

OppFi (OPFI): 5.4x EV/EBITDA and 3.1x EV/FCF Against 149.0% ROIC and 23.0% FCF Growth

OPFI | OppFi Inc. | Technology | Software - Application | FY 2025 | 2026-06-11T13:30:26.001Z

At 5.4x EV/EBITDA and 3.1x EV/FCF, the current valuation implies skepticism that ROIC of 148.7%, FCF growth of 23.0%, and an 87.5% EPS beat rate are durable for a bank-partnered lending platform facing macro and execution scrutiny.

SIGNALCORE VIEW	SIGNAL SCORE	FUNDAMENTAL QUALITY	EXPANSION POTENTIAL	THEESIS RISK
Mixed but researchable candidate	65 / 100	77 / 100	0 / 100	18 / 100
Value / Quality Candidate				

PRIMARY DEBATE — The investable debate is whether OPFI's lending platform economics, reflected in ROIC of 148.7% and operating income growth of 104.4%, are durable or whether macro and credit normalization will compress returns toward historical averages such as the 3Y average ROIC of 16.9%. Revenue growth of 13.5% alongside free cash flow growth of 23.0% suggests improving profitability, yet the valuation at 1.5x EV/Sales indicates the market is discounting sustainability. The question is whether high returns in a bank-partnered lending structure can persist through macro variability.

INVESTMENT NARRATIVE

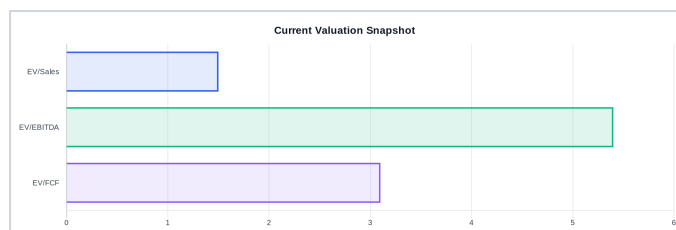
Archetype	Show-me value with growth	<p>Core Tension: Are supported earnings/FCF growth and high returns durable, or will macro/sector headwinds and execution risk drive mean reversion?</p> <p>Market Assumption: Despite recent growth and beats, OPFI's earnings power is not durable and warrants a discounted multiple given macro/sector uncertainty and skepticism around guidance and product strategy/AI impact.</p> <p>Trajectory: Fundamentals appear improving (growth, beats, FCF) while valuation remains discounted; if guidance holds and revisions turn positive, a valuation reassessment is plausible, otherwise the stock may remain a 'value trap'.</p> <p>Mispricing Hypothesis: The market is over-discounting macro/sector risk and underestimating the durability of OPFI's earnings/FCF and product strategy benefits; continued beats and stable leverage could catalyze multiple expansion from 5.4x EV/EBITDA and 3.1x EV/FCF.</p>
Company Type	Financial technology platform enabling bank-partnered lending (installment loans and credit card).	
Key Monitoring Metric	Forward EPS revision trend following earnings guidance	

EVIDENCE MAP

SUPPORTING EVIDENCE	CONTRADICTION EVIDENCE
Low valuation: EV/EBITDA 5.42 and EV/FCF 3.06 imply skepticism.	Growth trend: latest revenue growth 13.5% and 5Y revenue growth 15.8%.
Very high FCF and earnings yields (43.6% FCF yield; 29.8% earnings yield) suggest the market is discounting sustainability/quality.	Earnings strength: latest EPS growth 175% and 5Y EPS growth 121.8%.
Coverage clusters emphasize earnings_guidance and analyst_revision, consistent with uncertainty and a 'show-me' stance.	Cash generation: EV/FCF of 3.06 and FCF growth 23% indicate supported cash economics.
Revenue beat rate only 62.5%, indicating less consistent topline outperformance.	Execution: EPS beat rate 87.5% suggests consistent bottom-line outperformance.
	Returns and balance sheet: ROE 1.34 and ROIC 1.49 (as reported) with Net Debt/EBITDA 1.36 indicating manageable leverage.

