Ratchthani Leasing Pcl (THANI TB) - BUY, Price Bt1.56, TP Bt2.3

Results Comment

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Beat 3Q25 results on asset quality

Income Statement

Yr-end Dec (Bt m)

- We are encouraged by a strong 3Q25 net profit of Bt301m (+277% y-y, +8% q-q), beating our and the street's estimates by 10% and 15%, respectively, driven primarily by a lower credit cost. With 9M25 earnings already at 81% of our full-year projection, upside risk to our estimates has emerged.
- Results were mixed bag, with two positives asset quality and interest expense — and one negative in loan volume.
 - (+) Asset quality: Credit metrics continued to trend positively: 1) NPLs declined 3% q-q; 2) Stage 2 loans fell a notable 9% q-q; and 3) Foreclosed properties dropped 42% q-q, indicating lower repossessed vehicle inventory. As a result, total credit cost (including asset impairment) improved to 117bps, down from 155bps in 2Q25.

3024

4024

1025

- (+) Interest expense: Given a drop in loan volume, the company managed to repay its debt, resulting in savings on interest expenses. This caused a rise in NIM to 4.4% from 4.3% in 2Q25.
- (-) Loans declined by 4.2% q-q, 13% YTD following its prudent lending strategy, and weak new truck demand.
- We believe the continued improvement in asset quality should more than offset weak loan growth. Accordingly, we expect earnings to increase y-y in 4Q25F and deliver a strong +16% yy growth in 2026F. We therefore maintain our BUY call.

