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## INDUSTRY OVERVIEW

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*The information presented in this section, including certain facts, statistics and data, is derived from the market research report prepared by Frost & Sullivan, 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.*

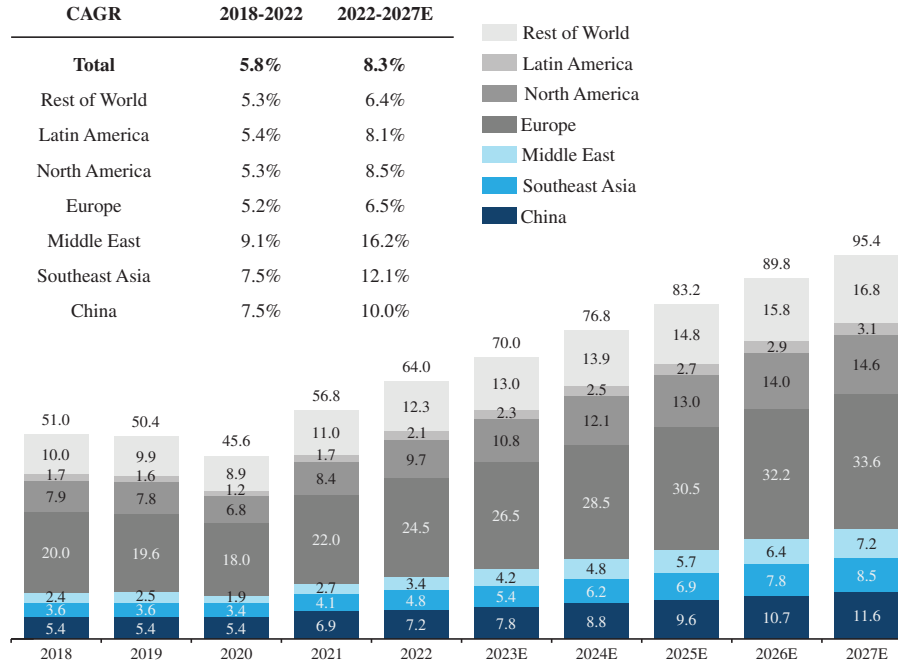
### GLOBAL COMMERCE OVERVIEW

#### Overall Scale of Global Commerce

- The volume of global trade, encompassing both goods and services, serves as a reliable indicator of the interconnectedness and exchanges between various countries and regions, which can give a precise snapshot of global commerce.
- According to Frost & Sullivan, the market size of global commerce has increased from US\$51.0 trillion in 2018 to US\$64.0 trillion in 2022, representing a CAGR of 5.8% from 2018 to 2022. China’s contribution to this trend, indicated by its total volume of exports and imports, grew from US\$5.4 trillion in 2018 to US\$7.2 trillion in 2022, representing a CAGR of 7.5% from 2018 to 2022.

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### Market Size of Global Commerce (US\$ trillion), 2018-2027E



*Note:* The market size of global commerce is measured by the combined volume of global exports and imports, including goods and services.

