

Krungthai Card (KTC TB)

4Q25: Results Beat; Asset Quality Remains Robust, With Credit Costs Down QOQ

Highlights

- KTC reported a net profit of Bt2.08b in 4Q25, up 10% yoy and 6% qoq.
- Asset quality remained robust, with credit costs down 128bp qoq.
- Maintain BUY with an unchanged target price of Bt45.00.

4Q25 Results

Year to 31 Dec (Btm)	4Q25	3Q25	4Q24	qoq chg (%)	yoy chg (%)
Total gross loans	110,835	106,206	110,434	4.4	0.4
Net interest income	3,742	3,676	3,647	1.8	2.6
Non-interest income	3,006	2,807	2,920	7.1	2.9
Loan loss provision	(1,346)	(1,445)	(1,777)	(6.9)	(24.3)
Non-Interest expenses	(2,378)	(2,475)	(2,435)	(3.9)	(2.3)
Pre-provision operating profit	4,368	4,008	4,133	9.0	5.7
Net income	2,075	1,951	1,889	6.3	9.9
EPS (Bt)	0.80	0.76	0.73	6.3	9.9
Ratio (%)					
NPL Ratio (%)	1.5	1.5	2.0		
Loan loss coverage ratio (%)	492	508	369		
Net interest margin (NIM %)	13.8	13.8	13.5		
Reported Credit cost (bp)	416	544	660		
Reported Cost to income (%)	33.4	35.8	35.0		

Source: Krungthai Card, UOB Kay Hian

Analysis

- **4Q25 results beat.** Krungthai Card (KTC) posted a 4Q25 net profit of Bt2.08b, up 10% yoy and 6% qoq. The results beat our and consensus estimates by 10%. Excluding provisioning, the company's pre-provision operating profit rose 6% yoy and 9% qoq.
- **Loans portfolio grew yoy and qoq in 4Q25.** KTC's loan growth expanded 0.4% yoy and 4.4% qoq in 4Q25. In 2025, the credit card portfolio contracted 0.1% yoy while credit card spending jumped 3.6% yoy. Meanwhile, the personal loan portfolio expanded 3.2% yoy. Overall, the loan portfolio grew 0.4% yoy in 2025 and now stands at Bt111.6b. We forecast the loan portfolio growing 3.5% yoy in 2026, compared with KTC's guidance of 1-2% yoy.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net interest income	14,381.9	14,559.9	15,685.6	16,365.9	17,026.8
Non-Interest Income	11,267.4	11,441.5	10,423.8	11,065.5	11,695.2
Net profit (rep./act.)	7,437.2	7,781.6	8,086.1	8,553.8	8,954.1
Net profit (adj.)	7,437.2	7,781.6	8,086.1	8,553.8	8,954.1
EPS (Bt)	2.9	3.0	3.1	3.3	3.5
PE (x)	8.6	8.2	7.9	7.5	7.1
P/B (x)	1.6	1.4	1.3	1.2	1.1
Dividend yield (%)	0.0	0.1	0.1	0.1	0.1
Net int margin (%)	13.0	13.2	13.9	14.0	14.1
Cost/income Ratio (%)	37.5	37.1	37.1	37.1	36.9
Loan loss cover (%)	369.3	491.8	495.0	498.0	500.0
Consensus net profit	n.a	n.a	7,584.4	7,860.4	8,187.9
UOBKH/Consensus (x)	n.a	n.a	1.1	1.1	1.1

Source: Krungthai Card, Bloomberg, UOB Kay Hian

BUY (Maintained)

Share Price	Bt24.80
Target Price	Bt45.00
Upside	81.45%

Analyst(s)

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Stock Data

GICS Sector	Financials
Bloomberg ticker	KTC TB
Shares issued (m)	2,578.3
Market cap (Btm)	63,942.7
Market cap (US\$m)	2,035.1
3-mth avg daily t'over (US\$m)	10.9

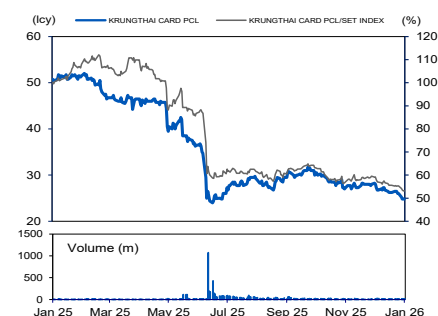
Price Performance (%)

52-week high/low				Bt52.0/Bt24.0
1mth	3mth	6mth	1yr	YTD
(11.4)	(17.3)	(4.6)	(50.4)	(5.5)

Major Shareholders

	%
Krungthai Bank (KTB)	49.29
Thai NVDR	9.84
Mongkol Prakitchaiwattana	5.80

Price Chart



Source: Bloomberg

Company Description

The company provides unsecured financial products, credit card products and services, and personal loans to consumers in Thailand.

