

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	47417.3	(0.6)	(2.7)	(5.4)	(1.3)
S&P 500	6775.8	(0.1)	(1.4)	(2.4)	(1.0)
FTSE 100	10353.8	(0.6)	(2.0)	(1.1)	4.3
AS30	8976.8	0.6	(1.5)	(3.3)	(0.5)
CSI 300	4704.5	0.6	2.2	(0.3)	1.6
FSSTI	4863.8	0.1	1.1	(3.0)	4.7
HSCEI	8704.5	(0.1)	2.6	(5.1)	(2.3)
HSI	25898.8	(0.2)	2.6	(5.0)	1.0
JCI	7389.4	(0.7)	(2.5)	(10.6)	(14.5)
KLCI	1708.8	0.4	0.6	(2.4)	1.7
KOSPI	5610.0	1.4	10.1	1.6	33.1
Nikkei 225	55025.4	1.4	1.4	(4.5)	9.3
SET	1407.3	0.1	1.6	(2.4)	11.7
TWSE	34114.2	4.1	3.9	1.5	17.8
BDI	1926	0.4	(13.7)	(1.6)	2.6
CPO (RM/mt)	4355	(1.2)	7.2	6.7	10.7
Brent Crude (US\$/bbl)	92	4.8	13.0	32.5	51.2

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
ASEAN Conference	Taipei	10 Mar	11 Mar
Analyst Marketing of Singapore Strategy by Adrian Loh	Thailand	24 Mar	25 Mar

Corporate and Macro Calendar

Economic Indicator/Event	Country/Region	Date
Feb. Consumer Confidence	Thailand	8-12 Mar
Feb. Customs Trade Balance (Export-Import)	Thailand	31 Mar

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Finance companies under our coverage reported a combined net profit of Bt6.2b in 4Q25, up 9% yoy but down 3% qoq, in line with our and consensus estimates. We expect the cabinet to commence implementing the government disbursement and stimulus policy in 2H26. The spike in global oil prices is unlikely to impact retail oil prices in Thailand. We reckon that the market was too pessimistic on the finance sector. Maintain OVERWEIGHT on the sector. Top picks: MTC and KTC.

Finance

4Q25: Results In Line; Credit Cost Down yoy In 2025

Highlights

- Finance companies under our coverage reported a combined net profit of Bt6.2b in 4Q25, up 9% yoy but down 3% qoq.
- Credit costs were down yoy in 4Q25.
- Maintain OVERWEIGHT on the sector. Top picks: MTC and KTC.

Analysis

- **Sector profit went up yoy.** In 4Q25, finance companies under our coverage reported a combined net profit of Bt6.2b, up 9% yoy but down 3% qoq, in line with our and consensus estimates. The sector's pre-provision operating profit (PPOP) rose 11% yoy and 5% qoq in 4Q25, while the sector's total loans increased 5% yoy and 2% qoq in 4Q25. The sector's loan portfolio expanded 5% yoy in 2025. The sector's net profit in 2025 was Bt24.5b, +8% yoy.
- **Credit costs were down yoy in 4Q25.** Finance companies under our coverage reported a yoy reduction in credit cost in 2025. However, in 4Q25, Srisawad Corporation (SAWAD) and Tidlor Holdings (TIDLOR) reported an increase in credit cost qoq. In 2026, we expect finance companies to increase credit cost slightly by 11bp yoy despite maintaining a cautious lending policy as the companies under our coverage, except for Krungthai Card (KTC), have set double-digit loan growth targets in 2026.
- **Cabinet setup is likely to help boost the economy.** According to local news, we are likely to see the appointment of the new cabinet soon after the general election in Feb 26. We expect the cabinet to commence the government disbursement and stimulus policy to boost the economy. As a result, the finance sector is expected to benefit from the government stimulus in 2H26 with better debt collection and improvement in asset quality.
- **The spike in global oil prices is unlikely to impact retail oil prices.** Since the start of the Middle East conflict on 28 Feb 26, US oil prices skyrocketed from US\$67.28 on 27 Feb 26 to US\$86.4 on 10 Mar 26, marking a 28.4% jump. However, local retail oil prices (Gasohol 95) in Thailand only increased slightly by 1.6%. Meanwhile, diesel prices at Bangchak gas station have been maintained at Bt29.94 per litre since then. We reckon the finance sector has not been heavily impacted by the unrest. The current market concern should be the pressure from the spike in oil prices which could increase cost of living and cost of transportation. Meanwhile, we expect the government to continue to maintain diesel prices at this level to curb concerns around an increase in cost of living. We reckon that the market is too pessimistic on the finance sector due the unrest in the Middle East and we remain positive on sector's asset quality outlook in 2026.