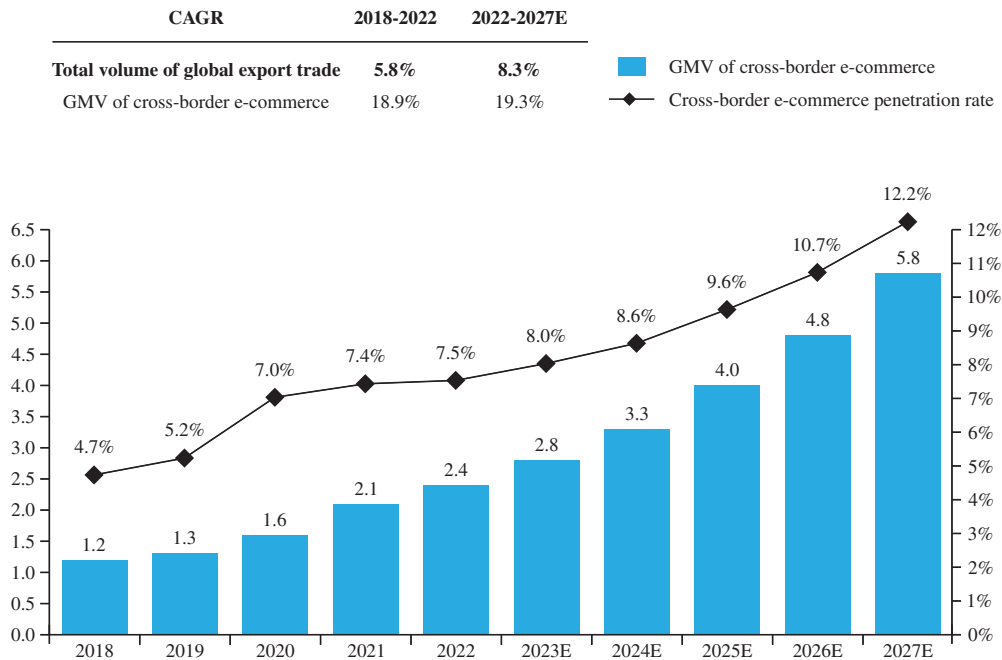
*Source:* WTO; Frost & Sullivan

### Key Trends of Global Commerce

- With the development of information technology and the continuous improvement of internet infrastructure, the digital transformation of global commerce is accelerating. This evolution towards digitalization in global commerce is promoting merchants and enterprises across the value chain to transition from cross-border offline commerce to cross-border e-commerce. The cross-border e-commerce penetration rate globally refers to the proportion of global cross-border e-commerce scale to total global export scale, which is calculated by dividing the GMV of cross-border e-commerce by total volume of global export trade. According to Frost & Sullivan, in 2022, the cross-border e-commerce penetration rate globally was approximately 7.5%, and the cross-border e-commerce penetration rate in China was approximately 14.3%, which is much higher than the average level globally. By 2027, the cross-border e-commerce penetration rate globally is expected to increase to approximately 12.2%, while the penetration rate of cross-border e-commerce in China will reach approximately 27.7%.

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### Cross-border E-commerce Penetration Rate Globally (US\$ trillion), 2018-2027E



Source: Frost & Sullivan

- Emerging markets outside of China, namely Southeast Asia, Latin America and Middle East, are poised to contribute significantly to the growth of global commerce. These regions will also further benefit from relatively low e-commerce penetration rate at present. According to Frost & Sullivan, the total volume of global trades from Southeast Asia, Latin America and Middle East combined, is expected to reach US\$18.8 trillion in 2027, representing a CAGR of 12.8% from 2022 to 2027, compared to a CAGR of 8.3% for the whole world during the same period. Consequently, the contribution of above emerging markets to overall global commerce is expected to increase from 16.1% in 2022 to 19.7% in 2027.

## OVERVIEW OF DIGITAL PAYMENT SOLUTION MARKET IN CHINA

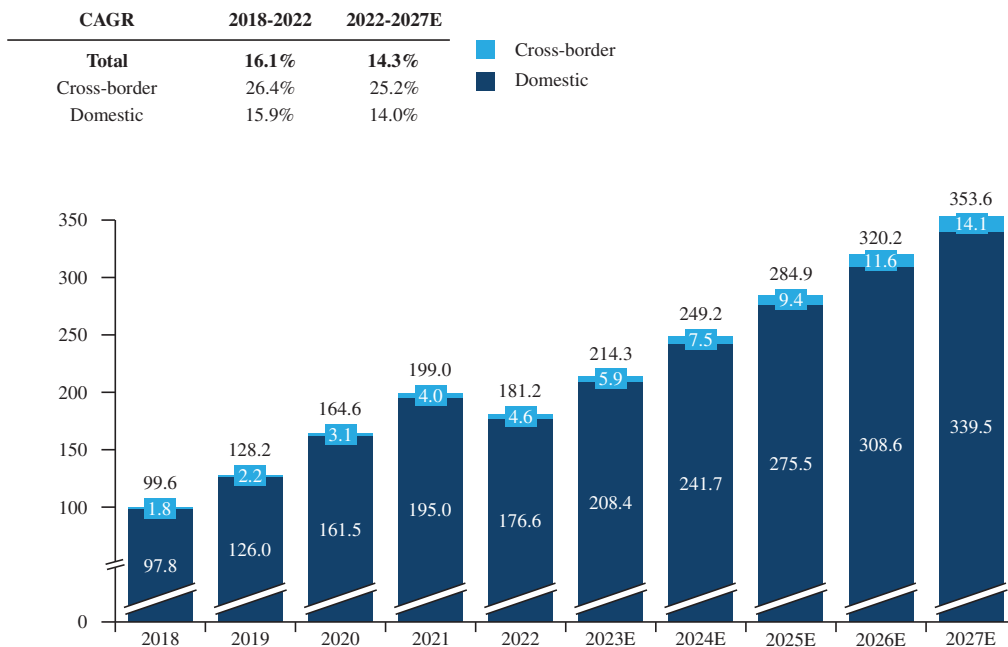
Digital payment solutions include digital payment services and value-added services serving merchants and enterprises. Digital payment services refer to online payment services provided by non-bank payment service providers, enabling merchants and enterprises to receive or distribute funds via the internet or mobile internet. Banks are not considered as digital payment service providers as they heavily rely on physical branch networks to serve merchants and enterprises. For example, banks usually require their customers to conduct on-site filing of application materials and submission of original documents. Value-added services are integrated with payment services, which can be accessed through an all-in-one digital platform. These services can help merchants and enterprises digitalize their businesses

