The information presented in this section, including certain facts, statistics and data, is derived from the market research report prepared by CIC, which was commissioned by us, and from various official government publications and other publicly available publications, unless otherwise indicated. We believe that these sources are appropriate for such information, and we have taken reasonable care in extracting and reproducing such information. The information derived from official government publications has not been independently verified by our Company, the Joint Sponsors, any of our or their respective directors, officers or representatives or any other person involved in the [**REDACTED**] *and no representation is given as to its accuracy.*

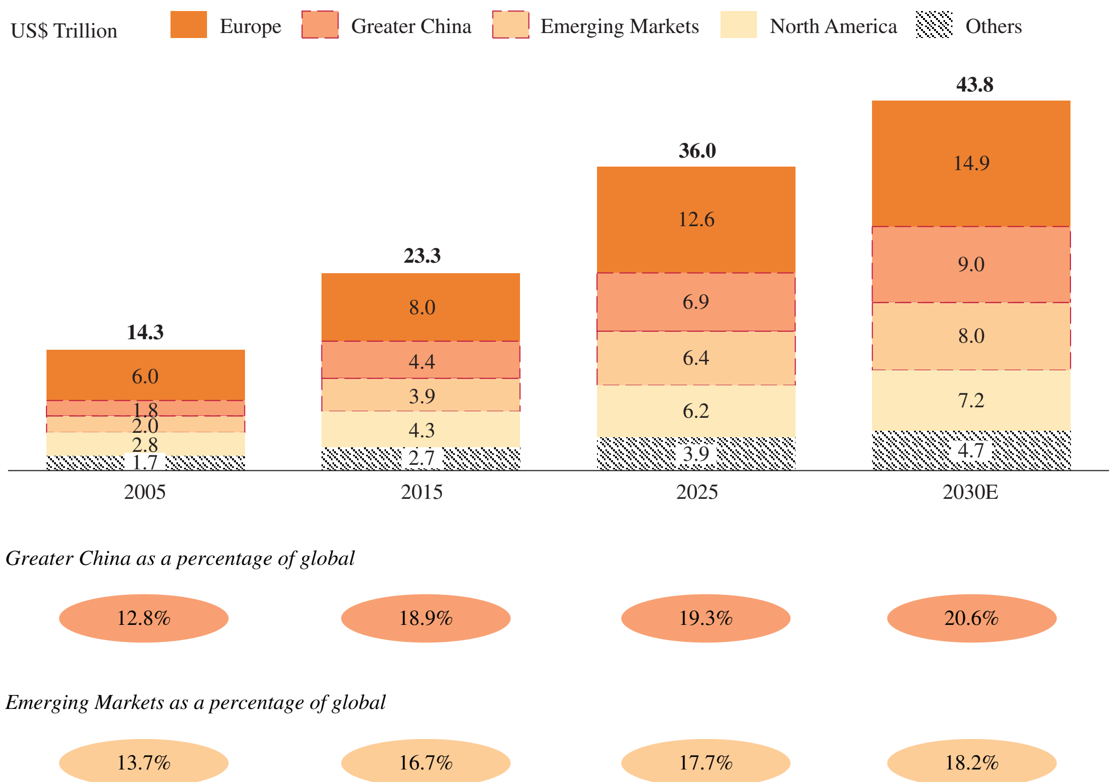
GLOBAL CROSS-BORDER TRADE OVERVIEW

Global cross-border trade is the key driver powering the modern global economy, representing 45% of the global GDP, according to CIC. It mainly comprises trade in manufactured goods and commodities. Manufactured goods refer to products created by processing raw materials into finished or semi-finished items. Meanwhile, commodities refer to standardized raw materials or primary goods that are interchangeable. Manufactured goods trade constitutes the largest component in global cross-border trade. According to CIC, global cross-border trade payment volumes for manufactured goods have more than doubled over the past two decades, from US$14.3 trillion in 2005 to US$36.0 trillion in 2025, and is expected to further increase to US$43.8 trillion by 2030.

China, a major hub for global manufacturing and supply chain infrastructure, has long been a dominant participant in global cross-border trade. In 2025, cross-border trade payment volumes for manufactured goods from Greater China reached US$6.9 trillion, accounting for 19.3% of global cross-border trade payment volumes for manufactured goods and ranking first globally. China has maintained this leading position for the past 15 years, and its contribution to global cross-border trade is expected to grow further.

