

# Ngernturbo PLC

Financial Institution | Consumer Finance

28 May 2026

**Issuer Credit Rating:** BBB-/Positive

## Rating Action

**TRIS Rating affirms the issuer credit rating on Ngernturbo PLC (TURBO) at “BBB-” and revises the rating outlook to “Positive” from “Stable”.**

The “Positive” outlook reflects the company’s strengthened capital position and improved earnings capacity. The capital position has been enhanced after its initial public offering (IPO), while earnings have also recovered due to lower credit cost and increased efficiency. The rating continues to be underpinned by sufficient funding, adequate liquidity, and a moderate franchise in the vehicle title loan sector. Sustained improvements in its market position and earnings, without capital erosion, would be viewed favorably and could lead to a rating upgrade. However, the company remains exposed to heightened credit risk in its target customer segment due to economic uncertainty.

## Key Rating Considerations

### Strengthened capital position

TURBO’s capital and earnings profile strengthened materially following its IPO in September 2025. The risk-adjusted capital (RAC) ratio improved to 26% at the end of September 2025, up from 20% previously, resulting in capitalization being assessed as “very strong”. This level was maintained through the end of the first quarter of 2026 (1Q26), supported by continued earnings retention.

Leverage also declined significantly, with the adjusted debt to equity ratio (excluding shareholder loans) falling to 1.1 times at end-1Q26 from 2.4 times at end-2025, well below its covenant limit of 3.5 times.

We expect TURBO’s RAC ratio to remain in the 28%-32% range over the next three years, underpinned by moderate loan growth of 6%-8% and zero dividend payouts. This should keep capitalization in the “very strong” category and supportive of the company’s medium-term growth strategy.

### Business expansion to be moderate

We assess TURBO’s business position as “moderate,” reflecting its modest scale compared with established industry peers. Although the company delivered strong loan growth during 2021-2024, expansion slowed materially in 2025 as management adopted a more conservative underwriting stance to preserve asset quality amid uncertain economic conditions. This was broadly in line with industry trends.

TURBO’s outstanding loans stood at THB11.6 billion at the end of 2025, relatively flat year-on-year (y-o-y). The portfolio expanded closer to THB12.0 billion at end-1Q26 (+3% year-to-date). We expect the company’s business expansion to remain moderate under the current economic environment, assuming loan growth of 6%-8% per annum during 2026-2028. Growth is expected to be primarily supported by the continued maturation of the existing branches, as TURBO’s current branches are still relatively young and possess room for portfolio expansion, alongside ongoing operational efficiency improvements. TURBO operated 998 branches at end-1Q26. We incorporate approximately

30 new branch openings in 2026 under thorough branch selection strategy and around 100 additional branches over 2027-2028 into our forecasts, although expansion plans remain flexible depending on the economic environment.

The company's portfolio remains concentrated in vehicle title loans, which accounted for 70% of total loans as of end-1Q26, with nano finance and land title deed loans comprising the remaining 20% and 10%, respectively. Management also intends to expand its insurance brokerage business by enhancing its sales platform and broadening its partnership network.

### **Asset quality improves but risks remain**

TURBO's asset quality improved in 2025, underpinned by tighter underwriting, enhanced credit monitoring, and a dedicated debt collection system. Non-performing loan (NPL) formation declined to 5.7% of average loans in 2025 from 6.9% in 2024, improving further to an annualized 3.5% in 1Q26 on the back of better loan originations and more effective collections. Accelerated write-offs, at 6.0% of average loans in 2025 and 4.1% in 1Q26, also helped manage asset quality, with credit costs easing to 4.5% in 1Q26 from 5.2% in 2025. The NPL coverage ratio remained healthy at 107%.

While we expect TURBO to maintain manageable asset quality in 2026-2028, supported by continued prudent underwriting, proactive collections, and accelerated write-offs, the company remains vulnerable to heightened credit risk given its exposure to underbanked borrowers. Under our base case, NPL formation is projected at 4.0%-4.5% of average loans, with the NPL ratio staying below 4% and coverage hovering slightly above 100%. A significant decline in asset quality beyond our base case could pressure the rating and outlook.