OVERWEIGHT
(Maintained)

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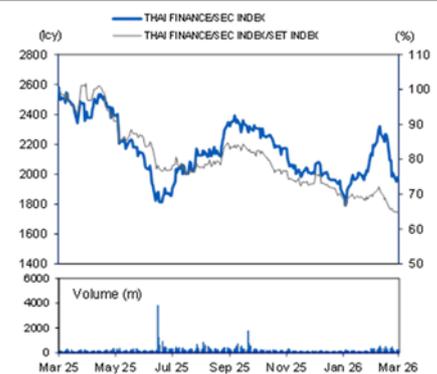
Panjarat Thaweeriprasert

Sector Picks

Company	Ticker	Rec	Share Price 10 March	Target Price (Bt)
Muangthai Capital	MTC TB	BUY	31.00	52.00
Krungthai Card	KTC TB	BUY	29.00	47.00

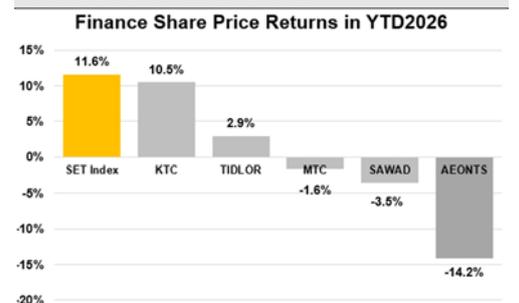
Source: Bloomberg, UOB Kay Hian

Returns: Finance Vs SET Index



Source: Bloomberg, UOB Kay Hian

Finance Performance YTD



Source: Bloomberg, UOB Kay Hian

Peer Comparison

Company	Rec	Price	Target	Upside	Market Cap (US\$m)	Net Profit		PE		Net EPS Growth 2026F (%)	P/B 2025F (x)	Yield 2025F (%)	ROE 2025F (%)
		10 Mar 26 (Bt)	Price (Bt)	Downside (%)		2026F (Btm)	2027F (Bt m)	2026F (x)	2027F (x)				
KTC TB	BUY	29.00	47.00	62.1	2,301	8,462	8,671	8.8	8.6	8.7	1.6	6.6	18.4
MTC TB	BUY	31.00	52.00	67.7	2,022	7,715	8,621	8.5	7.6	14.8	1.3	1.1	16.6
SAWAD TB	BUY	24.60	35.00	42.3	1,258	5,456	5,855	7.5	7.0	8.7	1.0	2.9	13.8
TIDLOR TB	BUY	17.50	23.00	31.4	1,559	5,779	6,394	8.8	7.9	14.3	1.3	1.2	15.7
Avg					7,140	27,412	29,541	8.5	7.9	11.5	1.3	3.2	16.5

