

# Thailand Finance Sector – Title loans

## Navigating uncertainty with resilient earnings

- 1Q26 profit hit a record high, while earnings momentum should accelerate in 2H26.
- We expect solid earnings growth during 2026–28, supported by lower cost of funds and improving asset quality, although economic uncertainty remains a key risk.
- We maintain BUY ratings on TIDLOR, MTC, and SAWAD, with TIDLOR remaining our top BUY call from stronger asset quality and a more diversified earnings base.

### 1Q26 earnings hit a record high; momentum should accelerate in 2H26

The four title loan companies under our coverage (MTC, SAWAD, TIDLOR, SAK) delivered record-high aggregate net profit of THB5.0b in 1Q26, driven by sharply lower credit costs, declining losses from repossessed vehicle sales, and stable asset quality despite softer loan growth and narrower spreads. We expect 2Q26 earnings to soften slightly q-q due to credit cost normalization, particularly at TIDLOR, but earnings should continue growing y-y. Looking ahead, earnings momentum should accelerate further in 2H26 as loan growth enters the seasonal expansion period. At the same time, lower cost of funds — especially for MTC and SAWAD — should support loan spreads and profitability.

### Asset quality remained resilient in 1Q26; oil price risks warrant close monitoring

The aggregate asset quality in 1Q26 remained stable, with aggregate gross NPLs and the NPL ratio holding steady q-q at THB10.4b and 2.62%, respectively, while credit costs declined significantly to 2.00% due to lower ECLs and improving repossessed vehicle prices. Tighter underwriting standards, proactive write-offs, and debt restructuring programs continued to support improvements in asset quality. However, we expect credit costs to gradually normalize higher through the rest of 2026 amid lingering risks from elevated domestic oil prices and a fragile economic environment, although stronger loan growth in 2H26 should help lower the aggregate NPL ratio toward 2.50% by the end of 2026.

### Earnings growth remains intact amid economic uncertainty

We maintain our 2026–28 earnings forecasts for the four companies under our coverage, expecting aggregate net profit to grow at a 10.9% CAGR, driven by average loan growth of 10.2%. Although loan spreads may not expand meaningfully due to lower-yield secured lending and faster growth in land title loans, lower cost of funds, 7.1% fee income growth, improving asset quality, and lower repossessed vehicle impairments should continue to support earnings. We expect the NPL ratio to decline to 2.50–2.53% from 2.61% at the end of 2025, while D/E and IBD/E should improve to 2.5x and 3.1x, respectively, at the end of 2028. Key downside risks remain prolonged high oil prices from an extended war scenario, which could pressure loan growth and asset quality. Our sensitivity analysis suggests that a 1% decline in loan growth below forecast would reduce net profit by 0.6%, while a 10bps increase in credit costs would reduce net profit by 1.7%.

### Maintain TIDLOR as our top Buy; MTC, SAWAD valuations remain attractive

We maintain BUY ratings on TIDLOR (TP: THB23), MTC (TP: THB46), and SAWAD (TP: THB35), while maintaining a HOLD rating on SAK (TP: THB3.53) due to its more vulnerable customer base. We continue to pick TIDLOR as our top BUY call alongside KTC (TP: THB36), supported by stronger asset quality, lower downside risks to 2026 loan growth, improving used-truck prices that ease pressure on credit costs, a more diversified non-NII revenue base, and additional support from its 4.24% share repurchase program amid market volatility.



**Usanee Liurut, CISA**

Fundamental Investment Analyst on Capital Market; License no. 017928  
usanee.l@fssia.com, +66 2646 9758

**Peemapon Nunthakunatip**

Research Assistant

## 1Q26 aggregate net profit hit a record high; TIDLOR led growth

The four title loan companies under our coverage (MTC, SAWAD, TIDLOR, and SAK) reported an aggregate 1Q26 net profit of THB5.0b, exceeding our forecast by 5%, and growing strongly by 15.1% q-q and 22.3% y-y, accounting for 25% of our full-year 2026 forecast. TIDLOR led earnings growth and exceeded our forecast by 17%, while MTC, SAWAD, and SAK delivered results largely in line with expectations.

### Exhibit 1: Title loans – 1Q26 Net profit & 2026E

THB m	1Q26	4Q25	%q-q	1Q25	%y-y	2026E	% of 26E
MTC	1,823	1,781	2.4%	1,571	16.0%	7,612	24%
SAK	230	212	8.5%	226	1.6%	935	25%
SAWAD	1,342	1,328	1.1%	1,100	22.0%	5,551	24%
TIDLOR	1,614	1,032	56.4%	1,198	34.7%	5,644	29%
<b>Coverage</b>	<b>5,009</b>	<b>4,353</b>	<b>15.1%</b>	<b>4,095</b>	<b>22.3%</b>	<b>19,742</b>	<b>25%</b>

Sources: Company data; FSSIA estimates

Aggregate PPOP reached THB8.46b, up 0.9% q-q and 13.4% y-y, supported by stable NII q-q and 8.2% y-y growth despite soft loan growth of only 0.3% q-q and 6.1% y-y. Loan growth remained subdued due to the seasonal slowdown, while debt collections remained elevated during the nationwide general and local elections. Meanwhile, loan spreads narrowed by 8bps q-q to 13.85%, as two fewer working days reduced loan yields, while the lower cost of funds could not fully offset the impact. Fee income and other income also declined 4.4% q-q, although they still increased 4.5% y-y in line with loan growth trends.

On the cost side, operating expenses declined q-q in 1Q26 after the seasonal peak and also benefited from continued declines in losses from repossessed vehicle sales. ECLs fell sharply by 27.1% q-q and 10.6% y-y, reflecting stronger asset quality. In addition, impairment reversals on foreclosed assets, mainly repossessed vehicles, further supported earnings, led by SAWAD, TIDLOR, and SAK. As a result, aggregate credit costs declined significantly by 95bps to 2.00%. Overall asset quality remained stable q-q, with aggregate gross NPLs and the NPL ratio unchanged at 2.62%, while the aggregate coverage ratio edged down slightly to 122.1% from 123.6% at the end of 2025.

For 2Q26, we expect the aggregate earnings to soften slightly q-q but still grow y-y to around THB4.90–4.95b. We expect TIDLOR to report weaker q-q earnings due to higher credit costs, after they fell to an unusually low level in 1Q26. Meanwhile, MTC, SAWAD, and SAK should continue delivering q-q earnings growth, supported by gradually accelerating loan growth and fee income, together with a normalization in the number of working days. These factors should help offset the continued rise in credit costs amid a still-fragile economic environment pressured by higher domestic oil prices.

We expect earnings momentum to strengthen further in 2H26 versus 1H26 as loan growth enters the seasonal expansion period (except for SAK, whose earnings typically peak in 2Q during the planting season). In addition, MTC and SAWAD should see improvement in loan spreads from significantly lower cost of funds, as both companies will refinance a large amount of high-cost debentures maturing in 2Q26 with lower-cost funding.

