FinVolution Group Third Quarter 2026 Earnings Conference Call
November 25, 2026

Corporate Speakers

- Tim Li; FinVolution Group; Chief Executive Officer
- Alexis Xu; FinVolution Group; Chief Financial Officer
- Yam Cheng; FinVolution Group; Head of Capital Markets

Participants

- Dennis Bai; UBS; Analyst
- Claire Ouyang; Goldman Sachs; Analyst
- Yujie Jing; CICC; Analyst

PRESENTATION

Operator^ Hello ladies and gentlemen. Thank you for participating in the third quarter 2026 earnings conference call for FinVolution Group. At this time, all participants are in listen-only mode. After management's prepared remarks, there will be a question-and-answer session. Today's conference call is being recorded. I'll now turn the call over to your host, Yam Cheng, Head of Capital Markets of the Company. Yam, please go ahead.

Yam Cheng^ Thank you, Desmond. Hi, everyone. Thank you for joining our call today, and welcome to our third quarter 2026 earnings conference call. The Company's results were issued via newswire services earlier today and are posted online. You can download the earnings release and sign up for the Company's email alerts by visiting the IR section of the Company's website at: https://ir.finvgroup.com.

Mr. Tim Li, our CEO, and Mr. Alexis Xu, our CFO, will start the call with their prepared remarks and conclude with a Q&A session.

During this call, we will be referring to several non-GAAP financial measures to review and assess our operating performance. These non-GAAP financial measures are not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with U.S. GAAP. For information about these non-GAAP measures and reconciliation to GAAP measures, please refer to our earnings press release.

Before we continue, please note that today's discussion will contain forward-looking statements made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements involve inherent risks and uncertainties. As such, the Company's results may be materially different from the views expressed today. Further information regarding these and other risks and uncertainties are included in the Company's filings with the U.S. Securities and Exchange Commission. The Company does not assume any obligation to update any forward-looking statements except as required under applicable law.

Finally, we have also posted our results presentation on our IR website. I'll now turn the call over to our CEO, Tim. Please go ahead, Tim.

Tim Li^ Thanks, Yam. Welcome to our third quarter 2026 earnings call.

Some strategies are built for good weather. Ours was built for quarters like this one. For nearly a decade, we have spread our business across markets, economies and regulatory regimes, not because any one of them was under pressure, but because we knew that one day one of them could be. This quarter, that day came in China. And while our domestic business absorbed the shock, our overseas business kept growing and kept earning. Once again, diversification carried us.

The third quarter was a challenging transition period for our China business. In July, a credit event at another platform eroded confidence across China's loan facilitation industry, and financial institutions sharply pulled back funding to the sector. From late July, a nationwide campaign against collection agencies cut collection capacity and efficiency. Together, these two developments hit our China business on three fronts at once: funding supply, credit performance and loan origination.

We responded as we said we would on last quarter's call, prioritizing funding stability and asset quality over growth. We tightened underwriting and directed the funding available to us toward our best-quality existing borrowers. As a result, group loan volume contracted to approximately RMB20 billion, down 56% sequentially, driven mainly by the slowdown in China.

Meanwhile, our diversification strategy continued to work as intended. Overseas volume grew 11% year over year to RMB4 billion. Revenue rose to RMB949 million, 11% year over year and 2% sequentially. Overseas now accounts for 37% of group revenue. More importantly, this growth is also profitable: overseas operating profit more than doubled year over year to RMB62 million.

Now let me take each segment in turn, starting with the Chinese Mainland.

Regulation now reaches into every part of the lending process. The new financing-cost disclosure rules took effect on August 1, and the new online marketing rules on September 30. Compliance is our first priority, and we have worked with our bank partners on loan products and referral flows that meet the new requirements.

China loan volume contracted to approximately RMB16 billion, down 61% sequentially, reflecting tighter funding supply and elevated credit risk across the industry.

On funding, institutions turned risk-averse from July and supply fell sharply. Our priority through the quarter was to restore funding and keep it aligned with loan origination. We gave our bank partners full visibility into our fund flows and processes, and adapted our partnership model to their requirements and risk appetite, including closed-loop payment controls and additional checks. As a result, funding supply recovered steadily from its July low through August and September, though it remains below normal levels. In early October, we and other leading platforms also completed compliance self-checks on fund flows and submitted clean audit reports from independent third-party firms to the National Internet Finance Association of China. We believe this marks an important step in restoring institutional confidence across the industry, and our compliance record positions us well as funding partners become more selective.

