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UNCHANGED

Lower credit cost to support 4Q24E

- เราคาดว่า TIDLOR จะรายงานกำไรสุทธิ 4Q24 อยู่ที่ 1.04 พัน ลบ. เพิ่มขึ้น 15% y-y และ 5% q-q ส่วนมากจากต้นทุนความเสี่ยงในการปล่อยสินเชื่อ (Credit cost) ที่ลดลง
- คุณภาพสินทรัพย์รวมยังอยู่ในระดับที่จัดการได้โดยคาดสัดส่วนหนี้ด้อยคุณภาพที่ 1.86% ใน 4Q24
- คงคำแนะนำซื้อที่ราคาเป้าหมายปี 2025 ที่ 20.50 บาท

คาดการณ์กำไรสุทธิ 4Q24 อยู่ที่ 1.04 พัน ลบ.

เราคาดว่า TIDLOR จะรายงานกำไรสุทธิ 4Q24 อยู่ที่ 1.04 พัน ลบ. (+15% y-y, +5% q-q) กำไรสุทธิที่สูงขึ้นทั้ง y-y และ q-q ใน 4Q24 น่าจะเกิดขึ้นจาก Credit cost ที่ลดลงและรายได้ที่อยู่ในเกณฑ์ดีจากธุรกิจสินเชื่อและนายหน้าประกันภัย (+15% y-y) เป็นหลัก ในขณะที่เราคาดว่าสัดส่วนค่าใช้จ่ายในการดำเนินงานต่อรายได้จะสูงขึ้น q-q ใน 4Q24 เป็น 58.1% จากค่าใช้จ่ายในการดำเนินงานรวมเงินรางวัลเพื่อจูงใจพนักงานที่อยู่ในระดับสูงตามฤดูกาล เงินลงทุนในด้านไอที ค่าใช้จ่ายการตลาด ฯลฯ ใน 4Q สำหรับในปี 2024 เราคาดว่ากำไรสุทธิอยู่ที่ 4.2 พัน ลบ. (+10% y-y)

คาดสินเชื่อจะโต 9% y-y พร้อมส่วนต่างดอกเบี้ย (NIM) ที่สูงขึ้นเล็กน้อย

เราคาดว่าพอร์ตสินเชื่อจะโต 9% y-y และ 3.4% q-q เป็น 106.2 พัน ลบ. ใน 4Q24 เมื่อดูเป็นรายผลิตภัณฑ์ เราคิดว่าสินเชื่อรถกระบะและรถจักรยานยนต์น่าจะเป็นผลิตภัณฑ์ที่สร้างการเติบโตหลัก ณ สิ้น 4Q24 TIDLOR มีเครือข่ายอยู่ที่ 1,778 สาขา (+31 q-q, +100 y-y) เราคาดว่า NIM อยู่ที่ 15.99% ใน 4Q24 (+3bp q-q) จาก Loan yield ที่สูงขึ้น 7bp (จากการปรับผลตอบแทนจากลูกค้าให้สูงขึ้นอย่างต่อเนื่อง) เทียบกับต้นทุนในการกู้ยืมที่สูงขึ้น 4bp เป็น 3.49% ในอนาคตเราคาดว่าต้นทุนในการออกหุ้นกู้ใหม่ที่เอื้ออำนวยจะช่วยให้ต้นทุนในการกู้ยืมเฉลี่ยของ TIDLOR ผ่านจุดสูงสุดและค่อย ๆ ลดลงใน 2Q25

Credit cost น่าจะลดลงเหลือ 3.37% พร้อมสัดส่วนหนี้ด้อยคุณภาพที่ทรงตัว

เรามองว่าคุณภาพสินทรัพย์รวมยังอยู่ในระดับที่จัดการได้โดยคาดสัดส่วนหนี้ด้อยคุณภาพอยู่ที่ 1.86% ใน 4Q24 ซึ่งค่อนข้างทรงตัว q-q เมื่อเทียบกับ 1.88% ใน 3Q24 เราคาดว่า Credit cost อยู่ที่ 3.37% ใน 4Q24 หลักๆจากการตัดจำหน่ายหนี้ด้อยคุณภาพมูลค่า 650 ลบ. โดยเฉพาะในกลุ่มรถบรรทุกเพื่อบริหารสัดส่วนหนี้ด้อยคุณภาพ ในด้านบวก Credit cost ที่คาดว่าจะอยู่ที่ 3.37% ใน 4Q24 ยังต่ำกว่า 3.91% ใน 3Q24 และ 4.22% ใน 4Q23 ซึ่งหมายถึงคุณภาพสินทรัพย์ที่เอื้ออำนวยมากขึ้นในมุมมองของเรา

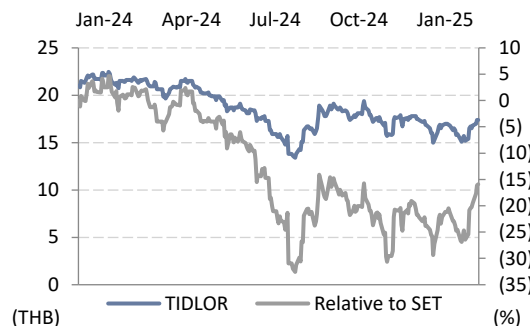
คงคำแนะนำซื้อที่ราคาเป้าหมายปี 2025 ที่ 20.50 บาท

