Associates	0	0	0	0	0
Recurring non-operating income	1	3	3	4	5
Non-recurring items	0	38	0	0	0
Profit before tax	141	237	299	410	531
Tax	(27)	(36)	(56)	(77)	(100)
Profit after tax	113	201	242	332	431
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
Reported net profit	113	201	242	332	431
Non-recurring items & goodwill (net)	0	(38)	0	0	0
Recurring net profit	113	162	242	332	431
Per share (THB)					
Recurring EPS *	0.34	0.39	0.50	0.62	0.74
Reported EPS	0.34	0.48	0.50	0.62	0.74
DPS	0.31	0.01	0.22	0.30	0.39
Diluted shares (used to calculate per share data)	330	414	484	533	579
Growth					
Revenue (%)	27.6	10.6	31.3	27.2	25.8
Operating EBITDA (%)	58.2	23.9	37.1	33.5	27.2
Operating EBIT (%)	89.3	32.9	49.1	36.4	29.4
Recurring EPS (%)	95.3	14.0	27.9	24.6	19.2
Reported EPS (%)	95.3	41.1	3.4	24.6	19.2
Operating performance					
Gross margin inc. depreciation (%)	25.9	29.6	31.8	33.3	33.9
Gross margin of key business (%)	-	-	-	-	-
Operating EBITDA margin (%)	21.1	23.6	24.7	25.9	26.2
Operating EBIT margin (%)	15.4	18.5	21.0	22.5	23.1
Net margin (%)	11.5	14.9	16.9	18.2	18.8
Effective tax rate (%)	19.4	18.3	18.9	18.9	18.9
Dividend payout on recurring profit (%)	90.3	3.8	44.0	48.4	52.6
Interest cover (X)	13.0	37.0	73.8	132.3	180.6
Inventory days	40.6	18.8	15.5	17.3	17.3
Debtor days	56.9	66.9	56.7	51.8	52.1
Creditor days	61.0	49.3	47.9	50.4	50.1
Operating ROIC (%)	26.2	28.1	38.3	44.6	47.1
ROIC (%)	22.6	24.9	33.7	38.6	30.1
ROE (%)	38.2	23.7	21.7	24.8	12.6
ROA (%)	17.0	15.7	17.2	19.9	11.4
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Document service and other solutions	297	334	351	368	379
Document and data management solutions	387	446	678	949	1,281
Technology and engineering services	302	311	404	505	631

Sources: Ditto (Thailand); FSSIA estimates

Financial Statements

Ditto (Thailand)

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	113	162	242	332	431
Depreciation	57	57	53	62	70
Associates & minorities	0	0	0	0	0
Other non-cash items	(2)	10	1	2	2
Change in working capital	(79)	(14)	29	(39)	(46)
Cash flow from operations	89	215	326	357	457
Capex - maintenance	(43)	(39)	(100)	(80)	(80)
Capex - new investment	0	0	0	0	0
Net acquisitions & disposals	(100)	(41)	(25)	(172)	(842)
Other investments (net)	0	0	0	0	0
Cash flow from investing	(143)	(80)	(125)	(252)	(922)
Dividends paid	(102)	(5)	(73)	(100)	(129)
Equity finance	61	504	(2)	46	3,566
Debt finance	84	(188)	(38)	(4)	(3)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	43	311	(113)	(57)	3,434
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(11)	445	88	48	2,969
Free cash flow to firm (FCFF)	(41.72)	140.56	204.94	107.92	(462.45)
Free cash flow to equity (FCFE)	30.72	(53.85)	162.87	101.01	(468.63)

Per share (THB)

FCFF per share	(0.01)	0.04	0.07	0.03	(0.15)
FCFE per share	0.01	(0.02)	0.05	0.03	(0.15)
Recurring cash flow per share	0.51	0.55	0.61	0.74	0.87

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	477	481	581	661	741
Less: Accumulated depreciation	(246)	(267)	(321)	(383)	(453)
Tangible fixed assets (net)	232	214	261	279	289
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	0	0	0	0	1
Invest. in associates & subsidiaries	0	0	0	0	0
Cash & equivalents	13	458	546	594	3,562
A/C receivable	182	218	228	290	364
Inventories	43	30	49	61	76
Other current assets	229	332	332	472	594
Current assets	468	1,038	1,154	1,416	4,596
Other assets	74	91	97	152	901
Total assets	774	1,343	1,512	1,847	5,786
Common equity	333	1,033	1,200	1,479	5,350
Minorities etc.	0	0	0	0	0
Total shareholders' equity	333	1,033	1,200	1,479	5,350
Long term debt	15	9	5	4	4
Other long-term liabilities	15	26	29	36	47
Long-term liabilities	30	35	33	41	51
A/C payable	92	101	142	177	220
Short term debt	280	97	64	60	57
Other current liabilities	40	77	73	90	112
Current liabilities	411	275	279	327	389
Total liabilities and shareholders' equity	774	1,343	1,512	1,847	5,790
Net working capital	324	402	393	555	702
Invested capital	630	707	751	987	1,892