On risk, our metrics improved steadily through the first half of 2026. The trend reversed in July, driven by two industry-wide factors. First, as funding tightened across the industry, borrowers had less access to credit, and repayment on legacy loans generally weakened. Second, the collection campaign we flagged last quarter reduced recovery capacity and pushed delinquencies higher.

In response, we upgraded our risk models and tightened underwriting further during the quarter. Our approach was simple: lend less, lend to people we know, and keep bad actors out. Alexis will further elaborate on this in a bit. In this elevated risk environment, we expect legacy loans to continue to weigh on credit costs. Looking ahead, we will maintain our compliance-first, risk-focused approach through this reset in China, with asset quality as the core priority.

Now, let's move on to the Overseas segment.

Our overseas business maintained its growth momentum, with volume up 5% sequentially to RMB4 billion. Our diversified three-market portfolio continued to act as a buffer against country-specific headwinds.

Indonesia remains our largest overseas market. Offline buy-now-pay-later accounted for approximately 31% of volume this quarter, up from approximately 25% in the prior quarter and 10% a year ago. The shift is deliberate. Offline BNPL is originated at the point of sale, so the use of funds is easier to verify, and the customer relationship runs through a merchant network rather than paid traffic. With acquisition costs and regulatory scrutiny both rising, that is a more durable way to grow.

In the Philippines, volume edged down 5% sequentially as the business settled under the new rate cap. Credit performance came in better than expected, helped by a milder typhoon season and the conservative underwriting we put in place over the past three quarters. We believe the transition to the lower rate cap is largely complete, and we look to restart growth in the coming quarters.

In Australia, volume grew 21% sequentially. The growth came with a better customer mix, with higher-quality mid-to-large loans rising to around half of the portfolio. The key was deeper integration with Australia's open banking regime, which gives us verified, transaction-level data on income, spending and existing debt in place of self-declared inputs. That data works in two directions: we can approve good-credit applicants we would previously have declined, and we can price and size credit limits more accurately for everyone else. As a result, conversion among good-credit applicants improved while our underwriting standards held firm. On that foundation, we are now adding larger-ticket products for borrowers with stronger credit profiles, and we expect the mix shift to continue.

Technology remains key to how we run this business, and this quarter it mattered more than usual. As the collection campaign cut industry capacity, our AI collection agents helped offset part of the lost external capacity. Two of our AI applications, including our customer service agent built on our own large language model, Rice Seeds, were also named exemplary cases in Shanghai's 2026 Collection of Outstanding Artificial Intelligence Applications. The agent has served more than 100 million users, with a roughly 7% relative increase in self-service resolution.

To close: at the start of this year, we said we would move through 2026 with patience and caution. China's reset is still underway, and we expect the industry to keep evolving around risk, funding and regulation. We expect to come through it with a cleaner, more resilient China business and an overseas business that contributes a growing share of our profit. We enter this period with RMB8.4 billion in cash and short-term investments, and a strong, diversified overseas business that continues to grow.

I'll now turn the call over to our CFO, Alexis, for a deeper look at the numbers.

Alexis Xu^ Thank you, Tim. Hello, everyone. Let me go through our key results for the third quarter. Please refer to our earnings press release for further details.

I will cover each segment and then the group results.

First, China. Our priorities this quarter were funding stability, risk mitigation and cost discipline. China revenue was RMB1.5 billion, down 38% sequentially, reflecting a smaller loan book, partly cushioned by deferred revenue from legacy loan cohorts.

Take rate for this quarter landed at around 2.9%, down 30 basis points from the second quarter due to rising credit and funding costs. On credit risk, indicators remain elevated for two reasons: the industry-wide funding squeeze, and the collection campaign that began at the end of July. For loans originated in the third quarter, we expect vintage cost of 3.5%, compared with 2.7% for the second quarter. Early risk indicators showed a similar trend. Day-1 delinquency rose from 5.3% to 6.4%, mainly from legacy loans originated before funding tightened. The 30-day collection rate fell from 89% to 85% as collection capacity across the industry shrank. As a result, C-M2 rose from 0.56% to 0.92%.

As Tim mentioned, we are tightening risk controls on three fronts: be selective with new customers, lend to the people we know best, and shut out fraud.

First, on new customers. With funding tight across the industry, risk surfaced faster, and the quality of new-customer traffic deteriorated. So we became much more selective. We tracked how stress was spreading across the industry and used those signals to adjust our approval strategy and credit-limit models early. We shifted our channel mix toward higher-quality sources and cut off high-risk traffic.

