

Company Update

Wednesday, July 16, 2025



I V Global Securities Public Company Limited

Tisco Financial Group Pcl (TISCO)

Rating: HOLD

Fair price: Bt100.5

Close price: Bt99.0

2Q25 net profit comes in flat QoQ

Company Information

Ticker:	TISCO TB
Sector:	Finance
Shares outstanding (m):	800.65
Market capitalization (Btm):	79,263.92
Trading vol/day (Btm):	362.10
Free float (%):	89.56
Beta:	0.33

Major Shareholders

CDIB & Partners Investment	10.00%
Thai NVDR	10.34%
Tokyo Century Corp	4.93%

Consensus Bloomberg

2025F EPS (Bt):	8.08
Target price (Bt):	97.95

Price Performance

52 Wk high/low:	101.0 / 90.0
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	1M	3M	1Y	YTD
Absolute (%)	1.0	1.3	4.2	0.5
Relative (%)	-2.4	-1.6	16.7	17.6



- TISCO posted a net profit of Bt1.64bn, down 6.2% YoY and flat QoQ for 2Q25. The 2Q25 results were better than the Bloomberg consensus estimate of Bt1.57bn. Expected credit loss (ECL) rose YoY and QoQ (or 0.95% of loans). Pre-provision operating profit (PPOP) came in flat YoY and rose 6.8% QoQ, with declining operating income offsetting falling operating expenses. Total loans grew by 1.4% YTD at end-June 2025, with NIM falling 13bps QoQ to 4.75%. Domestic car sales for the first five months fell by 3% YoY to 252,615 units. TISCO's auto-HP penetration rate rose from 4.9% (2024) to 5.5%. 1H25 net profit declined by 5.7% YoY to Bt3.29bn, accounting for 50% of our full-year estimate.
- TISCO now pays a dividend twice a year. The 1H24 DPS was Bt2. The same pattern may apply for the 1H25 dividend payment, implying a half-year yield of 2%.
- NPL ratio was at 2.41% vs. 2.42% QoQ. LLR/NPL ratio rose a bit from 153.8% at end-1Q25 to 154.8% at end-June 2025.
- Credit costs came in at 95bps of loans in 2Q25 (or +40% YoY and +45% QoQ to Bt559m), up from 68bps a year ago.
- During 2Q25, the retail lending portfolio (which is the largest contributor, 67% of its total lending portfolio) fell 0.5% YTD, consisting of new car HP loans (-1.6%), used car HP loans (+1.9%), motorcycle HP loans (+8.7%), loans against auto licenses (-1.2%), housing loans (-7.2%) (due to the competitive market and rising risks) and other retail loans (+8.6%). For auto cash loans, despite a contraction in this segment, the Somwang channel's loans (808 branches nationwide and 78.4% of this segment) were up by 3.2% YTD. Meanwhile, the corporate loan segment registered positive growth of 7.3% YTD, boosted by the utility, service, real estate, and construction sectors. The SME loan portfolio fell by 3.1% YTD due to a rise in car inventory financing.
- NIM fell by 13bps QoQ to 4.75% in 2Q25, with cost of funds declining by 8bps versus a 12bps decline in loan yield, partly from the interest rate reduction for vulnerable borrowers under the "You Fight, We Help" program. Registered clients under this program had loans amounting to Bt5.2bn (or 40% of eligible clients) as of end-2Q25. Of these, 79% (or Bt4.0bn) of debts had already been converted and were being restructured with a NIM impact of 20-25bps. However, the rebate from the FIDF for this program (of 10bps) was classified under the other income account.
- Non-interest income fell by 5.5% YoY but grew 8.4% QoQ to Bt1.47bn. The YoY decline was due to declining investment banking fees and lower gains on financial instruments. Bancassurance fees rose 4.9% YoY and 9.4% QoQ. Asset management and brokerage fee income declined YoY and QoQ, respectively.
- Cost-to-income ratio stood at 45.7% for 2Q25, with operating expenses down by 7% YoY and 2.3% QoQ to Bt2.19bn.
- Total CAR for the bank remained solid at 20.6%, with Tier-1 capital of 18.6%.
- Maintain HOLD for yield.** We cut our earnings estimates by 1.5%/3%/5% over 2025-07F, respectively. We prefer to maintain our HOLD rating on the stock with a price target of Bt100.5, based on 1.8x book at end-2025F. The stock trades at a P/E multiple of 12.2x our 2025F estimate. The key downside risks are rising market competition and a weak capital market depressing non-interest income.