- **Asset quality remained robust, with credit costs down qoq.** KTC set aside provision expenses of Bt1.35b, down 24% yoy and 7% qoq in 4Q25. Credit costs decreased from 544bp in 3Q25 to 416bp in 4Q25. Overall, credit cost was 530bp in 2025 (vs 610bp in 2024). NPL ratio stabilised at 1.5% in 4Q25. New NPL formation increased slightly to 4.9% in 4Q25 (3Q25: 3.7%, 2Q25: 4.8%). Loan-loss coverage ratio decreased from 508% in 3Q25 to 492% in 4Q25. We believe KTC will maintain a prudent approach to ensuring good asset quality.
- **No material impact from debt relief programme.** KTC participates in the “Clear Debt, Move Forward” programme initiated by the Bank of Thailand (BOT). Consequently, KTC will transfer and sell unsecured NPLs that were overdue by more than 90 days as of 30 Sep 25. Eligible debtors are those with total NPL exposure across all financial service providers and all loan types not exceeding Bt100,000 per person. These receivables will be transferred to Sukhumvit Asset Management for debt restructuring with more flexible terms and to help to reduce borrowers’ debt burdens. Registration has been open via the BOT channel since 5 Jan 26. As a result, KTC assesses that participation in this programme will not have a material impact to its overall operating performance.

Valuation/Recommendation

- **Maintain BUY with an unchanged target price of Bt45.00.** We use the Gordon Growth Model (cost of equity: 11.5%, long-term growth: 3%). This implies 2.4x 2026F P/B, which is -1SD to its historical five-year mean. We expect a share price rebound due to its undemanding valuation

Earnings Revision/Risk

- We revise KTC’s 2026-27 earnings forecasts upward by 0.4% and 1.8%, respectively, to reflect the better-than-expected 4Q25 results.

Share Price Catalyst

- Government stimulus measures to strengthen domestic spending.
- An increase in dividend payout ratio.

Environment, Social, Governance (ESG) Updates

CG Report: 5

SET ESG Rating: AAA

Environmental

- The company offers a 0% interest instalment plan for solar rooftops.
- The company provides special privileges for booking electric vehicles and a wall box.

Social

- **Education loans.** KTC aims to provide equal educational opportunities to individuals who aspire to further their education but lack the necessary funds. It offers loans with reasonable interest rates, fees, and instalment options to ease their burden.

Governance

- The company has established the Business Ethic Manual, which is reviewed annually, to set up a framework for employees to follow

2025 Financial Targets

	2025 Actual	2025 Targets	2024 Actual
Net Profit	Bt7.78b	> Bt7.4b	Bt7.4b
Loan Growth	0.4%	4-5%	-1.1%
Credit Card	3.6%	10%	10.1%
Spending			
Personal Loan	1.4%	3%	1.1%
P BERM Car for Cash (New Booking)	Bt2.3b	Bt3b	Bt3b
NPL ratio	1.79%	<= 2.0%	1.95%

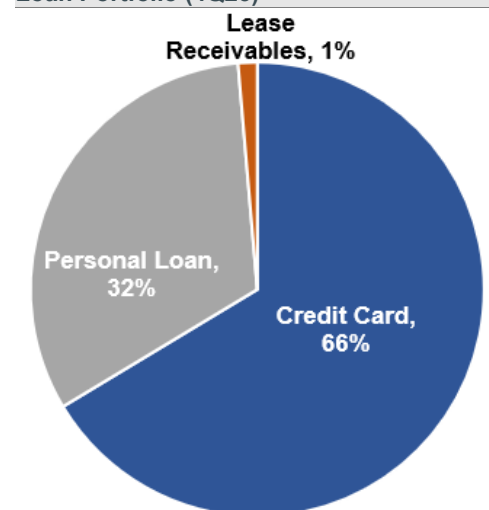
Source: Krungthai Card

2026 Financial Targets

	2026 Targets	2025 Targets
Net Profit	> Bt7.78b	> Bt7.4b
Loan Growth	1-2%	4-5%
Credit Card Spending	5%	10%
Personal Loan	2%	3%
P BERM Car for Cash (New Booking)	N/A	Bt3b
NPL ratio	<= 2.0%	<= 2.0%