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in respect of sales, marketing, transaction, and internal operation, among others. Digital payment solutions can also be categorized as cross-border digital payment solutions and domestic digital payment solutions, depending on the business nature of customers.

In light of the rising demand from merchants and enterprises for digital payment in businesses, the TPV of digital payment services market in China increased from RMB99.6 trillion in 2018 to RMB181.2 trillion in 2022, representing a CAGR of 16.1% from 2018 to 2022. Going forward, the TPV of digital payment services market in China is expected to increase to RMB353.6 trillion in 2027, representing a CAGR of 14.3% from 2022 to 2027.

### TPV of Digital Payment Services Market in China (RMB trillion), 2018-2027E

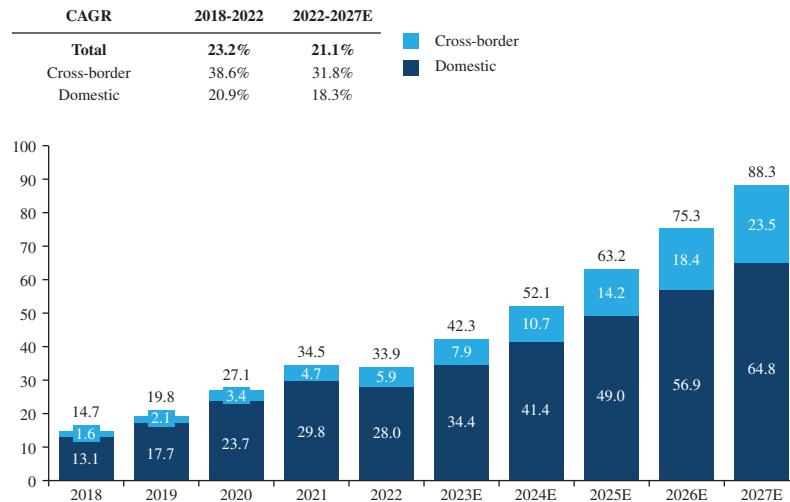


Source: Frost & Sullivan

As the businesses of merchants and enterprise continue to expand, their demand for value-added services continues to increase as well. According to Frost & Sullivan, the revenue of value-added services attributed to digital payment solution providers in China has increased from RMB14.7 billion in 2018 to RMB33.9 billion in 2022, representing a CAGR of 23.2% from 2018 to 2022, and is expected to increase to RMB88.3 billion in 2027, representing a CAGR of 21.1% from 2022 to 2027.

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### Revenue of Value-added Services Attributed to Digital Payment Solution Providers in China (RMB billion), 2018-2027E