### **Earnings recovered, efficiency improved**

TURBO's earnings recovered in 2025, supported by improved cost discipline and tighter credit risk management. Earnings before taxes/average risk-weighted assets (EBT/ARWA) increased to 4.4% in 2025 from 1.2% in 2024, with net profit increasing to THB503 million from THB142 million in 2024.

The company maintained a diversified portfolio mix, with high-risk nano-finance loans capped at 20% of total loans. Portfolio yields held steady at around 23% during 2025-1Q26, remaining stronger than most peers due to higher yield from nano-finance loans. Funding costs declined to 4.3% in 2025 and 4.0% in 1Q26 as interest rates fell, widening spreads to 18.7% and 19.5%, respectively. The operating expense-to-income ratio also improved to 47%-48% from 55% in 2024, largely reflecting a slowdown in branch expansion.

We expect its earnings capability to remain supportive of the rating, with EBT/ARWA projected to stay above 4.0% during 2026-2028. Our forecasts assume interest spreads of around 19% and credit costs of 4.2%-4.5%. The operating expense-to-income ratio may edge up to 48%-49% as branch expansion resumes, though efficiency should remain within a manageable range. The company also intends to grow non-interest income through insurance brokerage services, though this is expected to build gradually as the platform and product offerings develop.

### **Improved funding position**

TURBO's funding structure has improved and its access to sizable credit facilities has increased. Its IPO in September 2025 helped enhance financial flexibility. Long-term funding, comprising long-term bank facilities and debenture issuances, was steady at 75% of total funding. As of May 2026, TURBO maintained total credit facilities of THB9.2 billion from various financial institutions, with more than THB4.2 billion, or around 45%, remaining available for drawdown.

While a substantial portion of the company's bank facilities remains secured by receivables, which could limit funding flexibility under stress conditions, TURBO has gradually diversified its funding sources through debenture

issuances and the establishment of partially unsecured credit lines. Consequently, the company's priority debt ratio improved to 62% in 2025-1Q26 from 73% in 2024.

### **Strong cash flow supports liquidity**

TURBO's "adequate" liquidity position is underpinned by strong operating cash flow generation and established banking relationships. For the 12-month period from January to December 2026, the company projects cash inflows of approximately THB6 billion from receivables, more than sufficient to cover projected cash outflows of THB2.8 billion. In addition to bank credit facilities, TURBO also benefits from shareholder support, with outstanding shareholder loans amounting to THB2.1 billion at the end of 1Q26.

### **Headwinds remain for title loan operators**

Despite robust loan demand among underbanked borrowers as well as micro, small, and medium enterprises (MSMEs), operators have maintained disciplined lending standards amid an uneven economic recovery in the past two years. Loan growth slowed to 5% in 2025 from double that rate in the past.

This cautious stance is likely to persist into 2026, with credit expansion expected to stay broadly in line with the 2025 level. Prolonged headwinds, including an uneven economic recovery and the ongoing Middle East conflict, are likely to weigh on repayment capacity and continue to pressure asset quality. The potential rise in credit costs and intense competition remain key challenges for the sector over the medium term.

### **Base-Case Assumptions**

TRIS Rating's base-case assumptions for TURBO's operations in 2026-2028 are as follows:

- Outstanding loans to grow by 6%-8% per annum.
- Interest spread of around 19%.
- Credit cost to be in the range of 4.2%-4.5%.
- Operating expenses to total income to be in the range of 48%-49%.

### **Rating Outlook**

The "Positive" outlook reflects our expectation that TURBO's capitalization and earnings will continue to improve. We also expect TURBO to demonstrate sustained enhancement of its risk position and maintain a strong funding and liquidity profile.