เราคงคำแนะนำซื้อที่ราคาเป้าหมายปี 2025 ของเราที่ 20.50 บาท (GGM) เทียบเท่า 1.61x P/BV โดยมีสมมติฐานจาก LT-ROE ที่ 14.0% และ COE ที่ 10.2%

TARGET PRICE	THB20.50
CLOSE	THB17.40
UP/DOWNSIDE	+17.8%
PRIOR TP	THB20.50
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+1.9%

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Operating profit	4,744	5,206	6,170	7,062
Net profit	3,790	4,165	4,936	5,650
EPS (THB)	1.40	1.43	1.69	1.94
vs Consensus (%)	-	(1.9)	(1.3)	(1.9)
Recurring net profit	3,790	4,165	4,936	5,650
Core EPS (THB)	1.40	1.43	1.69	1.94
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	(6.3)	1.9	18.5	14.5
Core P/E (x)	12.4	12.2	10.3	9.0
Dividend yield (%)	2.3	3.3	1.5	1.7
Price/book (x)	1.7	1.6	1.4	1.3
ROE (%)	14.1	13.7	14.6	14.9
ROA (%)	4.1	3.9	4.2	4.3



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	3.6	(1.1)	(17.6)
Relative to country (%)	8.1	6.8	(15.6)
Mkt cap (USD m)	1,501		
3m avg. daily turnover (USD m)	7.1		
Free float (%)	21		
Major shareholder	Bank of Ayudhya (30%)		
12m high/low (THB)	22.56/12.50		
Issued shares (m)	2,914		

Sources: Bloomberg consensus; FSSIA estimates


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PREPARED BY FSS INTERNATIONAL INVESTMENT ADVISORY SECURITIES CO LTD (FSSIA). ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES CAN BE FOUND AT THE END OF THIS REPORT

บทวิเคราะห์ฉบับนี้แปลมาจากต้นฉบับภาษาอังกฤษ ที่ออกรายงานเมื่อวันที่ 30 มกราคม 2025

Investment thesis

- We are more positive on TIDLOR on the back of its cheap valuation. We are positive that TIDLOR is able to command a higher loan yield from customers and generate strong income from the non-life insurance brokerage business, and thus should provide better profitability even if the asset quality is uncertain.
- We are positive on the restructuring, as there would no longer be a dilution impact on TIDLOR's EPS and ROE. We see no impact on TIDLOR's overall business operations and financial performance on a consolidated basis after restructuring.
- We expect TIDLOR to post a 2024-26 net profit CAGR of 14% on strong revenue generation from the lending and insurance brokerage businesses. We expect TIDLOR's ROE to slightly increase from 13.7% in 2024 to 14.9% in 2026.

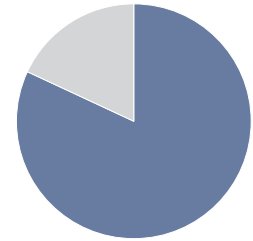
Company profile

TIDLOR, founded in October 2006, is a non-bank financial services provider and an operator of technology-enabled, inclusive financial services. The company offers a full suite of vehicle title loans (motorcycles, cars, pickup trucks and tractors), hire-purchase financing for used trucks, and insurance brokerages services under the brand "Ngern Tid Lor".

www.ngerntidlor.com

Principal activities (revenue, 2023)

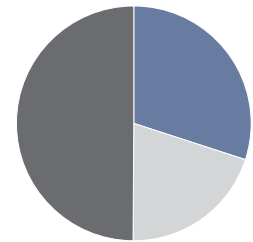
- Net interest income - 81.9 %
- Non-interest income - 18.1 %



Source: Ngern Tid Lor

Major shareholders

- Bank of Ayudhya - 30.0 %
- Siam Asia Credit Access PTE Ltd - 20.1 %
- Others - 49.9 %



Source: Ngern Tid Lor

Catalysts

- 1) Government stimulus acceleration to upcountry households;
- 2) A stronger-than-expected improvement in asset quality;
- 3) OPEX control and lower cost-to-income ratio;
- 4) Strong expansion in insurance brokerage business.

Risks to our call

Downside risks to our GGM-based TP include 1) further weakening asset quality could potentially hit both loan yield and credit cost; 2) tighter supervision from related regulators; 3) intense competition in auto title loan and insurance brokerage market; and 4) lower support from major shareholders.

Event calendar

Date	Event
Feb 2025	2024 results announcement
By 2Q-3Q25	Tender Offer for TIDLOR's restructuring plan

Key assumptions

Key assumptions (%)	2024E	2025E	2026E
Loan growth	8.96	10.67	10.30
NIM	15.76	15.92	16.02
Cost-to-income ratio	55.13	53.67	52.74
Credit cost	3.53	3.60	3.62
NPL ratio	1.86	1.88	1.77
ROE	13.74	14.58	14.89
Insurance premium growth	18.20	12.00	10.00

Source: FSSIA estimates

Earnings sensitivity

		-----2025E-----		
Loan growth (%)	±2ppt	8.67	10.67	12.67
% change in net profit		(1.8)		1.8
NIM (%)	±10bp	15.82	15.92	16.02
% change in net profit		(2.3)	-	2.3
Cost-to-income ratio (%)	±1ppt	52.67	53.67	54.67
% change in net profit		4.5	-	(4.5)
Credit cost (bp)	±10bp	350	360	370
% change in net profit		2.3	-	(2.3)

Source: FSSIA estimates

Lower credit cost to support 4Q24E

We expect TIDLOR to report a 4Q24 net profit of THB1.04b, +15% y-y and +5% q-q. The higher net profit for both y-y and q-q in 4Q24E is mainly due to a lower credit cost and strong income from both the lending and insurance brokerage businesses. Meanwhile, we expect a higher cost-to-income ratio q-q in 4Q24 at 58.1% due to seasonally high OPEX which includes staff incentives, IT investments, marketing expenses, etc.