Second, on existing customers. In a tougher environment, we focus on funding borrowers we know well. But even familiar borrowers can change quickly when credit dries up elsewhere. So we looked more closely at three warning signs: borrowing from multiple platforms, high debt relative to income, and unstable repayment. We re-ranked the portfolio by risk-adjusted return, reduced exposure to borrowers showing these signs, and moved credit limits to those with proven track records. We also added specific controls for borrowers who repeatedly pay a few days late, an early signal of stress. This keeps our risk exposure contained, puts credit in steadier hands, and eases pressure on collections.

Third, on fraud. When credit tightens, fraud becomes more organized, run through intermediaries and connected networks that one-by-one application checks can't catch. We strengthened pattern detection across money flows, intermediary behavior, applicant networks and devices. We will remain vigilant as we enter the fourth quarter and continue to prioritize loan quality.

During the quarter, funding cost also rose from 3.7% to about 4.3%, as tight supply pushed up the cost of funds from a low base. We worked closely with our funding partners to restore supply. While funding has not yet returned to normal levels, it has recovered to a level sufficient for our current risk appetite and origination plans.

Moving on to Overseas. Operating profit was RMB62 million, up 15% sequentially and more than double the prior-year level. Demand remained resilient, and we added 2.8 million new borrowers, up 28% sequentially.

That said, the macro backdrop across our markets has become more challenging. Higher oil prices are driving inflation, and monetary policy is tightening across the region. We are managing each market with that in mind.

In Indonesia, the rupiah has come under sustained pressure, and Bank Indonesia has raised its policy rate by 25 basis points to a year-high 6% to support the currency. Consumer confidence has softened, with the index falling from 127 in January to 120 in October. We are monitoring credit quality closely and are ready to adjust our risk strategy early if conditions warrant.

In the Philippines, inflation rose to 7.2% in September, and the central bank has raised rates four times in a row, most recently to 5.5%. Having scaled back origination ahead of this, we are well positioned to restart growth, at a measured pace.

In Australia, the Reserve Bank has raised its cash rate five times this year to 4.85%, and we are mindful of the pressure this puts on household budgets. Even so, demand for digital credit adoption remains strong, and we expect Australia to keep contributing to both growth and profit.

Overseas operating profit for the first nine months totaled about RMB161 million (US$24 million), and we remain on track for our full-year target of about US$30 million in EBITDA.

At the group level, net revenue was RMB2.6 billion, down 25% sequentially. Operating expenses were RMB1,048 million, down 27% sequentially, mainly due to lower sales and marketing spend as we served more repeat customers through our own app rather than paid traffic. Total provision expense was broadly flat at RMB1.35 billion despite lower origination, reflecting higher credit costs on legacy loans. Net profit was RMB206 million, down 52%. Our balance sheet remains liquid and strong. Cash and short-term investments totaled RMB8.4 billion. Our leverage ratio, defined as risk-bearing loan balance divided by shareholders' equity, was 1.5 times, a historical low.

On shareholder returns, our capital allocation policy is unchanged. Our current priority is to meet the operational needs of our business while optimizing our cost of debt. We repurchased US$4.3 million of shares in the third quarter, bringing repurchases for the first nine months to US$71.1 million. In October, we prioritized capital toward our convertible senior notes, repurchasing about US$90 million, which reduces our debt and the potential dilution. We remain committed to returning capital to shareholders, based on sustainable, normalized earnings and cash flow.

Now to our outlook. Despite the third quarter's disruptions, group revenue reached RMB9.2 billion for the first three quarters. We are therefore reiterating our full-year revenue guidance of RMB11.5 billion to RMB12.9 billion and expect to land at the lower end of that range. This reflects our current and preliminary views, subject to any changes to the operating environment.

To sum up, the third quarter showed both the cost of China's reset and the value of the choices we made before and during it. We cut volume early, tightened risk and mended our funding relationships. We believe that the new environment will favor players with strong compliance, discipline and operational know-how. Meanwhile, our overseas business continued to grow both its top and bottom lines. We are clear-eyed about the domestic challenges ahead and firmly committed to disciplined execution through the coming quarters, with our focus on long-term returns for our shareholders.

That concludes my prepared remarks. We will now open the call to questions. Operator, please continue.