### **Rating Sensitivities**

A rating upgrade could occur if the company further strengthens its capitalization and earnings, with the RAC ratio maintained comfortably above 25% and EBT/ARWA above 4.0%, with other rating factors remaining intact for a sustained period.

On the other hand, the rating and outlook could face downward pressure if the company experiences a material weakening in asset quality or operating performance, particularly if EBT/ARWA falls below 1.5% or the RAC ratio remains below 15% for an extended period.

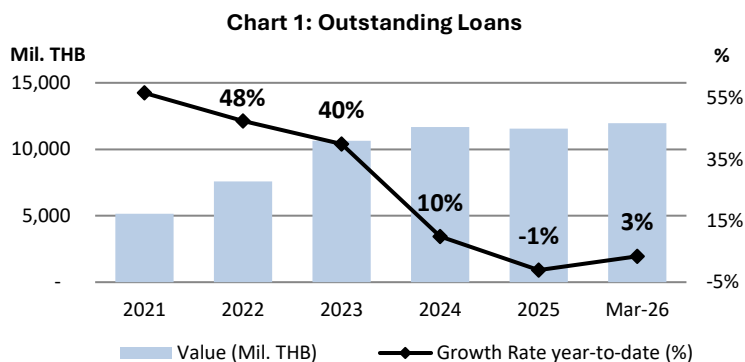
### **Company Overview**

TURBO was founded in 2017 by Mr. Sutach Ruangsuttipap and the Tangmitrphracha family to provide title loan services, with an initial registered capital of THB1 billion. The company initially focused on offering title loans in the eastern and northeastern provinces of Thailand and later expanded into nano-finance services in 2022.

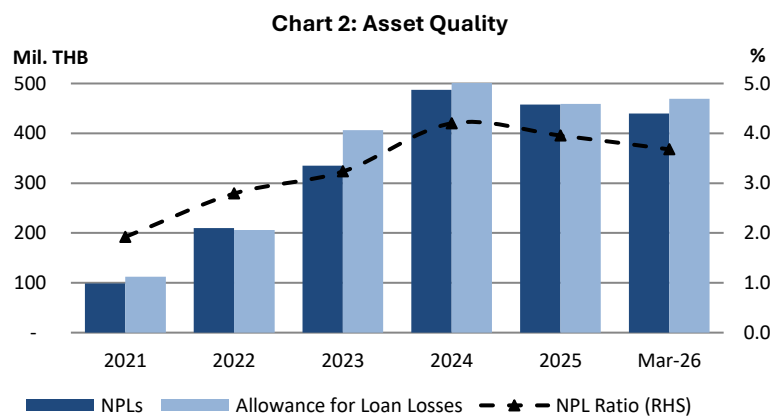
In December 2022, Kasikorn Vision Co., Ltd., a subsidiary of Kasikornbank PLC (KBank), became a strategic partner of TURBO through a THB1.3-billion capital injection. TURBO was subsequently listed on the Stock Exchange of Thailand (SET) through an IPO in September 2025.

As of March 2026, Mr. Sutach and the Tangmitrphracha family remained the major shareholders of TURBO, holding a 74% stake, while Kasikorn Vision held 5% and the remaining 21% was held by other shareholders.

## Key Operating Performance



Source: TURBO's financial statements



Source: TURBO's financial statements

## Financial Statistics and Key Financial Ratios\*

Unit: Mil. THB

	----- Year Ended 31 December -----					
	Jan-Mar 2026	2025	2024	2023	2022	2021
Total assets	12,952	12,677	12,817	12,112	8,794	6,020
Total loans	11,964	11,562	11,685	10,632	7,592	5,143
Allowance for expected credit loss	470	459	554	406	206	112
Short-term debts	5,549	5,280	5,368	5,362	3,980	3,685
Long-term debts	3,245	3,461	4,705	4,127	2,323	1,214
Shareholders' equity	3,954	3,777	2,611	2,471	2,339	1,011
Net interest income	604	2,269	2,144	1,705	1,124	726
Expected credit loss	131	600	762	504	171	87
Non-interest income	125	424	438	406	469	414
Operating expenses	382	1,476	1,659	1,452	999	759
Earnings before taxes	216	616	161	156	423	295
Net profit	175	503	142	132	338	235

