

## Tidlor Holdings (TIDLOR TB)

### Revised 2026 Credit Cost Guidance Amid Softening Truck Loans

#### Highlights

- Neutral tone during the analyst meeting.
- Truck loan demand has softened given rising fuel prices.
- Maintain BUY with an unchanged target price of Bt22.00.

#### Analysis

- **Neutral tone during the analyst meeting.** We attended Tidlor Holdings' (TIDLOR) analyst meeting on 11 May 26 and came away with a neutral view. The company maintained most of its 2026 financial targets with a slight change to the lower bound of its credit costs target.
- **Sufficient provisions improve 2026 credit costs.** The company guided that 1Q26 credit costs improved significantly to 171bp (362bp in 4Q25), supported by an improving asset quality and the absence of additional management overlays. In 2025, TIDLOR had set aside provisions of Bt3b to cushion against uncertainties, which drove credit costs higher. Management now expects credit costs to normalise, as the current reserve buffer remains sufficient to support potential economic headwinds throughout 2026.
- **Truck loans to weaken from the impact of higher fuel prices.** TIDLOR had tightened lending in the southern region due to flooding during 4Q25 but has gradually resumed lending activities. Management noted that it remains too early to fully assess the impact of higher fuel prices on lending demand, as government support measures are still helping to ease some pressure. However, management has observed weaker demand for truck loans, partly driven by rising fuel costs, which has led to an increase in borrower requests for debt tenor extensions. Management reiterated its cautious lending stance on the truck segment and expects portfolio contribution to remain stable.
- **Funding costs to remain flat or slightly drop in 2026.** Management expects policy rates to remain stable throughout 2026. Funding costs declined by around 30bp qoq in 1Q26, supported by the company's match-funding strategy. Going forward, funding costs are expected to remain stable or decline by a further 5bp over the rest of 2026. In 2H26, TIDLOR has around Bt9b in debentures due for refinancing, which management plans to refinance with a 2-3-year tenor, while the company continues to maintain a fully fixed-rate funding structure.

#### Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net interest income	15,945.1	16,809.0	17,997.9	19,240.5	20,623.9
Non-Interest Income	3,791.8	4,189.0	4,655.0	5,001.6	5,341.2
Net profit (rep./act.)	4,216.7	5,055.8	5,510.8	6,272.9	7,063.3
Net profit (adj.)	4,216.7	5,055.8	5,510.8	6,272.9	7,063.3
EPS (Bt)	1.5	1.8	1.9	2.2	2.4
PE (x)	10.2	8.5	7.8	6.9	6.1
P/B (x)	1.4	1.3	1.1	1.0	0.9
Dividend yield (%)	2.6	3.5	3.9	4.4	4.9
Net int margin (%)	15.8	15.7	15.9	15.8	15.8
Cost/income Ratio (%)	55.9	55.4	55.1	55.2	54.7
Loan loss cover (%)	242.7	325.0	280.0	300.0	300.0
Consensus net profit	n.a	n.a	5,471.8	6,076.2	6,890.3
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: Tidlor Holdings, Bloomberg, UOB Kay Hian

**BUY** (Maintained)

Share Price	Bt16.10
Target Price	Bt22.00
Upside	36.65%

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#### Stock Data

GICS sector	Financials
Bloomberg ticker:	TIDLOR TB
Shares issued (m):	2,895.9
Market cap (Bt\$m):	46,624.6
Market cap (US\$m):	1,424.0
3-mth avg daily t'over (US\$m):	11.9

#### Price Performance (%)

52-week high/low	Bt22.1/Bt9.6			
1mth	3mth	6mth	1yr	YTD
8.0	(8.0)	(21.7)	32.8	(4.7)

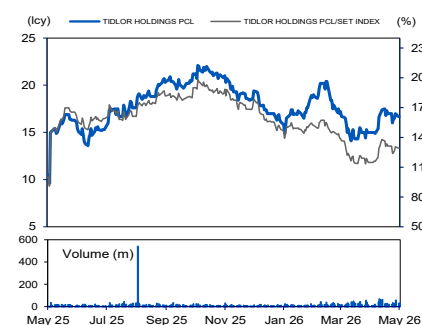
#### Major Shareholders

	%
Bank of Ayudhya (BAY)	46.51
SIAM ASIA CREDIT ACCESS PTE. LTD.	6.58
Vayupak Fund 1	3.28

#### Balance Sheet Metrics

FY26 NAV/Share (Bt)	13.3
FY26 Net Debt/Share (Bt)	n.a

#### Price Chart



Source: Bloomberg

#### Company Description

The non-bank company provides auto-title loans, hire purchase financing services for second-hand used trucks, and other types of non-lending products including life and non-life insurance brokerage services under the brand Ngern Tid Lor.