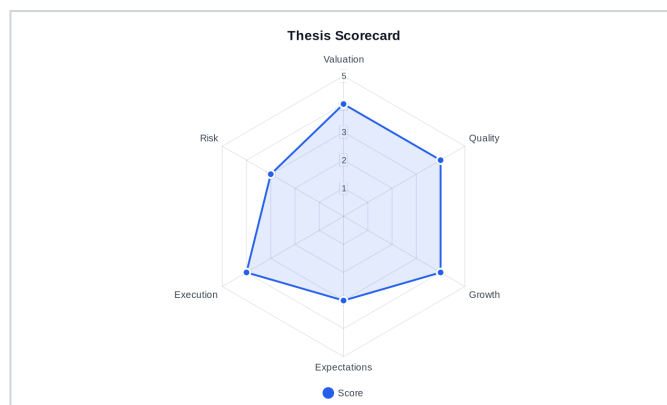
SCORECARD

VALUATION	QUALITY	GROWTH	EXPECTATIONS	EXECUTION	RISK	OVERALL
4	4	4	3	4	3	4
SUPPORTED	SUPPORTED	SUPPORTED	MIXED	SUPPORTED	MODERATE	SUPPORTED



CURRENT VALUATION SNAPSHOT

Current multiples are shown separately from historical fiscal-year trend metrics.



THEESIS SCORECARD RADAR

Evidence scores summarise valuation, quality, growth, expectations, execution, and risk.

KEY METRICS

CURRENT EV/EBITDA	CURRENT EV/FCF	FCF YIELD	ROIC	REVENUE GROWTH	EPS GROWTH	FCF GROWTH	EPS BEAT RATE
5.4x	3.1x	43.6%	148.7%	13.5%	175.0%	23.0%	87.5%

EXECUTIVE SUMMARY

Core Tension	Are supported earnings/FCF growth and high returns durable, or will macro/sector headwinds and execution risk drive mean reversion?
Market Assumption	Despite recent growth and beats, OPFI's earnings power is not durable and warrants a discounted multiple given macro/sector uncertainty and skepticism around guidance and product strategy/AI impact.
Current Pricing	At a price of \$8.27 and market cap of \$706.2M, the market assigns an enterprise value of \$943.2M, equal to 5.4x EV/EBITDA and 3.1x EV/FCF.
Valuation	The current EV/EBITDA of 5.4x is above the fiscal-year latest EV/EBITDA of 2.8x and above the 3Y average of 1.9x, while current EV/FCF of 3.1x exceeds the latest fiscal EV/FCF of 1.5x and the 3Y average of 1.4x.
Quality	Quality metrics show ROE of 134.3% and ROA of 9.2%, indicating high equity and asset returns for a lending platform.
Growth	Growth is margin-led rather than revenue-led.
Cash Flow	Operating cash flow growth of 23.9% and free cash flow growth of 23.0% in the latest year indicate that earnings expansion is translating into cash.
Execution	Over 8 quarters, OPFI delivered an EPS beat rate of 87.5% and revenue beat rate of 62.5%, indicating execution has been supporteder at the earnings line than the revenue line.
Primary Monitor	Can ROIC of 148.7% be sustained above the 3Y average of 16.9%?

THEESIS DRIVERS

SUPPORTING DRIVERS			CONSTRAINTS / MONITORS		
1	EPS Growth	175.0%			
2	ROIC	148.7%			
3	EPS Beat Rate	87.5%			
4	FCF Yield	43.6%			
5	FCF Growth	23.0%			
6	Revenue Growth	13.5%			

COMPANY & BUSINESS MODEL

OppFi Inc. provides a financial technology platform that enables banks to extend various lending solutions. This platform notably features several distinct financial instruments: the OppLoan, a standard installment loan; SalaryTap, an installment loan secured via payroll deduction; and the OppFi Card, a dedicated credit card. OppFi's headquarters are situated in Chicago, Illinois.