Meanwhile, global supply chains are undergoing gradual diversification, with increasing shifts toward emerging markets such as Southeast Asia, Africa, Latin America and the Middle East. This trend is driven by factors including ongoing industrialization, improving local infrastructure, competitive labor force and supportive foreign investment policies in these regions. As a result, these emerging markets are capturing a growing share of global trade. The following chart illustrates the breakdown of global cross-border trade payment volume for manufactured goods by region from 2005 to 2030.

Global cross-border trade payment volumes for manufactured goods, 2005-2030E



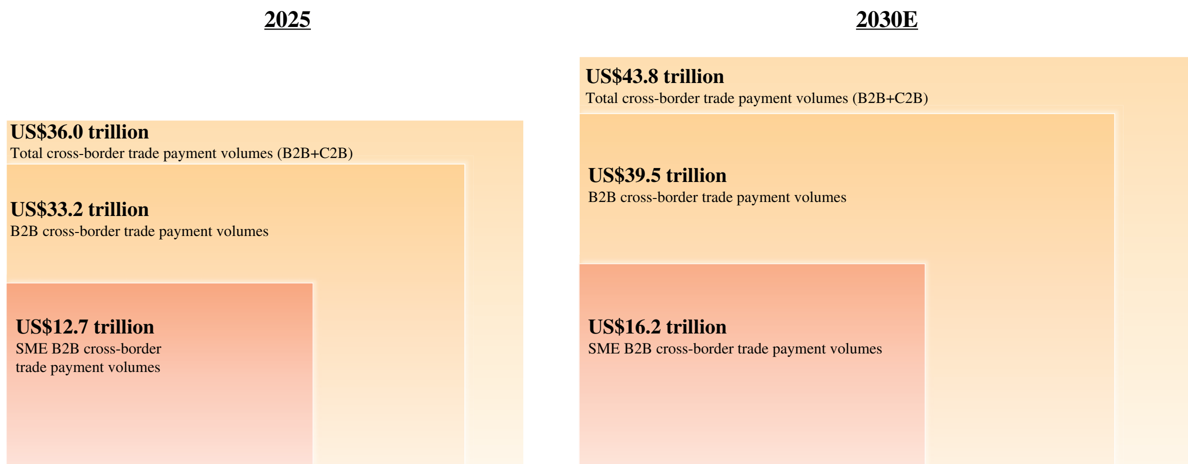
** Others include Korea, Japan and Oceania etc.*

Source: WTO, IMF, OECD, CIC

Global cross-border trade of manufactured goods mainly includes C2B and B2B cross-border transactions, depending on the nature of the counterparties (*i.e.,* sender and recipient) involved. C2B cross-border transactions primarily include cross-border transactions made on retail e-commerce marketplaces, whereas B2B cross-border transactions mainly comprise traditional cross-border commerce among manufacturers, distributors and retailers. The B2B segment dominates global cross-border trade flows, consistently accounting for over 90% of the total global cross-border trade payment volumes. In 2025, the global B2B cross-border trade payment volumes for manufactured goods reached US$33.2 trillion and is expected to further increase to US$39.5 trillion by 2030.

SMEs play an increasingly important role in global B2B cross-border trade, which accounts for over 90% of the total number of participants engaged in global B2B cross-border trade of manufactured goods. In terms of trade payment volume, SMEs contributed approximately 38.4% of B2B trade payment volumes in 2025, representing approximately US$12.7 trillion, and such contribution is expected to increase to approximately US$16.2 trillion by 2030, accounting for approximately 41.1% of B2B trade payment volumes, as detailed in the below table.