Overall asset quality remains manageable, in our view, with our NPL ratio estimate of 1.86% in 4Q24 vs 1.88% in 3Q24. Meanwhile, we expect TIDLOR's credit cost to be at 3.37% in 4Q24, which is lower than 3.91% in 3Q24 and 4.22% in 4Q23 thanks to lower level of NPL write-offs, especially in the truck segment.

For full-year 2024, we expect net profit would be cTHB4.2bn, +10% y-y.

Expect 9% y-y loan growth with a slight increase in NIM

We estimate TIDLOR's gross loans to grow 9% y-y and 3.4% q-q to THB106.2b in 4Q24. In terms of products, the key loan growth contributors would be pick-up trucks and motorcycles, in our view. As of 4Q24E, TIDLOR's branch network reached 1,778 branches (+31 q-q, +100 y-y). We estimate the 4Q24 NIM to be at 15.99% (+3bp q-q) on the back of a 7bp increase in loan yield (from continued higher yield repricing to customers) vs a 4bp increase in funding costs to 3.49%. Going forward, we expect the cost of new debentures to help TIDLOR's average funding cost to peak and gradually lower by 2Q25. The advantages of TIDLOR's funding costs are mainly supported by 1) the strong credit rating of A by the TRIS rating agency vs peers' BBB to BBB+ ratings; and 2) the loan facility from Bank of Ayudhya.

Strong growth from insurance brokerage

We expect TIDLOR's non-NII to be cTHB1.02b in 4Q24, which is mainly supported by strong income from the insurance brokerage business. We expect motor insurance premiums via TIDLOR to be at THB3.1b in 4Q24, +15% y-y. Of the total premiums, the first-class insurance premium should contribute at least 50%, which is positive, in our view, as it typically generates a 2-3x premium volume compared to the second- and third-class insurance.

Lower credit cost to 3.37% with stable NPL ratio

The overall asset quality for TIDLOR remains manageable, in our view, with our NPL ratio forecast of 1.86% in 4Q24, which is roughly stable q-q compared to 1.88% in 3Q24. To manage its NPL ratio, we estimate a credit cost of 3.37% in 4Q24 via NPL write-offs worth cTHB650m, especially in the truck segment. On the positive side, the 4Q24E credit cost of 3.37% is lower than 3.91% in 3Q24 and 4.22% in 4Q23, which implies benign asset quality conditions, in our view. TIDLOR's NPL coverage ratio should be at c238% in 4Q24, the highest among Thai auto title lenders under our coverage, based on our estimates.

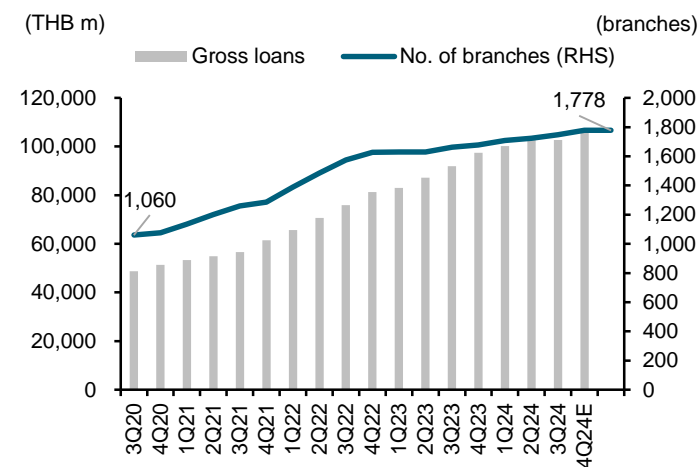
Exhibit 1: TIDLOR – 4Q24E operating summary

Profit and loss	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24E	Change		12M24E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(y-y%)	(q-q%)	(THB m)	(y-y%)
Interest income	4,000	4,233	4,374	4,566	4,727	4,817	13.8	1.9	18,484	18.9
Interest expense	484	537	557	590	623	643	19.8	3.2	2,413	31.0
Net interest income	3,517	3,696	3,818	3,976	4,104	4,174	12.9	1.7	16,071	17.3
Non-interest income	834	1,030	935	898	884	1,022	(0.7)	15.7	3,739	9.1
Non-interest expenses	2,409	2,602	2,569	2,604	2,742	3,017	16.0	10.0	10,933	16.3
Pre-provision profits	1,941	2,124	2,183	2,270	2,245	2,179	2.6	(3.0)	8,878	14.9
Provisioning expense	681	1,000	809	905	1,005	880	(12.0)	(12.4)	3,599	20.5
Profit before tax	1,260	1,124	1,374	1,365	1,241	1,299	15.5	4.7	5,278	11.3
Tax expense	253	223	270	274	250	260	16.6	3.9	1,053	10.5
Net profit	1,007	901	1,104	1,091	991	1,039	15.3	4.9	4,225	11.5