INVESTMENT THESIS

OppFi operates a financial technology platform enabling banks to offer installment loans and credit cards, and the debate centers on whether recent profitability and cash generation are durable in a macro-sensitive lending model. The market is pricing the business at 5.4x EV/EBITDA and 3.1x EV/FCF with an earnings yield of 29.8% and a free cash flow yield of 43.6%, which implies skepticism that recent net income growth of 262.8% and EPS growth of 175.0% can persist. Against that, the company reports ROE of 134.3% and ROIC of 148.7%, while free cash flow to firm totals \$425.0M on a \$943.2M enterprise value, indicating substantial cash generation relative to size. The core tension is whether this return and cash profile is structural to the platform model or cyclical within a credit cycle.

INVESTABLE DEBATE

The investable debate is whether OPFI's lending platform economics, reflected in ROIC of 148.7% and operating income growth of 104.4%, are durable or whether macro and credit normalization will compress returns toward historical averages such as the 3Y average ROIC of 16.9%. Revenue growth of 13.5% alongside free cash flow growth of 23.0% suggests improving profitability, yet the valuation at 1.5x EV/Sales indicates the market is discounting sustainability. The question is whether high returns in a bank-partnered lending structure can persist through macro variability.

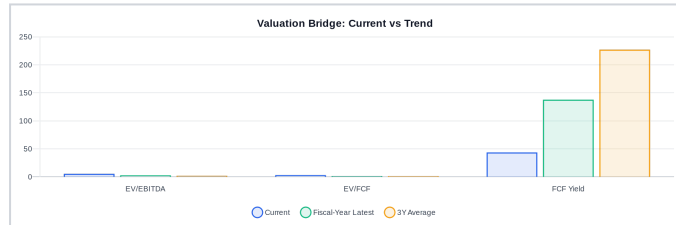
MARKET EXPECTATIONS

At a price of \$8.27 and market cap of \$706.2M, the market assigns an enterprise value of \$943.2M, equal to 5.4x EV/EBITDA and 3.1x EV/FCF. An earnings yield of 29.8% and free cash flow yield of 43.6% imply the market assumes earnings and cash flows may normalize below current levels. This is reinforced by next EPS estimate of \$2.14 against long-term EPS estimate of -\$0.13, indicating that consensus embeds volatility or mean reversion beyond the near term.

CURRENT VALUATION VS HISTORICAL TREND

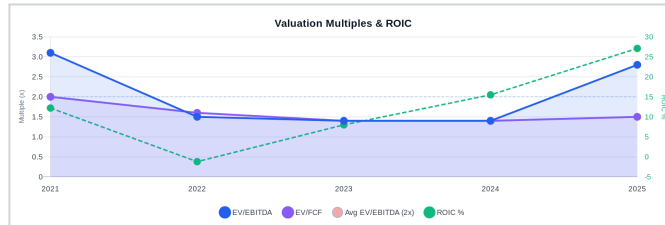
METRIC	CURRENT	FISCAL-YEAR LATEST	3Y AVG	5Y AVG
EV/EBITDA	5.4x	2.8x	1.9x	2.0x
EV/FCF	3.1x	1.5x	1.4x	1.6x
FCF Yield	43.6%	137.8%	227.1%	348.6%

Current EV/EBITDA is 5.4x, while fiscal-year trend data shows latest EV/EBITDA of 2.8x versus a 3Y average of 1.9x. Current EV/FCF is 3.1x, while fiscal-year trend data shows latest EV/FCF of 1.5x versus a 3Y average of 1.4x.



VALUATION BRIDGE: CURRENT VS HISTORICAL TREND

Current EV/EBITDA is 5.4x, while fiscal-year trend data shows latest EV/EBITDA of 2.8x versus a 3Y average of 1.9x.