Source: Frost & Sullivan

### Overview of Cross-Border Digital Payment Solution Market in China

#### *Rapid development of cross-border e-commerce in China*

- In recent years, the market size of the cross-border e-commerce market in China has experienced consistent growth, driven by robust overseas market demand as well as an increasingly well-established digital infrastructure and global logistics network. Compared to cross-border offline commerce, cross-border e-commerce is less geographically restricted and less affected by trade protection measures. Cross-border e-commerce has a simpler transaction process and has gradually become one of the critical industries for China’s economic growth in recent years. According to Frost & Sullivan, the market size of cross-border e-commerce market in China has increased from RMB1.6 trillion in 2018 to RMB4.0 trillion in 2022, representing a CAGR of 25.7% from 2018 to 2022.
- In the future, the scale of cross-border e-commerce market in China is expected to further grow with new development opportunities. According to Frost & Sullivan, as cross-border offline commerce activities will progressively transition online, and the proportion of cross-border e-commerce in China’s total volume of export trade is also expected to increase. According to Frost & Sullivan, the market size of cross-border e-commerce market in China is expected to reach RMB13.0 trillion in 2027, representing a CAGR of 26.6% from 2022 to 2027. The contribution of the cross-border e-commerce market in China to the total export volume of China is also expected to increase from 14.3% in 2022 to 27.7% in 2027.

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### *Pain points faced by merchants and enterprises in cross-border e-commerce*

- Merchants and enterprises engaged in cross-border e-commerce businesses encounter significant pain points, which include:
  - **High barriers.** Small scaled merchants and enterprises often face difficulties in opening corporate banking accounts in overseas markets without setting up a locally registered legal entity, while the onboarding process is typically time-consuming and may take one to three months on average. In addition, banks usually require them to maintain a certain number of annual transactions in order to keep their banking accounts active.
  - **Lack of a unified payment infrastructure.** Enterprises which conduct transactions cross borders need to understand the payment landscape of each local market, choose the appropriate payment methods, and establish and manage different payment accounts in each region where they operate. As enterprises usually do not possess expertise in overseas payment markets, managing a complicated payment account system, which consists of payment services provided by different payment service providers in different regions for their global business is time-consuming, expensive, unstable, and inefficient. In contrast, a unified payment infrastructure provided by digital payment solution providers can significantly simplify the processes and reduce costs of establishing and managing payment methods in different regions as digital payment service providers are able to provide expertise on global payment landscapes as well as effective payment methods on a unified platform.
  - **Unmet demands of one-stop value-added services.** To grow their businesses, merchants and enterprises have increasingly demand value-added services, such as operation services and technology services, to support their business operation. Such demands were not fully met as most service providers usually lack industry know-how, data, technology capabilities, or resources to serve merchants’ and enterprises’ unmet needs of value-added services. Even though some merchants and enterprises might procure discrete solutions from different suppliers in specific fields, such solutions are not seamlessly integrated and may result in further issues such as isolated systems and data silos. As such, digital payment service providers who are capable of providing a one-stop solution through integrating multiple value-added services, such as business services related to operation support and technology services related to software development, are becoming more valuable to enterprises.
  - **Expensive costs.** Banks usually are not connected with marketplaces globally and part of their processes remain manual, making it difficult for them to process cross-border transactions at low cost. Some banks also charge an annual service fee to cover their maintenance cost. The banks’ charge rate is usually as high as 3%-5% of the transaction volume. In addition, regulatory schemes in relation to global

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trades and cross-border payments are complex and vary significantly across countries or regions. Traditional financial institutions usually do not provide corresponding services to help merchants, and enterprises understand those regulations and meet compliance requirements.

- **Lack of high-quality services.** Banks mainly serve large enterprises with a substantial volume of transactions. Small scaled merchants and enterprises are usually underserved and face a series of challenges, including long settlement periods, opaque exchange rates, non-transparent transaction processes, and inadequate customer support.

### *Market size of cross-border digital payment solution market in China*

- With the rapid development of global trade, an increasing number of Chinese cross-border merchants and enterprises has entered into the cross-border e-commerce market, sparking a rising demand for efficient and low-cost digital payment methods. Cross-border digital payment solution providers can provide secure, efficient and cost-effective payment products and services to solve customers’ pain points in the process of cross-border transactions. Leveraging their extensive industry experience and technical capabilities, cross-border digital payment solution providers can also provide customers with further digital transformation services that cover more activities in operating cross-border businesses, such as procurement, production, operation management and marketing, to solve all aspects of difficulties in the business development of merchants and enterprises.
- According to Frost & Sullivan, the TPV of cross-border digital payment services market in China has increased from RMB1.8 trillion in 2018 to RMB4.6 trillion in 2022, representing a CAGR of 26.4% from 2018 to 2022, and is expected to reach RMB14.1 trillion in 2027, representing a CAGR of 25.2% from 2022 to 2027.
- As the businesses of cross-border merchants and enterprises continue to expand, their needs for services of marketing, customer acquisition, data analysis, tax management and financial management keep increasing. The revenue of cross-border value-added services attributed to cross-border digital payment solution providers in China has increased from RMB1.6 billion in 2018 to RMB5.9 billion in 2022, representing a CAGR of 38.6% from 2018 to 2022, and is expected to reach RMB23.5 billion in 2027, representing a CAGR of 31.8% from 2022 to 2027.