Key drivers and ratios	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24E	Change		12M24E	Change
% unless stated otherwise	(%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(THB m)	(ppt)
Gross loans (THB m)	91,888	97,457	100,133	103,042	102,700	106,191	9.0%	3.4%	106,191	8.96
Yield on loans	17.87	17.89	17.71	17.98	18.38	18.45	0.56	0.07	18.13	0.45
Cost of funds	3.11	3.25	3.21	3.31	3.45	3.49	0.24	0.04	3.36	0.37
Net interest margin	15.71	15.62	15.46	15.65	15.96	15.99	0.37	0.03	15.76	0.17
Cost-to-income ratio	55.38	55.06	54.06	53.42	54.98	58.07	3.01	3.09	55.13	0.28
Credit cost	3.04	4.22	3.28	3.57	3.91	3.37	(0.85)	(0.54)	3.53	0.15
NPL ratio	1.51	1.45	1.60	1.86	1.88	1.86	0.41	(0.03)	1.86	0.41
NPL coverage	264.44	282.07	264.10	227.31	230.57	238.38	(43.69)	7.80	238.38	(43.69)

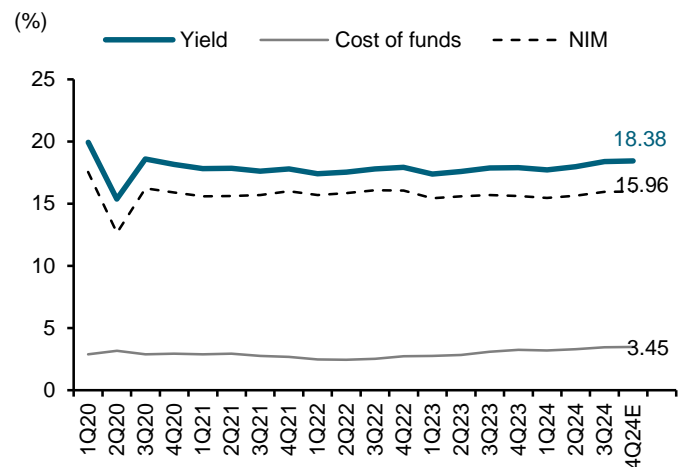
Sources: TIDLOR, FSSIA estimates

Exhibit 2: TIDLOR's loans and branch network

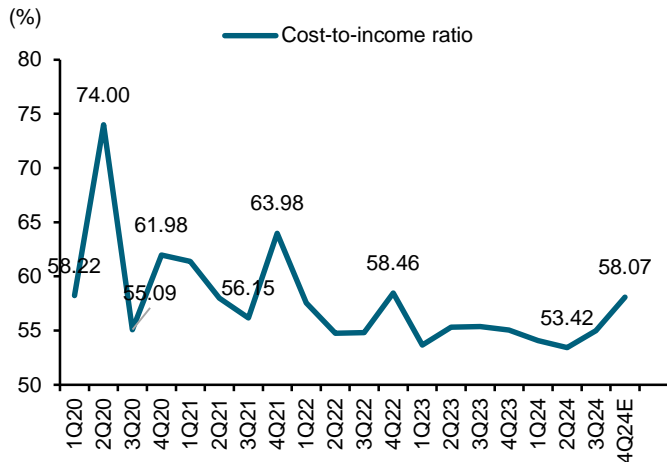


Sources: TIDLOR, FSSIA estimates

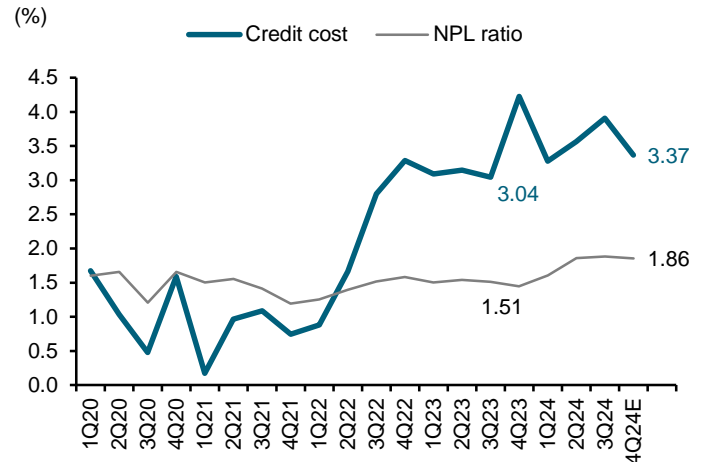
Exhibit 3: Quarterly yield, cost of funds and NIM



