

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	48578.7	0.2	0.8	3.5	1.1
S&P 500	7041.3	0.3	3.2	5.1	2.9
FTSE 100	10590.0	0.3	(0.1)	2.6	6.6
AS30	9173.6	(0.1)	0.1	4.0	1.7
CSI 300	4736.6	1.1	3.7	2.1	2.3
FSSTI	5007.8	(0.3)	0.6	1.5	7.8
HSCEI	8905.1	2.1	3.4	0.9	(0.1)
HSI	26394.3	1.7	2.5	2.2	3.0
JCI	7621.4	(0.0)	4.3	7.2	(11.9)
KLCI	1689.7	0.4	0.2	(1.2)	0.6
KOSPI	6226.1	2.2	7.8	10.4	47.7
Nikkei 225	59518.3	2.4	6.5	10.8	18.2
SET	1489.7	(1.1)	2.5	3.9	18.3
TWSE	37132.0	1.1	6.5	9.7	28.2
BDI	2523	1.6	16.8	23.8	34.4
CPO (RM/mt)	4429	(0.7)	(3.3)	(1.6)	12.6
Brent Crude (US\$/bbl)	99	4.7	3.6	(0.8)	63.3

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Virtual Meeting with Karrie International (1050 HK)	Hong Kong	23 Apr	23 Apr
Analyst Marketing on Greater China AI Sector	Singapore	16 May	16 May

Corporate and Macro Calendar

Economic Indicator/Event	Country/Region	Date
Mar. Customs Trade Balance (Export-Import)	Thailand	21-26 Apr
BoT Benchmark Interest Rate	Thailand	29 Apr

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Top Stories

Company Results | Tisco Financial Group (TISCO TB/HOLD/Bt115.00/Target: Bt110.00)

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TISCO posted a 1Q26 net profit of Bt1.73b, up 6% yoy and 6% qoq, in line with our and market expectations. TISCO recorded a significant 37% qoq increase in provision expenses in 1Q26. Management guides that the bank has set aside special provisions in this quarter as it foresees potential impact from tensions in the Middle East and the higher oil price situation. Maintain HOLD with an unchanged target price of Bt110.00.

Tisco Financial Group (TISCO TB)

1Q26: Results In Line; Clean Asset Quality Reporting

Highlights

- TISCO reported a net profit of Bt1.73b in 1Q26, up 6% yoy and 6% qoq.
- A significant qoq increase in provision expenses in 1Q26.
- Maintain HOLD with an unchanged target price of Bt110.00.

1Q26 Results

Year to 31 Dec (Btm)	1Q26	4Q25	1Q25	qoq chg (%)	yoy chg (%)
Total gross loans	235,094	235,779	231,190	(0.3)	1.7
Net interest income	3,443	3,417	3,328	0.8	3.4
Non-interest income	1,380	1,288	1,320	7.1	4.5
Loan loss provision	(775)	(565)	(386)	37.1	100.9
Non-Interest Expenses	(2,227)	(2,295)	(2,242)	(3.0)	(0.7)
Pre-provision operating profit	2,936	2,614	2,438	12.3	20.4
Net income	1,734	1,642	1,643	5.6	5.5
EPS (Bt)	2.17	2.05	2.05	5.6	5.5
Ratio (%)					
NPL Ratio	2.11	2.28	2.42		
Loan loss coverage ratio (%)	191	172	154		
Net interest margin (NIM %)	5.0	4.8	4.9		
Credit cost (bp)	132	97	67		
Cost to income (%)	46	49	48		

Source: TISCO Financial Group, UOB Kay Hian

Analysis

- **1Q26 results in line.** TISCO Financial Group (TISCO) posted a 1Q26 net profit of Bt1.73b (+6% yoy, +6% qoq), in line with our and market expectations. Pre-provision operating profit rose 20% yoy and 12% qoq in 1Q26. Its loans portfolio grew 2% yoy but was flat qoq in 1Q26.
- **NIM increased qoq.** Loan yield increase from 7.41% in 4Q25 to 7.43% in 1Q26. Meanwhile, funding costs declined qoq to 1.78% in 1Q26 (vs 1.91% in 4Q25). TISCO's NIM increased from 4.83% in 4Q25 to 4.95% in 1Q26. In 1Q26, the lending yield was reported at 7.43%, increasing qoq due to loan prepayments and the realisation and adding back of front-end fees. Excluding this realisation, we should deduct about 4bp and expect to see a qoq decrease in loan yield to around 7.37% in 1Q26. As a result, NIM increased qoq, mainly driven by a lower cost of fund from a reduction in the policy rate.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net interest income	13,569.9	13,502.3	14,448.0	15,030.2	15,872.3
Non-Interest Income	5,656.6	6,153.1	6,092.3	6,357.7	6,666.3
Net profit (rep./act.)	6,893.3	6,658.9	6,798.2	7,174.6	7,448.3
Net profit (adj.)	6,893.3	6,658.9	6,798.2	7,174.6	7,448.3
EPS (Bt)	8.6	8.3	8.5	9.0	9.3
PE (x)	12.7	13.2	12.9	12.2	11.8
P/B (x)	2.0	2.0	2.0	2.0	1.9
Dividend yield (%)	0.1	0.1	0.1	0.1	0.1
Net int margin (%)	4.8	4.8	5.0	5.1	5.1
Cost/Income Ratio (%)	48.1	45.9	47.8	47.3	47.1
Loan loss cover (%)	155.3	172.1	172.0	173.0	174.0
Consensus net profit	n.a	n.a	6,745.1	6,994.5	7,205.8
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: Tisco Financial Group, Bloomberg, UOB Kay Hian

