

Ngern Tid Lor Pcl (TIDLOR TB) - BUY, Price Bt21.70, TP Bt25.00**Results Comment**

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Record profits in 1Q24

- TIDLOR reported strong 1Q24 profits of Bt1.1bn, up 16% y-y and 23% q-q.
- Profits were higher than our preview and accounted for 24% of our full-year forecast. Re-iterate BUY.
- Loans grew 2.7% q-q, driven by 4W and 2W. TIDLOR remains cautious on truck HP.
- Asset quality was manageable. With smaller write-off, NPL in absolute rose 14% q-q to 1.6% of total loans from 1.4% in 4Q23.
- Stage 2 loans were pretty much stable q-q at 16.5% of total loans in 1Q24.
- Provisions fell 19% q-q on lower write-off amounts. Credit costs were 3.3% down from 4.2% in 4Q23 but increased from 3.1% in 1Q23. Loan loss coverage ratio stood high at 264%.
- NIM fell q-q due to lower number of days but increased slightly y-y. TIDLOR started to increase interest charge of new loan book for some segments since 4Q23.
- Non-interest income, mainly from insurance brokerage fees, grew 20% y-y but was down 9% q-q on seasonal factor.
- The company opened new branches and launched TV ads in the quarter. Opex jumped 21% y-y but decreased 1% from 4Q23. Cost to income ratio was manageable at 54%.

Income Statement (consolidated)						Income Statement 3M as					
Yr-end Dec (Bt m)	1Q23	2Q23	3Q23	4Q23	1Q24	(Bt m)	q-q%	y-y%	% 2024F	2024F	2025F
Interest income	3,567	3,744	4,000	4,233	4,374	Interest & dividend income	3	23	24	18,225	20,926
Interest expense	395	426	484	537	557	Interest expense	4	41	23	2,423	2,697
Net interest income	3,172	3,317	3,517	3,696	3,818	Net interest income	3	20	24	15,801	18,230
Non-interest income	778	786	834	1,030	935	Non-interest income	(9)	20	20	4,562	5,111
Total income	3,950	4,103	4,351	4,726	4,752	Total income	1	20	23	20,364	23,340
Operating expense	2,120	2,270	2,409	2,602	2,569	Operating expense	(1)	21	23	11,281	12,973
Pre-provisioning profit	1,831	1,833	1,941	2,124	2,183	Pre-provisioning profit	3	19	24	9,083	10,367
Provision for bad&doubtful debt	635	670	681	1,000	809	Provision for bad&doubtful debt	(19)	27	24	3,362	3,577
Profit before tax	1,196	1,164	1,260	1,124	1,374	Profit before tax	22	15	24	5,720	6,790
Tax	241	236	253	223	270	Tax	21	12	24	1,144	1,358
Profit after tax	955	927	1,007	901	1,104	Profit after tax	23	16	24	4,576	5,432
Equity income	-	-	-	-	-	Equity income	-	-	-	-	-
Minority interests	-	-	-	-	-	Minority interests	-	-	-	-	-
Extra items	-	-	-	-	-	Extra items	-	-	-	-	-
Net profit	955	927	1,007	901	1,104	Net profit	23	16	24	4,576	5,432
Normalized profit	955	927	1,007	901	1,104	Normalized profit	23	16	24	4,576	5,432
PPP/share (Bt)	0.7	0.7	0.7	0.8	0.8	PPP/share (Bt)	3	6	24	3.2	3.7
EPS (Bt)	0.4	0.3	0.4	0.3	0.39	EPS (Bt)	23	3	24	1.6	1.9
Norm EPS (Bt)	0.4	0.3	0.4	0.3	0.4	Norm EPS (Bt)	23	3	24	1.6	1.9
BV/share (Bt)	10.6	9.5	9.8	10.1	10.5	BV/share (Bt)	4	(1)	11	11.0	12.1
Balance Sheet (consolidated)						Financial Ratios (%)					
Yr-end Dec (Bt m)	1Q23	2Q23	3Q23	4Q23	1Q24		1Q23	2Q23	3Q23	4Q23	1Q24
Cash and cash equivalent	4,197	2,008	1,354	1,656	2,870	Gross loan grow th (YTD)	2.0	6.9	12.3	18.9	2.7
Other current assets	1,381	876	954	1,145	920	Gross loan grow th (q-q)	2.0	4.7	5.1	5.8	2.7
Total current assets	5,579	2,884	2,307	2,800	3,790	Borrow ing grow th (YTD)	5.3	7.6	12.9	20.9	3.6
Gross loans and accrued interest	83,040	87,246	91,888	97,457	100,133	Borrow ing grow th (q-q)	5.3	2.1	4.9	7.1	3.6
Provisions	3,364	3,573	3,678	3,981	4,244	Non-interest income (y-y)	na	na	24.4	21.6	20.2
Net loans	79,676	83,672	88,210	93,475	95,889	Non-interest income (q-q)	(8.2)	1.0	6.1	23.5	(9.2)
Fixed assets	147	218	250	287	237	Cost-to-income	53.7	55.3	55.4	55.1	54.1
Other assets	3,439	3,617	3,755	3,586	3,909	Net interest margin	14.62	14.81	15.21	15.19	14.97
Total assets	88,840	90,391	94,522	100,148	103,825	Credit cost	3.09	3.15	3.04	4.22	3.28
Short term borrow ing	9,349	6,596	4,199	6,643	3,250	ROE	14.8	14.0	14.9	12.9	15.2
Current portion of LT loans	10,571	16,050	18,383	25,726	27,225	ROA	4.4	4.1	4.4	3.7	4.3
Other current liabilities	2,803	2,491	2,488	2,877	2,994	Loan-to-borrow ing	132.9	136.7	137.2	135.9	134.7
Total current liabilities	22,724	25,137	25,070	35,246	33,469	Loan-to- total equity	302.2	314.9	320.0	328.9	325.0
Borrow ings	19,563	19,283	19,488	9,021	10,389	NPLs (Btm)	1,247.2	1,343.6	1,390.8	1,411.5	1,606.9
Other liabilities	20,191	19,400	22,399	27,457	30,458	NPL increase	(37.9)	96.4	47.2	20.7	195.4
Minority interest	-	-	-	-	-	NPL ratio (%)	1.50	1.54	1.51	1.45	1.60
Shareholders' equity	26,363	26,571	27,565	28,424	29,508	Loan loss coverage ratio (%)	269.7	266.0	264.4	282.1	264.1
Total Liabilities & Equity	88,840	90,391	94,522	100,148	103,825						

Sources: Company data, Thanachart estimates

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