* Includes convertibles and preferred stock which is being treated as debt

Per share (THB)

Book value per share	1.01	3.13	3.63	4.48	16.20
Tangible book value per share	1.01	3.13	3.63	4.48	16.20

Financial strength

Net debt/equity (%)	84.6	(34.1)	(39.8)	(35.8)	(65.4)
Net debt/total assets (%)	36.4	(26.2)	(31.6)	(28.6)	(60.5)
Current ratio (x)	1.1	3.8	4.1	4.3	11.8
CF interest cover (x)	3.6	(8.8)	40.7	33.4	(157.5)

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	107.0	93.8	73.4	58.9	49.4
Recurring P/E @ target price (x) *	99.0	86.8	67.9	54.5	45.7
Reported P/E (x)	107.0	75.8	73.4	58.9	49.4
Dividend yield (%)	0.8	0.0	0.6	0.8	1.1
Price/book (x)	36.4	11.7	10.1	8.2	2.3
Price/tangible book (x)	36.4	11.7	10.1	8.2	2.3
EV/EBITDA (x) **	59.7	45.7	33.0	24.6	14.4
EV/EBITDA @ target price (x) **	55.3	42.2	30.4	22.7	12.9
EV/invested capital (x)	19.7	16.7	15.5	11.8	4.6

* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income

Sources: Ditto (Thailand); FSSIA estimates

Corporate Governance report of Thai listed companies 2020

EXCELLENT LEVEL										
AAV	ADVANC	AF	AIRA	AKP	AKR	ALT	AMA	AMATA	AMATAV	ANAN
AOT	AP	ARIP	ARROW	ASP	BAFS	BANPU	BAY	BCP	BCPG	BDMS
BEC	BEM	BGRIM	BIZ	BKI	BLA	BOL	BPP	BRR	BTS	BWG
CENTEL	CFRESH	CHEWA	CHO	CIMBT	CK	CKP	CM	CNT	COL	COMAN
COTTO	CPALL	CPF	CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC
DV8	EA	EASTW	ECF	ECL	EGCO	EPG	ETE	FNS	FPI	FPT
FSMART	GBX	GC	GCAP	GEL	GFPT	GGC	GPSC	GRAMMY	GUNKUL	HANA
HARN	HMPRO	ICC	ICI	III	ILINK	INTUCH	IRPC	IVL	JKN	JSP
JWD	K	KBANK	KCE	KKP	KSL	KTB	KTC	LANNA	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	METCO	MFEC	MINT
MONO	MOONG	MSC	MTC	NCH	NCL	NEP	NKI	NOBLE	NSI	NVD
NYT	OISHI	ORI	OTO	PAP	PAP	PCSGH	PDJ	PG	PHOL	PLANB
PLAT	PORT	PPS	PR9	PREB	PRG	PRM	PSH	PSL	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QTC	RATCH	RS	S	S & J	SAAM
SABINA	SAMART	SAMTEL	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SDC
SEAFCO	SEOIL	SE-ED	SELIC	SENA	SIRI	SIS	SITHAI	SMK	SMPC	SNC
SONIC	SORKON	SPALI	SPI	SPRC	SPVI	SSSC	SST	STA	SUSCO	SUTHA
SVI	SYMC	SYNTEC	TACC	TASCO	TCAP	TFMAMA	THANA	THANI	THCOM	THG
THIP	THRE	THREL	TIP	TIPCO	TISCO	TK	TKT	TTB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TRC	TSC	TSR	TSTE	TSTH
TTCL	TTW	TU	TVD	TVI	TVO	TWPC	U	UAC	UBIS	UV
VGI	VIH	WACOAL	WAVE	WHA	WHAUP	WICE	WINNER	TRUE		