QUESTIONS AND ANSWERS

Operator^ Thank you, management. We will now begin the question-and-answer session. To ask a question on the phone, please press star one and one, and wait for your name to be announced.

For the benefit of all participants on today's call, if you wish to ask your question to management in Chinese, we ask that you please kindly repeat your question in English. Please hold for our first question.

Your first question comes from the line of Dennis Bai of UBS. Your line is open. Please go ahead.

Dennis Bai^ Thank you, management, for taking my questions and for giving me the opportunity to go first. This is Dennis from UBS. I have two questions. The first is on the domestic funding environment. Could you please give us an update on the recovery in domestic funding availability, and looking ahead into Q4, how do we expect funding costs and transaction volume to trend?

Second is on your overseas business. We noticed that overseas revenue continued to increase as a percentage of the group's total revenue in Q3. How do you see the long-term trend or long-term growth perspectives for your overseas business? And more specifically, what are the key opportunities and challenges in Indonesia and the Philippines? Thank you.

Alexis Xu^ Thanks, Dennis. I will take your first question, and Tim will take your second question. Your first question is about funding. Let me take this in order: where funding stands now, then the outlook on cost and volume.

Funding has gradually recovered from its low in late July, but as credit risk picked up across the industry, we further tightened our underwriting standards. So the funding we have now broadly matches the volume we are comfortable originating.

Let me give you a bit of context on the recovery. Back in late July, many of our funding partners were reviewing how money moved through their partner platforms. So we walked them through each step from loan disbursement to payment and repayment. As some institutions completed their reviews and updated their systems, funding started to come back in August gradually.

So you can see how that played out in our monthly volumes. New loan volume for the first half of July was still strong, but the second half was weak. And since the low in July, volume recovered in August and September onwards. Starting from July, monthly volume dropped by about 10% in August, and then grew by 15% in September. For the third quarter as a whole, transaction volume in China was down about 60% quarter over quarter. It reflects the earlier pullback in funding and the rise in credit risk.

Turning to the fourth quarter, funding supply was broadly stable through October and into November. In October, we also submitted a report, as we mentioned, about our funding flows to the National Internet Finance Association of China. That really helped us reassure our funding partners.

In terms of funding cost, tighter supply across the industry pushed our funding costs up from about 3.7% in the second quarter to about 4.3% in the third quarter, an increase of 60 bps. It will take time for financial institutions to regain their risk appetite, so we expect our funding cost to stay elevated in the fourth quarter, maybe slightly above the Q3 level.

For the fourth quarter volume, given the regulatory environment and still-elevated industry risk, our priority, as we have mentioned, is asset quality — not short-term scale. So the pace of any recovery will depend on the quality of the loans we can originate and the expected returns. We will prioritize higher-quality existing borrowers with a consistent repayment record, and we will keep underwriting tight for new borrowers. That is how we protect the quality of the book while the market settles, and it positions us well for durable growth as conditions improve. Okay, so that's for the first question.

Tim Li^ Hi Dennis, I will answer the second question about our global expansion and the opportunities and challenges in developing markets. Let me make three points.

First, where we are. We started in Indonesia in 2018, and took what we learned to the Philippines in 2020. And then we entered Australia through the Fundo acquisition. Looking back, overseas revenue was about 20% of the group in 2024, and about 25% in 2025. For the first nine months of this year, it reached 31%. So we've already met the 30% target we set for the year, and our long-term goal is more than 50% by 2030.

And more importantly, this growth is now turning into profit. All three markets are profitable at the operating level. Together, they made US$24 million in the first nine months, so we are on track for our full-year target of around US$30 million. International is no longer just a revenue story; it's a revenue and profit story.

Second, what's the opportunity and how is the strategy evolving? I think two things are changing: where we operate and who we serve.

On the markets, we have gone from developing markets into a developed one. They differ in growth, risk, and profitability, and that's what makes them complementary.

And on the customer side, we started with small online cash loans, and we are now moving toward better-quality borrowers with larger loans and longer terms. In Indonesia, our multi-finance license lets us do offline buy now, pay later, which was 31% of our Indonesia volume in Q3. In the Philippines, we are going beyond cash loans with products like our buy now, pay later card. The aim in both is higher customer lifetime value and better profitability.

Third, the challenges. I'd like to highlight two.

One is from regulation. In developing markets, it can change quickly. A rate cap change, for example, can slow growth in the short term. But we've been through this more than once. Last year when Indonesia was affected, the Philippines helped offset it. This year, the Philippines is adjusting, and Indonesia and Australia are picking up the growth. That's why the portfolio matters.