Global cross-border trade payment volumes for manufactured goods, by segment, 2025 & 2030E



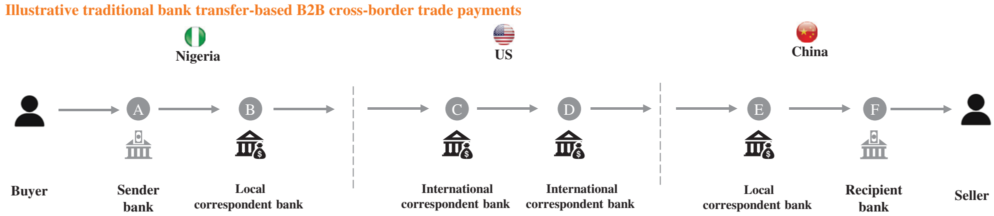
Source: WTO, IMF, OECD, CIC

B2B CROSS-BORDER TRADE PAYMENT INDUSTRY

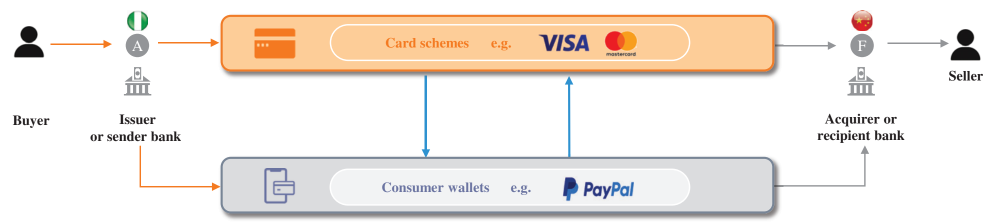
B2B cross-border trade payments predominantly originate from traditional cross-border trade. Such transactions are often complex with larger ticket sizes, spanning a wide range of products, counterparties, geographies and currencies. They are also subject to a complex regulatory landscape, as cross-border trade payments must comply with differing legal and regulatory requirements in numerous countries. In addition, a significant portion of B2B cross-border trades are conducted offline and remains relatively under-digitalized. As a result, B2B cross-border trade payments generally present elevated risk levels and pose significant risk management challenges.

In contrast, C2B payments primarily arise from cross-border transactions conducted through retail e-commerce marketplaces, which mainly involve consumer goods with smaller ticket sizes. The infrastructure supporting C2B payments is relatively well-developed, with globally unified settlement network established by card schemes, and a large number of digital wallet providers. As a result, B2B payment transactions are inherently more complex than C2B payment transactions in nature, while offering more headroom for digitalization. Accordingly, a globally unified settlement network has historically been absent in the B2B cross-border trade payment industry, and B2B payments have primarily relied on traditional correspondent banking network, where participating financial institutions operate under differing standards and risk management frameworks, and lack end-to-end visibility across the transaction chain, resulting in significant inefficiencies, high operational complexity and varying risk management. The following diagrams set forth a comparison of settlement mechanism of (i) traditional bank transfer-based B2B cross-border trade payments, and (ii) card scheme settlement networks and digital wallet-based C2B payments.

Illustrative traditional bank transfer-based B2B cross-border trade payments



Illustrative card scheme settlement networks and digital wallet-based C2B payments



Key Pain Points of the B2B Cross-Border Trade Payment Industry

Lack of globally unified settlement network. The cross-border trade settlement landscape lacked globally unified settlement network. Existing systems are fragmented and disparate settlement network established by banks and other financial institutions, which are only interconnected through various correspondent banks. As a result, cross-border transactions are often processed through multiple intermediaries and isolated risk control systems of different financial institutions when the sender and recipient operate in different settlement networks, leading to prolonged processing times (with cross-border payments usually taking 3-7 working days), increased operational complexity and poor visibility of the full payment process, further constraining settlement efficiency and risk management capabilities.

Limited support for minor currencies. Settlement infrastructure for minor currencies in emerging markets remains relatively underdeveloped. Furthermore, many developing countries face challenges of trade and capital deficit, which leads to tighter foreign exchange controls and the resulting FX shortage. As a result, conversion between major and minor currencies is constrained by availability of settlement channels and, in certain cases, shall even rely on unlicensed money service operators.

Enhanced global AML requirements and low level of digitalization. Global regulatory requirements, particularly in relation to anti-money laundering and risk management, have become increasingly stringent, imposing significant compliance obligations on traditional financial institutions. Meanwhile, onerous onboarding requirements and compliance checks combined with manual workflows of traditional financial institutions lead to slow payments and prone to interruptions and delays.

