

Krungthai Card Pcl (KTC TB) - BUY, Price Bt24.8, TP Bt36.0**Results Comment**

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Beat 4Q25 results on credit costs

- KTC reported **4Q25 net profit of Bt2.07bn** (+10% y-y, +6% q-q), beating Bloomberg consensus by 10%. We view the results positively, driven by healthy asset quality.
- FY2025 net profit reached Bt7.78bn (+5% y-y), mainly supported by lower credit costs following continued improvement in asset quality.
- Three key highlights in 4Q25:
 - (+) Solid asset quality:** NPLs and Stage 2 loans remained stable q-q, allowing KTC to reduce credit costs to 5.0% from 5.4% in 3Q25.
 - (+) Continue to gain market share:** Its credit card spending market share rose to 13.6% in 11M25, up from 13.1% in

11M24, in line with its credit card loan share, which increased to 14.9% from 14.3%. Its personal loan market share also edged up to 4.2% from 4.1%.

(0) Cautious loan expansion: Loan volume rose 4.4% q-q on seasonality but increased only 0.4% y-y, as KTC continued to lend selectively, particularly in the credit card segment. Meanwhile, NIM was stable q-q at 13.8%, supported by continued lower funding costs.

- We maintain our BUY rating.** Despite weak macro for unsecured loans, KTC's strong credit card franchise and balance sheet stand out. Valuation looks attractive after recent share price drop at 1.5x 2026F P/BV with 17.4% ROE.

Income Statement						Income Statement					
(consolidated)						12M as					
Yr-end Dec (Bt m)	4Q24	1Q25	2Q25	3Q25	4Q25	(Bt m)	q-q%	y-y%	% 2025F	2025A	2026F
Interest income	4,102	3,992	4,023	4,099	4,140	Interest & dividend income	1	1	100	16,254	16,425
Interest expense	454	439	432	423	399	Interest expense	(6)	(12)	96	1,694	1,600
Net interest income	3,647	3,552	3,591	3,676	3,740	Net interest income	2	3	101	14,560	14,825
Non-interest income	2,920	2,840	2,789	2,807	3,005	Non-interest income	7	3	100	11,441	12,229
Total income	6,567	6,392	6,380	6,483	6,746	Total income	4	3	100	26,001	27,055
Operating expense	2,435	2,400	2,386	2,475	2,378	Operating expense	(4)	(2)	97	9,639	10,391
Pre-provisioning profit	4,133	3,992	3,994	4,008	4,368	Pre-provisioning profit	9	6	102	16,363	16,664
Provision for bad&doubtful debt	1,777	1,594	1,522	1,445	1,346	Provision for bad&doubtful debt	(7)	(24)	92	5,906	6,881
Profit before tax	2,356	2,398	2,472	2,564	3,022	Profit before tax	18	28	109	10,456	9,783
Tax	471	570	616	650	1,061	Tax	63	125	137	2,897	1,957
Profit after tax	1,885	1,828	1,856	1,913	1,961	Profit after tax	3	4	101	7,559	7,826
Equity income	-	-	-	-	-	Equity income	-	-	-	-	-
Minority interests	4	32	39	38	114	Minority interests	-	-	197	222	117
Extra items	-	-	-	-	-	Extra items	-	-	-	-	-
Net profit	1,889	1,861	1,895	1,951	2,075	Net profit	6	10	102	7,782	7,944
Normalized profit	1,889	1,861	1,895	1,951	2,075	Normalized profit	6	10	102	7,782	7,944
PPP/share (Bt)	1.6	1.5	1.5	1.6	1.7	PPP/share (Bt)	9	6	102	6.3	6.5
EPS (Bt)	0.7	0.7	0.7	0.8	0.8	EPS (Bt)	6	10	102	3.0	3.1
Norm EPS (Bt)	0.7	0.7	0.7	0.8	0.8	Norm EPS (Bt)	6	10	102	3.0	3.1
BV/share (Bt)	15.4	16.2	15.6	16.3	17.1	BV/share (Bt)	5	11	17	17.1	18.5

Balance Sheet						Financial Ratios					
(consolidated)						12M as					
Yr-end Dec (Bt m)	4Q24	1Q25	2Q25	3Q25	4Q25	(%)	4Q24	1Q25	2Q25	3Q25	4Q25
Cash and cash equivalent	3,063	3,833	2,625	2,580	3,471	Loan growth (YTD)	(1.1)	(3.7)	(3.7)	(3.8)	0.4
Gross loans	110,435	106,372	106,388	106,206	895	Loan growth (q-q)	4.7	(3.7)	0.0	(0.2)	4.4
Accrued interest	727	721	716	707	4,367	Borrowing growth (YTD)	(6.8)	(9.4)	(6.7)	(10.6)	(8.1)
Provisions	7,966	8,071	8,194	8,354	111,584	Borrowing growth (q-q)	3.1	(9.4)	3.0	(4.1)	2.8
Net loans	103,195	99,022	98,910	98,559	8,423	Non-interest income (y-y)	(13.1)	3.1	0.4	(0.3)	2.9
Property foreclosed	14	4	8	7	7	Non-interest income (q-q)	3.7	(2.7)	(1.8)	0.7	7.0
Premises & equipment	390	398	377	357	367	Cost-to-income	37.1	37.5	37.4	35.8	33.3
Other assets	4,404	4,237	4,123	3,944	105,198	Net interest margin	13.5	13.1	13.5	13.8	13.8
Total assets	111,066	107,495	106,043	105,447	110,524	Credit cost	6.6	5.9	5.7	5.4	5.0
Total borrowings	61,909	56,086	57,764	55,374	33,630	ROE	19.4	18.3	18.5	19.0	19.2
Short term borrowing	23,102	17,779	23,457	16,480	27,130	ROA	7.0	6.8	7.1	7.4	7.7
Long term borrowing	38,807	38,307	34,307	38,894	6,500	Loan-to-borrowing	178.4	189.7	184.2	191.8	194.7
Lease liability	203	147	106	88	23,282	Loan-to-total equity	277.4	255.3	264.9	252.2	251.0
Other liabilities	9,054	9,533	7,992	7,890	56,912	NPLs (Btm)	2,157	2,099	1,952	1,960	1,982
Total liabilities	71,166	65,767	65,862	63,352	9,429	NPL increase	118	(58)	(147)	8	22
Minority interest	90	57	19	(19)	(133)	NPL ratio (%)	2.0	2.0	1.8	1.8	1.8
Shareholders' equity	39,810	41,671	40,162	42,114	44,151	Loan loss coverage ratio (%)	369.3	384.5	419.8	426.2	425.0
Total Liabilities & Equity	111,066	107,495	106,043	105,447	110,524						

Sources: Company data, Thanachart estimates

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