### *Market drivers of cross-border digital payment solution market in China*

- **Growth of global trade.** As the global manufacturing hub and the largest exporter in the world, China is expected to continue to play a critical role as a major global supplier. The total export volume of China is expected to increase to RMB46.9 trillion in 2027, representing a CAGR of 10.9% from 2022 to 2027, driven by various favorable factors such as development of digital economy, multilateral cooperation and policy support. Moreover, given the rising domestic personal income, China will continue to play as a

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major supplier and become a major buyer in the global commerce market, especially in commercial services, which includes overseas education, tourism, and entertainment services. The increasing cross-border commerce represents huge potential markets for digital payment solution providers to tap into.

- **Development of digital infrastructure and advancements of digital technologies.** The development of digital infrastructure, including internet and mobile internet, provides a solid foundation for the growth of global digital commerce. Merchants and enterprises in China are able to sell globally via global marketplaces or self-operated e-commerce platforms. Moreover, digital technologies such as AI, cloud services and big data have witnessed significant advancements in recent years. Significant advancement of these digital technologies allows merchants and enterprises to conveniently access digital services to digitalize their operations in a cost-effective manner. For example, the adoption of AI and big data technologies can significantly reduce the time of KYC and compliance process from days to hours by leveraging digital tools such as OCR, conversational robots and knowledge graph.
- **Digital transformation of traditional offline trade.** Traditional offline trade is embracing digitalization and online operations, which accelerate the digital penetration of cross-border payments between enterprises. As a result, there will be a significant increase in demand for cross-border payment solutions from suppliers, manufacturers, wholesalers and retailers. Cross-border digital payment solution providers are actively prioritizing and developing solutions to cater to the growing offline trade market.

### *Future trends of cross-border digital payment solution market in China*

- **Rising demands for comprehensive solutions.** As the market expands and competition intensifies, an increasing number of cross-border digital payment solution providers will address customer pain points and enhance customer loyalty through providing comprehensive value-added services. For instance, they provide assistance in the establishment of digital account systems and offer integrated account and e-wallet service. This customer-centric approach enables cross-border digital payment solution providers to gain a competitive advantage by growing alongside their customers.
- **Overseas expansion is the next step.** As cross-border e-commerce rapidly grows in emerging markets like Southeast Asia and Middle East, domestic merchants and enterprises are proactively expanding overseas. In the future, an increasing number of cross-border digital payment solution providers will seek overseas payment licenses to support their customers’ overseas business development, improve payment convenience in emerging markets to expand their own customer base, and build strong global payment brands.



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### Overview of Domestic Digital Payment Solution Market in China

#### *Market size of domestic digital payment solution market in China*

- Domestic digital payment solutions refer to digital payment services and value-added services provided to merchants and enterprises to support their domestic transactions and operations.
- According to Frost & Sullivan, the TPV of domestic digital payment services market in China has increased from RMB97.8 trillion in 2018 to RMB176.6 trillion in 2022, representing a CAGR of 15.9% from 2018 to 2022, and is expected to reach RMB339.5 trillion in 2027, representing a CAGR of 14.0% from 2022 to 2027.
- Digital transformation of enterprises brings opportunities for digital payment solution providers. As the industrial internet progresses, integration of digital technology with the real economy has become an industry consensus. The urgent need for digital transformation and upgrading of traditional business operations, as well as supply chain and distribution channels, provides a huge development scope for digital payment solution providers. Digital payment solution providers are becoming a necessary choice for more and more enterprises as they can develop industry-specific solutions and establish digital payment and fund management infrastructure for enterprises.
- The revenue of domestic value-added services attributed to domestic digital payment solution providers has increased from RMB13.1 billion in 2018 to RMB28.0 billion in 2022, representing a CAGR of 20.9% from 2018 to 2022, and is expected to reach RMB64.8 billion in 2027, representing a CAGR of 18.3% from 2022 to 2027.

