



FinVolution Group (FINV)

Published March 23rd, 2026 by Quinn Mohammed

Key Metrics

Current Price:	\$5.7	5 Year CAGR Estimate:	16.5%	Market Cap:	\$1.5 B
Fair Value Price:	\$6.0	5 Year Growth Estimate:	11.0%	Ex-Dividend Date:	04/16/2026
% Fair Value:	95%	5 Year Valuation Multiple Estimate:	1.1%	Dividend Payment Date:	05/07/2026
Dividend Yield:	5.4%	5 Year Price Target	\$10	Years Of Dividend Growth:	6
Dividend Risk Score:	A	Sector:	Financials	Rating:	Buy

Overview & Current Events

FinVolution Group (FINV) is a fintech company which operates primarily in China but also internationally. Through its finance technology platforms, it automates loan transaction processes. It was previously known as PPDAL Group Inc. and became FinVolution in November 2019. The company was founded in 2007, and is headquartered in Shanghai, China. Investors can initiate an ownership position in the company through American Depository Receipts (ADRs) that trade with a market capitalization of \$1.5 billion under the ticker FINV. Each of these ADRs represent five Class A ordinary shares of FinVolution Group.

On March 16th, 2026, FinVolution declared a 10.5% increase to its annual dividend, now \$0.306 per share, marking its sixth consecutive annual increase.

FinVolution reported fourth quarter 2025 results on March 16th, 2026. Total outstanding loan balance fell by 0.8% year-over-year to RMB70.9 billion. Total transaction volume in the quarter decreased by 25%, but for the full year, fell only 3%. Diluted profit per ADS was US\$0.23, and adjusted profit per ADS was US\$0.25. Its adjusted operating margin declined from 23.8% a year ago to 17.2% in the latest quarter.

Provision for loans receivable was RMB261.7 million (US\$37.4 million) in Q4 2025, up from RMB64.3 million in Q4 2024.

In the fourth quarter of 2025, FinVolution bought back US\$40.7 million of its shares, which was a new record.

Additionally, the company's Chairman, along with the senior management team, invested another US\$1.9 million of their own capital into the business.

For 2026, management expects total revenue of RMB11.5 billion to RMB12.9 billion, which would be a 5% to 15% decrease from last year.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	(\$0.07)	(\$1.96)	\$1.12	\$1.10	\$1.01	\$1.33	\$1.13	\$1.18	\$1.24	\$1.37	\$1.20	\$2.02
DPS	\$0.00	\$0.00	\$0.00	\$0.19	\$0.12	\$0.17	\$0.21	\$0.22	\$0.22	\$0.28	\$0.31	\$0.49
Shares¹	133.0	156.0	319.9	310.5	298.3	296.5	290.9	280.6	264.0	266.8	260.0	255.0

In the last five years, FinVolution has increased its EPS at a 6.3% CAGR. Its loan book has also grown at a strong pace with outstanding loans growing by 9% CAGR since 2021. Moving forward, FinVolution is likely to generate higher growth, as it executes its LEGO+ Strategy, where it enters into developed markets.

Expanding into developed countries through acquisitions, such as it did with Australia (by purchasing Fundo) recently, will fuel growth and diversification. In fact, FinVolution has been relying on revenue from international markets to bolster growth, and international markets as a percent of revenue has grown from 9% in 2021 to 25% in 2025.

Furthermore, the company expects international revenue to account for 30% of revenue in 2026 and is targeting 50% for 2030.

¹ In millions

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In 2025, FinVolution repurchased US\$107 million of its shares. And since its NYSE IPO in 2018, FINV has repurchased US\$477 million of its shares, reducing its share count by almost 17% in that timeframe.

From this point on, we expect that FinVolution will generate 11% annual EPS growth through 2031.

The company's dividend has increased at a much higher rate than its EPS, with a 5-year CAGR of 18.2%. Given the increase in its payout ratio since it has begun raising its dividend (now consuming 26% of EPS), we believe a lower rate of 10% dividend growth going forth is reasonable.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	-	-	5.5	3.5	1.9	4.8	3.9	4.1	4.4	5.7	4.7	5.0
Avg. Yld.	0.0%	0.0%	0.0%	4.0%	7.3%	2.6%	4.5%	4.5%	4.3%	3.5%	5.4%	4.8%

FinVolution's average PE ratios over the last eight and five years have been 4.2 and 4.6, respectively. Its current PE ratio of 4.7 is below where we see fair value, at 5.0 times earnings. If the company's valuation were to rise to our estimate of fair value, the stock would benefit from a 1.1% annualized gain on its total return.

The company has paid an average dividend yield of 3.1% and 3.9% over the last eight and five years. Given the stock now yields 5.4%, it could be considered undervalued on this basis.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	0%	0%	0%	17%	12%	13%	18%	18%	18%	20%	26%	24%

Although FinVolution continued to perform and stayed profitable through the pandemic, its stock suffered a significant decline. In 2020, the company reduced its dividend payments by 37% due to the global crisis.

