Tidlor Holdings (TIDLOR TB)

2Q26 Results Preview: Resilient Loan Growth Despite Normalised Provisions

BUY (Maintained)

Share Price	Bt19.10
Target Price	Bt25.00
Upside	30.89%
Previous TP	Bt22.00

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Highlights

- We expect TIDLOR to report a 2Q26 net profit of Bt1.49b, up 15% yoy but down 7.6% qoq.
- Loan growth remains resilient despite normalised provisions.
- Maintain BUY with a higher target price of Bt25.00.

Analysis

- **2Q26 net profit to improve yoy.** We expect Tidlor Holdings (TIDLOR) to report a 2Q26 net profit of Bt1.49b, up 15% yoy but down 7.6% qoq. The qoq decline is mainly driven by the normalisation of provisions. Pre-provision operating profit (PPOP) is expected to increase 8.1% yoy and 3.3% qoq.
- **Loan portfolios continue to grow yoy and qoq.** We expect TIDLOR's loan portfolio to expand to Bt112b, up 5.8% yoy and 1.9% qoq. Loan growth should continue to be supported by the government's cash handout scheme, although the company remains cautious on new lending. While truck loans have softened due to elevated fuel prices, crude oil prices have fallen to around US$70/bbl from a peak of approximately US$120/bbl. We forecast TIDLOR's loan portfolio to grow 7% in 2026, supported by government stimulus measures and an improving economic outlook, as several institutions have revised up Thailand's 2026 GDP growth forecast following the fiscal stimulus package and easing concerns over the Middle East conflict.
- **Provisions to normalise.** TIDLOR set aside provisions of Bt468m (-39% yoy, -52% qoq) in 1Q26, as management indicated that its reserve buffers were sufficient to cushion against uncertainties. We expect provisions to normalise through 2026. As a result, we forecast 2Q26 provisions of Bt657m, down 5% yoy but up 40% qoq.
- **Healthy asset quality maintained.** We foresee credit cost rising to 237bp in 2Q26, up 66bp qoq, driven by higher provisions. The NPL ratio is expected to edge up to 1.52% from 1.47%, mainly reflecting continued loan growth. Meanwhile, the coverage ratio should remain stable at around 300%. Regarding the You Fight, We Help (YFWH) programme, we expect some borrowers to request a delay in stepping up their repayment from 50% to 70%. However, the impact is not likely to be significant.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net interest income	15,945.1	16,809.0	17,818.3	19,424.9	20,966.3
Non-Interest Income	3,791.8	4,189.0	4,611.5	4,993.9	5,332.3
Net profit (rep./act.)	4,216.7	5,035.7	5,904.5	6,328.1	7,209.3
Net profit (adj.)	4,216.7	5,035.7	5,904.5	6,328.1	7,209.3
EPS (Bt)	1.5	1.7	2.0	2.2	2.5
PE (x)	13.2	11.1	9.5	8.8	7.8
P/B (x)	1.8	1.6	1.5	1.4	1.2
Dividend yield (%)	2.6	1.8	5.2	5.2	5.2
Net int margin (%)	15.8	15.7	15.7	16.0	16.1
Cost/income Ratio (%)	55.9	55.5	55.0	55.0	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	1.1	1.0	1.0

Source: Tidlor Holdings Pcl, Bloomberg, UOB Kay Hian

Stock Data

GICS sector	Financials
Bloomberg ticker:	TIDLOR TB
Shares issued (m):	2,895.9
Market cap (Btm):	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)

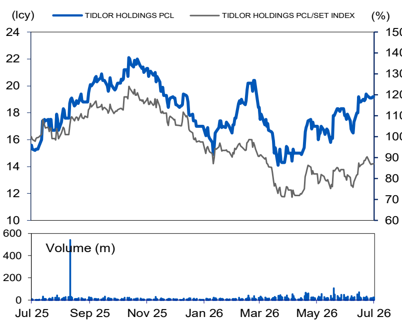
Major Shareholders

	%
Bank of Ayudhya (BAY)	46.51
Thai NVDR	4.87
Vayupak Fund 1	3.49

Balance Sheet Metrics

FY26 NAV/Share (Bt)	12.9
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.

- **First share buyback since IPO.** TIDLOR announced a Bt2.4b share buyback programme to be executed through the Automatic Order Matching system from 28 May to 27 Nov 26. This marks the company's first share buyback since its IPO. As of 25 June, the company had utilised Bt351.6m, equivalent to 15% of the total budget. We view the buyback positively as it should enhance shareholder returns.