9M as

2025F

2026F

y-y% % 2025F

II-elia Dec (Bi iii)	3024	4024	IQZO	2020	3023	(DLIII)	4-4 / ₀	y-y /o	/0 ZUZJI	20231	2020
Interest income	829	801	762	727	702	Interest & dividend income	(3)	(15)	74	2,941	2,760
Interest expense	296	290	274	255	237	Interest expense	(7)	(20)	78	981	823
Net interest income	533	511	488	472	465	Net interest income	(2)	(13)	73	1,960	1,937
Non-interest income	203	211	236	221	206	Non-interest income	(7)	2	75	886	949
Total income	736	722	724	693	671	Total income	(3)	(9)	73	2,846	2,886
Operating expense	228	287	149	59	136	Operating expense	131	(40)	61	564	621
Pre-provisioning profit	508	435	575	634	535	Pre-provisioning profit	(16)	5	76	2,282	2,266
Provision for bad&doubtful debt	404	269	250	276	150	Provision for bad&doubtful debt	(46)	(63)	67	1,003	780
Profit before tax	105	166	325	358	385	Profit before tax	7	267	83	1,279	1,486
Tax	25	43	72	80	84	Tax	5	236	92	256	297
Profit after tax	80	123	254	279	301	Profit after tax	8	277	81	1,024	1,189
Equity income	-	-	-	-	-	Equity income	neg	neg		-	-
Minority interests	(0)	(0)	(0)	(0)	(0)	Minority interests	neg	neg		-	-
Extra items	-	-	-	-	-	Extra items	neg	neg			
Net profit	80	123	254	279	301	Net profit	8	277	81	1,024	1,189
Normalized profit	80	123	254	279	301	Normalized profit	8	277	81	1,024	1,189
PPP/share (Bt)	0.1	0.1	0.1	0.1	0.1	PPP/share (Bt)	(16)	5	76	0.4	0.4
EPS (Bt)	0.0	0.0	0.0	0.0	0.0	EPS (Bt)	8	277	81	0.2	0.2
Norm EPS (Bt)	0.0	0.0	0.0	0.0	0.0	Norm EPS (Bt)	8	277	81	0.2	0.2
BV/share (Bt)	2.1	2.1	2.2	2.2	2.2	BV/share (Bt)	2	4	295	2.2	2.3
Balance Sheet (consolidated)						Financial Ratios					
Yr-end Dec (Bt m)	3Q24	4Q24	1Q25	2Q25	3Q25	(%)	3Q24	4Q24	1Q25	2Q25	3Q25
Cash and cash equivalent	1,454	3,691	2,856	1,608	1,488	Gross loan growth (YTD)	(8.7)	(12.3)	(5.0)	(9.5)	(13.3)
Gross loans		47 400	45.000						(5.0)	(4.7)	(4.2)
Or odd loand	49,365	47,409	45,038	42,923	41,103	Gross loan grow th (q-q)	(3.4)	(4.0)			
Accrued interest	49,365 4	47,409 5	45,038 5	42,923 5	41,103 7	Gross loan grow th (q-q) Borrow ing grow th (YTD)	(3.4) (12.2)	(4.0) (11.3)	(10.2)	(18.7)	(24.4)
	,	,	,		,		, ,	, ,	(10.2) (10.2)	(18.7) (9.4)	(24.4)
Accrued interest	4	5	5	5	7	Borrow ing grow th (YTD)	(12.2)	(11.3)	, ,	, ,	
Accrued interest Provisions	4 1,739	5 1,742	5 1,730	5 1,520	7 1,367	Borrow ing grow th (YTD) Borrow ing grow th (q-q)	(12.2)	(11.3)	(10.2)	(9.4)	(7.1)
Accrued interest Provisions Net loans	4 1,739 47,630	5 1,742 45,672	5 1,730 43,313	5 1,520 41,409	7 1,367 39,743	Borrowing growth (YTD) Borrowing growth (q-q) Non-interest income (y-y)	(12.2) (3.5) (13.9)	(11.3) 1.0 10.6	(10.2)	(9.4) (2.3)	(7.1) 1.5
Accrued interest Provisions Net loans Property foreclosed	4 1,739 47,630 640	5 1,742 45,672 762	5 1,730 43,313 666	5 1,520 41,409 336	7 1,367 39,743 196	Borrowing growth (YTD) Borrowing growth (q-q) Non-interest income (y-y)	(12.2) (3.5) (13.9)	(11.3) 1.0 10.6	(10.2)	(9.4) (2.3)	(7.1) 1.5
Accrued interest Provisions Net loans Property foreclosed Premises & equipment	4 1,739 47,630 640 62	5 1,742 45,672 762 61	5 1,730 43,313 666 97	5 1,520 41,409 336 96	7 1,367 39,743 196 93	Borrow ing grow th (YTD) Borrow ing grow th (q-q) Non-interest income (y-y) Non-interest income (q-q)	(12.2) (3.5) (13.9) (10.5)	(11.3) 1.0 10.6 3.9	(10.2) 4.2 11.9	(9.4) (2.3) (6.2)	(7.1) 1.5 (6.9)