## Exhibit 2: Title loan – 1Q26 Result summary &amp; 2026-28E

	1Q25	2Q25	3Q25	4Q25	1Q26	----- Change -----		% of	2026E	2027E	2028E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	26E	(THB m)	(THB m)	(THB m)	(y-y%)
Interest income	16,568	17,085	17,574	17,817	17,709	(0.6)	6.9	24	73,568	80,804	88,786	6.6
Interest expense	(2,907)	(2,932)	(3,074)	(3,040)	(2,921)	(3.9)	0.5	24	(12,071)	(12,845)	(13,944)	1.0
<b>Net interest income</b>	<b>13,661</b>	<b>14,153</b>	<b>14,500</b>	<b>14,777</b>	<b>14,788</b>	<b>0.1</b>	<b>8.2</b>	<b>24</b>	<b>61,497</b>	<b>67,959</b>	<b>74,842</b>	<b>7.7</b>
Fee and other income	1,915	1,874	1,980	2,095	2,002	(4.4)	4.5	24	8,422	9,134	9,764	7.1
<b>Total income</b>	<b>15,576</b>	<b>16,027</b>	<b>16,480</b>	<b>16,872</b>	<b>16,790</b>	<b>(0.5)</b>	<b>7.8</b>	<b>24</b>	<b>69,919</b>	<b>77,094</b>	<b>84,605</b>	<b>7.6</b>
Operating expenses	(8,116)	(8,043)	(8,221)	(8,482)	(8,328)	(1.8)	2.6	24	(34,949)	(38,527)	(42,219)	6.4
<b>Pre-provision operating profit</b>	<b>7,460</b>	<b>7,984</b>	<b>8,259</b>	<b>8,390</b>	<b>8,462</b>	<b>0.9</b>	<b>13.4</b>	<b>24</b>	<b>34,970</b>	<b>38,567</b>	<b>42,386</b>	<b>9.0</b>
Expected credit loss	(2,004)	(2,103)	(2,017)	(2,457)	(1,792)	(27.1)	(10.6)	20	(9,077)	(10,138)	(11,332)	5.8
<b>Profit after ECL</b>	<b>5,456</b>	<b>5,881</b>	<b>6,242</b>	<b>5,933</b>	<b>6,670</b>	<b>12.4</b>	<b>22.3</b>	<b>26</b>	<b>25,892</b>	<b>28,429</b>	<b>31,055</b>	<b>10.1</b>
Other expenses	(246)	(248)	(265)	(432)	(190)	(56.0)	(22.8)	21	(900)	(900)	(900)	(24.4)
<b>Operating profit</b>	<b>5,210</b>	<b>5,633</b>	<b>5,977</b>	<b>5,518</b>	<b>6,482</b>	<b>17.5</b>	<b>24.4</b>	<b>26</b>	<b>24,992</b>	<b>27,529</b>	<b>30,155</b>	<b>11.9</b>
Income tax	(1,071)	(1,150)	(1,209)	(1,076)	(1,349)	25.3	25.9	27	(5,025)	(5,535)	(6,063)	11.5
NCI	(43)	(50)	(91)	(89)	(125)	40.1	188.3	55	(225)	(188)	(159)	(17.4)
<b>Net profit</b>	<b>4,095</b>	<b>4,433</b>	<b>4,677</b>	<b>4,353</b>	<b>5,009</b>	<b>15.1</b>	<b>22.3</b>	<b>25</b>	<b>19,742</b>	<b>21,806</b>	<b>23,933</b>	<b>12.4</b>
Gross NPLs	10,160	10,271	10,423	10,311	10,394	0.8	2.3		10,845	12,053	13,361	5.2
Gross loans	373,524	382,078	388,662	395,123	396,419	0.3	6.1		434,614	478,502	528,408	10.0
Interest bearing debts	278,082	284,869	287,282	289,714	288,150	(0.5)	3.6		311,742	340,918	372,950	7.6
<b>Key ratios</b>	<b>1Q25</b>	<b>2Q25</b>	<b>3Q25</b>	<b>4Q25</b>	<b>1Q26</b>				<b>2026E</b>	<b>2027E</b>	<b>2028E</b>	<b>Change</b>
	(%)	(%)	(%)	(%)	(%)				(THB m)	(THB m)	(THB m)	
Yield on loan	17.78	18.09	18.24	18.19	17.90				17.73	17.70	17.64	
Cost of funds	4.18	4.17	4.30	4.22	4.04				4.01	3.94	3.91	
Spread	13.60	13.92	13.94	13.97	13.85				13.72	13.76	13.73	
Cost to income	52.11	50.18	49.88	50.27	49.60				49.99	49.97	49.90	
Credit costs	2.42	2.49	2.37	2.95	2.00				2.40	2.42	2.43	
NPL / Loan	2.72	2.69	2.68	2.61	2.62				2.50	2.52	2.53	
LLR / Loan	3.05	3.07	3.09	3.23	3.20				2.93	2.95	2.94	
Coverage ratio	112.13	114.19	115.39	123.63	122.14				117.59	117.18	116.45	
D/E (x)	2.99	3.07	2.98	2.91	2.80				2.72	2.60	2.52	
IBD/E (x)	3.48	3.48	3.37	3.32	3.16				3.19	3.13	3.09	
S/T debt/IBD (%)	18.19	15.74	16.20	13.48	11.73				15.52	17.55	19.21	
Loan growth q-q	0.5	2.3	1.7	1.7	0.3							
Loan growth y-y	5.1	4.2	5.5	6.3	6.1				10.0	10.1	10.4	
Loan growth YTD	0.5	2.8	4.5	6.3	0.3							

Sources: Company data; FSSIA estimates

We also conducted a sensitivity analysis of our 2026 net profit forecast for the four companies under our coverage, which currently projects 12.4% y-y growth, under a scenario in which domestic oil prices remain elevated for a prolonged period due to an extended war situation. For every 1% decline in loan growth below our forecast, net profit would decline by 0.6%. Under a worst-case scenario in which loan growth falls short by 10%, net profit would decline by 5.9%.

On asset quality, every 10bps increase in credit costs would reduce net profit by 1.7%. Under a worst-case scenario in which credit costs return to previous peak levels (except for SAK, as our 2026 forecast already assumes a new peak level for credit costs and we therefore assume an additional 100bps increase from the current forecast), net profit would decline by 13.9%.

### Exhibit 3: Sensitivity analysis – a 1%, 5%, and 10% decrease in loan growth on the 2026E net profit of our coverages

THB m	26E Net profit	26E loan growth	----- Impact on 26E net profit -----		
			-1%	-5%	-10%
MTC	7,612	11.6%	-0.7%	-3.5%	-7.0%
SAWAD	5,551	12.2%	-0.4%	-2.0%	-4.0%
SAK	935	7.0%	-0.7%	-3.5%	-7.0%
TIDLOR	5,644	5.8%	-0.5%	-2.5%	-5.0%
<b>Coverage</b>	<b>19,742</b>	<b>10.0%</b>	<b>-0.6%</b>	<b>-2.9%</b>	<b>-5.9%</b>

Sources: Company data; FSSIA estimates

### Exhibit 4: Sensitivity analysis – a 10bp increase in credit costs and the last peak of credit costs on the 2026E net profit of our coverages

THB m	26E Net profit	26E Credit costs	Last peak credit costs	-- Impact on 26E net profit --	
				+10bps	Last peak
MTC	7,612	257	371	-2.0%	-22.8%
SAWAD	5,551	200	232	-1.4%	-4.5%
SAK /1	935	150	250	-1.3%	-13.0%
TIDLOR	5,644	270	345	-1.5%	-11.3%
<b>Coverage</b>	<b>19,742</b>	<b>549</b>	<b>590</b>	<b>-1.7%</b>	<b>-13.9%</b>

Note: /1 SAK's credit costs is at its peak in 2026E, then we assume a 100bp increase.

Sources: Company data; FSSIA estimates

### Loan growth slowed significantly in 1Q26 but should accelerate in 2H26

Title loans remain the strongest loan growth segment in 2026. The industry expanded aggressively at a 21.2% CAGR during 2020–25. However, growth has slowed noticeably since 2024, particularly among banks, while non-bank operators have also moderated their expansion. In 1Q26, industry loan growth turned negative at 0.8% q-q, while increasing only modestly by 3.6% y-y, due to the typical seasonal pattern in 1Q and fewer working days q-q. Persistently high household debt, a fragile economic environment, and rising domestic oil prices also pressured loan demand and growth during the period, adding further pressure on loan expansion in recent periods. These factors also raised concerns over asset quality, leading operators to prioritize credit quality over loan growth by lowering loan-to-value (LTV) ratios and accelerating NPL management through faster write-offs.