Investment summary

FY Dec 31	2022	2023	2024	2025F	2026F	2027F
Net profit (Btm)	7,224	7,301	6,901	6,515	6,569	6,732
Change (%)	6.5	1.1	-5.5	-5.6	0.8	2.5
PPOP (Btm)	9,714	9,449	9,971	10,376	10,511	10,784
Change (%)	-8.0	-2.7	5.5	4.1	1.3	2.6
EPS (Bt)	9.02	9.12	8.62	8.14	8.20	8.41
Change (%)	6.5	1.1	-5.5	-5.6	0.8	2.5
P/E (x)	11.0	10.9	11.5	12.2	12.1	11.8
DPS (Bt)	7.75	7.75	7.75	7.75	7.75	7.75
Yield (%)	7.8	7.8	7.8	7.8	7.8	7.8
BVPS (Bt)	53.44	53.02	53.76	54.15	54.60	55.26
P/BV (x)	1.9	1.9	1.8	1.8	1.8	1.8
ROAA (%)	2.8	2.6	2.4	2.3	2.2	2.2
ROAE (%)	17.2	17.1	16.1	15.1	15.1	15.3

Source: Company and IVG estimates

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Rating	CGR	Thai CAC	SET ESG
TISCO		Certified	AAA

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Results

(Btm)	2Q25	2Q24	% YoY	1Q25	% QoQ	1H25	1H24	% YoY
Net interest income	3,328	3,387	(1.7)	3,328	0.0	6,657	6,783	(1.9)
Non-interest income	1,465	1,550	(5.5)	1,352	8.4	2,817	2,857	(1.4)
Operating income	4,794	4,937	(2.9)	4,680	2.4	9,474	9,640	(1.7)
Opex	2,190	2,356	(7.0)	2,242	(2.3)	4,432	4,618	(4.0)
PPOP	2,604	2,582	0.9	2,438	6.8	5,042	5,022	0.4
ECL	559	401	39.5	386	44.9	945	680	39.0
Pre-tax profit	2,045	2,181	(6.2)	2,052	(0.4)	4,098	4,342	(5.6)
Tax	402	428	(6.2)	409	(1.8)	811	856	(5.3)
Net profit	1,644	1,753	(6.2)	1,643	0.0	3,287	3,486	(5.7)
EPS (Bt)	2.05	2.19	(6.2)	2.05	0.0	4.11	4.35	(5.7)

Source: Company and IVG estimates

Key Financial Ratios

(%)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
Loan growth YTD	0.2	(0.6)	(2.1)	(1.1)	(0.4)	1.4
NIM	4.76	4.88	4.88	4.93	4.88	4.75
Fee income (% YoY)	(7.8)	7.0	5.3	4.7	0.7	(3.3)
Non NII growth	(5.5)	17.1	12.2	10.9	3.4	(5.5)
Cost to income	48.1	47.7	47.9	48.9	47.9	45.7
Credit cost (% of loans)	0.47	0.68	0.62	0.58	0.67	0.95
Loan-to-deposit	109.1	109.3	108.9	109.2	108.8	109.0
NPL	2.27	2.44	2.44	2.35	2.42	2.41
LLR/NPL	177.8	162.7	159.1	155.3	153.8	154.8
Tier I	18.7	18.6	18.9	18.9	18.9	18.6
Total CAR	20.9	20.6	20.9	20.5	20.7	20.6

Source: Company and IVG estimates

Quarterly Income

(Btm)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
Net interest income	3,395	3,387	3,385	3,402	3,328	3,328
Non-interest income	1,307	1,550	1,402	1,397	1,352	1,465
Operating income	4,703	4,937	4,788	4,799	4,680	4,794
Opex	2,263	2,353	2,292	2,345	2,242	2,190
PPOP	2,440	2,585	2,495	2,454	2,438	2,604
Provisions	279	409	359	337	386	559
Pre-tax profit	2,161	2,176	2,137	2,117	2,052	2,045
Tax	428	427	423	415	409	402
Net profits	1,733	1,749	1,713	1,702	1,643	1,644
EPS (Bt)	2.16	2.18	2.14	2.13	2.05	2.05