The other is the macro side. Both Indonesia and the Philippines face inflation and currency pressure, and the geopolitical environment adds to that. So we watch local conditions closely and adjust our pace in each market. On currency, we match local currency assets with local currency liabilities, so that limits the impact on our group.

So overall, we are confident in Indonesia and the Philippines. Credit penetration is still low, and we were early in both markets, with years of local experience in risk and customer acquisition. That gives us a solid base for steady, sustainable growth. Okay, thanks, Dennis.

Operator^ Thank you for the questions. Please hold for our next question. Our next question comes from the line of Claire Ouyang from Goldman Sachs. Your line is open. Please go ahead.

Claire Ouyang^ Thank you for taking my question. This is Claire Ouyang from Goldman Sachs. My question is about the asset quality for our domestic business. What are the main drivers behind the recent pickup in credit risk? As we head into Q4, how are these latest risk indicators trending? Are you seeing any signs of stabilization? Thank you.

Alexis Xu^ Thanks, Claire. I will take your question. Changes across the industry are starting to affect our existing loan book. That's the main reason credit risk has picked up. When funding tightened across the industry in July, some borrowers with higher debt levels started to face liquidity pressure. So over time, that made it harder for them to keep up with payments on loans they had already taken out. And at the same time, changes in the collection environment made it harder to recover overdue payments. Together, these two factors put considerable pressure on asset quality across the industry in Q3, including us.

Let me put some numbers around it. Our Day-1 delinquency rate rose 21% quarter over quarter from 5.26% in the second quarter to 6.35% in the third quarter. Our 30-day collection rate fell from 89.4% to 85.5%, and our C-M2 flow rate rose from 0.56% to 0.92%. Our vintage estimate for loans originated in Q3 is 3.5%, up 80 basis points from the Q2 vintage.

In terms of how we have responded, we started tightening our risk controls in July and reduced our exposure further in August and September, shifting our focus from volume growth to asset quality. As we have mentioned, we have tightened underwriting for new borrowers, refined how we manage existing borrowers, and strengthened our fraud controls.

We are also taking a closer look at expected credit costs and profitability across borrower segments and loan portfolios. That really helps us adjust the pace of origination and give priority to loans with better risk-adjusted returns while keeping our overall exposure in check.

But it takes time for those changes to show up across the portfolio. Our loans have an average tenure of eight to nine months, so it typically takes about two to three quarters for risk in the existing book to work its way out. We have already tightened underwriting on new loans, but it will take time to see the full effect on overall asset quality.

Turning to the fourth quarter, our latest data shows the C-M2 flow rate, one of our early risk indicators, reached a recent high at the end of September. In October, it fell 6% from September. That was mainly due to modest improvement in our 30-day collection rate.

You know, the collection rate is a very key part, so I'd like to add some more details. We have adjusted both our staffing and our strategy in response to earlier pressure on recoveries.

First, we have added staff to our in-house collections team and focused more resources on loans that are 1 to 30 days past due. In-house collectors now make up a larger share of the staff handling these accounts, up 19% from September. That has helped us take a more active role in managing early delinquencies.

And second, we are expanding our use of AI in post-loan management. We were already using AI for early-stage collections; now we are also using it for accounts that have been overdue for longer. For those accounts, the monthly recovery rate with AI is almost 1.5 times the rate third-party collection agencies achieve through phone calls. That shows how AI can help improve collection efficiency.

Taken together, these changes have strengthened our collection capacity and helped improve recoveries, which helped bring our 30-day collection rate up a bit in October. That said, the improvement is still recent. It's still too early to call a turning point in credit risk, and we will need a bit more time to see whether the improvement holds.

Looking ahead, we expect risks to ease gradually as higher-risk loans from earlier vintages run off and the mix of new loans continues to improve. The pace of recovery will still depend on the external environment. We will keep a close eye on the risk indicators and adjust our origination volume accordingly, with asset quality and profitability as our top priority. Okay, thank you.

Operator^ Please hold for our next question. Our next question will come from the line of Yujie Jing from China International Capital Corporation. Please go ahead.

Yujie Jing^ Thanks for taking my questions. I'm Yujie Jing from CICC, and I have two questions. First, on capital allocation: given the changing domestic operating environment and ongoing funding needs for overseas expansion, how does management think about the overall capital allocation framework, and what are your key considerations in balancing business growth, financial prudence, and shareholder returns?

