

TIDLOR HOLDINGS PLC

No. 89/2025
21 August 2025

FINANCIAL INSTITUTIONS

Company Rating: A+
Issue Rating:
Guaranteed: A+
Outlook: Stable

Last Review Date: 22/05/25

Company Rating History:

Date	Rating	Outlook/Alert
22/05/25	A+	Stable

Contacts:

Sithakarn Tongphiphat, CFA, FRM

sithakarn@trisrating.com

Jantana Taveeratanasilp

jantana@trisrating.com

Jittrapan Pantaleard

jittrapan@trisrating.com

Taweechok Jiamsakunthum

taweechok@trisrating.com

Narumol Charnchanavivat

narumol@trisrating.com



WWW.TRISRATING.COM

RATIONALE

TRIS Rating assigns a rating of “A+” to Tidlor holdings PLC (TIDLOR)’s proposed issue of up to THB3 billion guaranteed debentures maturing within three years. The debentures are fully guaranteed by Ngern Tid Lor PLC (NTL, rated “A+/Stable”). TIDLOR intends to use the proceeds from the new debentures to extend loans to NTL for its debt repayments.

At the same time, TRIS Rating affirms the company rating on TIDLOR and NTL at “A+”, with a “stable” outlook. The rating on TIDLOR incorporates a one-notch enhancement from TIDLOR’s group stand-alone credit profile (SACP) assessed at “a” level. The enhancement reflects our view of TIDLOR’s status as a strategic affiliate of Bank of Ayudhya PLC (BAY, rated “AAA/Stable”). The ratings take into consideration the business and financial support TIDLOR receives from BAY.

The rating on NTL is equivalent to the group credit profile (GCP) as NTL is considered a ‘core’ subsidiary within TIDLOR Group, according to TRIS Rating’s “Group Rating Methodology”.

The rating on TIDLOR’s guaranteed debentures is equivalent to the rating on the senior unsecured debts of the guarantor, NTL, as the guarantee qualifies for a rating substitution under TRIS Rating’s Issue Rating Criteria. The guarantee is unconditional and irrevocable. The total guarantee amount that NTL will be liable for shall be up to 110% of the face value, including the principal, plus any accrued interest and any amount that the bond issuer is obligated to pay to the bondholder representative.

The guaranteed obligations shall rank pari passu with all existing and future unsecured and unsubordinated indebtedness of NTL, except for certain obligations required by law to have priority.

TIDLOR’S SACP takes into consideration its strong market position, as one of the largest operators in the auto title loan segment and insurance brokerage business. Key rating strengths include a strong capital base, adequate risk management, and sufficient funding and liquidity.

TIDLOR’s performance in the first half of 2025 remains healthy and in line with our expectations, which continues to underpin its credit profile. Outstanding loans reached THB106 billion, a 3% growth year-on-year (y-o-y), while net income grew to THB2.5 billion, up 14% y-o-y. This was supported largely by lower credit cost, thanks to improved asset quality.

The improvement in asset quality has been observed over the past three quarters with non-performing loan (NPL) formation falling to 2.01% in the second quarter of 2025 (2Q25) from above 3.29% in 2024. NPL ratio was 1.78% at the end of June 2025, compared to 1.81% at the end of 2024. Thus, credit costs declined to 2.8% in the first half of 2025 (1H25) from 3.4% in 2024.

Meanwhile, TIDLOR’s solid capital and adequate earnings continue to support its SACP. Risk-adjusted capital (RAC) ratio and earnings before taxes to average risk weighted assets (EBT/ARWA) were 30.7% and 6.0%, respectively, at the end of June 2025.

On 13 August 2025, BAY and Siam Asia Credit Access Pte. Ltd. (SACA) announced that they have entered into a share purchase agreement where SACA will sell its 16.33% shareholding in TIDLOR to BAY. Following the transaction, BAY will

remain a major shareholder with shareholding in TIDLOR increasing to 46.51% from 30.18%.

This transaction does not affect TIDLOR's company rating and its SACP. There is no impact in terms of group support as we continue to assess TIDLOR as a 'strategic' entity of BAY Group as we believe financial support from BAY will remain intact. Moreover, we do not expect that there will be material changes in the company's control, business policies, operations, and management team.

As of June 2025, all existing debt obligations of the group are held entirely at the operating entity, NTL. The company's priority debt to total debt ratio was 100%, exceeding the 50% threshold outlined in our "Issue Rating Criteria". In our view, TIDLOR's unsecured creditors are significantly disadvantaged compared to NTL's bondholders. However, the issue rating with upstream guaranteed from NTL helps mitigate the aforementioned disadvantages.

RATING OUTLOOK

The "stable" outlook is based on our expectation that TIDLOR will maintain its strong capital base and leading market position in the auto title loan and insurance brokerage businesses while delivering satisfactory financial performance. We also expect TIDLOR to control its asset quality at an acceptable level.

RATING SENSITIVITIES

A rating upgrade is unlikely in the near term. Over the longer term, the rating on TIDLOR could be upgraded if the group SACP is upgraded. This could be the case where TIDLOR, on a consolidated basis, improves its business position by continuously strengthening its market position in both lending and insurance brokerage businesses while maintaining strong asset quality and sound financial performance. Further rating enhancement due to group support is unlikely.

The ratings of TIDLOR may be downgraded if there is a downward revision of the group SACP or removal of the rating enhancement. The group SACP could be revised downwards if TIDLOR's business position weakens materially, or asset quality deteriorates to the point that earnings capacity declines significantly or the RAC ratio falls well below 25% for a sustained period. The rating enhancement could be removed if we determine that the importance of TIDLOR to the BAY Group has significantly weakened. This could occur due to a reduction in BAY's shareholding in TIDLOR, or if the level of operational integration and funding support decreases substantially.

RELATED CRITERIA

- Issue Rating Criteria, 26 December 2024
- Financial Institution Rating Methodology, 25 September 2024
- Group Rating Methodology, 7 September 2022

TIDLOR Holdings PLC (TIDLOR)

Company Rating:	A+
Issue Rating:	
Up to THB3,000 million guaranteed debentures due within 3 years	A+
Rating Outlook:	Stable

TRIS Rating Co., Ltd.

Silom Complex Building, 24th Floor, 191 Silom Road, Bangkok 10500, Thailand Tel: +66 2 098 3000

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