Source: Company

Key Financial Ratios

(%)	2021	2022	2023	2024
Loan growth YoY	(9.7)	7.9	7.2	(1.1)
NIM	4.84	5.09	4.95	4.85
Fee income (% YoY)	9.1	(9.5)	(3.5)	2.1
Non NII growth	9.8	(12.1)	(6.4)	8.4
Cost to income	44.0	47.1	49.0	48.1
Credit cost (% of loans)	1.0	0.3	0.26	0.59
Loan-to-deposit	115.8	111.0	108.7	109.2
NPL	2.44	2.09	2.22	2.35
LLR/NPL	236.8	258.8	189.8	155.3
Tier I	20.2	19.6	18.9	18.9
Total CAR	25.2	23.4	22.3	20.5

Source: Company and IVG estimates

TISCO

E: Environmental

Conducting businesses in an environmentally friendly manner by promoting resource efficiency and green policies.

S: Social

Promoting good living conditions in society by raising people's financial literacy and access to the financial services needed to upgrade their quality of life.

G: Governance

Fostering a strong corporate governance and risk management culture by promoting the principles of corporate governance and risk management at all levels, supporting anti-corruption guidelines, preventing TISCO Group from being used for money laundering or terrorism funding, practicing socially/environmentally responsible lending, conducting fair operations, and reducing household-debt problems in a way that enables TISCO Group to operate sustainably with satisfactory returns and growth.

Comment

TISCO has been awarded a SET ESG rating by AAA, indicating a strong commitment to environmental, social, and governance (ESG) practices, as well as clear long-term objectives in this regard. Furthermore, the company demonstrates the ability to execute short-term goals effectively.

Source: Company and IVG estimates

I V Global Investment Research – Recommendation Definitions

Sector Recommendations

OVERWEIGHT: The industry, as defined by the analyst's coverage universe, is expected to outperform the relevant primary market index by at least 10% over the next 12 months.

NEUTRAL: The industry, as defined by the analyst's coverage universe, is expected to perform in line with the relevant primary market index over the next 12 months.

UNDERWEIGHT: The industry, as defined by the analyst's coverage universe, is expected to underperform the relevant primary market index by 10% over the next 12 months.

Stock Recommendations

BUY: Expecting positive total returns of 15% or more over the next 12 months.




HOLD: Expecting total returns of not more than -10% to +10% over the next 3 months.

SELL: Expecting negative total returns of 15% or more over the next 12 months

Anti-corruption Progress Indicator Definitions

Level 5 Extended	Extension of the anti-corruption policy to business partners in the supply chain, and disclosure of any current investigations, prosecutions or closed cases
Level 4 Certified	Audit engagement by audit committee or auditors approved by the office of SEC, and receiving certification or assurance by independent external assurance providers (CAC etc.)
Level 3 Established	Carrying out preventive measures, risk assessment, communication and training for all employees, including consistent monitoring and review processes. (3A: Established by Declaration of Intent, 3B: Established by Internal Commitment and Policy)
Level 2 Declared	Public declaration statement to participate in Thailand's private sector Collective Action Coalition Against Corruption (CAC) or equivalent initiatives
Level 1 Committed	Organization's statement or board's resolution to work against corruption and to be in compliance with all relevant laws
Partially progress	Insufficient or not clearly defined policy
No progress	Data not available / no policy

Corporate Governance Report (CGR)

	Excellent
	Very good
	Good

Disclaimers

The disclosure of the survey result of corporate governance, which is surveyed by the Thai Institute of Directors Association ("IOD"), and the Anti-Corruption Progress Indicators, which is assessed by Thaipat Institute, are the disclosure of the survey or assessment result based on the information received from the listed company that was stipulated in the form for Annual Corporate Governance Report of Thai Listed Companies (CGR) and the form for the assessment of Anti-corruption that refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2) or other relevant documents or reports of such listed company (as the case may be). The survey or assessment result is based on the information of the listed company, which is disclosed to the public and can be accessed by all investors, and is made in order to comply with the policy of the Office of the Stock Exchange of Thailand.

Nevertheless, the survey or assessment result is made from the perspective of the IOD or Thaipat Institute that are the third party only. It is not an assessment of operation of the listed company and is not based on any inside information."

Since this survey or assessment result is only the survey or assessment result as of the date appearing in the survey or assessment result only, it may be changed after that date or when there is any change to the relevant information. Nevertheless, I V Global Securities Plc. (IVG) does not confirm, verify, or certify the accuracy and completeness of the survey or assessment result.



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