Tidlor Holdings (TIDLOR TB)

Credit Costs To Increase QOQ But Within Targets

Highlights

- Neutral tone from the analyst meeting.
- Credit costs and asset quality remain under control.
- Maintain BUY with an unchanged target price of Bt25.00.

Analysis

- **Neutral tone from the meeting.** We attended Tidlor Holdings' (TIDLOR) 3Q26 analyst meeting on 9 Nov 26 and came away with a neutral view with no changes in key financial targets.
- **Expect slight momentum in loan growth in 4Q26.** TIDLOR's loan portfolio expanded 3% qoq and 8% yoy in 3Q26 and 5.9% in 9M26, mainly driven by motorcycle and car title loans, while truck lending remained subdued. Growth was partly supported by the relaxation of lending restrictions in flooding areas in Hatyai, which began in 2Q26. Looking ahead, management expects loan growth momentum in Oct-Nov 26 to remain relatively stable qoq in 4Q26. The company will continue to adopt selective lending through risk-based pricing to maintain good asset quality while supporting sustainable growth. Management expects annual loan growth of 5-10% over the next 1-2 years, depending on macroeconomic conditions.
- **Insurance brokerage business is growing impressively.** Insurance premiums grew 10% in 3Q26, outperforming the industry, supported by strong contributions from traditional distribution channels and growing demand through online platforms such as HeyGoody, particularly for travel insurance. Management attributed the strong performance to its diversified product offerings, omnichannel distribution strategy and after-sales services. Looking ahead, management expects insurance brokerage momentum to strengthen further in 4Q26, which is the high season for insurance sales.
- **Credit costs and asset quality remains under control.** Management expects credit costs to increase qoq in 4Q26, potentially reaching around 2.5%, reflecting prudent provisioning amid economic uncertainties. Nevertheless, full-year credit costs are expected to remain within the 2.0-2.5% guidance range. Meanwhile, management expects the NPL ratio to remain broadly stable from 1.63% in 3Q26 through 4Q26, supported by continued selective lending and disciplined risk management. Existing overlays established in 2025 should provide an adequate buffer against flooding risks, with no additional flood-related overlays currently expected. Looking ahead to 2027, management expects both credit costs and the NPL ratio to remain comparable to 2026.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net interest income	15,945.1	16,809.0	18,196.6	19,568.3	21,111.4
Non-Interest Income	3,791.8	4,189.0	4,447.0	4,972.1	5,307.1
Net profit (rep./act.)	4,216.7	4,933.0	6,103.0	6,507.6	7,229.3
Net profit (adj.)	4,216.7	4,933.0	6,103.0	6,507.6	7,229.3
EPS (Bt)	1.5	1.7	2.1	2.2	2.5
PE (x)	11.6	9.9	8.0	7.5	6.8
P/B (x)	1.6	1.4	1.3	1.2	1.1
Dividend yield (%)	2.6	2.0	6.0	6.4	7.0
Net int margin (%)	15.8	15.7	16.0	16.0	16.1
Cost/income Ratio (%)	55.9	55.4	55.8	55.2	55.0
Loan loss cover (%)	242.7	325.0	295.0	305.0	308.0
Consensus net profit	n.a	n.a	5,955.4	6,448.4	6,962.0
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: Tidlor Holdings, Bloomberg, UOB Kay Hian

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BUY (Maintained)

Share Price	Bt16.90
Target Price	Bt25.00
Upside	47.9%

Stock Data

Sector	Financials
Bloomberg ticker	TIDLOR TB
Shares issued (m)	2,877.0
Market cap (Btm)	48,045.2
Market cap (US$m)	1,426.6
3-mth avg daily t'over (US$m)	10.1

Price Performance (%)

52-week high/low				Bt22.1/Bt14.1
1mth	3mth	6mth	1yr	YTD
(12.1)	(13.5)	11.3	(17.3)	(1.8)

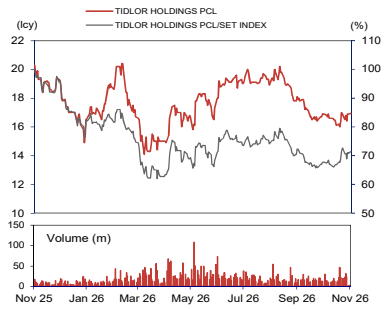
Major Shareholders (%)

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

Balance Sheet Metrics

FY26 NAV/Share (Bt)	12.8
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.