VALUATION MULTIPLES & ROIC OVERLAY

The current EV/EBITDA of 5.4x is above the fiscal-year latest EV/EBITDA of 2.8x and above the 3Y average of 1.9x, while current EV/FCF of 3.1x exceeds the latest fiscal EV/FCF of 1.5x and the 3Y average of 1.4x.

VALUATION ANALYSIS

The current EV/EBITDA of 5.4x is above the fiscal-year latest EV/EBITDA of 2.8x and above the 3Y average of 1.9x, while current EV/FCF of 3.1x exceeds the latest fiscal EV/FCF of 1.5x and the 3Y average of 1.4x. At the same time, latest ROIC of 27.1% in the trend data exceeds the 3Y average of 16.9%, and top-level ROIC is 148.7%, indicating capital efficiency has improved while multiples have expanded from historical trough levels. The valuation therefore reflects partial recognition of improved returns but still embeds caution given the 43.6% free cash flow yield.

QUALITY & CAPITAL EFFICIENCY

Quality metrics show ROE of 134.3% and ROA of 9.2%, indicating high equity and asset returns for a lending platform. Net debt to EBITDA of 1.36x suggests manageable leverage within a credit model, while a current ratio of 1.14 and working capital of \$7.7M indicate limited liquidity buffer relative to balance sheet scale. Income quality of 2.68 and stock-based compensation growth of 89.5% versus net income growth of 74.4% in cash flow context highlight that non-cash components are rising faster than net income, which warrants monitoring.



QUALITY & RETURN PROFILE

Quality metrics show ROE of 134.3% and ROA of 9.2%, indicating high equity and asset returns for a lending platform.

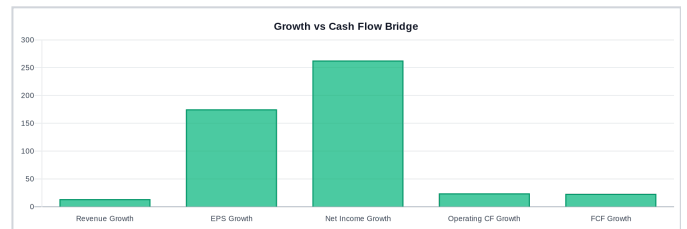
GROWTH TRAJECTORY

Growth is margin-led rather than revenue-led. Latest revenue growth of 13.5% is above the 3Y average of 9.7% but below the 5Y average of 15.8%, indicating steady topline expansion. In contrast, latest EPS growth of 175.0% exceeds the 5Y average of 121.8%, and net income growth of 262.8% exceeds the 5Y average of 166.3%, showing earnings acceleration. Free cash flow growth of 23.0% exceeds the 3Y average of 18.7% and the 5Y average of 18.1%, suggesting cash growth is keeping pace with earnings expansion.



HISTORICAL GROWTH TRENDS

Growth is margin-led rather than revenue-led.



