Muangthai Capital (MTC TB)

4Q25: Results In Line; 2025 Net Profit Record High With A Double-Digits Loan Growth In 2025

BUY (Maintained)

Share Price	Bt39.25
Target Price	Bt52.00
Upside	32.5%
Previous TP	

Analyst(s)
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Highlights

- MTC reported a 4Q25 net profit of Bt1.78b, up 16% yoy and 3% qoq.
- Loan portfolio expanded 12% yoy in 2025.
- Maintain BUY with an unchanged target price of Bt52.00.

Analysis

- **4Q25: Results in line with estimates.** Muangthai Capital (MTC) reported a 4Q25 net profit of Bt1.78b, in line with market expectations but beating our forecasts by 8%. The company's net profit jumped 16% yoy and 3% qoq, and credit costs declined slightly qoq. The NPL ratio decreased qoq in 4Q25, and MTC's asset quality improved through an increase in loan-loss coverage (LLC). Excluding provision expenses, the company's pre-provision operating profit grew 10% yoy and 1.4% qoq in 4Q25. Overall, the 2025 net profit was reported at Bt6.7b, +14.8% yoy and be the record high.
- **Loan portfolio grew yoy and qoq.** MTC posted a loan growth of 12% yoy and 2% qoq in 4Q25. The company opened 64 new network stores in 4Q25, bringing the total to 8,673 branches as at end-4Q25. MTC intends to open a new network of stores with 600 branches in 2025 (vs 501 branches in 2025). The loan portfolio grew 12% in 2025, compared with its 2025 loan growth target of up to 15% yoy. Meanwhile, we foresee a 2026 loan growth of 10% yoy. We reckon MTC will continue to maintain a cautious lending policy.
- **Robust asset quality.** MTC continued to clean up its portfolio, which resulted in the decreased in NPL ratio qoq from 2.6% in 3Q25 to 2.53% in 4Q25. The LLC ratio increased from 140% in 3Q25 to 143% in 4Q25. The company's credit costs decreased 25bp yoy and 10bp qoq to 256bp in 4Q25. Management guided 2025 credit costs below 270bp and an NPL ratio not exceeding 2.7%. As a result, the credit cost in 2025 was 254bp and NPL ratio was 2.5% in 2025, achieve the 2025 targets. The company intends to raise the coverage ratio to cushion the potential impact of an uneven economic recovery and future uncertainties. We reckon that MTC's asset quality will continue improving.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net interest income	21,814.4	23,842.9	27,981.6	30,357.3	32,660.9
Non-Interest Income	946.1	729.4	785.0	820.2	859.3
Net profit (rep./act.)	5,867.3	6,723.3	7,715.2	8,621.2	9,492.3
Net profit (adj.)	5,867.3	6,723.3	7,715.2	8,621.2	9,492.3
EPS (Bt)	2.8	3.2	3.6	4.1	4.5
PE (x)	14.2	12.4	10.8	9.6	8.8
P/B (x)	2.2	1.9	1.7	1.4	1.2
Dividend yield (%)	0.5	0.7	0.9	1.0	1.1
Net int margin (%)	14.4	13.9	14.8	14.8	15.1
Cost/income Ratio (%)	47.4	47.9	46.9	46.9	46.7
Loan loss cover (%)	135.3	143.0	140.0	140.0	140.0
Consensus net profit	n.a	n.a	7,537.0	8,445.9	n.a
UOBKH/Consensus (x)	n.a	n.a	1.02	1.02	n.a

Source: Muangthai Capital, Bloomberg, UOB Kay Hian

Stock Data

GICS sector	Financials
Bloomberg ticker:	MTC TB
Shares issued (m):	2,120.0
Market cap (Bt$m):	82,150.0
Market cap (US$m):	2,642.8
3-mth avg daily t'over (US$m):	9.7

Price Performance (%)