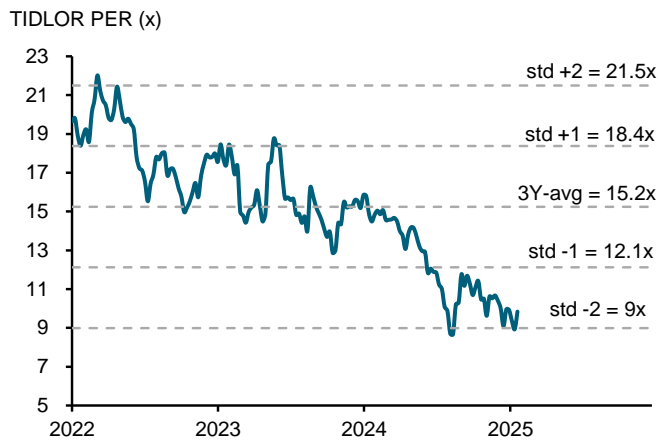
Sources: TIDLOR, FSSIA estimates

Exhibit 4: Cost-to-income ratio – c58% in 4Q24E


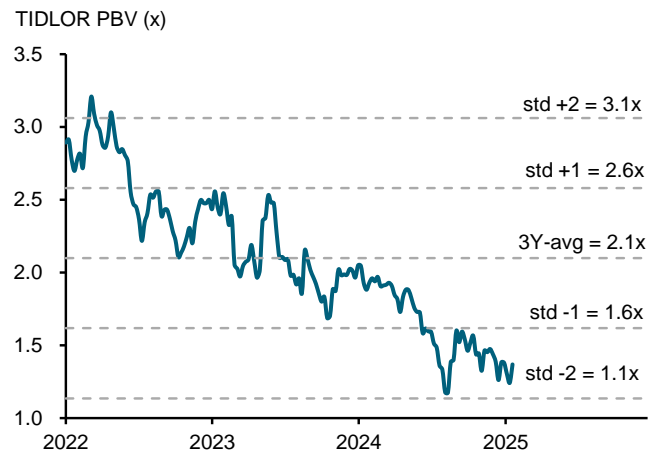
Sources: TIDLOR, FSSIA estimates

Exhibit 5: NPL ratio and credit cost – expect lower credit cost q-q with continued NPL write-offs


Sources: TIDLOR, FSSIA estimates

Exhibit 6: TIDLOR – one-year prospective P/E band


Sources: TIDLOR, FSSIA estimates

Exhibit 7: TIDLOR – one-year prospective P/BV band


Sources: TIDLOR, FSSIA estimates

Exhibit 8: Peers comparison, as of 29 January 2025

Company name	BBG code	Rec	Share price (LCY)	Target price (LCY)	Up side (%)	PE 24E (x)	PE 25E (x)	PBV 24E (x)	PBV 25E (x)	ROE 24E (%)	ROE 25E (%)	Div yld 24E (x)	Div yld 25E (x)
Auto title													
Muangthai Capital	MTC TB	BUY	44.75	60.00	34.1	15.9	12.3	2.5	2.1	17.2	18.9	0.9	1.2
Srisawad Corp	SAWAD TB	HOLD	38.50	45.50	18.2	11.4	10.4	1.7	1.5	16.6	15.5	0.9	1.0
Ngern Tid Lor	TIDLOR TB	BUY	17.40	20.50	17.8	12.2	10.3	1.6	1.4	13.7	14.6	3.3	1.5
Saksiam Leasing	SAK TB	BUY	4.30	5.28	22.8	10.8	9.5	1.4	1.3	13.7	14.4	3.9	4.4
Unsecured finance													
AEON Thana Sinsap (Thailand)	AEONTS TB	HOLD	118.50	142.00	19.8	10.0	9.2	1.1	1.1	11.7	11.9	4.2	4.6
Krungthai Card	KTC TB	HOLD	51.75	43.00	(16.9)	17.9	17.8	3.4	3.0	19.8	17.9	2.5	2.5
Hire-purchase truck													
Asia Sermkij Leasing	ASK TB	HOLD	8.90	11.00	23.6	10.6	8.3	0.4	0.4	4.2	5.3	4.7	6.0
Ratchthani Leasing	THANI TB	HOLD	1.34	1.78	32.8	8.6	7.5	0.6	0.6	7.2	8.0	6.4	7.3
AMCs													
Bangkok Commercial Asset Mgmt.	BAM TB	HOLD	6.20	9.00	45.2	14.9	12.5	0.5	0.5	3.1	3.6	5.4	6.4
JMT Network services	JMT TB	HOLD	15.80	17.00	7.6	13.9	11.4	0.9	0.8	6.2	7.4	4.3	5.3
Chayo Group	CHAYO TB	BUY	2.50	4.00	60.0	10.1	5.9	0.8	0.7	7.9	11.8	2.6	2.5
Average						12.4	10.5	1.4	1.2	11.0	11.8	3.6	3.9

The Chairman of The Board of Directors of Finasia Syrus Securities PCL is also AEONTS's Director.