### Exhibit 5: Title loans – Loan and growth, 2020-1Q26

THB m	2020	2021	2022	2023	2024	2025	% y-y	5Y CAGR	1Q26	%q-q	%y-y
<b>Industry</b>	<b>150,479</b>	<b>180,850</b>	<b>247,518</b>	<b>337,192</b>	<b>374,998</b>	<b>392,743</b>	<b>4.7%</b>	<b>21.2%</b>	<b>389,668</b>	<b>-0.8%</b>	<b>3.6%</b>
<i>Bank</i>	32,283	31,661	37,814	44,743	46,416	46,713	0.6%	7.7%	46,413	-0.6%	1.2%
<i>Non-bank</i>	118,196	149,189	209,704	292,449	328,582	346,030	5.3%	24.0%	343,255	-0.8%	3.9%
<b>MTC</b>	<b>70,098</b>	<b>90,701</b>	<b>119,084</b>	<b>141,559</b>	<b>162,311</b>	<b>181,099</b>	<b>11.6%</b>	<b>20.9%</b>	<b>181,877</b>	<b>0.4%</b>	<b>12.4%</b>
<b>SAWAD</b>	<b>39,450</b>	<b>33,668</b>	<b>55,147</b>	<b>96,981</b>	<b>93,077</b>	<b>92,169</b>	<b>-1.0%</b>	<b>18.5%</b>	<b>92,247</b>	<b>0.1%</b>	<b>8.3%</b>
<b>TIDLOR</b>	<b>50,807</b>	<b>60,339</b>	<b>79,898</b>	<b>96,020</b>	<b>102,200</b>	<b>107,685</b>	<b>5.4%</b>	<b>16.2%</b>	<b>107,997</b>	<b>0.3%</b>	<b>2.4%</b>
<b>SAK</b>	<b>6,497</b>	<b>8,687</b>	<b>10,600</b>	<b>12,066</b>	<b>14,252</b>	<b>14,171</b>	<b>-0.6%</b>	<b>16.9%</b>	<b>14,299</b>	<b>0.9%</b>	<b>-0.7%</b>
<b>Coverage</b>	<b>166,852</b>	<b>193,395</b>	<b>264,729</b>	<b>346,626</b>	<b>371,841</b>	<b>395,123</b>	<b>6.3%</b>	<b>18.8%</b>	<b>396,419</b>	<b>0.3%</b>	<b>6.1%</b>

Sources: BoT; Company data; FSSIA compilation

### Exhibit 6: Title loans – 1Q26 Gross loans, loan growth, and 2026E targets

THB m	1Q26	4Q25	%q-q	1Q25	%y-y	----- 2026E (%y-y) -----	
						Company	FSSIA
MTC	181,877	181,099	0.4%	165,678	9.8%	10-15%	11.6%
SAK	14,299	14,171	0.9%	14,449	-1.0%	8-10%	7.0%
SAWAD	92,247	92,169	0.1%	90,397	2.0%	10-15%	12.2%
TIDLOR	107,997	107,685	0.3%	103,000	4.9%	5-10%	5.8%
<b>Coverage</b>	<b>396,419</b>	<b>395,123</b>	<b>0.3%</b>	<b>373,524</b>	<b>6.1%</b>		<b>10.0%</b>

Sources: Company data; FSSIA estimates

For total gross loans across the four companies under our coverage, aggregate loan growth remained soft at only 0.3% q-q and 6.1% y-y, still below our 2026 full-year forecast of 10.0% y-y. On a q-q basis, SAK led growth due to its smaller base, followed by MTC, TIDLOR, and SAWAD. However, all companies reported loan growth below their 2026 guidance. Following analyst meetings, two companies — SAK and MTC — acknowledged that the lower end of their guidance ranges now appears more achievable. Meanwhile, SAWAD, which maintains the most aggressive loan growth target among peers, reaffirmed its existing guidance. TIDLOR also maintained its guidance, as it remains the only company with a relatively conservative loan growth target compared with peers.

**MTC:** reported weaker-than-expected loan growth in 1Q26 at 0.4% q-q and 9.8% y-y, mainly due to stronger-than-expected debt collections during Jan–Feb 2026 amid both local and nationwide elections. The company also reduced debt sales during the quarter — normally cTHB1b per quarter — to help ease pressure from slower loan growth. Nevertheless, 1Q26 loan growth still came in slightly below the lower end of its 2026 guidance of 10–15% y-y and below our 2026 forecast of 11.6% y-y. However, the company expects loan growth to accelerate in 2H26, which is typically the high season for lending, supported by title loans for both motorcycles and cars.

**SAWAD:** Loan growth slowed as expected to only 0.1% q-q and 2.0% y-y in 1Q26. However, motorcycle hire-purchase loans under SCAP posted their first growth in eight quarters. The continued slowdown in loan growth during 1Q26 mainly reflected the company's stronger focus on debt collection rather than new loan disbursement, while 1H is typically the low season for loan growth. Nevertheless, the company maintained its 2026 loan growth guidance at 10–15% y-y (vs. our forecast of 12.2% y-y), with title loans remaining the key driver of growth. Meanwhile, SCAP's motorcycle hire-purchase portfolio, which accounts for around 25% of total loans, continues to follow a cautious growth strategy. In addition, lower write-offs, compared with the unusually high THB2b in 2025, should provide further support for loan growth in 2H26, which typically marks the high season for lending.

**TIDLOR:** Loan growth remained limited at 0.3% q-q and 4.9% y-y, driven mainly by motorcycle and auto title loans, while used truck hire-purchase loans showed the first q-q recovery in eight quarters. Meanwhile, loan growth in April 26 continued to expand y-y, supporting its decision to maintain its 2026 loan growth guidance at 5–10% y-y. The company also expects loan growth to accelerate further in 2H26 as the industry enters the seasonal lending period.

**SAK:** Loan growth rose 0.9% q-q (-1.0% y-y), still below our 2026 target and company guidance, driven mainly by auto title and land title loans. SAK also acknowledged concerns over rising domestic oil and fertilizer prices, as more than 68% of its customer base consists of farmers. As a result, the company views the lower end of its 2026 loan growth guidance as more achievable, implying loan growth of c8% y-y. The company expects loan growth to improve more visibly in 2Q26 as the planting season begins. Loan disbursements on April 26 may have slowed temporarily due to a higher number of holidays, but growth accelerated again in May 26.

## Loan spreads narrowed in 1Q26 but should improve in 2H26

The four companies under our coverage reported a combined 1Q26 loan spread of 13.85%, down 12bps q-q, driven by declines in both loan yields and cost of funds. SAK recorded the largest contraction (-57bps), followed by MTC (-29bps) and TIDLOR (-23bps), while SAWAD was the only company to post a significant increase of 40bps.

The decline in aggregate loan yields of 29bps during 1Q26 mainly reflected: 1) slower seasonal loan growth alongside debt collections accelerating faster than new loan disbursements, 2) two fewer working days q-q, which created the largest negative impact on loan yields in the past year, and 3) a greater focus on secured lending (MTC) and land title loans (SAK), which carry lower yields.

Cost of funds declined by 17bps q-q in 1Q26, led by SAWAD (-26bps), followed by TIDLOR (-15bps), MTC (-13bps), and SAK (-2bps). The improvement mainly reflected lower borrowing costs from financial institutions (34% of total funding), as maturing loans gradually repriced at lower interest rates in line with market rates, alongside lower-cost new debenture issuances. Average debenture costs declined by c69bps in 4Q25 and c79bps in 1Q26, as shown in Exhibit 9, to refinance maturing debentures of THB13.3b in 4Q25 and THB9.28b in 1Q26.

At the end of 1Q26, the four companies under our coverage had total debentures maturing over the remainder of 2026 amounting to THB45.7b, with 51% due in 2Q26 (mainly from MTC and SAWAD), while another 25% and 21% will mature in 3Q26 and 4Q26, respectively. The maturity profile suggests a more pronounced decline in the cost of funds for MTC and SAWAD in 2H26. Meanwhile, TIDLOR and SAK, which rely more heavily on borrowings from financial institutions, have already benefited from declining market interest rates over the past period and may therefore not see the cost of funds decline as significantly as MTC and SAWAD in 2H26.