In addition to the structural challenges faced by the industry, SMEs are subject to further constraints:

Limited accessibility to traditional banks. Traditional banks often find serving SMEs less attractive due to their relatively smaller transaction volume and insufficient risk management capabilities. Regulatory requirements and compliance procedures are generally standardized regardless of client size, making it less economically viable for banks to serve SMEs. In addition, traditional institutions typically lack the technology and digital infrastructure required to efficiently and cost-effectively process SME transactions while maintaining robust risk controls.

Risks associated with unlicensed settlement channels. Due to limited access to traditional banking network, SMEs are often forced to resort to alternative settlement channels. Unlicensed money service operators are in operation globally. This exposes SMEs to significant compliance and risk management vulnerabilities as these unlicensed money service operators are often not compliant with applicable laws and regulations leading to frequent fund freezes, payment disruptions and account suspensions.

Rise of Global B2B Cross-border Trade Payment Platforms

The aforementioned structural challenges of the B2B cross-border trade payment industry, particularly those faced by SMEs, have contributed to the emergence of technology-enabled trade payment platforms that aim to improve accessibility, compliance and efficiency of cross-border trade payments.

Cross-border payment platforms began to emerge in early 2010s alongside the development of global e-commerce transactions, marking the initial stage of digitalization in the cross-border payment industry. However, due to the relatively low level of digitalization in the B2B cross-border trade payment industry and the inherent complexity of B2B transactions, it was not until around mid 2010s that platforms specifically focusing on B2B cross-border trade enterprises began to emerge.

B2B cross-border trade payment platforms leverage technology to provide integrated solutions for including cross-border payment collection and FX conversion, treasury management and compliance support. Their emergence is consistent with the broader trend of digital transformation across service industries, where technology-driven platforms enhance efficiency, transparency and user experience. For example, Uber has disrupted the ride hailing market with on-demand service, ride safety and transparent pricing while Visa, Mastercard and PayPal provided cashless and secure digital payments in C2B payments. Similarly, B2B cross-border trade payment platforms operate under the supervision of regulators in various jurisdictions. These platforms, in collaboration with financial institutions, improve accessibility, strengthen risk control, digitalize full transaction process, realize near real-time fund settlement and lower costs in cross-border trade payment, thus fundamentally reshaping the B2B cross-border trade payment landscape.

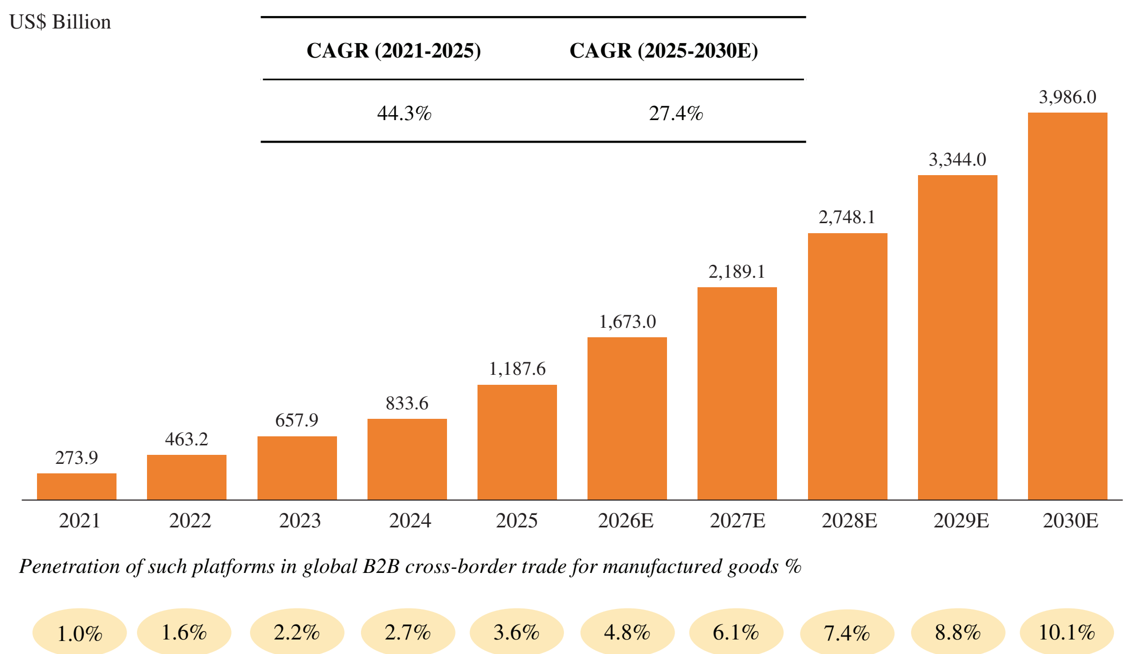
Notwithstanding the above and due to the high level of technical complexity, the development of B2B cross-border trade payment platforms, especially dedicated to serving SMEs, remains at a relatively early stage. B2B cross-border trade payments are highly non-standardized and involve complex contractual arrangements, invoice matching, fund verification and multi-currency settlement requirements. This results in significantly higher complexity in transaction processing and compliance management compared to other payment scenarios. The relatively higher risk profile of such transactions also necessitates advanced technological capabilities, particularly in automated transaction processing, fraud detection and multi-layered risk management.