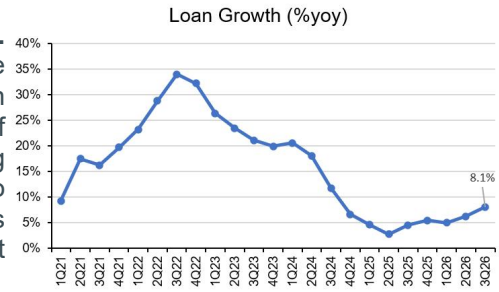
- **Rooms to decrease funding costs.** Management expects funding costs to decline by 5-10bp over the next six months, supported by refinancing maturing debentures at lower interest rates. Approximately Bt4.6b of debentures will mature in 4Q26, followed by another Bt5b in 1H27, providing opportunities for further funding cost reductions. The company plans to maintain a balanced funding mix of approximately 50% debentures and 50% financial institution borrowings. Management also remains committed to its matched-funding strategy through fixed-rate funding and forex hedging.
- **Focus on growth opportunities in the used motorcycle HP segment.** TIDLOR continues to explore growth opportunities in the used motorcycle HP segment, which currently accounts for less than 1% of its total loan portfolio. Management sees potential in this segment as more than half of motorcycle HP financing is currently provided by dealers, indicating opportunities to capture underserved demand. The company aims to leverage its existing expertise in motorcycle financing to expand into this market. However, management has not established a specific growth target as it continues to evaluate the business model.

2026 Financial Targets

	9M26 Actual	2026 Target	2025 Target
Loan growth	5.9%	5-10%	> 6.6%
Cost to income	55.3%	Mid 50s	
NPL ratio	1.63%	1.5-1.8%	< 2.0%
Credit cost	200 bp	220-280	< 300 bp

Source: TIDLOR, UOB Kay Hian

Loan Growth (%yoy)



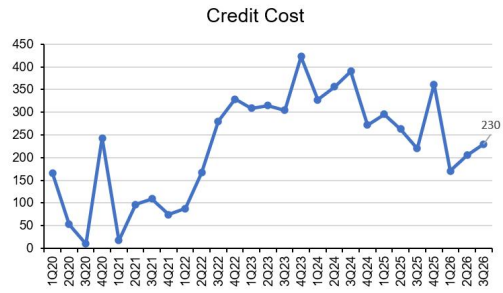
Source: TIDLOR, UOB Kay Hian

3Q26 Results Recap

Year to 31 Dec (Btm)	3Q26	2Q26	3Q25	qoq chg (%)	yoy chg (%)
Total gross loans	116,011	112,538	107,324	3.1	8.1
Net interest income	4,682	4,511	4,267	3.8	9.7
Non-interest income	1,114	1,046	1,016	6.5	9.6
Loan loss provision	(656)	(572)	(587)	14.7	11.7
Non-Interest Expenses	(3,269)	(3,064)	(2,925)	6.7	11.8
Pre-provision operating profit	2,141	2,103	1,993	1.8	7.4
Net income	1,488	1,533	1,406	(2.9)	5.8
EPS (Bt)	0.52	1	0.48	(2.9)	7.0
Ratio (%)					
NPL ratio (%)	1.63	1.54	1.66		
Loan loss coverage ratio (%)	305	321.54	284		
Net interest margin (NIM %)	16.4	16.22	16.0		
Credit cost (bp)	230	206	220		
Cost to income (%)	56.4	55.1	55.4		
Number of network store	1,940	1,918	1,865		
Baseline Total Loans/Store	59.8	58.7	57.5		