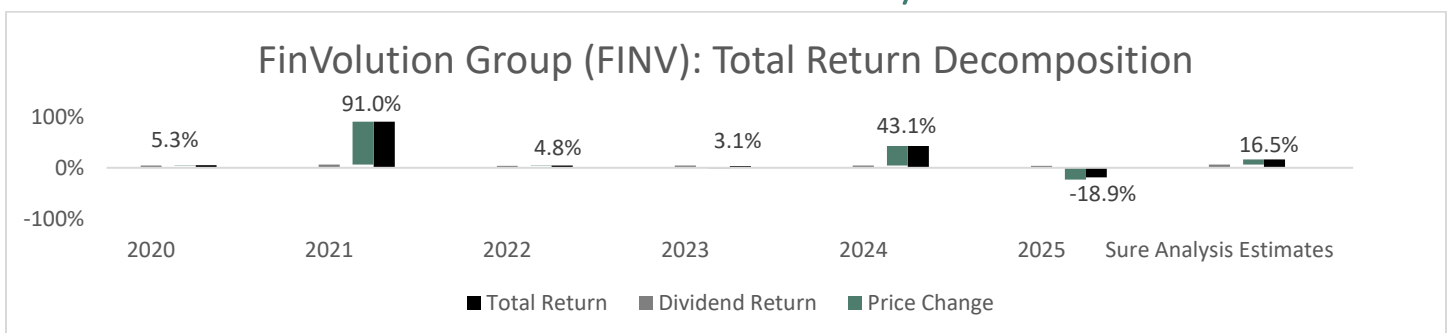
FinVolution is vulnerable during economic downturns, as consumers experiencing financial difficulties tend to cut back on spending, which leads to fewer and smaller loans. A major downside risk to FinVolution group is its reliance on China, which accounted for 75% of its 2025 net revenue. Any prolonged downturn, or significant regulatory change, in China, will have an outsized effect on the company's performance.

FinVolution's competitive advantage is its proprietary platform, which utilizes AI for risk management, analytics, and automation, in the loan transaction process. It also benefits from its strong reputation and relationships with more than 100 financial institutions.

Final Thoughts & Recommendation

FinVolution's stock has risen by 1% year-to-date, which compares favorably to the S&P 500, which fell 4%. FinVolution Group could offer a 16.5% average annual return over the next five years, stemming from 11% annual EPS growth, its 5.4% dividend, and 1.1% multiple expansion. We initiate our coverage of FinVolution at a buy rating.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	208	609	749	902	1,129	1,494	1,690	1,794	1,833	1,888
Gross Profit	156	463	585	678	890	1,187	1,357	1,480	1,488	1,484
Gross Margin	74.7%	76.0%	78.1%	75.2%	78.9%	79.4%	80.3%	82.5%	81.2%	78.6%
D&A Exp.	2	3	6	15	13	10	9	9	11	
Op. Income	83	195	374	380	334	419	389	352	367	412
Op. Margin	40.1%	32.1%	49.9%	42.2%	29.6%	28.1%	23.0%	19.6%	20.0%	21.8%
Net Profit	(9)	(295)	373	344	285	387	339	336	332	354
Net Margin	-4.4%	-48.3%	49.8%	38.1%	25.3%	25.9%	20.0%	18.8%	18.1%	18.8%
Free Cash Flow	76	256	271	(38)	315	89	32	116	398	260
Income Tax	7	41	23	70	66	37	68	56	64	77

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	309	1,321	1,914	2,628	2,276	2,846	3,076	3,002	3,234	3,637
Cash & Equivalents	174	959	1,018	879	1,237	1,521	1,425	1,372	1,312	1,318
Goodwill & Int.	-	18	17	16	23	23	21	21	26	50
Total Liab.	198	756	1,042	1,478	987	1,166	1,286	1,047	1,103	1,226
Long-Term Debt	-	-	-	12	7	5	25	2	2	165
Total Equity	62	312	480	704	750	996	1,063	1,107	1,151	
LTD/E Ratio	-	-	0.00	0.04	0.01	0.00	0.01	0.00	0.00	0.08

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	-4.3%	-36.1%	23.1%	15.1%	11.6%	15.1%	11.4%	11.1%	10.6%	10.3%
Return on Equity	-12.0%	-87.1%	51.9%	34.0%	23.4%	26.1%	19.5%	18.0%	16.2%	15.6%
ROIC	-11.7%	-87.1%	51.8%	33.2%	22.9%	26.0%	19.4%	17.8%	16.2%	15.0%
Shares Out.	133.0	156.0	319.9	310.5	298.3	296.5	290.9	280.6	264.0	266.8
Revenue/Share	0.69	2.03	2.34	2.90	3.78	5.04	5.81	6.39	6.94	7.07
FCF/Share	0.25	0.85	0.85	(0.12)	1.06	0.30	0.11	0.41	1.51	0.97

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

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