

**Ngern Tid Lor Pcl (TIDLOR TB) - BUY, Price Bt15.9, TP Bt20.0****Results Comment**

Sarachada Sornsong | Email: sarachada.sor@thanachartsec.co.th

**Weak profits, in-line**

- TIDLOR reported net profits of Bt991m in 3Q24. The profits were down 2% y-y and 9% q-q on higher provisions and slower non-interest income growth. 9M24 profits were 76% of our full-year forecast. We maintain our forecast and re-iterate BUY.
- Loans contracted by 0.7% q-q but grew 12% y-y. We attribute this contraction primarily to the truck segment and tightened underwriting practices for title loans due to NPL concerns.
- NIM improved, rising from 15.2% in 2Q24 to 15.5% in 3Q24, with lending yields increasing by 43bps q-q as lending rates were raised.
- Non-interest income grew by 6% y-y in 3Q24, with strong double-digit growth in non-life insurance premiums and sales. Life insurance growth slowed, correlating with slower loan growth.
- TIDLOR continued its aggressive balance sheet clean-up, writing off Bt949m in NPLs in 3Q24, up from Bt843m in 2Q24.
- Credit costs increased from 3.57% in 2Q24 to 3.9% in 3Q24, though NPL growth decelerated q-q. NPL formation declined to 3.8% in 3Q24 from 4.6% in 2Q24.
- The NPL ratio ended at 1.9%, with a loan loss coverage ratio of 231%.

Income Statement						Income Statement					
(consolidated)						9M as					
Yr-end Dec (Bt m)	3Q23	4Q23	1Q24	2Q24	3Q24	(Bt m)	q-q%	y-y%	% 2024F	2024F	2025F
Interest income	4,000	4,233	4,374	4,566	4,727	Interest & dividend income	4	18	74	18,464	20,582
Interest expense	484	537	557	590	623	Interest expense	6	29	73	2,433	2,630
<b>Net interest income</b>	<b>3,517</b>	<b>3,696</b>	<b>3,818</b>	<b>3,976</b>	<b>4,104</b>	<b>Net interest income</b>	<b>3</b>	<b>17</b>	<b>74</b>	<b>16,030</b>	<b>17,952</b>
Non-interest income	834	1,030	935	898	884	Non-interest income	(2)	6	71	3,823	4,283
Total income	4,351	4,726	4,752	4,874	4,987	Total income	2	15	74	19,854	22,235
Operating expense	2,409	2,602	2,569	2,604	2,742	Operating expense	5	14	72	10,930	12,351
<b>Pre-provisioning profit</b>	<b>1,941</b>	<b>2,124</b>	<b>2,183</b>	<b>2,270</b>	<b>2,245</b>	<b>Pre-provisioning profit</b>	<b>(1)</b>	<b>16</b>	<b>75</b>	<b>8,924</b>	<b>9,884</b>
Provision for bad&doubtful debt	681	1,000	809	905	1,005	Provision for bad&doubtful debt	11	47	74	3,682	3,754
Profit before tax	1,260	1,124	1,374	1,365	1,241	Profit before tax	(9)	(2)	76	5,241	6,130
Tax	253	223	270	274	250	Tax	(9)	(1)	76	1,048	1,226
Profit after tax	1,007	901	1,104	1,091	991	Profit after tax	(9)	(2)	76	4,193	4,904
Equity income	-	-	-	-	-	Equity income	-	-	-	-	-
Minority interests	-	-	-	-	-	Minority interests	-	-	-	-	-
Extra items	-	-	-	-	-	Extra items	-	-	-	-	-
<b>Net profit</b>	<b>1,007</b>	<b>901</b>	<b>1,104</b>	<b>1,091</b>	<b>991</b>	<b>Net profit</b>	<b>(9)</b>	<b>(2)</b>	<b>76</b>	<b>4,193</b>	<b>4,904</b>
<b>Normalized profit</b>	<b>1,007</b>	<b>901</b>	<b>1,104</b>	<b>1,091</b>	<b>991</b>	<b>Normalized profit</b>	<b>(9)</b>	<b>(2)</b>	<b>76</b>	<b>4,193</b>	<b>4,904</b>
PPP/share (Bt)	0.7	0.8	0.8	0.8	0.8	PPP/share (Bt)	(1)	12	76	3.1	3.4
EPS (Bt)	0.4	0.3	0.4	0.4	0.34	EPS (Bt)	(9)	(5)	77	1.4	1.7
Norm EPS (Bt)	0.4	0.3	0.4	0.4	0.3	Norm EPS (Bt)	(9)	(5)	77	1.4	1.7
BV/share (Bt)	9.8	10.1	10.5	10.2	10.6	BV/share (Bt)	3	8	11	10.5	11.5