The following table summarizes the typical customer experience of SMEs when using B2B cross-border trade payment platforms, as compared to traditional banks and unlicensed money service operators:

	B2B cross-border trade payment platforms	Traditional banks	Unlicensed money service operators
Service accessibility	Accessible	Limited accessibility as uneconomical to serve SMEs	Accessible but high risk of exposure to illicit funds
Risk control	Seamless with full transparency into every step of the transaction	Prone to disruption due to lack of end-to-end visibility	Minimal risk controls due to unlicensed nature
Digitalization	High with full-process digital operations	Low	Low
Speed	Near real-time fund settlement	Slow	Varies
Cost	Low	High	Varies

B2B cross-border trade payment platforms have experienced rapid growth globally. TPV through global B2B cross-border trade payment platforms reached US$1,187.6 billion in 2025 and is expected to increase significantly to US$3,986.0 billion by 2030 with a CAGR of 27.4% during the same periods. The penetration rate of such platform is expected to increase from 3.6% of the global B2B cross-border trade payment volumes for manufactured goods in 2025 to 10.1% in 2030. The following chart illustrates the growth of B2B cross-border trade payment platforms TPV and the corresponding penetration rate from 2021 to 2030.

Market size of global B2B cross-border trade payment platforms (as measured by manufactured goods TPV), 2021-2030E



Source: WTO, IMF, OECD, CIC

Market Drivers for Global B2B Cross-border Trade Payment Platforms

Enhanced regulatory framework and enforcement. Regulatory authorities across multiple jurisdictions have introduced or refined regulatory frameworks governing payment services, establishing clearer requirements in areas such as licensing, anti-money laundering and data security, thereby strengthening the enforceability of compliance requirement. Global standards of AML and CFT set by the Financial Action Task Force (the "**FATF**"), an intergovernmental, global standard-setting organization to combat money laundering, have continued to evolve, with increasing emphasis on risk-based approaches, beneficial ownership transparency and cross-border payment traceability. In 2022, 76% of countries were rated "Compliant" or "Largely Compliant" based on FATF's recommendations, up from 36% in 2012, reflecting significantly strengthened enforcement, while compliance requirements remain elevated across many jurisdictions. Trade payment platforms who can better navigate the challenges of enhanced risk control requirements are expected to play an increasingly important roles, especially in the B2B cross-border trade payment industry where transactions are more complex and involve higher compliance requirements.

Critical roles of SMEs. SMEs are playing an increasingly important role in cross-border transactions. B2B cross-border trade payment platforms, with local collection networks, multi-currency settlement solutions, and intelligent risk-control and compliance systems, can more efficiently cater to the needs of SMEs. Platforms that can better serve SMEs are expected to outpace the market growth.

Growing demand for digitalization. The level of digitalization in the B2B cross-border trade payment industry was relatively low due to the fragmented nature of trade flows and the lack of suitable technological tools to process transactions efficiently and cost-effectively. In fact, a substantial portion of B2B cross-border trade payments still relies on offline or semi-manual processes, particularly among SMEs, according to CIC. The growing demand to build stronger and more efficient risk management capabilities to serve SMEs calls for higher digitalization level.