VERY GOOD LEVEL										
2S	ABM	ACE	ACG	ADB	AEC	AEONTS	AGE	AH	AHC	AIT
ALLA	AMANAHA	AMARIN	APCO	APCS	APURE	AQUA	ASAP	ASEFA	ASIA	ASIAN
ASIMAR	ASK	ASN	ATP30	AUCT	AWC	AYUD	B	BA	BAM	BBL
BFIT	BGC	BJC	BJCHI	BROOK	BTW	CBG	CEN	CGH	CHARAN	CHAYO
CHG	CHOTI	CHOW	CI	CIG	CMC	COLOR	COM7	CPL	CRC	CRD
CSC	CSP	CWT	DCC	DCON	DDD	DOD	DOHOME	EASON	EE	ERW
ESTAR	FE	FLOYD	FN	FORTH	FSS	FTE	FVC	GENCO	GJS	GL
GLAND	GLOBAL	GLOCON	GPI	GULF	GYT	HPT	HTC	ICN	IFS	ILM
IMH	INET	INSURE	IRC	IRCP	IT	ITD	ITEL	J	JAS	JCK
JCKH	JMART	JMT	KBS	KCAR	KGI	KIAT	KOOL	KTIS	KWC	KWM
L&E	LALIN	LDC	LHK	LOXLEY	LPH	LRH	LST	M	MACO	MAJOR
MBAX	MEGA	META	MFC	MGT	MILL	MITSIB	MK	MODERN	MTI	MVP
NETBAY	NEX	NINE	NTV	NWR	OCC	OGC	OSP	PATO	PB	PDG
PDI	PICO	PIMO	PJW	PL	PM	PPP	PRIN	PRINC	PSTC	PT
QLT	RCL	RICHY	RML	RPC	RWI	S11	SALEE	SAMCO	SANKO	SAPPE
SAWAD	SCI	SCP	SE	SEG	SFP	SGF	SHR	SIAM	SINGER	SKE
SKR	SKY	SMIT	SMT	SNP	SPA	SPC	SPCG	SR	SRICHA	SSC
SSF	STANLY	STI	STPI	SUC	SUN	SYNEX	T	TAE	TAKUNI	TBSP
TCC	TCMC	TEAM	TEAMG	TFG	TIGER	TITLE	TKN	TKS	TM	TMC
TMD	TMI	TMT	TNITY	TNP	TNR	TOG	TPA	TPAC	TPCORP	TPOLY
TPS	TRITN	TRT	TRU	TSE	TVT	TWP	UEC	UMI	UOBKH	UP
UPF	UPOIC	UT	UTP	UWC	VL	VNT	VPO	WIJK	WP	XO
YUASA	ZEN	ZIGA	ZMICO							

GOOD LEVEL										
7UP	A	ABICO	AJ	ALL	ALUCON	AMC	APP	ARIN	AS	AU
B52	BC	BCH	BEAUTY	BGT	BH	BIG	BKD	BLAND	BM	BR
BROCK	BSBM	BSM	BTNC	CAZ	CCP	CGD	CITY	CMAN	CMO	CMR
CPT	CPW	CRANE	CSR	D	EKH	EP	ESSO	FMT	GIFT	GREEN
GSC	GTB	HTECH	HUMAN	IHL	INOX	INSET	IP	JTS	JUBILE	KASET
KCM	KKC	KUMWEL	KUN	KWG	KYE	LEE	MATCH	MATI	M-CHAI	MCS
MDX	MJD	MM	MORE	NC	NDR	NER	NFC	NNCL	NPK	NUSA
OCEAN	PAF	PF	PK	PLE	PMTA	POST	PPM	PRAKIT	PRECHA	PRIME
PROUD	PTL	RBF	RCI	RJH	ROJNA	RP	RPH	RSP	SF	SFLEX
SGP	SISB	SKN	SLP	SMART	SOLAR	SPG	SQ	SSP	STARK	STC
SUPER	SVOA	TC	TCCC	THMUI	TIW	TNH	TOPP	TPCH	TIPIP	TPLAS
TTI	TYCN	UKEM	UMS	VCOM	VRANDA	WIN	WORK	WPH		

Description

Score Range

Excellent

90-100

Very Good

80-89

Good

70-79

Disclaimer:

The disclosure of the survey results of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive; ** delisted