#### Competitive Landscape of Digital Payment Solution Market in China

According to Frost & Sullivan, there are two types of digital payment solution providers in China, namely independent and non-independent digital payment solution providers. Independent digital payment solution providers are those that are not owned or controlled by financial institutions, nor are they highly dependent on the businesses contributed by connected parties, such as large e-commerce platforms.

The TPV of digital payment services market in China in 2022 was RMB181.2 trillion, with the top ten digital payment solution providers accounting for 87.4% of the total market share. The Company ranked seventh among the digital payment solution providers in China in terms of the TPV in 2022, with a market share of 0.6%.

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### Ranking of Top Ten Digital Payment Solution Providers in China, 2022

Ranking	Company	Nature	TPV(RMB billion, 2022)	Market Share
1	Company A	Non-independent	85,000	46.9%
2	Company B	Non-independent	54,600	30.1%
3	Company C	Non-independent	8,600	4.7%
4	Company D	Non-independent	3,200	1.7%
5	Company E	Non-independent	2,100	1.2%
6	Company F	Non-independent	2,000	1.1%
7	The Company	Independent	1,150	0.6%
8	Company G	Independent	1,020	0.6%
9	Company H	Independent	600	0.3%
10	Company I	Independent	400	0.2%

*Notes:*

- (1) Company A is a private company founded in 2004. It is a leading open internet platform that primarily provides digital payment services and digital financial services to domestic customers in China. It has a registered capital of RMB35 billion.
- (2) Company B is a public company founded in 1998 and listed on Hong Kong Stock Exchange. It is a leading internet and technology company that primarily provides digital payment services to domestic customers in China with many other businesses. It has a registered capital of over RMB65 million and its revenue in 2022 was over RMB554 billion.
- (3) Company C is a state-owned enterprise founded in 2002. It primarily provides bank cards and various payment services to domestic customers in China. It has a registered capital of over RMB9 billion. It has over 36 subsidiaries and over 50 foreign branches as of 2022.
- (4) Company D is a public company founded in 1988 and listed on Hong Kong Stock Exchange. It is a leading integrated finance and healthcare service provider in mainland China. It has a registered capital of over RMB18 billion and its revenue in 2022 was over RMB1,000 billion.
- (5) Company E is a public company founded in 1998 and dual-listed on NASDAQ and Hong Kong Stock Exchange. It is a leading internet company and online retailer in China. It has a registered capital of RMB1 billion and its revenue in 2022 was over RMB1,000 billion.
- (6) Company F is a public company founded in 2015 and listed on NASDAQ. It is a leading e-commerce platform that provides a wide range of merchandise to consumers. It has a registered capital of over RMB10 million and its revenue in 2022 was over RMB100 billion.

*Source: Public filings, websites of market players, Frost and Sullivan*

Independent and non-independent digital payment solution providers have different target customer base and service focus. Independent digital payment solution providers primarily serve independent customers who are not affiliated with themselves. They focus on providing personalized payment solutions to meet diversified demands of customers and would typically enable merchants and enterprises to accept payments from multiple issuers as an independent party. Attributable to the independence and neutrality, independent digital payment solution providers are typically considered business partners, other than competitors, and their

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provision of digital payment services would not raise grave concerns on conflict of interests and/or data privacy. For example, if a customer operates e-commerce business through an independent site, which is competing with major e-commerce platforms in nature, it would tend to avoid using services of such e-commerce platforms, including the digital payment services provided by non-independent digital payment solution providers, due to conflict of interests and data privacy concerns. Non-independent digital payment solution providers primarily serve customers in the ecosystem that are affiliated with themselves. They focus on providing a better one stop experience for merchants within its existing commerce ecosystem and would typically only accept payments within their own e-wallet or own issuing network. For instance, merchants on large-scale domestic e-commerce platforms in China will typically use digital payment solution provided by their respective related parties (non-independent digital payment solution providers), rather than cooperating with independent digital payment solution providers like the Company. Thus, most of the non-independent digital payment solution providers are not directly competing with independent digital payment solution providers in the same market due to the aforesaid differences in targeted customer group and service nature.