Rising importance of emerging markets and minor currencies. Emerging markets are contributing an increasing share of global trade flows, leading to greater demand for cross-border payment solutions in these regions. For instance, global cross-border trade payment volumes for manufactured goods from emerging markets as a percentage of total global cross-border trade volume for manufactured goods reached 17.7% in 2025 and is expected to reach 18.2% in 2030. However, foreign exchange shortage and limited infrastructure for minor currencies continue to create unmet demand in these regions. This is especially prominent in conversion between minor and major currencies in emerging markets. Supporting broader regional coverage and liquidity for minor currencies will become a critical focus for B2B cross-border trade payment platforms.

Competitive Landscape of Global B2B Cross-Border Trade Payment Platform Market

Over the past decade, the competitive landscape of the global B2B cross-border trade payment market has become increasingly well-established. Many market players benefit from their substantial customer base in China, and maintain meaningful business operations in the country as a result of China's significant role in global trade. XTransfer ranked as the world's largest B2B cross-border trade payment platform in terms of TPV in 2025. The following table sets forth the competitive landscape of major B2B cross-border trade payment platforms in terms of TPV.

Ranking	Company	Headquarters	TPV of B2B Cross-border Trade, 2025	Market Share, 2025	TPV CAGR of B2B Cross-border Trade 2023-2025
			(US$ Billion)		
1	Our Company	China	60.5	5.1%	80%
2	Company A	UK	30.3	2.6%	~25%
3	Company B	China	17.7	1.5%	~55%
4	Company C	Singapore	17.4	1.5%	~10%
5	Company D	UK	15.6	1.3%	~30%
6	Company E	US	11.7	1.0%	~30%

Source: Annual reports of public companies, expert interviews, CIC.

Notes:

(1) Company A is a financial technology company founded in the United Kingdom in 2011. It mainly provides cross-border payments, multi-currency accounts, and international money transfer services. It is a listed company on the London Stock Exchange.

(2) Company B is a financial technology company founded in China in 2015. It mainly provides cross-border payment solutions, including global collection accounts, foreign exchange services, and related financial services for cross-border e-commerce sellers. It is a private company.

(3) Company C is a financial technology company headquartered in Singapore and founded in 2004. It mainly provides cross-border payments, foreign exchange services, and global collection solutions for businesses. It is a private company.

(4) Company D is a financial technology company founded in the United Kingdom in 2009. It mainly provides cross-border payments, foreign exchange risk management, and international trade finance solutions for businesses. It is a private company.

(5) Company E is a financial technology company founded in the United States in 2005. It mainly provides cross-border payment solutions, including global payment processing, multi-currency accounts, and working capital services for businesses. It is a listed company on the Nasdaq Stock Market.

Entry Barriers for Global B2B Cross-border Trade Payment Platforms

Established global and local settlement network. The platform with settlement networks that combine global and local connectivity has the ability to access settlement channels in different countries and regions, enabling cross-border funds to be settled quickly, removing multiple layers of correspondent banks. This allows platforms to have end-to-end transaction visibility as compared to limited visibility of traditional banks.

Robust risk control infrastructure. It is essential to obtain the necessary regulatory approvals and to satisfy the requirements of key financial institution partners in each and every jurisdiction to enable the flow of funds across borders in a compliant manner. To meet such requirements, leading platforms have developed sophisticated risk management systems to analyze customer profiles, transaction behavior and trade data to identify potential risks and anomalous transactions.

Leading technology capabilities. Leading technology capabilities are essential to ensure operational efficiency, security, and scalability. In particular, platforms operating in the B2B cross-border trade payments need advanced technology capabilities to process the vast amount of fragmented information. Leading platforms leverage automated systems to integrate financial institutions, regulatory requirements and enterprise users, enabling end-to-end digital operations and real-time monitoring of risks. This enhances risk control efficiency, reduces manual operational costs and errors, and improves overall sales productivity.

Broad customers and financial institutions ecosystem. The combination of comprehensive service offerings, robust financial institution partner ecosystem, data-driven risk management and compliance capabilities creates a self-reinforcing network effect: the growing customer base and transaction knowledge attracts more customers and financial institution partners to the ecosystem, which further accumulates transactional data to enhance risk management and in turn fuels growth in the existing network, creating a virtuous cycle.