### Exhibit 7: Title loan – Yield on loans, cost of funds, and loan spread, 2021-1Q26 & 2026E

	2021	2022	2023	2024	2025	1Q26	2026E
<b>MTC</b>							
Yield on loans	18.90%	18.30%	18.03%	17.74%	17.48%	17.09%	17.30%
Cost of funds	3.38%	3.36%	3.66%	4.21%	4.53%	4.41%	4.30%
Loan spread	15.52%	14.94%	14.38%	13.53%	12.95%	12.69%	13.00%
<b>SAK</b>							
Yield on loans	21.12%	23.95%	23.59%	23.15%	22.74%	21.90%	22.44%
Cost of funds	2.38%	3.35%	4.85%	5.00%	4.54%	3.96%	4.21%
Loan spread	18.74%	20.61%	18.74%	18.15%	18.20%	17.94%	18.23%
<b>SAWAD</b>							
Yield on loans	18.75%	19.77%	20.70%	18.97%	17.77%	18.24%	17.19%
Cost of funds	4.26%	3.26%	4.18%	4.53%	4.45%	4.37%	4.23%
Loan spread	14.49%	16.51%	16.52%	14.44%	13.32%	13.87%	12.96%
<b>TIDLOR</b>							
Yield on loans	17.68%	17.87%	17.67%	18.53%	18.43%	18.43%	18.34%
Cost of funds	2.75%	2.51%	2.93%	3.46%	3.48%	3.21%	3.35%
Loan spread	14.93%	15.37%	14.74%	15.08%	14.95%	15.22%	14.99%
<b>Coverage</b>							
Yield on loans	17.01%	18.69%	18.80%	18.48%	18.00%	17.90%	17.73%
Cost of funds	2.78%	3.06%	3.58%	4.09%	4.21%	4.04%	4.01%
Loan spread	14.23%	15.63%	15.21%	14.40%	13.80%	13.85%	13.72%

Sources: Company data; FSSIA estimates

## Exhibit 8: Title loan – 1Q26 Interest bearing debts

THB m	MTC			SAWAD			TIDLOR			SAK		
	1Q26	4Q25	1Q25	1Q26	4Q25	1Q25	1Q26	4Q25	1Q25	1Q26	4Q25	1Q25
<b>IBD</b>	<b>145,291</b>	<b>142,881</b>	<b>131,264</b>	<b>61,272</b>	<b>64,073</b>	<b>66,417</b>	<b>73,573</b>	<b>74,348</b>	<b>71,522</b>	<b>8,377</b>	<b>8,412</b>	<b>8,880</b>
Debentures	105,157	105,890	86,175	44,810	47,466	51,692	30,384	32,286	38,865	362	362	361
Borrowings	34,529	31,532	39,733	13,454	14,392	12,879	42,268	41,124	31,826	7,998	8,008	8,402
Short term	1,140	2,720	11,503	7,182	6,971	6,486	850	1,850	1,000	3,100	2,400	3,000
Long term	33,389	28,813	28,230	6,272	7,421	6,393	41,418	39,274	30,826	4,898	5,608	5,402
Others	5,606	5,459	5,357	3,008	2,215	1,846	921	937	830	17	42	117

THB m	MTC			SAWAD			TIDLOR			SAK		
	1Q26	4Q25	1Q25	1Q26	4Q25	1Q25	1Q26	4Q25	1Q25	1Q26	4Q25	1Q25
<b>IBD</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Debentures	72%	74%	66%	73%	74%	78%	41%	43%	54%	4%	4%	4%
Borrowings	24%	22%	30%	22%	22%	19%	57%	55%	44%	95%	95%	95%
Short term	1%	2%	9%	12%	11%	10%	1%	2%	1%	37%	29%	34%
Long term	23%	20%	22%	10%	12%	10%	56%	53%	43%	58%	67%	61%
Others	4%	4%	4%	5%	3%	3%	1%	1%	1%	0%	0%	1%

Sources: Company data; FSSIA compilation

## Exhibit 9: Title loan – Quarterly outstanding and maturity of debentures (including only existing debentures)

Coverage	Outstanding debenture				Maturity				
	1Q (THB m)	2Q (THB m)	3Q (THB m)	4Q (THB m)	1Q (THB m)	2Q (THB m)	3Q (THB m)	4Q (THB m)	Total (THB m)
2025	164,030	167,936	160,400	161,776	12,094	18,893	23,692	13,274	67,954
2026	155,496	134,549	123,023	112,924	9,279	24,448	11,888	9,736	55,352
2027	98,887	85,168	77,893	70,805	14,038	13,719	7,275	7,088	42,120
2028	66,990	54,212	48,355	36,959	3,814	12,779	5,857	11,396	33,846

SAWAD								
THB m	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26
New issuance	5,600	0	5,000	4,150	6,000			
Weighted average Interest rate	4.14%	0.00%	3.95%	3.02%	3.16%			
Maturity	3,615	6,953	4,082	2,345	2,681	7,182	3,251	2,184
Weighted average Interest rate	4.12%	4.02%	3.92%	4.12%	4.18%	3.85%	4.63%	4.48%

MTC								
THB m	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26
New issuance	5,000	17,800	10,000	3,500	3,000			
Weighted average Interest rate	4.17%	4.02%	3.97%	3.47%	3.26%			
Maturity	7,479	11,940	8,910	3,229	4,599	16,266	3,875	2,917
Weighted average Interest rate	3.54%	3.89%	3.99%	3.85%	3.96%	4.09%	4.29%	4.02%

TIDLOR								
THB m	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26
New issuance	0	5,000	3,000	7,000	-	3,500		
Weighted average Interest rate		2.44%	3.75%	2.28%		2.28%		
Maturity	1,000	-	10,700	7,700	2,000	1,000	4,400	4,635
Weighted average Interest rate	3.30%		3.20%	3.10%	2.91%	3.12%	3.28%	3.38%

Coverage								
THB m	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26
New issuance	10,600	22,800	18,000	14,650	9,000	3,500		
Weighted average Interest rate	4.15%	3.67%	3.93%	2.77%	3.19%	2.28%		
Maturity	12,094	18,893	23,692	13,274	9,279	24,448	11,525	9,736
Weighted average Interest rate	3.69%	3.94%	3.62%	3.46%	3.98%	3.98%	4.00%	3.81%
Cost saving (bps)	0.46	(0.27)	0.31	(0.69)	(0.79)	(1.70)		

Sources: Company data; FSSIA compilation

## Fee income softened in 1Q26; TIDLOR, SAWAD should continue to outperform peers

The four companies under our coverage reported the aggregate fee income (including other income, which accounted for a minimal portion) of THB2b in 1Q26, down 4.4% q-q but still up 4.5% y-y, remaining below our full-year 2026 forecast of 7.1% y-y growth. Most fee income came from non-life insurance brokerage fees, which typically grow more slowly during the off-season. Fee income growth also closely tracked loan growth trends, as the slowdown in loan expansion since 2024 directly pressured fee income.

Nevertheless, fee income growth typically strengthens in 2H each year alongside seasonal acceleration in loan growth. Among the four companies, TIDLOR recorded the highest fee income contribution to total revenue at 20.1% in 1Q26, followed by SAWAD at 16.4%, reflecting more diversified revenue structures compared with MTC and SAK, where fee income contributions remain relatively low, and interest income from lending continues to dominate total revenue.