52-week high/low: Bt48.2/Bt27.5

1mth	3mth	6mth	1yr	YTD
31.4	10.7	5.4	(11.4)	23.0

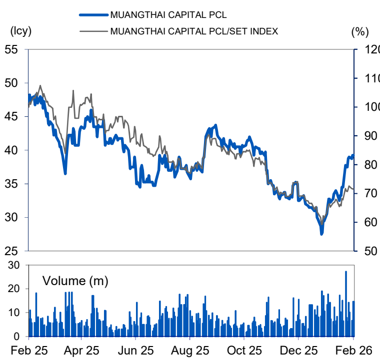
Major Shareholders

Major Shareholders	%
Daonapa Petampai	33.96
Chuchat Petaumpai	33.49
Thai NVDR	3.61

Balance Sheet Metrics

Balance Sheet Metrics	%
FY26 NAV/Share (XX$)	23.6
FY26 Net Debt/Share (XX$)	n.a

Price Chart



Source: Bloomberg

Company Description

The Company provides motorcycles, commercial/passenger cars, agriculture cars, and title deed, personal, and nano loan to individuals.

4Q25 Results

Year to 31 Dec (Btm)	4Q25	3Q25	4Q24	qoq chg (%)	yoy chg (%)
Total gross loans	183,223	180,453	164,242	1.5	11.6
Net interest income	6,243	6,109	5,645	2.2	10.6
Non-interest income	183	173	184	5.7	(0.5)
Loan loss provision	(1,164)	(1,181)	(1,137)	(1.5)	2.4
Non-Interest Expenses	(3,033)	(2,945)	(2,766)	3.0	9.6
Pre-provision operating profit	2,945	2,905	2,679	1.4	9.9
Net income	1,781	1,724	1,543	3.3	15.5
EPS (Bt)	0.84	0.81	0.73	3.3	15.5
Ratio (%)					
NPL ratio (%)	2.53	2.6	2.8		
Loan loss coverage ratio (%)	143	140	135		
Net interest margin (NIM %)	13.8	13.8	14.0		
Credit cost (bp)	256	266	281		
Cost to income (%)	47.2	46.9	47.5		
Number of network store	8,673	8,609	8,172		
Baseline Total Loans/Store	20.8	20.7	19.8		

Source: MTC, UOB Kay Hian

Valuation/Recommendation

- **Maintain BUY with an unchanged target price of Bt52.00** based on the Gordon Growth Model (cost of equity: 13%, long-term growth: 4%). Our target price implies 2.2x 2026F P/B, which is nearly -0.5SD to its five-year average.

Earnings Revision/Risk

- We fine-tune MTC's 2027 earnings forecasts by -0.5%.

Share Price Catalyst

- A policy rate cut.
- Government stimulus packages.

Environment, Social, Governance (ESG) Updates

CG Report: 5
SET ESG Rating: AA

Environmental

- **Climate change.** Creating a TCFD-aligned information disclosure guide.
- **Net-zero emissions.** Planning for net-zero emissions.
- **Resource policy.** Establishing plans to control resource usage in operations.

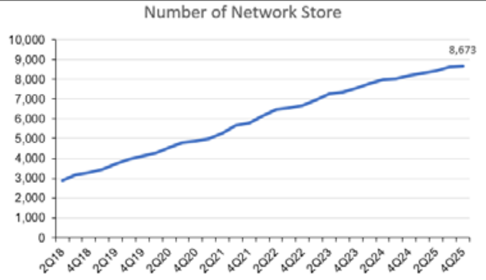
Social

- **Prioritise customers.** Feedback forms for better efficiency and satisfaction.
- **Foster a quality workforce.** Enhancing recruitment, personnel and culture.
- **Protect human rights.** Implementing policies to protect human rights.
- **Health and safety.** Embracing a culture of safety and health in the workplace.

Governance

- **Good corporate governance.** Building investor confidence and competitiveness.
- **Effective risk management.** Guidelines for managing operational risks.
- **Data privacy and cybersecurity.** Securing organisational data using information technology.