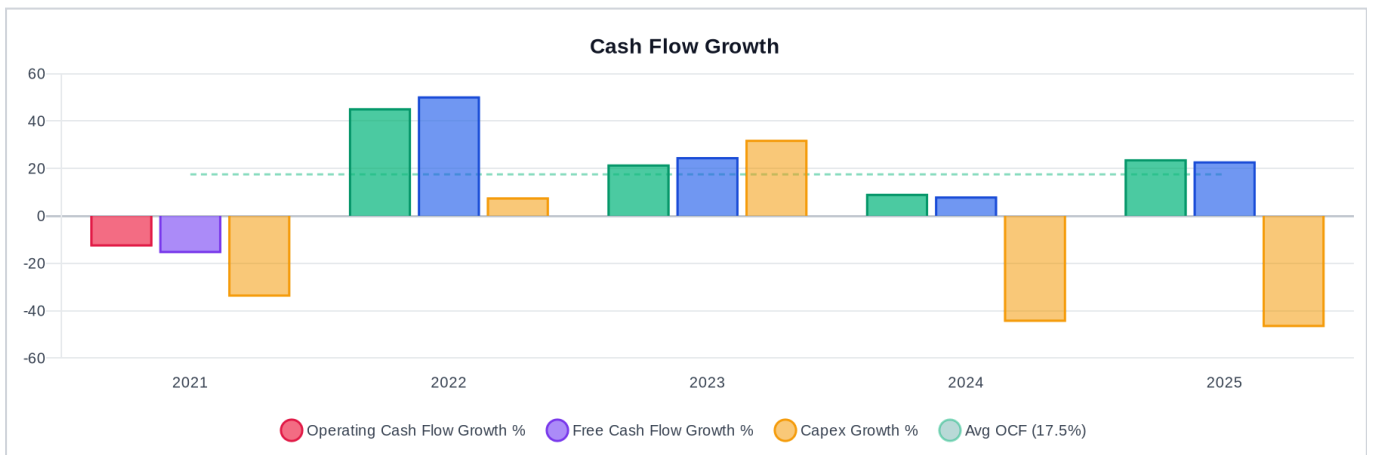
GROWTH VS CASH FLOW BRIDGE

Growth is margin-led rather than revenue-led.

CASH FLOW GROWTH & CONVERSION

Operating cash flow growth of 23.9% and free cash flow growth of 23.0% in the latest year indicate that earnings expansion is translating into cash. Both exceed the 3Y average operating cash flow growth of 18.3% and 3Y average free cash flow growth of 18.7%, indicating acceleration rather than deceleration. Capex growth of -46.9% implies lower reinvestment outlays, which supports free cash flow expansion in the current period.

Because operating cash flow growth of 23.9% and free cash flow growth of 23.0% are both positive, conversion is currently aligned. However, stock-based compensation growth of 89.5% exceeds net income growth of 74.4%, suggesting that a portion of cash flow growth may be influenced by non-cash adjustments. Capex to revenue of 3.2% versus a 3Y average of 2.5% indicates slightly higher capital intensity than recent history.



CASH FLOW GROWTH — OCF, FCF & CAPEX

Operating cash flow growth of 23.9% and free cash flow growth of 23.0% in the latest year indicate that earnings expansion is translating into cash.

ANALYST EXPECTATIONS

Next Revenue Estimate	\$773.3M
Revenue Bull Case	\$795.4M
Revenue Bear Case	\$757.8M
Next EPS Estimate	2.14
EPS Bull Case	2.22
EPS Bear Case	2.08
Revenue Dispersion	4.85%
EPS Dispersion	6.31%
Revenue Coverage	2
EPS Coverage	2

Consensus expectations appear Reasonable. Next revenue estimate of \$773.3M sits between a bull case of \$795.4M and bear case of \$757.8M, with revenue dispersion of 4.9% and EPS dispersion of 6.3%, indicating contained forecast variability. However, analyst coverage is limited at 2 revenue and 2 EPS analysts, which constrains estimate supported by supplied metricsness. The long-term EPS estimate of -\$0.13 contrasts with next EPS estimate of \$2.14, reflecting uncertainty around durability.



ANALYST EXPECTATIONS RANGE

Consensus expectations appear Reasonable.



EXECUTION HISTORY

Over 8 quarters, OPFI delivered an EPS beat rate of 87.5% and revenue beat rate of 62.5%, indicating execution has been supported at the earnings line than the revenue line.

EXECUTION QUALITY

Quarters Analysed	8
EPS Beat Rate	87.5%
Revenue Beat Rate	62.5%
Avg EPS Surprise	-8.1%
Avg Revenue Surprise	0.7%
EPS Beats / Misses	7 / 1
Revenue Beats / Misses	5 / 3

Over 8 quarters, OPFI delivered an EPS beat rate of 87.5% and revenue beat rate of 62.5%, indicating execution has been supported at the earnings line than the revenue line. The average revenue surprise of 0.7% suggests limited topline outperformance, while average EPS surprise of -8.1% reflects volatility due to one large miss. The most recent quarter on 2026-05-07 showed EPS of \$0.35 versus \$0.33 estimate, a 6.1% beat, indicating continued bottom-line execution.