Sources: Bloomberg, FSSIA estimates

Financial Statements

Ngern Tid Lor

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Interest Income	12,532	15,545	18,494	20,659	22,880
Interest expense	(1,235)	(1,842)	(2,416)	(2,616)	(2,821)
Net interest income	11,297	13,703	16,078	18,043	20,059
Net fees & commission	2,710	3,380	3,707	4,015	4,424
Foreign exchange trading income	-	-	-	-	-
Securities trading income	-	-	-	-	-
Dividend income	-	-	-	-	-
Other income	32	47	51	57	63
Non interest income	2,742	3,427	3,758	4,071	4,487
Total income	14,039	17,130	19,837	22,115	24,546
Staff costs	(7,923)	(9,401)	(10,653)	(11,868)	(12,946)
Other operating costs	-	-	-	-	-
Operating costs	(7,923)	(9,401)	(10,653)	(11,868)	(12,946)
Pre provision operating profit	6,116	7,729	9,184	10,246	11,600
Expected credit loss	(1,583)	(2,986)	(3,978)	(4,076)	(4,538)
Other provisions	-	-	-	-	-
Operating profit	4,533	4,744	5,206	6,170	7,062
Recurring non operating income	0	0	0	0	0
Associates	0	0	0	0	0
Goodwill amortization	-	-	-	-	-
Non recurring items	-	-	-	-	-
Profit before tax	4,533	4,744	5,206	6,170	7,062
Tax	(893)	(953)	(1,041)	(1,234)	(1,412)
Profit after tax	3,640	3,790	4,165	4,936	5,650
Non-controlling interest	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
Reported net profit	3,640	3,790	4,165	4,936	5,650
Non recurring items & goodwill (net)	-	-	-	-	-
Recurring net profit	3,640	3,790	4,165	4,936	5,650
Per share (THB)					
Recurring EPS *	1.50	1.40	1.43	1.69	1.94
Reported EPS	1.50	1.40	1.43	1.69	1.94
DPS	0.75	0.41	0.57	0.25	0.29
Growth					
Net interest income (%)	29.8	21.3	17.3	12.2	11.2
Non interest income (%)	23.4	25.0	9.7	8.3	10.2
Pre provision operating profit (%)	40.0	26.4	18.8	11.6	13.2
Operating profit (%)	14.7	4.6	9.7	18.5	14.5
Reported net profit (%)	14.9	4.1	9.9	18.5	14.5
Recurring EPS (%)	6.2	(6.3)	1.9	18.5	14.5
Reported EPS (%)	6.2	(6.3)	1.9	18.5	14.5
Income Breakdown					
Net interest income (%)	80.5	80.0	81.1	81.6	81.7
Net fees & commission (%)	19.3	19.7	18.7	18.2	18.0
Foreign exchange trading income (%)	-	-	-	-	-
Securities trading income (%)	-	-	-	-	-
Dividend income (%)	-	-	-	-	-
Other income (%)	0.2	0.3	0.3	0.3	0.3
Operating performance					
Gross interest yield (%)	17.56	17.40	18.04	18.23	18.28
Cost of funds (%)	2.55	2.97	3.37	3.32	3.27
Net interest spread (%)	15.01	14.43	14.67	14.91	15.01
Net interest margin (%)	15.8	15.3	15.7	15.9	16.0
Cost/income(%)	56.4	54.9	53.7	53.7	52.7
Cost/assets(%)	10.5	10.2	10.1	10.1	9.9
Effective tax rate (%)	19.7	20.1	20.0	20.0	20.0
Dividend payout on recurring profit (%)	50.4	29.0	40.0	15.0	15.0
ROE (%)	15.2	14.1	13.7	14.6	14.9
ROE - COE (%)	5.0	3.9	3.5	4.4	4.7
ROA (%)	4.8	4.1	3.9	4.2	4.3
RORWA (%)	-	-	-	-	-

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Ngern Tid Lor; FSSIA estimates

Financial Statements

Ngern Tid Lor

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Gross customer loans	81,265	97,457	107,583	119,067	131,330
Allowance for expected credit loss	(3,199)	(3,981)	(4,859)	(5,336)	(5,773)
interest in suspense	-	-	-	-	-
Net customer loans	78,067	93,475	102,723	113,731	125,557
Bank loans	-	-	-	-	-
Government securities	-	-	-	-	-
Trading securities	-	-	-	-	-
Investment securities	0	0	0	0	0
Cash & equivalents	2,191	1,656	2,158	2,381	2,632
Other interesting assets	-	-	-	-	-
Tangible fixed assets	1,686	1,623	1,962	2,706	4,786
Associates	0	213	0	0	0
Goodwill	-	-	-	-	-
Other intangible assets	551	546	785	866	957
Other assets	1,510	1,627	2,060	2,273	2,513
Total assets	84,727	100,148	110,866	123,255	137,880
Customer deposits	-	-	-	-	-
Bank deposits	-	-	-	-	-
Other interest bearing liabilities	55,749	68,214	75,035	82,539	89,967
Non interest bearing liabilities	3,556	3,510	3,615	5,231	7,518
Hybrid Capital	-	-	-	-	-
Total liabilities	59,305	71,724	78,650	87,770	97,485
Share capital	9,240	10,395	10,780	10,780	10,780
Reserves	16,182	18,028	21,435	24,705	29,615
Total equity	25,422	28,424	32,215	35,486	40,395
Non-controlling interest	0	0	0	0	0
Total liabilities & equity	84,727	100,148	110,866	123,255	137,880
Supplementary items					
Risk weighted assets (RWA)	n/a	n/a	n/a	n/a	n/a
Average interest earning assets	71,362	89,361	102,520	113,325	125,198
Average interest bearing liabilities	48,467	61,982	71,625	78,787	86,253
CET 1 capital	n/a	n/a	n/a	n/a	n/a
Total capital	0	0	0	0	0
Gross non performing loans (NPL)	1,285	1,412	2,055	2,238	2,325
Per share (THB)					
Book value per share	10.18	10.12	11.06	12.18	13.86
Tangible book value per share	9.96	9.92	10.79	11.88	13.54
Growth					
Gross customer loans	32.2	19.9	10.4	10.7	10.3
Average interest earning assets	26.5	25.2	14.7	10.5	10.5
Total asset (%)	27.4	18.2	10.7	11.2	11.9
Risk weighted assets (%)	-	-	-	-	-
Customer deposits (%)	-	-	-	-	-
Leverage & capital measures					
Customer loan/deposits (%)	-	-	-	-	-
Equity/assets (%)	30.0	28.4	29.1	28.8	29.3
Tangible equity/assets (%)	29.4	27.8	28.4	28.1	28.6
RWA/assets (%)	-	-	-	-	-
CET 1 CAR (%)	-	-	-	-	-
Total CAR (%)	-	-	-	-	-
Asset Quality (FSSIA's calculation)					
Change in NPL (%)	75.5	9.8	45.6	8.9	3.8
NPL/gross loans (%)	1.6	1.4	1.9	1.9	1.8
Allowance for ECL/gross loans (%)	3.9	4.1	4.5	4.5	4.4
Allowance for ECL/NPL (%)	248.9	282.1	236.5	238.4	248.4
Valuation					
Recurring P/E (x) *	11.6	12.4	12.2	10.3	9.0
Recurring P/E @ target price (x) *	13.7	14.6	14.3	12.1	10.6
Reported P/E (x)	11.6	12.4	12.2	10.3	9.0
Dividend yield (%)	4.3	2.3	3.3	1.5	1.7
Price/book (x)	1.7	1.7	1.6	1.4	1.3
Price/tangible book (x)	1.7	1.8	1.6	1.5	1.3
Price/tangible book @ target price (x)	2.1	2.1	1.9	1.7	1.5