### Exhibit 10: Title loan – 1Q26 Fee and other income

THB m	1Q26	4Q25	%q-q	1Q25	%y-y	% of 26E	2026E
MTC	181	183	-1.1%	185	-2.0%	25%	1.0%
SAK	24	23	5.3%	27	-13.3%	21%	4.6%
SAWAD	697	692	0.7%	721	-3.3%	23%	5.0%
TIDLOR	1,100	1,197	-8.1%	982	12.0%	24%	2.1%
<b>Coverage</b>	<b>2,002</b>	<b>2,095</b>	<b>-4.4%</b>	<b>1,915</b>	<b>4.5%</b>	<b>24%</b>	<b>7.1%</b>

Sources: Company data; FSSIA compilation

### Exhibit 11: Title loan – Fee and other income to total income

	2021	2022	2023	2024	2025	1Q26
MTC	6.1%	5.0%	5.0%	4.2%	3.0%	2.9%
SAK	0.8%	1.2%	2.7%	2.8%	3.7%	2.6%
SAWAD	35.6%	30.8%	19.2%	16.9%	17.3%	16.4%
TIDLOR	20.3%	19.5%	20.0%	19.2%	19.9%	20.1%
<b>Coverage</b>	<b>17.9%</b>	<b>16.0%</b>	<b>13.6%</b>	<b>12.4%</b>	<b>12.1%</b>	<b>11.9%</b>

Sources: Company data; FSSIA compilation

## OPEX trended downward; losses from repossessed vehicle sales declined

Operating expenses in 1Q26 totaled THB8.33b, down 1.8% q-q but still up 2.6% y-y. In addition to the seasonal slowdown (except for MTC), lower losses from repossessed-vehicle sales also contributed to the decline in OPEX. The improvement reflected 1) fewer repossessed vehicles due to stronger credit quality among loans originated during 2024–25, and 2) improving used vehicle prices, particularly for used cars and trucks (mainly benefiting TIDLOR). In addition, several companies had previously recorded substantial impairments on foreclosed assets, leading to impairment reversals in 1Q26 (notably at SAWAD, TIDLOR, and SAK) to better reflect current market prices.

As a result, the aggregate cost-to-income ratio declined to 49.6% in 1Q26 from 50.27% in 4Q25 and 52.1% in 1Q25. We maintain a positive view of the cost-to-income ratio outlook in 2Q–3Q26, supported by stronger revenue growth, while operating expenses should continue to trend lower alongside declining losses from repossessed vehicle sales. However, operating expenses may accelerate again in 4Q26 during the seasonal peak. We therefore forecast the aggregate cost-to-income ratio to decline slightly to 50.0% in 2026 from 50.6% in 2025.

**Exhibit 12: Title loan – 1Q26 Operating expense and cost-to-income ratio**

THB m	1Q26	4Q25	%q-q	1Q25	%y-y	% of 26E	2026E
<b>MTC</b>							
Operating expenses	3,099	3,033	2.2%	2,829	9.6%	24%	13,016
Cost to income ratio	48.8%	47.2%		48.8%			47.4%
<b>SAK</b>							
Operating expenses	401	408	-1.9%	383	4.7%	24%	1,664
Cost to income ratio	49.4%	49.4%		45.3%			47.7%
<b>SAWAD</b>							
Operating expenses	1,848	1,850	-0.1%	2,175	-15.0%	23%	7,880
Cost to income ratio	43.5%	44.8%		53.7%			46.2%
<b>TIDLOR</b>							
Operating expenses	2,981	3,191	-6.6%	2,730	9.2%	24%	12,389
Cost to income ratio	54.4%	57.0%		54.5%			55.4%
<b>Coverage</b>							
Operating expenses	8,328	8,482	-1.8%	8,116	2.6%	24%	34,949
Cost to income ratio	49.6%	50.3%		52.1%			50.0%

Sources: Company data; FSSIA compilation

**Exhibit 13: Loss on sales and impairment of vehicle repossessed**

THB m	2021	2022	2023	2024	2025	1Q26
<b>MTC</b>						
Loss on disposal of foreclosed assets	NA	NA	NA	NA	NA	NA
Impairment loss (reversal) of foreclosed assets	-	394	907	1,141	1,051	190
Property foreclosed	NA	NA	NA	NA	NA	NA
<b>SAK</b>						
Loss on disposal of foreclosed assets	4	6	13	26	26	3
Impairment loss (reversal) of foreclosed assets	-	-	-	-	1	(10)
Property foreclosed	3	9	20	12	9	14
<b>SAWAD</b>						
Loss on disposal of foreclosed assets	88	204	921	1,747	739	109
Impairment loss (reversal) of foreclosed assets	34	28	287	(1)	(224)	(78)
Property foreclosed (including POCI)	722	857	1,650	1,748	1,782	1,663
<b>TIDLOR</b>						
Loss on disposal of foreclosed assets	NA	NA	NA	NA	NA	NA
Impairment loss (reversal) of foreclosed assets	(211)	639	805	415	775	(35)
Property foreclosed	59	171	287	194	174	134
<b>Coverage</b>						
Loss on disposal of foreclosed assets	NA	NA	NA	NA	NA	NA
Impairment loss (reversal) of foreclosed assets	(177)	1,061	1,999	1,555	1,603	67
Property foreclosed	NA	NA	NA	NA	NA	NA

Sources: Company data; FSSIA compilation

## Asset quality stable in 1Q26; credit costs to rise through the rest of 2026

Asset quality in the industry's title loan segment has likely passed its trough since 2024, as reflected in NPL ratios that peaked at 3.24% for banks and 2.67% for non-banks, driven by slower loan growth. At the end of 1Q26, NPL ratios declined to 2.76% for banks and 2.51% for non-banks. Among the four companies under our coverage, aggregate gross NPLs and the NPL ratio remained relatively stable at THB10.4b and 2.62%, respectively, at the end of 1Q26.

Tighter underwriting standards with a stronger focus on credit quality during 2024–25, together with debtor assistance measures such as debt restructuring, the "You Fight, We Help" program for TIDLOR, and more proactive write-offs, supported a decline in NPL ratios in 2025 (except for SAWAD and SAK due to loan contraction in 2025) and should continue into 2026E. We expect the aggregate NPL ratio to gradually decline from 1Q26 levels to 2.50% by the end of 2026E, led by MTC, while TIDLOR, SAWAD, and SAK may see slight increases, but only at a modest pace, supported by stronger loan growth in 2H26.

Aggregate credit costs in 1Q26 fell significantly to 2.00% from 2.95% in 4Q25, with all companies reporting declines, led by TIDLOR, which recorded sizeable management overlay provisions in 4Q25 for the southern Thailand floods (cTHB200m), while actual damage turned out to be limited. SAK, MTC, and SAWAD also reported lower credit costs q-q. As a result, the aggregate coverage ratio edged down slightly to 122.1% at the end of 1Q26 from 123.6% at the end of 2025.

However, asset quality trends through the remainder of 2026 still warrant close monitoring. Higher domestic oil prices since March 26 have not yet fully affected debt collection performance or loan quality across operators. In addition, April 26 included a long holiday, which may have temporarily reduced collection efficiency. We therefore expect credit costs to normalize higher through the remainder of 2026, with our full-year 2026 forecast at 2.40%, above the unusually low level recorded in 1Q26.