Given EPS beat rate of 87.5% and contained EPS dispersion of 6.3%, near-term EPS estimates of \$2.14 appear grounded in recent execution. However, limited analyst coverage of 2 EPS analysts and revenue beat rate of 62.5% suggest that topline expectations of \$773.3M should be monitored against historical volatility in lending revenue.

BULL / BASE / BEAR SCENARIOS

BULL CASE	BASE CASE	BEAR CASE
<p>If revenue reaches the bull case of \$795.4M and EPS reaches \$2.22 while EV/EBITDA remains at 5.4x, then the valuation case would be supported by sustained earnings growth and ROIC of 148.7%.</p> <p>Revenue Bull Case \$795.4M EPS Bull Case \$2.22</p> <p>ROIC 148.7%</p>	<p>If revenue aligns with the next estimate of \$773.3M and EPS reaches \$2.14 while EV/FCF stays near 3.1x, then the valuation would continue to reflect cautious assumptions about durability despite free cash flow growth of 23.0%.</p> <p>Revenue Estimate \$773.3M EPS Estimate \$2.14</p> <p>EV/FCF 3.1x</p>	<p>If revenue falls to the bear case of \$757.8M and EPS declines to \$2.08 while ROIC moves toward the 3Y average of 16.9%, then the current multiple of 5.4x EV/EBITDA would align with mean reversion in returns.</p> <p>Revenue Bear Case \$757.8M</p> <p>EPS Bear Case \$2.08 Avg ROIC 3Y 16.9%</p>

SCENARIO PROBABILITY MATRIX

BULL SCENARIO	BASE SCENARIO	BEAR SCENARIO	WEIGHTED THESIS SCORE
37%	50%	13%	70 / 100

12-24 MONTH CONDITIONAL OUTLOOK

Revenue growth of 13.5% versus 3Y average of 9.7% suggests stable expansion if revenue approaches \$773.3M next year.

EPS growth of 175.0% and net income growth of 262.8% indicate earnings trend, contingent on maintaining ROE of 134.3%.

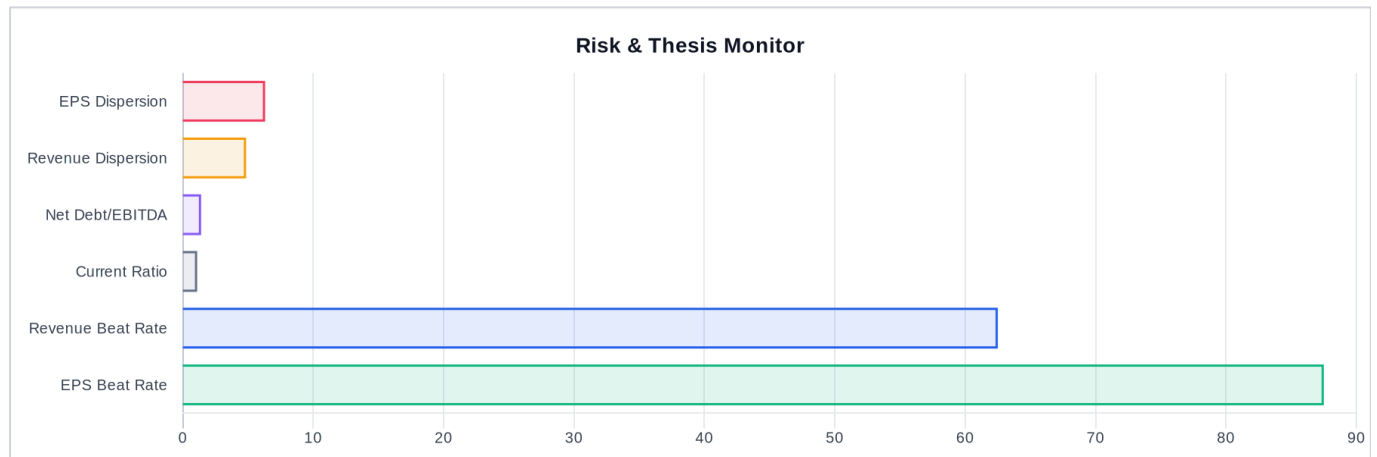
At 5.4x EV/EBITDA and 3.1x EV/FCF, valuation assumes moderation from current 43.6% free cash flow yield.