Number Of Network Stores (4Q25)



Source: MTC, UOB Kay Hian

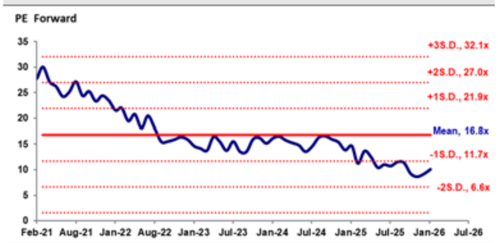
Loan Growth (% yoy)

Source: MTC, UOB Kay Hian

Credit Cost (bp)

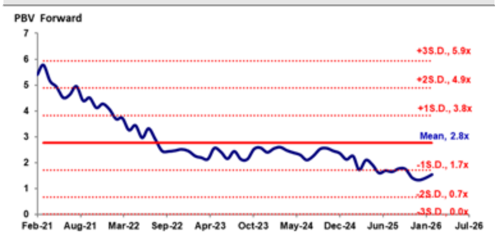
Source: MTC, UOB Kay Hian

PE Band



Source: MTC, UOB Kay Hian

P/B Band



Source: MTC, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Interest income	30,010	34,340	36,728	39,115
Interest expense	(6,167)	(6,359)	(6,371)	(6,454)
Net interest income/(expense)	23,843	27,982	30,357	32,661
Fees & Commissions	572	632	669	708
Income From Insurance	0	0	0	0
Net Trading Income	0	0	0	0
Other Income	157	153	152	152
Non-Interest Income	729	785	820	859
Total Income	24,572	28,767	31,178	33,520
Staff Costs	(11,759)	(13,496)	(14,622)	(15,665)
Other Operating Expense	0	0	0	0
Pre-Provision Profit	12,813	15,270	16,556	17,855
Loan Loss Provision	(4,404)	(5,626)	(5,779)	(5,990)
Pre-tax profit	**8,409**	**9,644**	**10,777**	**11,865**
Tax	(1,685)	(1,929)	(2,155)	(2,373)
Minorities	0	0	0	0
Net profit	**6,723**	**7,715**	**8,621**	**9,492**
Net profit (adj.)	6,723	7,715	8,621	9,492

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Cash With Central Bank	4,995	9,930	14,696	19,227
Customer Loans	176,605	194,243	205,781	217,756
Properties & Other Fixed Assets	2,115	2,104	2,128	2,179
Goodwill & Intangible Assets	5,473	6,867	7,274	7,696
Other Assets	3,194	3,334	3,427	3,523
Total assets	**192,382**	**216,478**	**233,306**	**250,380**
Customer Deposits	36,991	52,043	52,222	52,342
Debts Securities Issued	105,890	109,935	118,420	126,428
Other Liabilities	6,583	4,471	4,739	5,016
Total liabilities	149,464	166,449	175,381	183,786
Shareholders' funds	42,919	50,029	57,925	66,594
Minority interest	0	0	0	0
Total Equity & Liabilities	192,382	216,478	233,306	250,380

Operating Ratios

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Capital Adequacy				
Total Assets/Equity	4	4	4	4
Tangible Assets/Tangible Common Equity	5	5	4	4
Asset Quality				
NPL Ratio	3	3	3	3
Loan Loss Coverage	143	140	140	140
Loan Loss Reserve/Gross Loans	4	4	4	4
Increase in NPLs	0	0	0	0
Credit Cost (bp)	254	293	279	273
Liquidity				
Loan/Deposit Ratio	167	177	174	172
Liquid Assets/Short-Term Liabilities	14	19	28	37
Liquid Assets/Total Assets	3	5	6	8

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Growth				
Net Interest Income, yoy Chg	9	17	8	8
Fees & Commissions, yoy Chg	(27)	11	6	6
Pre-Provision Profit, yoy Chg	7	19	8	8
Net Profit, yoy Chg	15	15	12	12
Customer Loans, yoy Chg	12	10	6	6
Profitability				
Net Interest Margin	14	15	15	15
Cost/Income Ratio	48	47	47	47
Adjusted ROA	4	4	4	4
Reported ROE	17	17	16	16
Adjusted ROE	17	17	16	16
Valuation				
P/BV	2	2	1	1
P/NTA	2	2	2	1
Adjusted P/E	12	11	10	9
Dividend Yield	1	1	1	1