\* Consolidated financial statements

Unit: %

	----- Year Ended 31 December -----					
	Jan-Mar 2026	2025	2024	2023	2022	2021
<b>Profitability</b>						
Net interest income/average assets **	18.86	17.80	17.20	16.31	15.17	14.84
Non-interest income/average assets **	3.91	3.32	3.51	3.88	6.33	8.47
Operating expenses/total income	46.77	47.71	54.69	59.72	56.15	59.90
Operating profit/average assets **	6.75	4.83	1.29	1.49	5.71	6.03
Earnings before taxes/average risk-weighted assets **	6.09	4.39	1.20	1.43	5.68	6.18
Return on average assets **	5.46	3.95	1.14	1.26	4.57	4.81
Return on average equity **	18.11	15.75	5.57	5.47	20.20	26.36
<b>Asset Quality</b>						
Non-performing loans (NPL)/total loans	3.68	3.96	4.17	3.15	2.79	1.92
Expected credit loss/average loans **	4.46	5.16	6.83	5.53	2.68	2.06
Allowance for expected credit loss/NPL	106.71	100.33	113.82	121.36	95.62	113.41
<b>Capitalization</b>						
Risk-adjusted capital ratio	26.81	26.36	17.85	18.39	25.15	16.47
Debt to equity (times)	2.28	2.36	3.91	3.90	2.76	4.95
<b>Funding and Liquidity</b>						
Stable funding ratio	84.74	88.53	89.55	85.68	86.65	58.61
Liquidity coverage measure (times)	0.03	0.05	0.04	0.04	0.04	0.02
Short-term debts/total liabilities	61.67	59.33	52.60	55.62	61.65	73.56

\*\* Annualized

## Related Criteria

- Financial Institution Rating Methodology, 25 September 2024

## Ngernturbo PLC (TURBO)

<b>Issuer Credit Rating:</b>	<b>BBB-</b>
<b>Rating Outlook:</b>	<b>Positive</b>

### Rating History

**Last Review Date:** 23 May 2025

Date	Rating	Outlook/Alert
02-May-23	BBB-	Stable

### Contacts:

Siriwan Weeramethachai | siriwan@trisrating.com  
 Narumol Charnchanavivat | narumol@trisrating.com

No. 147/2026

#### TRIS Rating Co., Ltd.

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

© Copyright 2026, TRIS Rating Co., Ltd. All rights reserved. Any unauthorized use, disclosure, copying, republication, further transmission, dissemination, redistribution or storing for subsequent use for any purpose, in whole or in part, in any form or manner or by any means whatsoever, by any person, of the credit rating reports or information is prohibited, without the prior written permission of TRIS Rating Co., Ltd. The credit rating is not a statement of fact or a recommendation to buy, sell or hold any debt instruments. It is an expression of opinion regarding credit risks for that instrument or particular company. The opinion expressed in the credit rating does not represent investment or other advice and should therefore not be construed as such. Any rating and information contained in any report written or published by TRIS Rating has been prepared without taking into account any recipient's particular financial needs, circumstances, knowledge and objectives. Therefore, a recipient should assess the appropriateness of such information before making an investment decision based on this information. Information used for the rating has been obtained by TRIS Rating from the company and other sources believed to be reliable. Therefore, TRIS Rating does not guarantee the accuracy, adequacy, or completeness of any such information and will accept no liability for any loss or damage arising from any inaccuracy, inadequacy or incompleteness. Also, TRIS Rating is not responsible for any errors or omissions, the result obtained from, or any actions taken in reliance upon such information. All methodologies used can be found at [www.trisrating.com/rating-criteria](http://www.trisrating.com/rating-criteria)