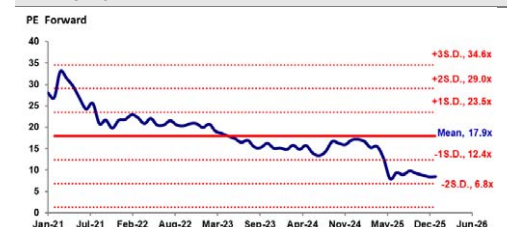
Source: Krungthai Card

Loan Portfolio (4Q25)



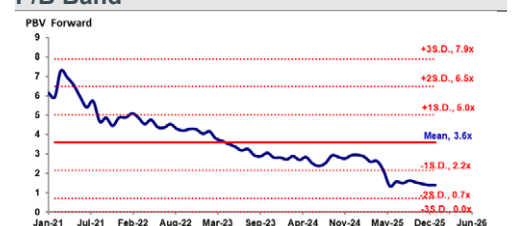
Source: KTC, UOB Kay Hian

PE Band



Source: Bloomberg, UOB Kay Hian

P/B Band



Source: Bloomberg, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Interest income	16,254	17,138	17,732	18,346
Interest expense	(1,694)	(1,453)	(1,366)	(1,319)
Net interest income/(expense)	14,560	15,686	16,366	17,027
Fees & Commissions	6,513	6,881	7,225	7,587
Income From Insurance	0	0	0	0
Net Trading Income	0	0	0	0
Other Income	4,929	3,542	3,840	4,109
Non-Interest Income	11,441	10,424	11,066	11,695
Total Income	26,001	26,109	27,431	28,722
Staff Costs	(9,404)	(9,437)	(9,929)	(10,359)
Other Operating Expense	(235)	(240)	(244)	(249)
Pre-Provision Profit	16,363	16,432	17,258	18,114
Loan Loss Provision	(5,906)	(6,878)	(7,151)	(7,534)
Other Provisions	0	0	0	0
Associated Companies	0	0	0	0
Other Non-Operating Income	0	0	0	0
Pre-tax profit	10,456	9,554	10,107	10,580
Tax	(2,897)	(1,911)	(2,021)	(2,116)
Minorities	222	443	468	490
Net profit	7,782	8,086	8,554	8,954
Net profit (adj.)	7,782	8,086	8,554	8,954

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Cash With Central Bank	3,471	4,382	4,538	4,700
Govt Treasury Bills & Securities	0	0	0	0
Interbank Loans	0	0	0	0
Customer Loans	102,628	106,304	109,695	113,545
Investment Securities	0	0	0	0
Derivative Receivables	0	0	0	0
Associates & JVs	0	0	0	0
Properties & Other Fixed Assets	367	168	122	115
Goodwill & Intangible Assets	380	380	380	380
Other Assets	3,678	3,554	3,672	3,795
Insurance Fund Investment Assets	0	0	0	0
Total assets	110,524	114,787	118,406	122,534
Interbank Deposits	0	0	0	0
Customer Deposits	0	0	0	0
Bills Payable	21,300	22,422	19,248	16,297
Derivative Payables	0	0	0	0
Debts Securities Issued	0	0	0	0
Subordinated Debts	35,612	34,396	35,617	36,889
Other Liabilities	9,593	9,001	9,278	9,579
Insurance Fund Liabilities	0	0	0	0
Total liabilities	66,505	65,819	64,143	62,764
Shareholders' funds	44,151	48,658	53,485	58,501
Minority interest	(133)	310	778	1,268
Total Equity & Liabilities	110,524	114,787	118,406	122,534

Operating Ratios

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Capital Adequacy				
Total Assets/Equity	2	2	2	2
Tangible Assets/Tangible Common Equity	3	2	2	2
Asset Quality				
NPL Ratio	2	2	2	2
Loan Loss Coverage	492	495	498	500
Loan Loss Reserve/Gross Loans	5	6	6	6
Increase in NPLs	(21)	7	7	4
Credit Cost (bp)	534	610	613	623
Liquidity				
Loan/Deposit Ratio	194	200	215	230
Liquid Assets/Short-Term Liabilities	16	20	24	29
Liquid Assets/Total Assets	3	4	4	4

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Growth				
Net Interest Income, yoy Chg	1	8	4	4
Fees & Commissions, yoy Chg	2	6	5	5
Pre-Provision Profit, yoy Chg	2	0	5	5
Net Profit, yoy Chg	5	4	6	6
Customer Loans, yoy Chg	0	4	3	3
Profitability				
Net Interest Margin	13	14	14	14
Cost/Income Ratio	37	37	37	37
Adjusted ROA	7	7	7	8
Reported ROE	19	17	17	17
Adjusted ROE	19	17	17	17
Valuation				
P/BV	1	1	1	1
P/NTA	1	1	1	1
Adjusted P/E	8	8	7	7
Dividend Yield	0	0	0	0

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