Source: UOB Kay Hian

- MTC: 4Q25 results in line with estimates.** MTC reported a 4Q25 net profit of Bt1.78b, in line with market expectations but exceeding our forecast 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. The company's pre-provision operating profit (PPOP) grew 10% yoy and 1.4% qoq in 4Q25. Overall, 2025 net profit reached a record high of Bt6.7b, up 14.8% yoy.
- Neutral tone at MTC's meeting.** The CEO announced a double-digit loan growth target for 2026. MTC has seen an improvement in debt collection since 4Q25. Meanwhile, the local and general elections also resulted in softer loan demand in Jan-Feb 26. The CEO guided for loan demand to pick up in Mar 26, with acceleration expected in Apr and May 26. The second quarter is usually the peak season for loan demand. MTC will continue to focus on smaller ticket sizes for secured loans, as these yield better debt collection and good asset quality.
- SAWAD: 4Q25 results beat.** SAWAD reported 4Q25 earnings of Bt1.33b, up 8% yoy and flat qoq. The results beat our and consensus estimates by 10% and 5%, respectively. The company's PPOP increased 13% yoy and 2% qoq in 4Q25. Net profit in 2025 was Bt5b, down 0.6% yoy.
- Neutral tone at SAWAD's meeting.** Management set a loan growth target of 10-15% in 2026. Management guided that credit costs should decline yoy and qoq throughout 2026. Meanwhile, SAWAD reckons a reduction in credit costs to 180bp in 2026 is possible. The increase in credit costs in 4Q25 was a normal fluctuation in quarterly movement according to management. SAWAD also set aside provisions for flooding in Hat Yai in 4Q25. However, SAWAD is not concerned about the qoq increase in credit costs and guides for a lower qoq credit cost going forward in 2026.
- TIDLOR: 4Q25 results missed estimates.** TIDLOR reported a net profit of Bt1.01b for 4Q25, down 3% yoy and 28% qoq, missing our and consensus forecasts by 24% and 22%. Asset quality improved while NPL ratio declined qoq. The company's PPOP was up 21% yoy and 6% qoq.
- The tone during TIDLOR's meeting was slightly positive.** Management clarified that the spike in 4Q25 provisions was primarily attributable to flooding-related impacts, for which it booked a one-off provision of Bt200m (vs total provisions of Bt981m in 4Q25). The company guided that no reversal in credit costs is expected in 2026. Nevertheless, overall provisioning should moderate in 2026, given the elevated base in 4Q25.
- KTC: 4Q25 results beat.** KTC posted a 4Q25 net profit of Bt2.08b, up 10% yoy and 6% qoq. The results beat our and consensus estimates by 10%. The company's PPOP rose 6% yoy and 9% qoq.
- Neutral tone at KTC's meeting.** The CEO reiterated that the company remains focused on growth without taking excessive risks. KTC has set a loan growth target of 1-2% in 2026 (vs 0.4% in 2025). Meanwhile, KTC guided for 2026's credit cost to be similar to that of 2025 (530bp in 2025) or increase slightly. KTC will implement a new IT system in 1H26. KTC plans to roll over matured debentures amounting to Bt12b-13b with a lower cost of funds. KTC has guided for cost of funds to decline by 15bp in 2026.

2025 Actual Results

	MTC	SAWAD	TIDLOR	KTC
Loan Growth	11.56%	-1.2%	5.4%	0.4%
Cost to Income	47.9%	47.7%	55.4%	37.1%
Cost of fund	4.51%	4.3%	2.4%	2.8%
NPL Ratio	2.53%	3.9%	1.54%	1.79%
Credit Cost	2.52%	2.1%	2.80%	5.34%

Source: Respective companies, UOB Kay Hian

2026 Financial Targets

	MTC	SAWAD	TIDLOR	KTC
Loan Growth	10-15%	10-15%	5-10%	1-2%
Cost to Income	47 - 48%	N/A	55%	N/A
Cost of fund	4.45%	N/A	N/A	N/A
NPL Ratio	< 2.55%	N/A	1.5-1.8%	< 2.0%
Credit Cost	n.a.	1.8-2.0%	2.5-2.8%	n.a.

Source: Respective companies, UOB Kay Hian

US Oil Price vs Thai Retail Oil Price

	US Oil Price (US\$)	Gasohol 95 (Bt/litre)	Diesel B7 (Bt/litre)
27 Feb 26	67.28	30.55	29.94
2 Mar 26	71.02	30.55	29.94
3 Mar 26	74.81	30.55	29.94
4 Mar 26	76.10	30.55	29.94
5 Mar 26	78.86	30.55	29.94
6 Mar 26	91.26	30.55	29.94
9 Mar 26	85.07	30.55	29.94
10 Mar 26	86.40	31.05	29.94
11 Mar 26	85.50	31.05	29.94