2Q26 Results Preview

Year to 31 Dec (Btm)	2Q26F	1Q26	2Q25	qoq chg (%)	yoy chg (%)
Total gross loans	112,067	109,926	105,906	1.9	5.8
Net interest income	4,380	4,376	4,118	0.1	6.4
Non-interest income	1,142	1,100	994	3.8	14.9
Loan loss provision	(657)	(468)	(692)	40.5	(5.0)
Non-Interest Expenses	(3,000)	(2,981)	(2,789)	0.7	7.6
Pre-provision operating profit	2,148	2,079	1,988	3.3	8.1
Net income	1,491	1,614	1,296	(7.6)	15.0
EPS (Bt)	0.52	0.56	0.44	(7.6)	16.3
Ratio (%)					
NPL ratio (%)	1.52	1.47	1.78		
Loan loss coverage ratio (%)	300	340	262		
Net interest margin (NIM %)	15.8	15.9	15.6		
Credit cost (bp)	237	171	263		
Cost to income (%)	54.3	54.4	54.6		
Number of network store	1,912	1,892	1,832		
Baseline Total Loans/Store	58.6	58.1	57.8		

Source: TIDLOR, UOB Kay Hian

Valuation/Recommendation

- **Maintain BUY with a higher target price of Bt25.00** based on the Gordon Growth Model (cost of equity: 13%, long-term growth: 4%). Our target price implies a 2026F P/B of 1.9x, broadly in line with its five-year average.

Earnings Revision/Risk

- We revise our 2026-28 earnings forecasts upward by 7%, 1%, and 2%, respectively, to reflect a better economic outlook, the share buyback programme, and a higher dividend payout.

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

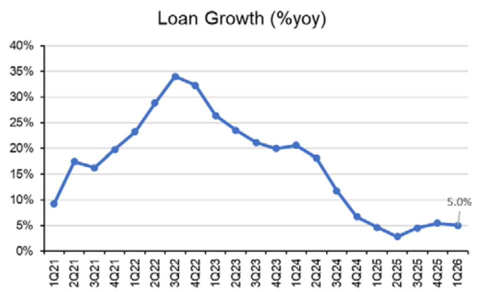
	2026 Target	2025 Target	2025 Actual
Loan growth	5-10%	> 6.6%	-3.1%
Cost to income	Mid 50s		55%
NPL ratio	1.5-1.8%	< 2.0%	1.54%
Credit cost	220-280 bp	< 300 bp	284 bp

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	20,259	21,930	23,528
Interest expense	(2,535)	(2,441)	(2,505)	(2,562)
Net interest income/(expense)	16,809	17,818	19,425	20,966
Fees & Commissions	4,024	4,414	4,796	5,135
Income From Insurance	0	0	0	0
Net Trading Income	0	0	0	0
Other Income	165	197	197	197
Non-Interest Income	4,189	4,611	4,994	5,332
Total Income	20,998	22,430	24,419	26,299
Staff Costs	(11,648)	(12,343)	(13,436)	(14,376)
Other Operating Expense	0	0	0	0
Pre-Provision Profit	9,350	10,086	10,983	11,923
Loan Loss Provision	(3,031)	(2,691)	(3,071)	(2,909)
Pre-tax profit	6,319	7,396	7,912	9,014
Tax	(1,246)	(1,481)	(1,584)	(1,805)
Minorities	(38)	(10)	0	0
Net profit	5,036	5,905	6,328	7,209
Net profit (adj.)	5,036	5,905	6,328	7,209

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Cash With Central Bank	3,060	3,517	4,043	4,368
Customer Loans	104,086	112,250	120,174	128,708
Properties & Other Fixed Assets	1,944	1,599	1,399	1,324
Goodwill & Intangible Assets	600	587	587	587
Other Assets	3,106	3,087	3,199	3,314
Total assets	112,797	121,040	129,401	138,300
Customer Deposits	41,061	40,793	42,640	44,049
Debts Securities Issued	32,286	38,689	41,591	44,573
Other Liabilities	4,986	2,931	3,151	3,377
Total liabilities	78,334	82,413	87,383	91,999
Shareholders' funds	34,255	37,276	40,668	44,951
Minority interest	208	1,351	1,351	1,351
Total Equity & Liabilities	112,797	121,040	129,401	138,301

Operating Ratios

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Capital Adequacy				
Total Assets/Equity	3	3	3	3
Tangible Assets/Tangible Common Equity	3	3	3	3
Asset Quality				
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	237	252	223
Liquidity				
Liquid Assets/Short-Term Liabilities	7	9	9	10
Liquid Assets/Total Assets	3	3	3	3

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Growth				
Net Interest Income, yoy Chg	5	6	9	8
Fees & Commissions, yoy Chg	8	10	10	7
Pre-Provision Profit, yoy Chg	7	8	9	9
Net Profit, yoy Chg	19	17	7	14
Customer Loans, yoy Chg	5	8	7	7
Profitability				
Net Interest Margin	16	16	16	16
Cost/Income Ratio	55	55	55	55
Adjusted ROA	5	5	5	6
Reported ROE	16	17	17	18
Adjusted ROE	16	17	17	18
Valuation				
P/BV	2	2	1	1
P/NTA	2	2	1	1
Adjusted P/E	11	9	9	8
Dividend Yield	1.8	5.3	5.3	5.3