### Exhibit 14: Title loans – NPL and NPL ratio, 2021-1Q26

THB m	2021	2022	2023	2024	2025	% y-y	5Y CAGR	1Q26	%q-q	%y-y
<b>Industry</b>	<b>2,934</b>	<b>4,807</b>	<b>7,440</b>	<b>10,290</b>	<b>9,695</b>	<b>-5.8%</b>	<b>27.7%</b>	<b>9,911</b>	<b>2.2%</b>	<b>2.4%</b>
<i>Bank</i>	761	670	1,268	1,503	1,357	-9.7%	10.8%	1,283	-5.5%	2.4%
<i>Non-bank</i>	2,173	4,137	6,172	8,787	8,338	-5.1%	32.4%	8,628	3.5%	2.4%
<b>MTC</b>	<b>1,276</b>	<b>3,507</b>	<b>4,461</b>	<b>4,517</b>	<b>4,629</b>	<b>2.5%</b>	<b>44.0%</b>	<b>4,731</b>	<b>2.2%</b>	<b>8.7%</b>
<b>SAWAD</b>	<b>1,249</b>	<b>1,385</b>	<b>2,998</b>	<b>3,337</b>	<b>3,602</b>	<b>7.9%</b>	<b>19.5%</b>	<b>3,665</b>	<b>1.7%</b>	<b>7.7%</b>
<b>TIDLOR</b>	<b>732</b>	<b>1,285</b>	<b>1,412</b>	<b>1,877</b>	<b>1,692</b>	<b>-9.8%</b>	<b>14.8%</b>	<b>1,611</b>	<b>-4.8%</b>	<b>0.1%</b>
<b>SAK</b>	<b>191</b>	<b>276</b>	<b>310</b>	<b>360</b>	<b>388</b>	<b>7.8%</b>	<b>22.1%</b>	<b>388</b>	<b>-0.1%</b>	<b>4.6%</b>
<b>Coverage</b>	<b>3,448</b>	<b>6,453</b>	<b>9,180</b>	<b>10,091</b>	<b>10,311</b>	<b>2.2%</b>	<b>26.2%</b>	<b>10,394</b>	<b>0.8%</b>	<b>6.8%</b>
<b>NPL ratio</b>										
<b>Unit in %</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>1Q26</b>				
<b>Industry</b>	<b>1.62</b>	<b>1.94</b>	<b>2.21</b>	<b>2.74</b>	<b>2.47</b>	<b>2.54</b>				
<i>Bank</i>	2.40	1.77	2.83	3.24	2.90	2.76				
<i>Non-bank</i>	1.46	1.97	2.11	2.67	2.41	2.51				
<b>MTC</b>	<b>1.41</b>	<b>2.94</b>	<b>3.15</b>	<b>2.78</b>	<b>2.56</b>	<b>2.60</b>				
<b>SAWAD</b>	<b>3.71</b>	<b>2.51</b>	<b>3.09</b>	<b>3.59</b>	<b>3.91</b>	<b>3.97</b>				
<b>TIDLOR</b>	<b>1.21</b>	<b>1.61</b>	<b>1.47</b>	<b>1.84</b>	<b>1.57</b>	<b>1.49</b>				
<b>SAK</b>	<b>2.20</b>	<b>2.61</b>	<b>2.57</b>	<b>2.52</b>	<b>2.74</b>	<b>2.71</b>				
<b>Coverage</b>	<b>1.78</b>	<b>2.44</b>	<b>2.65</b>	<b>2.71</b>	<b>2.61</b>	<b>2.62</b>				

Sources: Company data; FSSIA compilation

## Exhibit 15: Title loans – 1Q26 ECLs and credit costs

THB m	1Q26	4Q25	%q-q	1Q25	%y-y	% of 26E	2026E
<b>MTC</b>							
ECLs	781	872	-10.5%	752	3.9%	19%	4,023
Credit costs	2.14%	2.59%		2.43%			2.57%
NPL ratio	2.60%	2.56%		2.72%			2.50%
Coverage ratio	143.9%	143.0%		138.3%			146.9%
<b>SAK</b>							
ECLs	30	53	-43.8%	60	-50.3%	14%	220
Credit costs	0.84%	1.51%		1.68%			1.50%
NPL ratio	2.71%	2.74%		2.68%			2.76%
Coverage ratio	104.1%	105.0%		101.0%			104.8%
<b>SAWAD</b>							
ECLs	513	551	-6.9%	421	21.9%	26%	1,956
Credit costs	2.23%	2.41%		1.84%			2.00%
NPL ratio	3.97%	3.91%		3.77%			3.96%
Coverage ratio	52.6%	52.5%		53.2%			52.9%
<b>TIDLOR</b>							
ECLs	468	981	-52.3%	772	-39.4%	16%	2,878
Credit costs	1.74%	3.68%		3.01%			2.60%
NPL ratio	1.49%	1.57%		1.81%			1.67%
Coverage ratio	340.5%	325.0%		255.7%			305.5%
<b>Coverage</b>							
ECLs	1,792	2,457	-27.1%	2,004	-10.6%	20%	9,077
Credit costs	2.00%	2.95%		2.42%			2.40%
NPL ratio	2.62%	2.61%		2.72%			2.50%
Coverage ratio	122.1%	123.6%		112.1%			117.6%

Sources: Company data; FSSIA compilation

## Exhibit 16: Title loan – Staged loan, 2022-1Q26

	2022	2023	2024	2025	1Q26	2022	2023	2024	2025	1Q26
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)	(%)	(%)
<b>Loans and accrued interest</b>						<b>% Staged loan to total loan</b>				
Stage 1	231,281	302,544	323,734	347,664	350,037	86.29	86.38	86.10	87.00	87.30
Stage 2	30,281	38,540	42,174	41,618	40,514	11.30	11.00	11.22	10.42	10.10
Stage 3	6,453	9,180	10,091	10,311	10,394	2.41	2.62	2.68	2.58	2.59
Total	268,015	350,264	375,999	399,593	400,945	100.0	100.0	100.0	100.0	100.0
<b>Expected credit loss (ECL)</b>						<b>% ECL to total loan</b>				
Stage 1	2,091	3,019	4,163	5,072	5,336	0.9	1.0	1.3	1.5	1.5
Stage 2	2,313	3,372	3,678	3,819	3,860	7.6	8.7	8.7	9.2	9.5
Stage 3	3,427	4,674	5,173	5,527	5,425	53.1	50.9	51.3	53.6	52.2
Total	7,831	11,065	13,014	14,418	14,622	2.9	3.2	3.5	3.6	3.6
	(%)	(%)	(%)	(%)	(%)					
NPL/ TL	2.41	2.62	2.68	2.58	2.59					
NPL vs. Stage 2 loans/ TL	13.71	13.62	13.90	13.00	12.70					
LLR / NPL	121.3	120.5	129.0	139.8	140.7					
LLR / (NPL vs. Stage 2 loans)	21.3	23.2	24.9	27.8	28.7					

Sources: Company data; FSSIA compilation

### Maintain TIDLOR as our top Buy; MTC, SAWAD valuations remain attractive

We maintain our 2026–28 earnings forecasts for the four companies under our coverage, expecting aggregate net profit to grow at a 10.9% CAGR, driven by average loan growth of 10.2%. However, we do not expect loan spreads to trend upward, as the benefit from lower cost of funds should largely offset lower loan yields from a greater focus on lower-yield secured loans and faster expansion in land title loans (mainly at MTC and SAK).

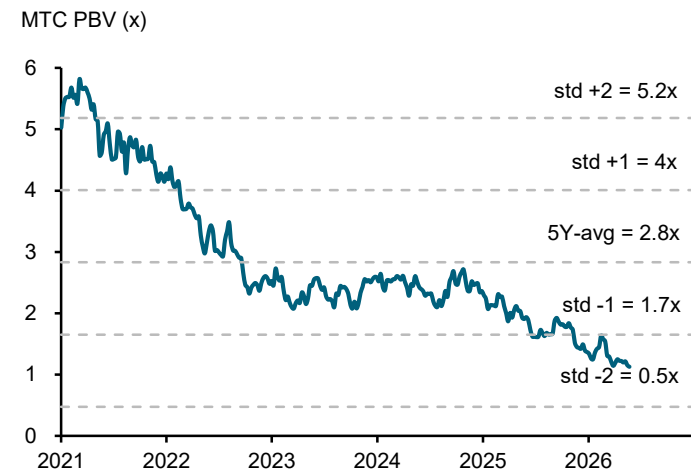
We forecast fee income to grow at an average rate of 7.1%, broadly in line with loan growth trends. Meanwhile, the cost-to-income ratio should remain stable at around 49.0–49.9%, improving from 50.6% in 2025. We also expect average credit costs to decline to 2.40–2.43% from 2.55% in 2025, supported by stronger asset quality and lower impairments on repossessed vehicles. As a result, we forecast the aggregate NPL ratio to decline to 2.50–2.53% from 2.61% at the end of 2025.