Effective customer acquisition and service capabilities. Given the complexity of B2B cross-border trade, effective customer acquisition and ongoing service capabilities are critical. In particular, a localized and field-based sales presence helps build trust with customers, supports onboarding processes such as KYC and enhances customer engagement and retention.

Future trends of Global B2B Cross-border Trade Payment Industry

Emergence of globally unified settlement network. As the current global settlement landscape remains relatively fragmented, there is an increasing trend towards globally unified settlement network that eliminates fragmented correspondent banking, standardizes risk management and enables real time payment and settlement efficiency. In addition, the ability to support multiple jurisdictions and currencies, particularly across minor currencies, is expected to become increasingly important. Market participants are therefore expected to expand regional coverage while strengthening local collection and global cross-border settlement capabilities.

Increasing adoption of AI technologies. AI is expected to play an increasingly important role across various stages of the B2B cross-border trade payment value chain. For instance, AI Agent can decompose KYC processes into task modules, automating customer identification, document screening, risk assessment, and ongoing monitoring, substantially improving review accuracy and speed. Embedding AI technology into risk control frameworks enables platforms to track customer transaction flows, swiftly identify potential risk points, and develop precise user profiles, improving user experience and preventing fraud losses. AI Chatbot can optimize interactive interface, enhancing customer communication efficiency. Leading platforms in the B2B cross-border trade payment industry have embedded the usage of AI technologies in their daily operations. With the wide adoption of AI technology in the full value chain of cross-border settlement networks including KYC, risk management and customer services, there will be widening gap in terms of technology capabilities and operational efficiency amongst platforms driven by AI technology and those that are not.

Transformation with blockchain technology. Blockchain technology is emerging as one of the drivers in building the next generation of efficient, secure, and low-cost settlement infrastructure. A decentralized, immutable distributed ledger architecture combined with a 24/7 operational network mechanism, blockchain enables near real-time transaction settlement and fund transfer. This provides a path for optimizing the traditional payment system and further mitigates cross-border transfer risks.

Expansion of value-added services. As the penetration of B2B cross-border trade payment platforms continue to increase, there is an increasing trend toward the expansion of value-added services beyond settlement functions. For example, in the area of treasury management, B2B cross-border trade payment platforms provide clients with tailored wealth management solutions. It is expected that B2B cross-border trade payment platforms will further leverage their ecosystem, data and technology to expand into other value-added services.

SOURCE OF THE INFORMATION

We commissioned CIC, an independent market research and consulting firm, to provide an analysis of, and to produce a report (the "**CIC Report**") on global and China's B2B cross-border trade payment market. CIC, founded in Hong Kong, provides professional services including, among others, industry consulting, commercial due diligence and strategic consulting. We have agreed to pay a fee of RMB800,000 to CIC in connection with the preparation of the CIC Report. The report was prepared independent of the influence of us and other interested parties. We have extracted certain information from the CIC Report in this section, as well as elsewhere in this Document, to provide our potential [**REDACTED**] with a more comprehensive presentation of the industry in which we operate.

During the preparation of the CIC Report, CIC performed both primary and secondary research, and obtained knowledge, statistics, information on and industry insights into global B2B cross-border trade payment market. Primary research involved interviewing key industry experts and leading industry participants. Secondary research involved analyzing data from various publicly available data sources. The market projections in the CIC report are based on the following assumptions: (i) the global and China's social, economic and political environment is expected to remain stable during the forecast period; (ii) relevant key drivers are likely to drive the continued growth of global B2B cross-border trade payment market throughout the forecast period; and (iii) there is no extreme force majeure or unforeseen industry regulation in which the industry may be affected in either a dramatic or fundamental way.

We have exercised reasonable care in selecting and identifying the named information sources, compiling, extracting and reproducing the information, confirm that to the best of their knowledge and belief, there are no material omissions of the information. After making reasonable inquiries, we confirm that, to the best of their knowledge, there has been no adverse change in the market information demonstrated in the CIC Report since the date of the CIC Report that may qualify, contradict or have an impact on the information in this Document.