An 87.5% EPS beat rate across 8 quarters supports monitoring future quarters against the \$2.14 EPS estimate.

If ROIC remains near 148.7% and free cash flow growth remains above the 3Y average of 18.7%, the valuation case would be supported by durability rather than mean reversion.

THESIS MONITOR

TRACK QUARTERLY	THESIS CHANGES IF	THESIS WEAKENS IF
Can ROIC of 148.7% be sustained above the 3Y average of 16.9%?	If free cash flow growth rises above 23.0% and exceeds the 5Y average of 18.1%, then the durability case strengthens.	If free cash flow growth falls below the 3Y average of 18.7%, then cash trend would be challenged.
Will free cash flow growth remain above 18.7% 3Y average?	If ROIC remains above the 3Y average of 16.9% and stays near 148.7%, then capital efficiency supports the current multiple.	If ROIC declines below the 3Y average of 16.9%, then capital efficiency would align with historical levels rather than current 148.7%.
Does revenue reach \$773.3M next year with only 2 revenue analysts?	If EPS dispersion falls below 6.3%, then estimate stability would improve expectation credibility.	If net debt to EBITDA rises above 1.36x, then leverage risk within the lending model would increase.



RISK & THESIS MONITOR

Can ROIC of 148.7% be sustained above the 3Y average of 16.9%?