Overall financial positions should remain solid, with D/E expected to decline to 2.5x gradually and IBD/E to 3.1x at the end of 2028, compared with 2.9x and 3.3x, respectively, at the end of 2025.

We maintain BUY ratings on TIDLOR (TP: THB23), MTC (TP: THB46), and SAWAD (TP: THB35), while maintaining a HOLD rating on SAK (TP: THB3.53) due to its more vulnerable customer base compared with peers.

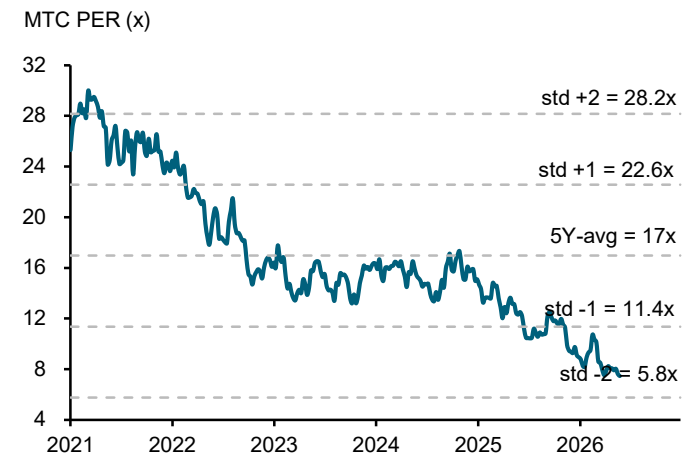
We pick TIDLOR as our top BUY call alongside KTC (TP: THB36), supported by stronger asset quality than peers and lower downside risks to its 2026 loan growth outlook. The company also benefits from higher used-truck prices, which have significantly reduced pressure on credit costs. In addition, TIDLOR has a more diversified revenue structure, with a higher proportion of non-NII income than its peers. Moreover, its 4.24% share repurchase program should provide solid support for the share price over the next six months amid market volatility.