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Ngern Tid Lor; FSSIA estimates

Ngern Tid Lor PCL (TIDLOR TB)

FSSIA ESG rating



30.91 /100

Exhibit 9: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Sources: FSSIA estimates

Exhibit 10: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings					Bloomberg		
		DJSI	SET ESG	SET ESG Rating	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	67.71	5.69	4.38	4.05	4.77	4.43	4.02	Medium	57.34	BBB	22.70	60.82	67.31	1.19	35.34
Coverage	66.17	5.16	4.33	3.94	4.81	4.43	3.83	Medium	56.41	BBB	18.92	59.20	65.82	1.38	35.46
MTC	59.64	--	Y	AAA	5.00	4.00	Certified	Medium	47.15	AA	--	62.28	40.00	--	--
SAK	39.73	--	Y	A	5.00	4.00	Certified	--	--	--	--	44.31	16.00	2.13	45.88
SAWAD	57.03	--	Y	AA	5.00	4.00	Declared	Medium	63.22	BBB	--	27.77	19.00	3.51	47.89
TIDLOR	30.91	--	--	--	--	4.00	Certified	Medium	--	--	--	43.52	19.00	1.90	39.47
TK	15.00	--	--	--	5.00	5.00	--	--	--	--	--	--	--	--	--

Sources: [SETTRADE.com](https://www.settrade.com); FSSIA's compilation

Exhibit 11: ESG score by Bloomberg

FY ending Dec 31	FY 2021	FY 2022	FY 2023
ESG financial materiality scores - ESG score	1.61	1.76	1.90
BESG environmental pillar score	0.00	0.45	0.25
BESG social pillar score	1.00	1.05	1.17
BESG governance pillar score	3.67	3.82	4.19
ESG disclosure score	30.71	39.12	39.47
Environmental disclosure score	1.75	18.48	18.82
Social disclosure score	6.59	15.11	21.13
Governance disclosure score	83.59	83.59	78.33
Environmental			
Emissions reduction initiatives	No	No	No
Climate change policy	No	No	Yes
Climate change opportunities discussed	No	No	No
Risks of climate change discussed	No	No	No
GHG scope 1	—	2	3
GHG scope 2 location-based	—	5	6
GHG Scope 3	—	1	1
Carbon per unit of production	—	—	—
Biodiversity policy	No	No	No
Energy efficiency policy	Yes	Yes	Yes
Total energy consumption	—	19	21
Renewable energy use	—	—	—
Electricity used	—	9	10
Fuel used - natural gas	—	—	—

Sources: Bloomberg; FSSIA's compilation

Exhibit 12: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2021	FY 2022	FY 2023
Fuel used - crude oil/diesel	No	No	No
Waste reduction policy	Yes	Yes	Yes
Hazardous waste	—	0	0
Total waste	—	0	0
Waste recycled	—	—	—
Waste sent to landfills	—	—	—
Environmental supply chain management	No	No	No
Water policy	Yes	Yes	Yes
Water consumption	—	21	—
Social			
Human rights policy	No	No	No
Policy against child labor	No	No	No
Quality assurance and recall policy	No	No	Yes
Consumer data protection policy	Yes	Yes	Yes
Equal opportunity policy	No	No	Yes
Gender pay gap breakout	No	No	No
Pct women in workforce	—	74	73
Pct disabled in workforce	—	—	—
Business ethics policy	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes
Health and safety policy	No	No	Yes
Lost time incident rate - employees	—	0	0
Total recordable incident rate - employees	—	—	—
Training policy	No	No	No
Fair remuneration policy	No	No	No
Number of employees – CSR	—	6,654	7,141
Employee turnover pct	—	—	15
Total hours spent by firm - employee training	—	309,979	205,724
Social supply chain management	No	No	No
Governance			
Board size	12	12	11
No. of independent directors (ID)	4	4	4
No. of women on board	1	1	2
No. of non-executive directors on board	11	11	10
Company conducts board evaluations	Yes	Yes	Yes
No. of board meetings for the year	14	13	12
Board meeting attendance pct	96	92	92
Board duration (years)	3	3	3
Director share ownership guidelines	No	No	No
Age of the youngest director	30	36	42
Age of the oldest director	61	62	62
No. of executives / company managers	9	9	9
No. of female executives	5	5	5
Executive share ownership guidelines	No	No	No
Size of audit committee	3	3	3
No. of ID on audit committee	3	3	3
Audit committee meetings	4	4	4
Audit meeting attendance %	100	100	100
Size of compensation committee	5	5	5
No. of ID on compensation committee	1	1	1
No. of compensation committee meetings	6	7	6
Compensation meeting attendance %	97	97	—
Size of nomination committee	5	5	5
No. of nomination committee meetings	6	7	6
Nomination meeting attendance %	97	97	100
Sustainability governance			
Verification type	No	No	No