Accrued interest Provisions Net loans Property foreclosed Premises & equipment Other assets	4 1,739 47,630 640 62 967	5 1,742 45,672 762 61 977	5 1,730 43,313 666 97 973	5 1,520 41,409 336 96 980	7 1,367 39,743 196 93 982	Borrow ing grow th (YTD) Borrow ing grow th (q-q) Non-interest income (y-y) Non-interest income (q-q) Cost-to-income	(12.2) (3.5) (13.9) (10.5)	(11.3) 1.0 10.6 3.9	(10.2) 4.2 11.9	(9.4) (2.3) (6.2)	(7.1) 1.5 (6.9) 20.3
Accrued interest Provisions Net loans Property foreclosed Premises & equipment Other assets Total assets	4 1,739 47,630 640 62 967 50,753	5 1,742 45,672 762 61 977 51,163	5 1,730 43,313 666 97 973 47,905	5 1,520 41,409 336 96 980 44,428	7 1,367 39,743 196 93 982 42,502	Borrow ing grow th (YTD) Borrow ing grow th (q-q) Non-interest income (y-y) Non-interest income (q-q) Cost-to-income Net interest margin	(12.2) (3.5) (13.9) (10.5) 31.0 4.25	(11.3) 1.0 10.6 3.9 39.7 4.22	(10.2) 4.2 11.9 20.6 4.23	(9.4) (2.3) (6.2) 8.5 4.29	(7.1) 1.5 (6.9) 20.3 4.43
Accrued interest Provisions Net loans Property foreclosed Premises & equipment Other assets Total assets Total borrow ings	4 1,739 47,630 640 62 967 50,753 36,618	5 1,742 45,672 762 61 977 51,163 36,989	5 1,730 43,313 666 97 973 47,905 33,212	5 1,520 41,409 336 96 980 44,428 30,080	7 1,367 39,743 196 93 982 42,502 27,946	Borrow ing grow th (YTD) Borrow ing grow th (q-q) Non-interest income (y-y) Non-interest income (q-q) Cost-to-income Net interest margin Credit cost	(12.2) (3.5) (13.9) (10.5) 31.0 4.25 3.21	(11.3) 1.0 10.6 3.9 39.7 4.22 2.22	(10.2) 4.2 11.9 20.6 4.23 2.16	(9.4) (2.3) (6.2) 8.5 4.29 2.51	(7.1) 1.5 (6.9) 20.3 4.43 1.46
Accrued interest Provisions Net loans Property foreclosed Premises & equipment Other assets Total assets Total borrow ings Short term borrow ing	4 1,739 47,630 640 62 967 50,753 36,618 17,305	5 1,742 45,672 762 61 977 51,163 36,989 18,323	5 1,730 43,313 666 97 973 47,905 33,212 14,101	5 1,520 41,409 336 96 980 44,428 30,080 14,121	7 1,367 39,743 196 93 982 42,502 27,946 15,310	Borrow ing grow th (YTD) Borrow ing grow th (q-q) Non-interest income (y-y) Non-interest income (q-q) Cost-to-income Net interest margin Credit cost ROE	(12.2) (3.5) (13.9) (10.5) 31.0 4.25 3.21 2.4	(11.3) 1.0 10.6 3.9 39.7 4.22 2.22 3.7	(10.2) 4.2 11.9 20.6 4.23 2.16 7.5	(9.4) (2.3) (6.2) 8.5 4.29 2.51 8.2	(7.1) 1.5 (6.9) 20.3 4.43 1.46 8.8
Accrued interest Provisions Net loans Property foreclosed Premises & equipment Other assets Total assets Total borrow ings Short term borrow ing Long term borrow ing	4 1,739 47,630 640 62 967 50,753 36,618 17,305 19,314	5 1,742 45,672 762 61 977 51,163 36,989 18,323 18,665	5 1,730 43,313 666 97 973 47,905 33,212 14,101 19,112	5 1,520 41,409 336 96 980 44,428 30,080 14,121 15,959	7 1,367 39,743 196 93 982 42,502 27,946 15,310 12,635	Borrow ing grow th (YTD) Borrow ing grow th (q-q) Non-interest income (y-y) Non-interest income (q-q) Cost-to-income Net interest margin Credit cost ROE ROA	(12.2) (3.5) (13.9) (10.5) 31.0 4.25 3.21 2.4 0.6	(11.3) 1.0 10.6 3.9 39.7 4.22 2.22 3.7	(10.2) 4.2 11.9 20.6 4.23 2.16 7.5	(9.4) (2.3) (6.2) 8.5 4.29 2.51 8.2	(7.1) 1.5 (6.9) 20.3 4.43 1.46 8.8 2.8
