
GLOSSARY AND CONVENTIONS

The following is a glossary of certain terms used in this document in connection with us and/or our business. As such, these terms and their meanings may not correspond to standard industry meanings or usage of these terms.

“acquiring”	one of Lianlian’s digital payment services to help customers collect funds from end-buyers for online transactions by integrating different payment methods that customers use to receive payments from their end-buyers, which save the customers’ administrative burden of dealing with various payment methods and play the role of a gateway between the customers and banks or other financial institutions
“AI”	artificial intelligence
“algorithm”	a procedure or formula for solving a problem, based on conducting a sequence of specific actions, especially by a computer
“AML”	anti-money laundering
“average TPV expansion rate”	for the purpose of this Document, we calculate the average TPV expansion rate of a period by dividing the Current Period average TPV by the Prior Period average TPV and, the Prior Period average TPV is the average TPV attributable to new customers in the prior fiscal year and the Current Period average TPV is the average TPV in the current period attributable to the same group of new customers in the prior fiscal year
“CAGR”	compound annual growth rate
“card issuing institution”	commercial bank or credit union that issue cards to cardholders
“card scheme”	payment networks linked to payment cards, such as debit or credit cards, of which a bank or any other eligible financial institution can become a member
“Chinese cross-border merchants/enterprises”	Chinese merchants/enterprises engaged in cross-border trade. Their payment transactions involve counter-parties from different countries

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“clearing institution”	a financial institution formed to facilitate the exchange (i.e., clearance) of payments, including card schemes and other eligible institutions
“cloud computing”	a method of providing applications, service or resources on an as need basis through the servers of cloud computing suppliers
“cloud service”	services, applications and resources delivered by cloud computing supplier on demand to users through the internet
“digital”, “digitalization”	using a system in which information is recorded or sent out electronically, as opposed to conventional face-to-face transformations offline
“digital payment”	payment made over Internet or mobile Internet via websites or mobile applications, allowing merchants and enterprises to receive and distribute funds
	digital payment is a narrower concept compared to electronic payment as electronic payment encompasses various methods of payment via electronic means to finish monetary payments or fund transfer, such as Internet payment, mobile payment, telephone payment, Point-of-Sales (POS) transactions, or ATM transactions
“domestic merchants/enterprises”	Chinese merchants/enterprises whose payment transactions only occur in China
“domestic payments”	payments that occur in China
“EBITDA”	earnings before interest, taxes, depreciation and amortisation
“end-buyers”	for the purpose of merchants, ultimate buyers transacting through e-commerce platforms, and for the purpose of enterprises, ultimate buyers including companies and institutions
“enterprises”	businesses who directly sell goods or provide services to end-buyers
“e-commerce”	the buying and selling of goods and services over the Internet

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“e-commerce platform”	a website or mobile application that facilitates buying and selling of goods and services for the purpose of this Document, the term collectively refers to e-commerce platforms, independent sites or branded online stores in China and overseas
“ESG”	environmental, social and corporate governance
“e-wallet”	digital wallet, which allows users to make online payments
“FX”, “foreign exchange”	refers to one of Lianlian’s digital payment services to help customers to exchange currencies globally
“GDP”	gross domestic product
“global payments”	cross-border payment transactions and payment transactions with at least a portion of which occur outside China.
“independent digital payment solution providers”	digital payment solution providers who are not owned or controlled by financial institutions, and whose business are not dependent on the businesses of connected parties, such as large e-commerce platforms
“IT”	information technology
“KPIs”	key performance indicators
“KYB”	know your business, a process that obtains and verifies business information
“KYC”	know your customer, a process that obtains and verifies customer information
“merchants”	for the purpose of this Document, businesses who primarily engage in retail business with end-buyers transacting through e-commerce platforms, and the number of our merchants is defined as the number of shops opened by merchants
“offline”	operates in a physical location, such as a store, office, or warehouse

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“online”	operates and conducts activities over the Internet, as opposed to offline
“overseas merchants/enterprises”	merchants/enterprises outside China
“payment aggregation”	one of Lianlian’s digital payment services to enterprise customers in certain industries leveraging customized software solutions and simplified and efficient tools
“PB”	petabyte, a unit of computer data storage which equals to two to the 50th power of bytes
“pay-in”	<p>one of Lianlian’s digital payment services, refers to the process of fund collection</p> <p>a typical scenario of pay-in in Lianlian’s global payment business is that Lianlian assigns virtual accounts under Lianlian’s accounts to its merchants, which enables the merchants to receive funds locally from the e-commerce platforms</p>
“pay-out”	<p>one of Lianlian’s digital payment services, refers to the process of fund distribution</p> <p>a typical scenario of pay-out in Lianlian’s global payment business is that Lianlian helps customers transfer funds from the virtual account assigned to a customer under Lianlian’s account to a customer’s home country bank account or to a third party bank account for payment</p>
“R&D”	research and development
“SDK”	software development kit
“TPV”	total payment volume
“virtual account”	virtual account or virtual bank account managed by Lianlian, and a virtual bank account is an account number generated by financial institutions or payment service providers that can be linked to a physical bank account
“virtual card”	non-physical forms of a payment card issued by the card issuing institution with its brand thereon, and it also refers to Lianlian’s virtual card services