- Middle East conflict impacts may weigh on credit costs and lending.** TIDLOR believes it is too soon to assess the impact of the Middle East conflict. Management remains cautious on lending, especially in the truck loan segment, where the truck portfolio is expected to remain flat. Meanwhile, the impact on the insurance brokerage business remains limited, with no impact on volume or product mix observed yet. If the Middle East situation persists throughout 2Q26, TIDLOR expects credit costs to rise in the quarter.
- Maintains most of 2026 financial targets.** The company maintained its overall 2026 financial targets. However, management revised its credit cost guidance lower to 220-280bp from 250-280bp previously. The reduction in the lower bound reflects management's view that reserves built in 2025 remain sufficient under the current environment, while the upper bound of 280bp was maintained to preserve flexibility amid ongoing uncertainties.

### 1Q26 Results Recap

Year to 31 Dec (Btm)	1Q26	4Q25	1Q25	qoq chg (%)	yoy chg (%)
Total gross loans	109,926	109,586	104,719	0.3	5.0
Net interest income	4,392	4,397	4,027	(0.1)	9.0
Non-interest income	1,100	1,197	982	(8.1)	12.0
Loan loss provision	(468)	(981)	(772)	(52.3)	(39.4)
Non-Interest Expenses	(2,981)	(3,204)	(2,730)	(7.0)	9.2
Pre-provision operating profit	2,079	2,116	1,969	(1.7)	5.6
Net income	1,614	1,012	1,198	59.4	34.7
EPS (Bt)	0.56	0.35	0.41	61.2	36.2
<b>Ratio (%)</b>					
NPL ratio (%)	1.47	1.54	1.78		
Loan loss coverage ratio (%)	340	325	256		
Net interest margin (NIM %)	16.0	16.2	15.4		
Credit cost (bp)	171	362	296		
Cost to income (%)	54.4	57.3	54.5		
Number of network store	1,892	1,873	1,801		
Baseline Total Loans/Store	58.1	58.5	58.1		

Source: TIDLOR, UOB Kay Hian

## Valuation/Recommendation

- Maintain BUY with an unchanged target price of Bt22.00** based on the Gordon Growth Model (cost of equity: 13%, long-term growth: 4%). Our target price implies 1.7x 2026F P/B, which is approximately -0.5SD to its five-year mean.

## Earnings Revision/Risk

- No earnings revision.

## Share Price Catalyst

- Government stimulus packages to boost economic recovery.

## Environment, Social, Governance (ESG) Updates

CG Report: 4

SET ESG Rating: N/A

### Environmental

- Lighting control systems are implemented to adjust the amount of light suitable for each work area.

### Social

- TIDLOR started a financial literacy programme in 2013 after launching nano-finance.

### Governance

- The company also adheres to a notion of "sustainability" towards all stakeholders.

### 2026 Financial Targets

	2026 Target	2025 Target	2025 Actual
Loan growth	5-10%	> 6.6%	-3.1%
Cost to income	Mid 50s		55%
NPL ratio	1.5-1.8%	< 2.0%	1.54%
Credit cost	220-280 bp	< 300 bp	284 bp