  

Balance Sheet						Financial Ratios					
(consolidated)						9M as					
Yr-end Dec (Bt m)	3Q23	4Q23	1Q24	2Q24	3Q24	(%)	3Q23	4Q23	1Q24	2Q24	3Q24
Cash and cash equivalent	1,354	1,656	2,870	1,432	3,166	Gross loan grow th (YTD)	12.3	18.9	2.7	5.4	4.7
Other current assets	954	1,145	920	1,129	968	Gross loan grow th (q-q)	5.1	5.8	2.7	2.6	(0.7)
Total current assets	2,307	2,800	3,790	2,562	4,134	Borrow ing grow th (YTD)	12.9	20.9	3.6	5.2	5.6
Gross loans and accrued interest	91,888	97,457	100,133	103,042	102,700	Borrow ing grow th (q-q)	4.9	7.1	3.6	1.5	0.4
Provisions	3,678	3,981	4,244	4,356	4,461	Non-interest income (y-y)	na	na	20.2	14.3	6.0
Net loans	88,210	93,475	95,889	98,686	98,238	Non-interest income (q-q)	6.1	23.5	(9.2)	(3.9)	(1.7)
Fixed assets	250	287	237	268	301	Cost-to-income	55.4	55.1	54.1	53.4	55.0
Other assets	3,755	3,586	3,909	3,779	3,877	Net interest margin	15.21	15.19	14.97	15.21	15.50
<b>Total assets</b>	<b>94,522</b>	<b>100,148</b>	<b>103,825</b>	<b>105,294</b>	<b>106,550</b>	Credit cost	3.04	4.22	3.28	3.57	3.91
Short term borrowing	4,199	6,643	3,250	7,064	850	ROE	14.9	12.9	15.2	14.7	13.1
Current portion of LT loans	18,383	25,726	27,225	22,573	30,320	ROA	4.4	3.7	4.3	4.2	3.7
Other current liabilities	2,488	2,877	2,994	2,762	2,616	Loan-to-borrow ing	137.2	135.9	134.7	136.6	135.6
Total current liabilities	25,070	35,246	33,469	32,398	33,786	Loan-to- total equity	320.0	328.9	325.0	330.6	318.8
Borrow ings	19,488	9,021	10,389	12,499	16,151	NPLs (Btm)	1,390.8	1,411.5	1,606.9	1,916.3	1,934.9
Other liabilities	22,399	27,457	30,458	30,543	25,799	NPL increase	47.2	20.7	195.4	309.4	18.6
Minority interest	-	-	-	-	-	NPL ratio (%)	1.51	1.45	1.60	1.86	1.88
<b>Shareholders' equity</b>	<b>27,565</b>	<b>28,424</b>	<b>29,508</b>	<b>29,854</b>	<b>30,814</b>	Loan loss coverage ratio (%)	264.4	282.1	264.1	227.3	230.6
<b>Total Liabilities &amp; Equity</b>	<b>94,522</b>	<b>100,148</b>	<b>103,825</b>	<b>105,294</b>	<b>106,550</b>						

Sources: Company data, Thanachart estimates

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