HOLD (Maintained)

Share Price	Bt115.00
Target Price	Bt110.00
Upside	-4.35%

Analyst(s)

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Stock Data

GICS sector	Financials
Bloomberg ticker:	TISCO TB
Shares issued (m):	800.6
Market cap (Bt\$m):	92,087.5
Market cap (US\$m):	2,871.9
3-mth avg daily t'over (US\$m):	15.3

Price Performance (%)

52-week high/low	Bt116.0/Bt96.5			
1mth	3mth	6mth	1yr	YTD
1.8	4.1	11.6	17.6	4.1

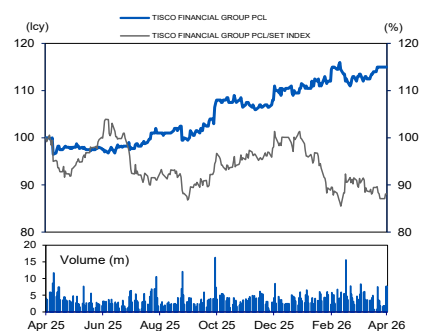
Major Shareholders

Thai NVDR	13.99
CDIB & Partners Investment Holding	10.00
Tokyo Century Corporation	4.93

Balance Sheet Metrics

FY26 NAV/Share (Bt)	54.9
FY26 Net Debt/Share (Bt)	n.a

Price Chart



Source: Bloomberg

Company Description

A small bank with a roughly 2% share of the credit market. The bank's strong focus is on auto HP lending, which accounts for 64% of its loanbook.

- **Significant qoq increasing in provision expenses.** TISCO recorded a significant qoq increase of 37% in provision expenses in 1Q26, translating to a credit cost of 132bp in 1Q26 (vs 97bp in 4Q25). NPL ratio decreased qoq to 2.11% in 1Q26 from 2.28% in 4Q25. The loan loss coverage (LLC) ratio has risen from 172% in 4Q25 to 191% in 1Q26.
- **Special provisions set aside based on the normal scenario case.** Management guides that the bank has set aside special provisions this quarter as it foresees potential impact from tensions in the Middle East and higher oil prices. Excluding this special provision, the credit cost should not exceed the 2026 credit cost target of 110bp. Management guides that this special provision in 1Q26 is based on a normal scenario case, as it expects Middle East tensions to drag out, but not to the point of a worst case scenario.
- **Clean asset quality reporting in 1Q26.** TISCO reported a well-managed NPL ratio and good asset quality in 1Q26. The good NPL reporting was driven by: a) a stringent lending policy in the past; b) better debt collection; and c) good results from the Bank of Thailand (BOT) debt relief programme, such as the "You Fight, We Help" programme. Looking forward, TISCO will maintain a stringent lending policy to preserve good asset quality, which may necessitate a sacrifice in the form of slow growth or non-growth in the lending portfolio. Lastly, management guides that we should monitor asset quality throughout 2026 to see if the bank will need to set aside further provisioning against Middle East tensions and the higher oil price environment.

Valuation/Recommendation

- **Maintain HOLD with an unchanged target price of Bt110.00** using the Gordon Growth Model (cost of equity: 11.5%, long-term growth: 2%). This implies 2.0x 2026F P/B, implied +2SD to its historical five-year P/B mean. We reckon that its share price valuation is quite expensive.

Earnings Revision/Risk

- No earnings revision.

Share Price Catalyst

- Government stimuli to strengthen domestic spending.

Environment, Social, Governance (ESG) Updates

CG Report: 5

SET ESG Rating: AAA

Environmental

- Financing to support Green Economy Transition.
- Optimal utilisation of energy and natural resources.
- Environmental sustainability initiatives.

Social

- Develop and improve service channels to increase financial access.
- Promote a safe and positive working environment for all employees.

Governance

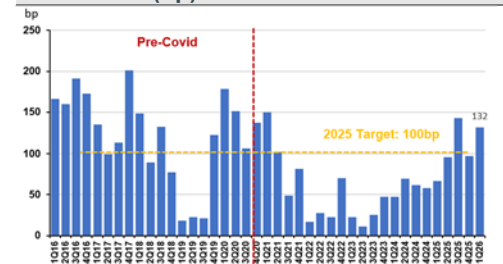
- Ensure equitable and quality service for customers.
- Adhere to high standards of corporate governance, integrity and transparency.
- Manage risks with prudence and precautionary principles.