RISK ASSESSMENT

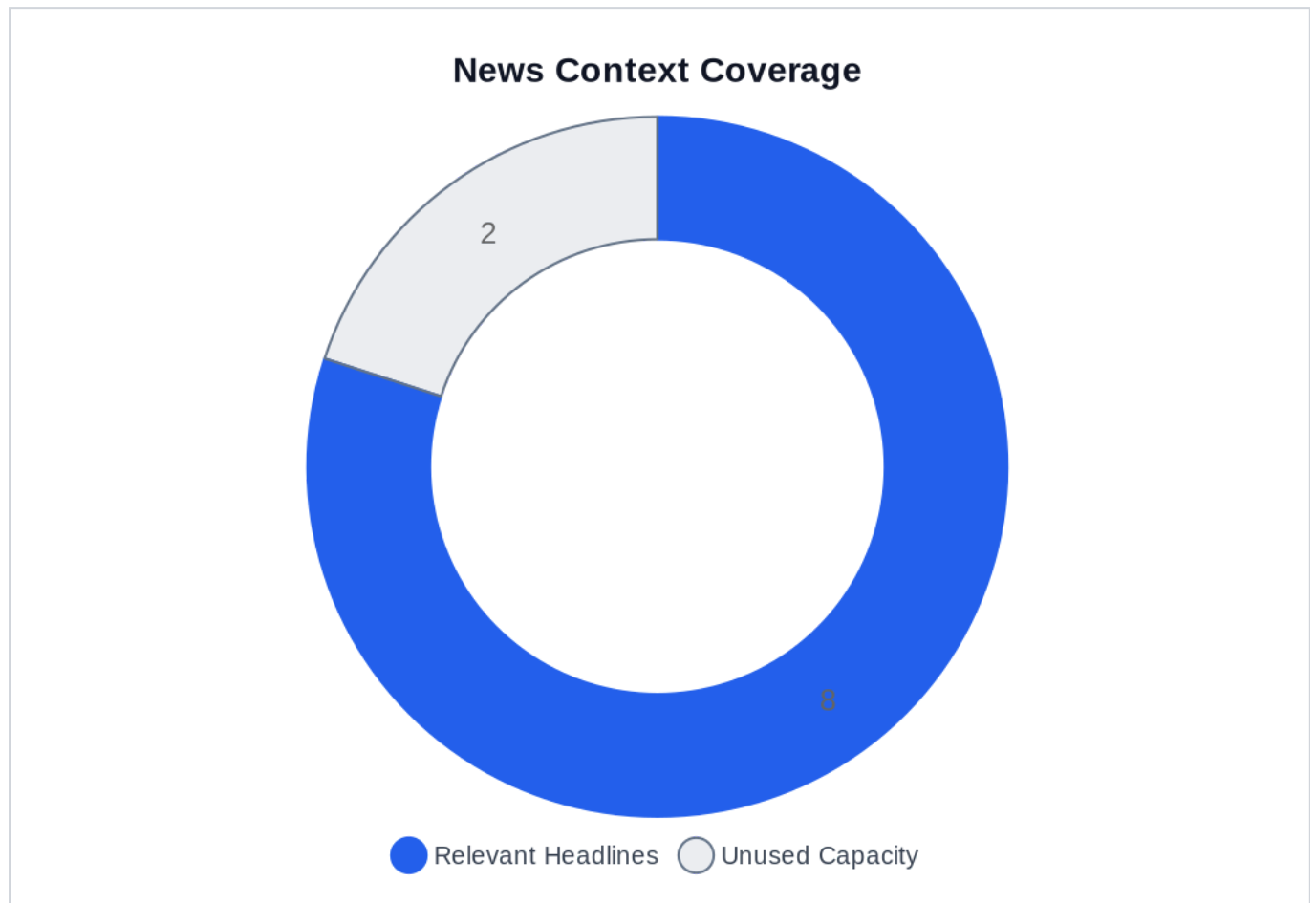
DIMENSION	SCORE	LEVEL
Valuation Risk	2 / 5	Low
Growth Risk	2 / 5	Low
Execution Risk	2 / 5	Low
Forecast Risk	3 / 5	Moderate
Quality Risk	2 / 5	Low
Overall Risk	3 / 5	Moderate

Composite Risk Score **2.3 / 5**

- Current Ratio 1.14
- Working Capital \$7.7M
- Cash Conversion Cycle 242.8 days

NEWS NARRATIVE

The headline "OppFi Announces Definitive Agreement to Acquire BNCCORP, Inc. and BNC National Bank and the Elimination of Up-C Structure" references a \$130.0M transaction and is relevant to monitoring leverage and net debt to EBITDA of 1.36x, but additional evidence is required to determine financial impact. The headline "OppFi Reports First Quarter 2026 Results, Record Quarterly Revenue" citing \$151.9M revenue is relevant to assessing sustainability of 13.5% annual revenue growth. Overall, recent news does not yet alter the thesis built on 5.4x EV/EBITDA and 23.0% FCF growth.



NEWS CONTEXT COVERAGE

Recent relevant coverage clusters around: earnings_guidance, analyst_revision, product_strategy, ai_technology, macro_sector.

INVESTMENT VIEW

EVIDENCE BALANCE

Positive evidence balance

CONVICTION

High

RISK LEVEL

Moderate

CLASSIFICATION

Value / Quality Candidate

Core Thesis: At 5.4x EV/EBITDA and 3.1x EV/FCF, the current valuation implies skepticism that ROIC of 148.7%, FCF growth of 23.0%, and an 87.5% EPS beat rate are durable for a bank-partnered lending platform facing macro and execution scrutiny.

Primary Risk: Net Debt/EBITDA 1.36x

Monitor: Can ROIC of 148.7% be sustained above the 3Y average of 16.9%?