Exhibit 17: MTC – One year prospective PBV



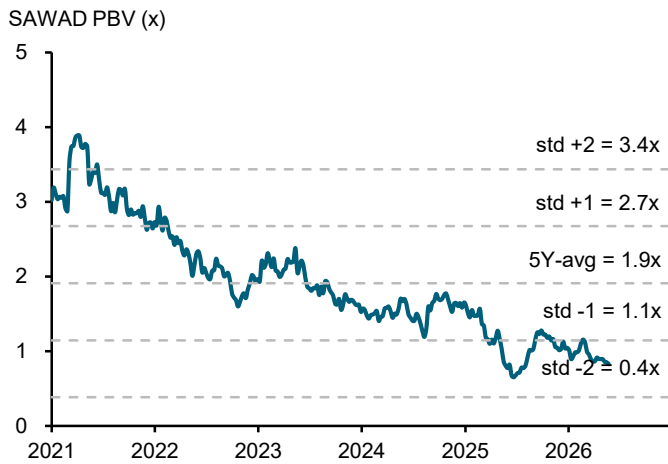
Sources: Bloomberg; FSSIA compilation

Exhibit 18: MTC – One year prospective PER



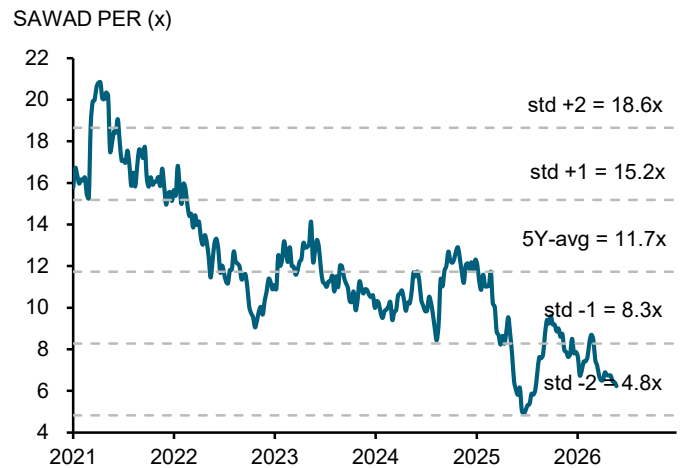
Sources: Bloomberg; FSSIA compilation

**Exhibit 19: SAWAD – One year prospective PBV**



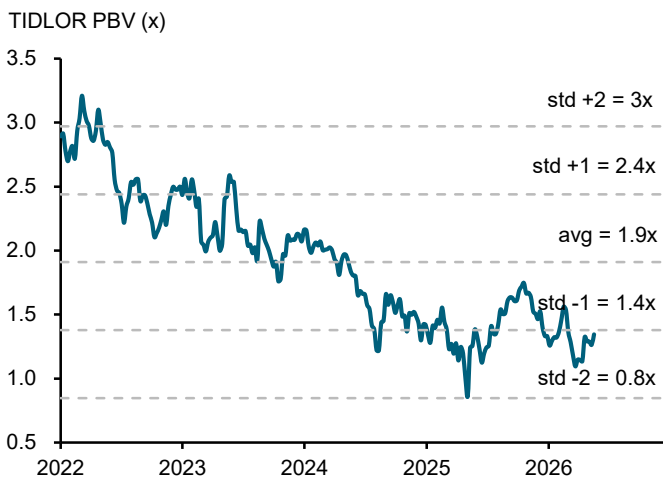
Sources: Bloomberg; FSSIA compilation

**Exhibit 20: SAWAD – One year prospective PER**



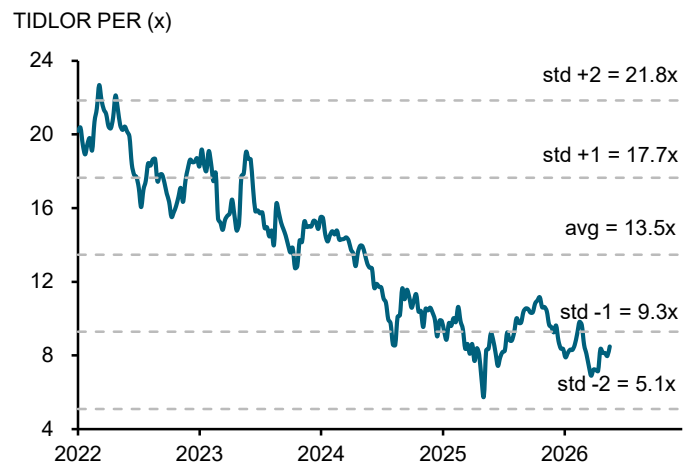
Sources: Bloomberg; FSSIA compilation

**Exhibit 21: TIDLOR – One year prospective PBV**



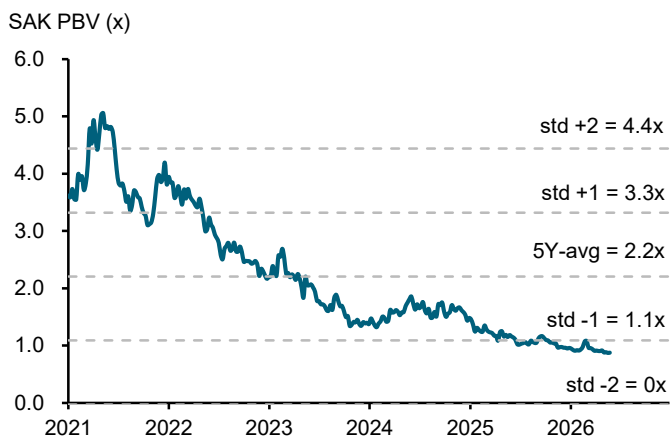
Sources: Bloomberg; FSSIA compilation

**Exhibit 22: TIDLOR – One year prospective PER**



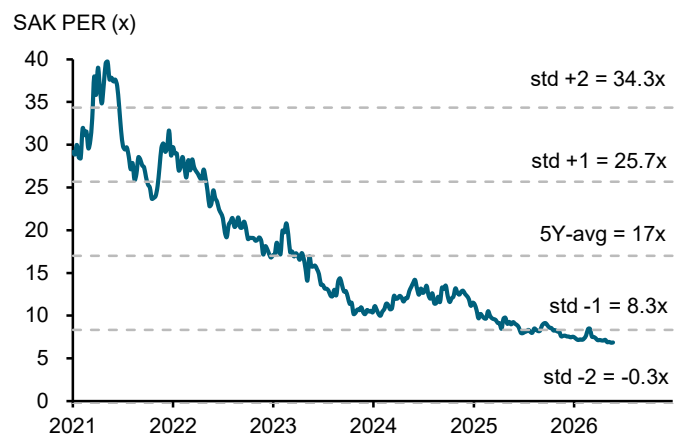
Sources: Bloomberg; FSSIA compilation

**Exhibit 23: SAK – One year prospective PBV**



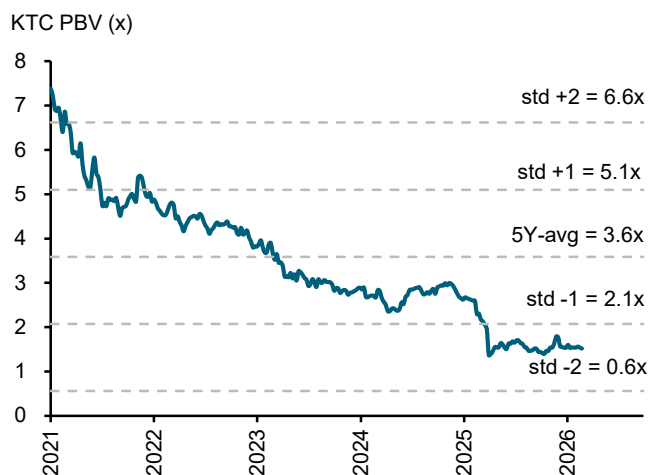
Sources: Bloomberg; FSSIA compilation

**Exhibit 24: SAK – One year prospective PER**



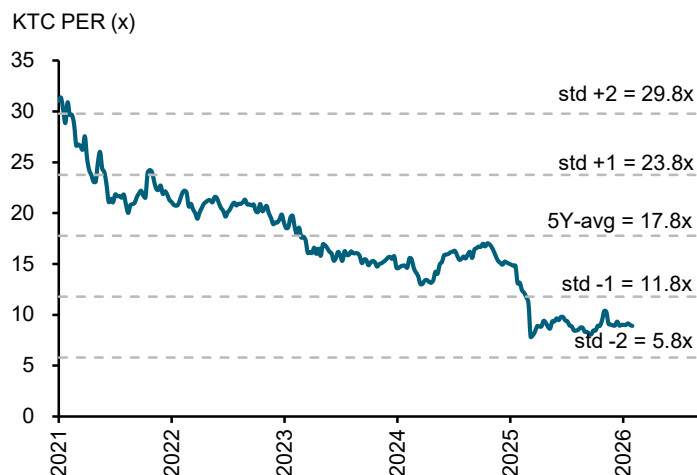
Sources: Bloomberg; FSSIA compilation

**Exhibit 25: KTC – One year prospective PBV**



Sources: Bloomberg; FSSIA compilation

**Exhibit 26: KTC – One year prospective PER**



Sources: Bloomberg; FSSIA compilation

**Exhibit 27: Peer comparison as of 25 May 2026**

Company name	BBG code	Share price (THB)	PE		PBV		ROE		Div yld	
			26E (x)	27E (x)	26E (x)	27E (x)	26E (%)	27E (%)	26E (x)	27E (x)
<b>Auto title</b>										
Muangthai Capital	MTC TB	29.00	8.1	7.2	1.2	1.1	16.4	16.0	1.1	1.2
Srisawad Corp	SAWAD TB	22.10	6.6	6.0	0.9	0.8	14.0	14.0	3.5	3.9
Ngern Tid Lor	TIDLOR TB	18.30	9.0	8.3	1.4	1.3	16.2	16.4	4.9	5.4
Saksiam Leasing	SAK TB	3.20	7.2	6.6	0.9	0.9	13.2	13.3	6.6	7.2
<b>Unsecured finance</b>										
AEON Thana Sinsap (Thailand)	AEONTS TB	94.25	7.4	6.9	0.8	0.8	11.4	11.6	6.0	6.5
Krungthai Card	KTC TB	29.75	9.2	9.0	1.6	1.5	18.0	17.2	6.5	6.7
<b>Hire-purchase truck</b>										
Asia Sermkij Leasing	ASK TB	9.05	10.2	8.7	0.5	0.5	5.1	5.7	4.9	5.7
Ratchthani Leasing	THANI TB	1.64	7.8	7.1	0.7	0.7	9.2	9.6	7.7	8.4
<b>AMCs</b>										
Bangkok Commercial Asset Mgmt.	BAM TB	6.50	10.2	9.0	0.5	0.5	4.5	5.1	6.8	7.8
JMT Network services	JMT TB	11.10	11.1	9.7	0.6	0.6	5.1	5.8	5.4	6.2
<b>Average</b>			<b>8.7</b>	<b>7.9</b>	<b>0.9</b>	<b>0.8</b>	<b>11.3</b>	<b>11.5</b>	<b>5.4</b>	<b>5.9</b>

Note: The Chairman of The Board of Directors of Finansia Syrus Securities PCL is also AEONTS's Director.

Sources: Bloomberg; FSSIA estimates

## 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 <b>SETESG inclusion</b> , 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. <b>SETESG Index</b> 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&amp;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 &amp; 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 border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
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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 border="1" style="margin-left: auto; margin-right: auto;"> <tbody> <tr> <td><b>AAA</b></td> <td>8.571-10.000</td> <td rowspan="3"><b>Leader:</b></td> <td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td><b>AA</b></td> <td>7.143-8.570</td> </tr> <tr> <td><b>A</b></td> <td>5.714-7.142</td> </tr> <tr> <td><b>BBB</b></td> <td>4.286-5.713</td> <td rowspan="3"><b>Average:</b></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><b>BB</b></td> <td>2.857-4.285</td> </tr> <tr> <td><b>B</b></td> <td>1.429-2.856</td> </tr> <tr> <td><b>CCC</b></td> <td>0.000-1.428</td> <td><b>Laggard:</b></td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </tbody> </table>	<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities	<b>AA</b>	7.143-8.570	<b>A</b>	5.714-7.142	<b>BBB</b>	4.286-5.713	<b>Average:</b>	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	<b>BB</b>	2.857-4.285	<b>B</b>	1.429-2.856	<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	lagging its industry based on its high exposure and failure to manage significant ESG risks
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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; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;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) "SETESG". The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

## GENERAL DISCLAIMER

### ANALYST(S) CERTIFICATION

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Company	Ticker	Price	Rating	Valuation & Risks
Muangthai Capital	MTC TB	THB 29.00	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 22.10	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.
Tidlор Holdings	TIDLOR TB	THB 18.30	BUY	Downside risks to our GGM-based TP include 1) further weakening asset quality could potentially hit both loan yield and credit cost; and 2) tighter supervision from related regulators.
Saksiam Leasing	SAK TB	THB 3.20	HOLD	Upside risks to our GGM-derived TP include 1) loan expansion following the broad-based economic recovery 2) a reduction in cost of funds due mainly to the downward interest rate trend and 3) an accelerated decrease in credit costs owing to the rise in consumers purchasing power. 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.
Krungthai Card	KTC TB	THB 29.75	BUY	Downside risks are: 1) regulatory actions to curb industry growth; 2) a higher-than-expected policy rate; and 3) deteriorating asset quality.

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 25-May-2026 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.