Source: Thai Institute of Directors Association (IOD); FSSIA's compilation

Anti-corruption Progress Indicator 2020

CERTIFIED										
2S	ADVANC	AI	AIE	AIRA	AKP	AMA	AMANAHA	AP	AQUA	ARROW
ASK	ASP	AYUD	B	BAFS	BANPU	BAY	BBL	BCH	BCP	BCPG
BGC	BGRIM	BJCHI	BKI	BLA	BPP	BROOK	BRR	BSBM	BTS	BWG
CEN	CENTEL	CFRESH	CGH	CHEWA	CHOTI	CHOW	CIG	CIMBT	CM	CMC
COL	COM7	CPALL	CPF	CPI	CPN	CSC	DCC	DELTA	DEMCO	DIMET
DRT	DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FPI	FPT	FSS
FTE	GBX	GC	GCAP	GEL	GFPT	GGC	GJS	GPSC	GSTEEL	GUNKUL
HANA	HARN	HMPRO	HTC	ICC	ICHI	IFS	INET	INSURE	INTUCH	IRPC
ITEL	IVL	K	KASET	KBANK	KBS	KCAR	KCE	KGI	KKP	KSL
KTB	KTC	KWC	L&E	LANNA	LHFG	LHK	LPN	LRH	M	MAKRO
MALEE	MBAX	MBK	MBKET	MC	MCOT	MFC	MFEC	MINT	MONO	MOONG
MPG	MSC	MTC	MTI	NBC	NEP	NINE	NKI	NMG	NNCL	NSI
NWR	OCC	OCEAN	OGC	ORI	PAP	PATO	PB	PCSGH	PDG	PDI
PDJ	PE	PG	PHOL	PL	PLANB	PLANET	PLAT	PM	PPP	PPPM
PPS	PREB	PRG	PRINC	PRM	PSH	PSL	PSTC	PT	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QLT	QTC	RATCH	RML	RWI	S & J
SABINA	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SEAOIL	SE-ED	SELIC
SENA	SGP	SIRI	SITHAI	SMIT	SMK	SMPC	SNC	SNP	SORKON	SPACK
SPC	SPI	SPRC	SRICHA	SSF	SSSC	SST	STA	SUSCO	SVI	SYNTEC
TAE	TAKUNI	TASCO	TBSP	TCAP	TCMC	TFG	TFI	TFMAMA	THANI	THCOM
THIP	THRE	THREL	TIP	TIPCO	TISCO	TKT	TTB	TMD	TMILL	TMT
TNITY	TNL	TNP	TNR	TOG	TOP	TPA	TPCORP	TPP	TRU	TSC
TSTH	TTCL	TU	TVD	TVI	TVO	TWPC	U	UBIS	UEC	UKEM
UOBKH	UWC	VGI	VIH	VNT	WACOAL	WHA	WHAUP	WICE	WIJK	XO
ZEN	TRUE									
DECLARED										
7UP	ABICO	AF	ALT	AMARIN	AMATA	AMATAV	ANAN	APURE	B52	BKD
BM	BROCK	BUI	CHO	CI	COTTO	DDD	EA	EFORL	EP	ERW
ESTAR	ETE	EVER	FSMART	GPI	ILINK	IRC	J	JKN	JMART	JMT
JSP	JTS	KWG	LDC	MAJOR	META	NCL	NOBLE	NOK	PK	PLE
ROJNA	SAAM	SAPPE	SCI	SE	SHANG	SINGER	SKR	SPALI	SSP	STANLY
SUPER	SYNEX	THAI	TKS	TOPP	TRITN	TTA	UPF	UV	WIN	ZIGA

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

Disclaimer:

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of June 24, 2019) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Source: The Securities and Exchange Commission, Thailand; * FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Yuvanart Suwanumphai FSS International Investment Advisory Securities Co., Ltd

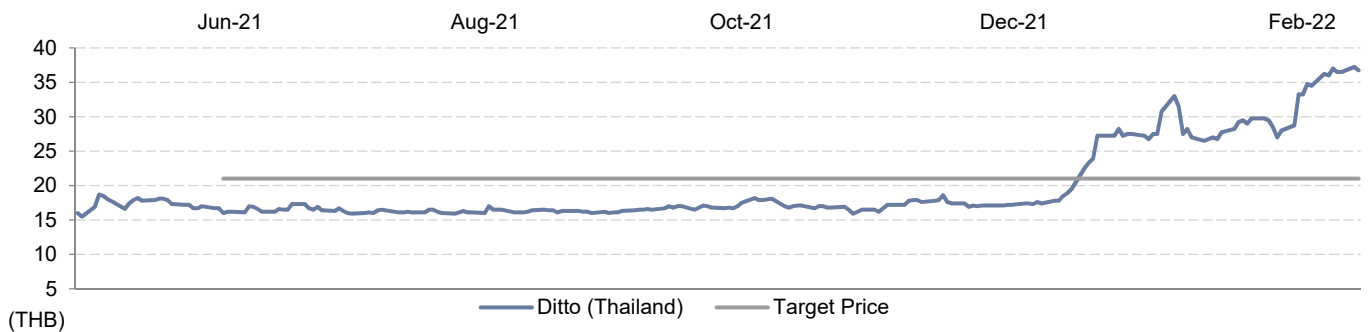
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History of change in investment rating and/or target price

Ditto (Thailand) (DITTO TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
08-Jun-2021	BUY	21.00	-	-	-	-	-	-

Yuvanart Suwanumphai started covering this stock from 08-Jun-2021

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Ditto (Thailand)	DITTO TB	THB 36.75	HOLD	Downside risks to our PEG-based TP include 1) technological changes that will affect competitiveness; and 2) income and gross margin inconsistency due to the nature of the project service business. Upside risks to our PE-based TP include 1) higher-than-expected winning projects; and 2) faster-than-expected changes in the digital environment of Thailand.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finasia Syrus Securities Public Company Limited

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finasia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 01-Mar-2022 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.