Source: TIDLOR, UOB Kay Hian

Credit Cost (bp)

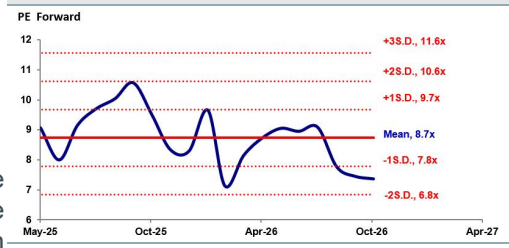


Source: TIDLOR, UOB Kay Hian

Valuation/Recommendation

- **Maintain BUY with an unchanged target price of Bt25.00** based on the Gordon Growth Model (cost of equity: 13%, long-term growth: 4%). We rolled over our target price to 2027, implying a 2027F P/B of 1.8x, broadly in line with its five-year average.

PE Band



Source: TIDLOR, UOB Kay Hian

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.

P/B Band



Source: TIDLOR, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Interest income	19,344	20,575	22,039	23,622

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Cash With Central Bank	3,060	7,289	6,994	7,033

Interest expense	(2,535)	(2,378)	(2,470)	(2,510)
Net interest income/(expense)	16,809	18,197	19,568	21,111
Fees & Commissions	4,024	4,255	4,809	5,144
Income From Insurance	0	0	0	0
Net Trading Income	0	0	0	0
Other Income	165	192	163	163
Non-Interest Income	4,189	4,447	4,972	5,307
Total Income	20,998	22,644	24,540	26,418
Staff Costs	(11,635)	(12,626)	(13,557)	(14,519)
Other Operating Expense	0	0	0	0
Pre-Provision Profit	9,363	10,018	10,983	11,899
Loan Loss Provision	(3,031)	(2,362)	(2,841)	(2,854)
Pre-tax profit	(123)	7	0	0
Tax	**6,209**	**7,663**	**8,142**	**9,045**
Minorities	(1,246)	(1,532)	(1,634)	(1,816)
Net profit	(30)	(28)	0	0
Net profit (adj.)	**4,933**	**6,103**	**6,508**	**7,229**

Customer Loans	104,086	112,061	120,155	128,683
Properties & Other Fixed Assets	1,944	2,254	1,774	1,546
Goodwill & Intangible Assets	600	558	558	558
Other Assets	3,106	3,238	3,354	3,474
Total assets	**112,797**	**125,400**	**132,835**	**141,296**
Customer Deposits	41,061	40,111	41,063	42,104
Debts Securities Issued	32,286	38,812	41,685	44,638
Other Liabilities	4,986	2,940	3,158	3,382
Total liabilities	78,334	81,863	85,907	90,124
Shareholders' funds	34,255	37,031	40,423	44,666
Minority interest	208	206	206	206
Total Equity & Liabilities	112,797	119,100	126,536	134,996

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	295	305	308
Loan Loss Reserve/Gross Loans	5	5	5	5
Increase in NPLs	0	0	0	0
Credit Cost (bp)	284	208	233	218
Liquidity				
Liquid Assets/Short-Term Liabilities	7	18	17	17
Liquid Assets/Total Assets	3	6	5	5

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Growth				
Net Interest Income, yoy Chg	5	8	8	8
Fees & Commissions, yoy Chg	8	6	6	7
Pre-Provision Profit, yoy Chg	8	7	10	8
Net Profit, yoy Chg	17	24	7	11
Customer Loans, yoy Chg	5	8	7	7
Profitability				
Net Interest Margin	16	16	16	16
Cost/Income Ratio	55	56	55	55
Adjusted ROA	4	5	5	6
Reported ROE	15	17	17	18
Adjusted ROE	15	17	17	18
Valuation				
P/BV	1	1	1	1
P/NTA	1	1	1	1
Adjusted P/E	10	8	8	7
Dividend Yield	2	6	6	7

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