Sources: Bloomberg; FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																			
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for SETESG inclusion , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. SETESG Index is extended from the SET ESG Ratings companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																			
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																			
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																			
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																			
Morningstar Sustainalytics	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
NEGL	Low	Medium	High	Severe																	
0-10	10-20	20-30	30-40	40+																	
ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																			
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table><tr><td>AAA</td><td>8.571-10.000</td><td rowspan="3">Leader:</td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td>AA</td><td>7.143-8.570</td></tr><tr><td>A</td><td>5.714-7.142</td></tr><tr><td>BBB</td><td>4.286-5.713</td><td rowspan="3">Average:</td><td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td></tr><tr><td>BB</td><td>2.857-4.285</td></tr><tr><td>B</td><td>1.429-2.856</td></tr><tr><td>CCC</td><td>0.000-1.428</td><td>Laggard:</td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr></table>	AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities																		
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B	1.429-2.856																				
CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks																		
Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																				
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>																				
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																				
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																			
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																			

[Rating](#) regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "**CG Score**"; 2) "**AGM Level**"; 3) "**Thai CAC**"; and 4) **THSI**. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

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Company	Ticker	Price	Rating	Valuation & Risks
Ngern Tid Lor	TIDLOR TB	THB 17.40	BUY	Downside risks to our GGM-based TP include 1) further weakening asset quality could potentially hit both loan yield and credit cost; 2) tighter supervision from related regulators; 3) intense competition in auto title loan and insurance brokerage market; and 4) lower support from major shareholders.
Muangthai Capital	MTC TB	THB 44.75	BUY	Downside risks to our GGM-based TP include 1) a further weakening of asset quality that could potentially hit both loan yield and credit cost; and 2) changes in financial regulations by the Bank of Thailand and the Office of Consumer Protection Board.
Srisawad Corp	SAWAD TB	THB 38.50	HOLD	Downside risks to our GGM-based TP include 1) a further weakening of asset quality that could potentially hit both loan yield and credit cost; and 2) changes in financial regulations by the Bank of Thailand and the Office of Consumer Protection Board. Upside risks include 1) a faster-than-expected decline in losses on sales of repossessed cars for SCAP; and 2) an interest rate downtrend could push its interest spread.
Saksiam Leasing	SAK TB	THB 4.30	BUY	Downside risks include 1) competition from existing and new players 2) regulatory changes by the Bank of Thailand (BoT) and 3) a slower-than-expected reduction in its cost of funds due to a shift toward more long-term loans.
Aeon Thana Sinsap (Thailand)	AEONTS TB	THB 118.50	HOLD	Downside risks are: 1) regulatory actions to curb industry growth; 2) a higher-than-expected policy rate; and 3) deteriorating asset quality. Upside risks are: 1) better-than-estimated economic improvement; 2) stronger-than-estimated improvement in the overall asset quality; and 3) less pressure from the market yield and cost of funds.
Krungthai Card	KTC TB	THB 51.75	HOLD	Downside risks are: 1) regulatory actions to curb industry growth; 2) a higher-than-expected policy rate; and 3) deteriorating asset quality. Upside risks are: 1) better-than-estimated economic improvement; 2) stronger-than-estimated improvement in the overall asset quality; and 3) less pressure from the market yield and cost of funds.
Asia Sermkij Leasing PCL	ASK TB	THB 8.90	HOLD	Upside risks include 1) a better-than-expected macroeconomic improvement; 2) downtrend of policy rate could reduce cost of funds and enhance interest spreads; and 3) a faster-than-expected decline in ECL expense. Downside risks to our GGM-derived TP include 1) an economic slowdown, especially for logistics activities and private investment; 2) deteriorating asset quality; and 3) changes in financial regulations from the Bank of Thailand.
Ratchthani Leasing	THANI TB	THB 1.34	HOLD	Downside risks to our GGM-derived TP include 1) an economic slowdown, especially for logistics activities and private investment; 2) deteriorating asset quality; and 3) changes in financial regulations from the Bank of Thailand. Upside risks include 1) a better-than-expected macroeconomic improvement; 2) a downtrend in the policy rate could reduce cost of funds and enhance interest spreads; and 3) a faster-than-expected decline in ECL expense.
Bangkok Commercial Asset Mngt.	BAM TB	THB 6.20	HOLD	Downside risks to our NAV-based TP include 1) lower cash collection than estimated; 2) lower-than-expected bad debt acquisition; and 3) a slowdown in the property market.
JMT Network Services	JMT TB	THB 15.80	HOLD	Downside risks to our P/BV-based TP include 1) lower cash collection from both debt management and debt tracking collection services; and 2) higher-than-expected funding costs and operating expenses. Upside risks includes 1) better-than-expected purchasing power and cash collection 2) lower-than-expected operating and financing expense
Chayo Group	CHAYO TB	THB 2.50	BUY	Downside risks to our GGM-based TP include 1) lower-than-expected bad debt acquisition; and 2) higher-than-expected operating expenses.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited.

All share prices are as at market close on 29-Jan-2025 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.