2026 Financial Targets

	2026 Targets	2025 Actual	2024 Actual
Loan growth (yoy)	0-5%	1.5%	-1.1%
NPL ratio	N/A	2.28%	2.35%
NIM	N/A	4.82%	4.85%
LLC ratio	>170%	172%	155%
Credit cost (bp)	110bp	100bp	60bp

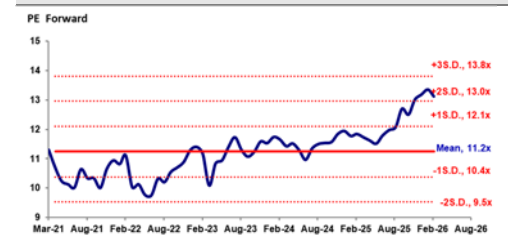
Source: TISCO, UOB Kay Hian

Credit Cost (bp)



Source: TISCO, UOB Kay Hian

PE Band



Source: TISCO, UOB Kay Hian

P/B Band



Source: TISCO, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Interest income	18,311	18,749	19,679	20,778
Interest expense	(4,808)	(4,301)	(4,649)	(4,906)
Net interest income/(expense)	13,502	14,448	15,030	15,872
Fees & Commissions	5,000	4,812	5,051	5,328
Net Trading Income	666	775	802	833
Other Income	487	505	505	505
Non-Interest Income	6,153	6,092	6,358	6,666
Total Income	19,655	20,540	21,388	22,539
Staff Costs	(6,092)	(6,668)	(6,867)	(7,220)
Other Operating Expense	(2,921)	(3,145)	(3,258)	(3,386)
Pre-Provision Profit	10,642	10,727	11,262	11,932
Loan Loss Provision	(2,340)	(2,271)	(2,338)	(2,668)
Pre-tax profit	8,302	8,456	8,924	9,265
Tax	(1,642)	(1,657)	(1,749)	(1,816)
Minorities	0	0	0	0
Net profit	6,659	6,798	7,175	7,448
Net profit (adj.)	6,659	6,798	7,175	7,448

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Capital Adequacy				
Tier-1 CAR	18	19	18	18
Total CAR	21	21	20	20
Total Assets/Equity	7	7	7	7
Tangible Assets/Tangible Common Equity	7	7	7	7
Asset Quality				
NPL Ratio	2	2	2	2
Loan Loss Coverage	172	172	173	174
Loan Loss Reserve/Gross Loans	4	4	4	4
Increase in NPLs	(2)	2	3	2
Credit Cost (bp)	100	95	94	103
Liquidity				
Loan/Deposit Ratio	108	108	108	108
Liquid Assets/Short-Term Liabilities	22	21	21	21
Liquid Assets/Total Assets	17	16	16	16

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Cash With Central Bank	826	1,223	1,271	1,319
Govt Treasury Bills & Securities	7,310	6,117	6,357	6,594
Interbank Loans	40,360	40,614	42,213	43,784
Customer Loans	228,567	237,204	246,495	255,675
Investment Securities	3,176	3,181	3,306	3,429
Derivative Receivables	91	0	0	0
Associates & JVs	876	876	876	876
Properties & Other Fixed Assets	4,314	3,946	3,714	3,542
Goodwill & Intangible Assets	1,002	1,002	1,002	1,002
Other Assets	4,179	4,159	4,294	4,427
Total assets	290,702	298,322	309,529	320,648
Interbank Deposits	12,111	12,233	12,715	13,188
Customer Deposits	211,323	218,972	227,594	236,067
Bills Payable	223	223	223	223
Derivative Payables	0	0	0	0
Subordinated Debts	10,539	9,101	9,911	10,711
Other Liabilities	13,129	13,824	14,229	14,626
Total liabilities	247,325	254,352	264,671	274,814
Shareholders' funds	43,374	43,966	44,854	45,829
Minority interest	3	3	4	4
Total Equity & Liabilities	290,702	298,322	309,529	320,648

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Growth				
Net Interest Income, yoy Chg	0	0	4	4
Fees & Commissions, yoy Chg	1	1	5	5
Pre-Provision Profit, yoy Chg	7	7	5	5
Net Profit, yoy Chg	(3)	(3)	6	6
Customer Loans, yoy Chg	1	1	4	4
Profitability				
Net Interest Margin	5	5	5	5
Cost/Income Ratio	46	48	47	47
Adjusted ROA	2	2	2	2
Reported ROE	15	16	16	17
Adjusted ROE	15	16	16	17
Valuation				
P/BV	2	2	2	2
P/NTA	2	2	2	2
Adjusted P/E	13	13	12	12
Dividend Yield	6.7	6.8	7.0	7.3

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