Source: Bangchak, Tradingview, UOB Kay Hian

Sector PE Band



Source: UOB Kay Hian

Sector P/B Band



Source: UOB Kay Hian

4Q25 Earnings Results: Actual vs Forecasts

	4Q25 Net profit (Btm)			Actual vs Forecast	
	Actual	UOBKH	Consensus	UOBKH	Consensus
MTC	1,781	1,648	1,749	Above	In-line
SAWAD	1,329	1,211	1,269	Above	In-line
TIDLOR	1,012	1,328	1,303	Below	Below
KTC	2,075	1,895	1,895	Above	Above
Total	6,197	6,082	6,216	In-line	In-line

Source: Bloomberg, UOB Kay Hian

MTC'S P/B Band

Valuation/Recommendation

- **Maintain OVERWEIGHT.** The sector is currently trading at 1.2x 2026F P/B, which implies a valuation nearly -1SD to its five-year mean. Our top picks are MTC and KTC.

Sector Catalyst/Risk

- Government stimulus packages.

Earnings Revision

- No earnings revision.

4Q25 Earnings Results

	4Q25	3Q25	4Q24	qoq (%)	yoy (%)	2025	2024	yoy (%)
Net profit (Btm)								
MTC	1,781	1,724	1,543	3.3	15.5	6,723	5,867	14.6
SAWAD	1,329	1,323	1,225	0.4	8.4	5,021	5,052	(0.6)
TIDLOR	1,012	1,406	1,044	(28.0)	(3.1)	4,933	4,217	17.0
KTC	2,075	1,951	1,889	6.3	9.9	7,782	7,437	4.6
Total	6,197	6,405	5,701	(3.2)	8.7	24,459	22,573	8.4
Pre-provision operating profit (Btm)								
MTC	2,945	2,905	2,679	1.4	9.9	11,128	10,509	5.9
SAWAD	2,278	2,240	2,022	1.7	12.7	8,595	8,544	0.6
TIDLOR	2,116	1,993	1,746	6.1	21.2	8,087	7,637	5.9
KTC	4,368	4,008	4,133	9.0	5.7	16,363	16,027	2.1
Total	11,707	11,147	10,580	5.0	10.7	44,172	42,718	3.4
Total loans (Btm)								
MTC	183,223	180,453	164,242	1.5	11.6	183,223	164,242	11.6
SAWAD	94,964	93,831	96,103	1.2	(1.2)	94,964	96,103	(1.2)
TIDLOR	109,586	107,324	103,929	2.1	5.4	109,586	103,929	5.4
KTC	110,835	106,206	110,434	4.4	0.4	110,835	110,434	0.4
Total	498,608	487,814	474,708	2.2	5.0	498,608	474,708	5.0
NIM (%)								
MTC	13.8	13.8	14.0	-2bp	-22bp	13.9	14.4	-47bp
SAWAD	14.7	14.7	14.5	-3bp	20bp	14.2	15.1	-88bp
TIDLOR	16.2	16.0	15.7	21bp	54bp	15.7	15.8	-9bp
KTC	13.8	13.8	13.5	-4bp	28bp	13.2	13.0	21bp
Average	14.6	14.6	14.4	3bp	20bp	14.3	14.6	-31bp
Credit cost (bp)								
MTC	256	266	281	-10bp	-25bp	254	302	-48bp
SAWAD	241	208	170	33bp	71bp	209	196	13bp
TIDLOR	362	220	272	141bp	90bp	284	340	-56bp
KTC	496	544	658	-48bp	-162bp	534	609	-75bp
Average	339	309	345	29bp	-7bp	320	362	-42bp
NPL ratio (%)								
MTC	2.5	2.6	2.8	-8bp	-22bp	2.5	2.8	-22bp
SAWAD	3.9	3.9	3.6	1bp	32bp	3.9	3.6	32bp
TIDLOR	1.5	1.7	1.8	-12bp	-26bp	1.5	1.8	-26bp
KTC	1.5	1.5	2.0	0bp	-41bp	1.5	2.0	-41bp
Average	2.4	2.4	2.5	-5bp	-14bp	2.4	2.5	-14bp

Source: Respective companies, UOB Kay Hian



Source: UOB Kay Hian

SAWAD'S P/B Band



Source: UOB Kay Hian

TIDLOR'S P/B Band



Source: UOB Kay Hian

KTC'S P/B Band



Source: UOB Kay Hian

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