Secondly, turning to the overseas business: it has been one year since the acquisition of Fundo in Q4 last year. Could you walk us through the key progress of the Australia business over this period, and what will be the priority investment areas in 2027? Also, what is

management's framework for evaluating and entering other developed markets going forward? Thanks.

Alexis Xu^ Thanks for your questions, and I will take your first one. We have always been prudent about how we use our capital, while keeping enough flexibility to adjust as conditions change. We look at what the business needs, how much liquidity we should keep on hand, and how much capital we can return to shareholders.

First, funding the business remains our top priority. For our China business, we are still seeing some pressure on the funding side and on the credit risk, so we need enough liquidity to respond as market conditions change. And at the same time, our overseas business continues to grow, so we need to fund that growth in Indonesia, the Philippines, and Australia.

With both needs in mind, we keep a healthy cash position. That helps us in two ways. First, a strong liquidity position gives our institutional funding partners confidence in us and supports our relationships. Second, when markets shift, we can draw on our cash reserves to respond quickly and keep the business running smoothly.

At the end of Q3, we had around US$1.2 billion in cash and short-term investments. That puts us in a strong financial position and gives us flexibility in how we use our capital.

On the debt side, we are also looking for opportunities to manage our debt when market conditions are favorable. As we have mentioned, in October we bought back a portion of our outstanding CB. That reduces the long-term debt we will need to repay and the interest we'll pay over time. It gives us more financial flexibility.

Second, once we have provided for the needs of the business and kept sufficient liquidity on hand, we look at shareholder returns. On buybacks, we keep the pace flexible based on where our shares are trading, market liquidity, our cash position, and our overall capital needs. In the first nine months of the year, we bought back US$71.1 million worth of shares, and at the end of Q3, our shares outstanding were down 5.8% from the end of last year. We also continue to see dividends as an important way to return capital to shareholders.

Looking ahead, we will keep reviewing these priorities as our business develops, our funding needs evolve, and market conditions change. Our goal is to support long-term growth while continuing to create value for our shareholders. So that's for the first question, and Tim will take the second one.

Tim Li^ Hi Yujie, I will answer the question about our Australia business. Let me cover three things: the results, what we did, and what's next.

First, the results. Australia is our first developed market, and Fundo was our first time entering a market through an acquisition. One year in, the numbers are quite good. In Q3, new borrowers more than doubled year over year. Transaction volume grew nearly 80%, and loan balance doubled. Revenue was up about 50%, and profitability improved a lot as well. For a mature credit market, that's broadly in line with what we expected when we did the deal.

Second, what's behind those numbers? There are four things.

One, compliance: Australia sets a high bar on consumer protection and on how lenders assess a borrower's ability to repay. We invested heavily here. We improved how we assess income, living expenses, and existing debt. And in June, we connected to open banking, so with customers' consent, we can see their banking transaction data directly. That makes our assessment more accurate.

Two, technology: Fundo used to serve customers mainly through its website. We launched our own app in Q4 last year, and it's now 40% of our originations. Customers on the app stay longer and borrow again more often.

Three, the team: Fundo's original team is stable — retention is about 90%, and everyone in a key role has stayed. They know the local market and the regulations. We brought in our risk models, product experience, and operating know-how. The two sides complement each other well.

And four, the product mix: when we bought Fundo, most loans were small and short-term. By Q3, medium and large loans were 51% of the mix, up from 38% a year ago. That means we are serving better-quality borrowers with higher limits and longer terms.

Third, what's next? In 2027, we'll keep investing in Australia — on products, more of the larger, longer-term loans; on operations, a better app experience, lower acquisition costs, and higher retention, so that growth turns into sustained profit.

Longer term, Australia matters beyond its own revenue and profit. Customers here borrow more and have a higher lifetime value than in developing markets. We've learned to operate under higher regulatory standards, and we've shown that our model works: buy a local platform, keep the core team, and bring in the group's technology and operations. We want to take that experience to other mature markets over time. So scale in developing markets, customer value in mature markets — that gives us a more diversified global portfolio. Thanks, Yujie.

Operator^ Thank you for the questions. There are no further questions at this time. I would like to hand the call back to the Company for closing remarks.

Yam Cheng^ Thank you, Desmond. Thank you once again for joining us today. If you have any further questions, please feel free to contact our investor relations team. Thank you.

Operator^ That concludes today's conference call. You may now disconnect your lines. Thank you.