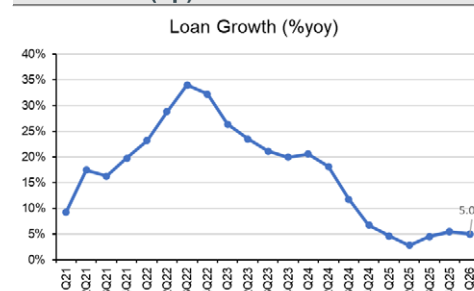
Source: TIDLOR, UOB Kay Hian

### Loan Growth (%yoy)



Source: TIDLOR, UOB Kay Hian

### Credit Cost (bp)



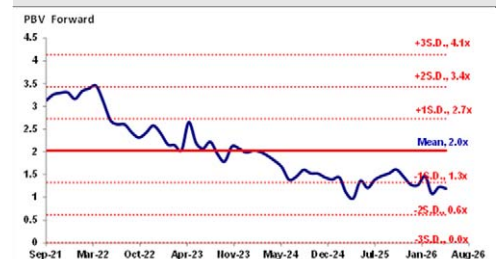
Source: TIDLOR, UOB Kay Hian

### PE Band



Source: TIDLOR, UOB Kay Hian

### P/B Band



Source: TIDLOR, UOB Kay Hian

### Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Interest income	19,344	20,509	21,728	23,154
Interest expense	(2,535)	(2,511)	(2,488)	(2,530)
Net interest income/(expense)	16,809	17,998	19,241	20,624
Fees & Commissions	4,024	4,449	4,795	5,135
Income From Insurance	0	0	0	0
Net Trading Income	0	0	0	0
Other Income	165	206	206	206
Non-Interest Income	4,189	4,655	5,002	5,341
Total Income	20,998	22,653	24,242	25,965
Staff Costs	(11,635)	(12,481)	(13,382)	(14,210)
Other Operating Expense	0	0	0	0
Pre-Provision Profit	9,363	10,172	10,860	11,755
Loan Loss Provision	(3,031)	(3,261)	(2,993)	(2,897)
Pre-tax profit	6,332	6,911	7,867	8,858
Tax	(1,246)	(1,400)	(1,594)	(1,795)
Minorities	(30)	0	0	0
Net profit	5,056	5,511	6,273	7,063
Net profit (adj.)	5,056	5,511	6,273	7,063

### Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
<b>Capital Adequacy</b>				
Total Assets/Equity	3	3	3	3
Tangible Assets/Tangible Common Equity	3	3	3	3
<b>Asset Quality</b>				
NPL Ratio	2	2	2	2
Loan Loss Coverage	325	280	300	300
Loan Loss Reserve/Gross Loans	5	4	5	5
Increase in NPLs	0	0	0	0
Credit Cost (bp)	284	288	246	222
<b>Liquidity</b>				
Loan/Deposit Ratio	322	290	289	289
Liquid Assets/Short-Term Liabilities	7	9	12	13
Liquid Assets/Total Assets	3	3	4	4

### Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Cash With Central Bank	3,060	3,516	4,991	5,723
Customer Loans	104,086	112,140	120,160	128,725
Properties & Other Fixed Assets	1,944	1,572	1,398	1,336
Goodwill & Intangible Assets	600	600	600	600
Other Assets	3,106	3,214	3,338	3,466
<b>Total assets</b>	<b>112,797</b>	<b>121,042</b>	<b>130,488</b>	<b>139,850</b>
Customer Deposits	41,061	40,773	41,766	42,848
Debts Securities Issued	32,286	38,674	41,587	44,579
Other Liabilities	4,986	2,930	3,150	3,377
Total liabilities	78,334	82,377	86,503	90,804
Shareholders' funds	34,255	38,458	43,777	48,839
Minority interest	208	208	208	208
Total Equity & Liabilities	112,797	121,042	130,488	139,850

### Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
<b>Growth</b>				
Net Interest Income, yoy Chg	5	7	7	7
Fees & Commissions, yoy Chg	8	11	11	11
Pre-Provision Profit, yoy Chg	8	9	9	9
Net Profit, yoy Chg	20	9	9	9
Customer Loans, yoy Chg	5	8	8	8
<b>Profitability</b>				
Net Interest Margin	16	16	16	16
Cost/Income Ratio	55	55	55	55
Adjusted ROA	5	5	5	6
Reported ROE	16	15	16	17
Adjusted ROE	16	15	16	17
<b>Valuation</b>				
P/BV	1	1	1	1
P/NTA	1	1	1	1
Adjusted P/E	9	8	7	6
Dividend Yield	3.5	3.9	4.4	4.9

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