Accrued interest Provisions Net loans Property foreclosed Premises & equipment Other assets Total assets Total borrow ings Short term borrow ing Long term borrow ing Lease liabilitiy	4 1,739 47,630 640 62 967 50,753 36,618 17,305 19,314	5 1,742 45,672 762 61 977 51,163 36,989 18,323 18,665	5 1,730 43,313 666 97 973 47,905 33,212 14,101 19,112 18	5 1,520 41,409 336 96 980 44,428 30,080 14,121 15,959	7 1,367 39,743 196 93 982 42,502 27,946 15,310 12,635	Borrow ing grow th (YTD) Borrow ing grow th (q-q) Non-interest income (y-y) Non-interest income (q-q) Cost-to-income Net interest margin Credit cost ROE ROA Loan-to-borrow ing	(12.2) (3.5) (13.9) (10.5) 31.0 4.25 3.21 2.4 0.6 134.8	(11.3) 1.0 10.6 3.9 39.7 4.22 2.22 3.7 1.0 128.2	(10.2) 4.2 11.9 20.6 4.23 2.16 7.5 2.0 135.6	(9.4) (2.3) (6.2) 8.5 4.29 2.51 8.2 2.4 142.7	(7.1) 1.5 (6.9) 20.3 4.43 1.46 8.8 2.8 146.7
Accrued interest Provisions Net loans Property foreclosed Premises & equipment Other assets Total assets Total borrow ings Short term borrow ing Long term borrow ing Lease liabilities	4 1,739 47,630 640 62 967 50,753 36,618 17,305 19,314 18	5 1,742 45,672 762 61 977 51,163 36,989 18,323 18,665 18	5 1,730 43,313 666 97 973 47,905 33,212 14,101 19,112 18 1,057	5 1,520 41,409 336 96 980 44,428 30,080 14,121 15,959 19	7 1,367 39,743 196 93 982 42,502 27,946 15,310 12,635 22 774	Borrow ing grow th (YTD) Borrow ing grow th (q-q) Non-interest income (y-y) Non-interest income (q-q) Cost-to-income Net interest margin Credit cost ROE ROA Loan-to-borrow ing Loan-to- total equity	(12.2) (3.5) (13.9) (10.5) 31.0 4.25 3.21 2.4 0.6 134.8 372.6	(11.3) 1.0 10.6 3.9 39.7 4.22 2.22 3.7 1.0 128.2 354.8	(10.2) 4.2 11.9 20.6 4.23 2.16 7.5 2.0 135.6 330.7	(9.4) (2.3) (6.2) 8.5 4.29 2.51 8.2 2.4 142.7 318.9	(7.1) 1.5 (6.9) 20.3 4.43 1.46 8.8 2.8 146.7 298.7
Accrued interest Provisions Net loans Property foreclosed Premises & equipment Other assets Total assets Total borrow ings Short term borrow ing Long term borrow ing Lease liabilities Total liabilities	4 1,739 47,630 640 62 967 50,753 36,618 17,305 19,314 18 867 37,504	5 1,742 45,672 762 61 977 51,163 36,989 18,323 18,665 18 792 37,798	5 1,730 43,313 666 97 973 47,905 33,212 14,101 19,112 18 1,057 34,287	5 1,520 41,409 336 96 980 44,428 30,080 14,121 15,959 19 869 30,968	7 1,367 39,743 196 93 982 42,502 27,946 15,310 12,635 22 774 28,741	Borrow ing grow th (YTD) Borrow ing grow th (q-q) Non-interest income (y-y) Non-interest income (q-q) Cost-to-income Net interest margin Credit cost ROE ROA Loan-to-borrow ing Loan-to- total equity NPLs (Bt m)	(12.2) (3.5) (13.9) (10.5) 31.0 4.25 3.21 2.4 0.6 134.8 372.6 1,874	(11.3) 1.0 10.6 3.9 39.7 4.22 2.22 3.7 1.0 128.2 354.8 1,569	(10.2) 4.2 11.9 20.6 4.23 2.16 7.5 2.0 135.6 330.7 1,321	(9.4) (2.3) (6.2) 8.5 4.29 2.51 8.2 2.4 142.7 318.9 1,089	(7.1) 1.5 (6.9) 20.3 4.43 1.46 8.8 2.8 146.7 298.7 1,055

(consolidated)

3Q25

2025

Income Statement

(Bt m)

ources: Company data, Thanachart estimates

THANACHART SECURITIES 1

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