The TPV of digital payment services market contributed by independent digital payment solution providers was RMB12.7 trillion in 2022. The Company ranked the first among the independent digital payment solution provider in China in terms of the TPV in 2022, with a market share of 9.1%.

### Ranking of Top Ten Independent Digital Payment Solution Providers in China, 2022

Ranking	Company	TPV (RMB billion)	Market share	Domestic payment licenses and relevant qualifications		Cross-border		Cross-border e-commerce business filings (跨境電商業務 備案)	Number of payment licenses and relevant qualifications
				Online payment (網絡支付)	Cross-border RMB settlement services (跨境人民幣結 算服務)	foreign exchange payment business (跨境外匯支付 業務)	Overseas payment licenses and relevant qualifications		
1	The Company	1,150	9.1%	√	√	√	√	√	64
2	Company G	1,020	8.0%	√	√	√	x	x	3
3	Company H	600	4.7%	√	√	√	√	√	5
4	Company I	400	3.2%	√	√	√	√	√	4
5	Company J	231	1.8%	√	√	√	√	x	52
6	Company K	209	1.6%	x	x	x	√	x	54
7	Company L	192	1.5%	√	√	√	√	√	5
8	Company M	175	1.4%	√	√	√	√	x	74
9	Company N	168	1.3%	√	√	√	x	√	3
10	Company O	105	0.8%	√	√	√	√	√	49

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*Notes:*

- (1) Company G is a private company founded in 2003. It primarily provides digital payment services and industry-specific payment solutions to domestic customers in China in various industries such as airline, travel, and retail. It has a registered capital of RMB100 million. It has cooperated with more than 1 million merchants and enterprise customers.
- (2) Company H is a private company founded in 2006. It primarily provides customized digital payment solutions to domestic customers in China in various industries such as education, retail and airline. It has a registered capital of over RMB100 million. It has served more than 10 million small and micro merchants.
- (3) Company I is a public company founded in 2005 and listed on Shenzhen Stock Exchange. It primarily provides payment services and digital technology solutions to merchants in China in both offline and online scenarios. It has a registered capital of over RMB800 million and its revenue in 2022 is over RMB5 billion.
- (4) Company J is a private company founded in 2015. It primarily provides digital payment services and customized financial services to cross-border e-commerce merchants in China. It has a registered capital of over RMB100 million. It has over 30 branches worldwide.
- (5) Company K is a public company founded in 2005 and listed on NASDAQ. It primarily provides digital payment services and value-added services to small and medium-sized businesses globally. It has a registered capital of USD10,000 million. Its revenue in 2022 is more than USD600 million.
- (6) Company L is a private company founded in 2008. It primarily provides payment services and value-added services to merchants and enterprises in China in both offline and online scenarios. It has a registered capital of more than RMB1 billion and has more than 1,000 employees.
- (7) Company M is a public company founded in 1998 and listed on NASDAQ. It primarily provides digital payment services and value-added services to consumers and merchants worldwide. It has a registered capital of over RMB4 billion. Its revenue in 2022 is more than USD20 billion.
- (8) Company N is a private company founded in 2011. It primarily provides digital payment services and value-added services to domestic customers in China in various scenarios. Its registered capital exceeds RMB 300 million. It has currently established cooperative relationships with over 600,000 enterprises.
- (9) Company O is a private company founded in 2015. It primarily provides cross-border payment solutions to customers globally in various industries such as travel, education and finance. It has a registered capital of RMB50 million. It has over 15 office locations worldwide with more than 1,200 employees.

*Source: Public filings, websites of market players, Frost and Sullivan*

Being an independent digital payment solution provider, the Company has certain competitive advantages over non-independent third-party payment service providers, including financial institutions. First, the Company has more flexibility in adapting to changing market trends, customer demands, and emerging technologies; and is able to prioritize the needs and preferences of its customers and provide them with personalized solutions to meet their specific requirements. While financial institutions are often bound by scrutinized and complicated decision-making processes, which makes them unable or takes much longer time to cater to specific customer needs. In addition, digital payment services are the primary business of the Company, and the Company would prioritize and devote a vast majority of its resources to its customers; while non-independent digital payment service providers have diversified business lines and may not be able to focus on digital payment business. Moreover,

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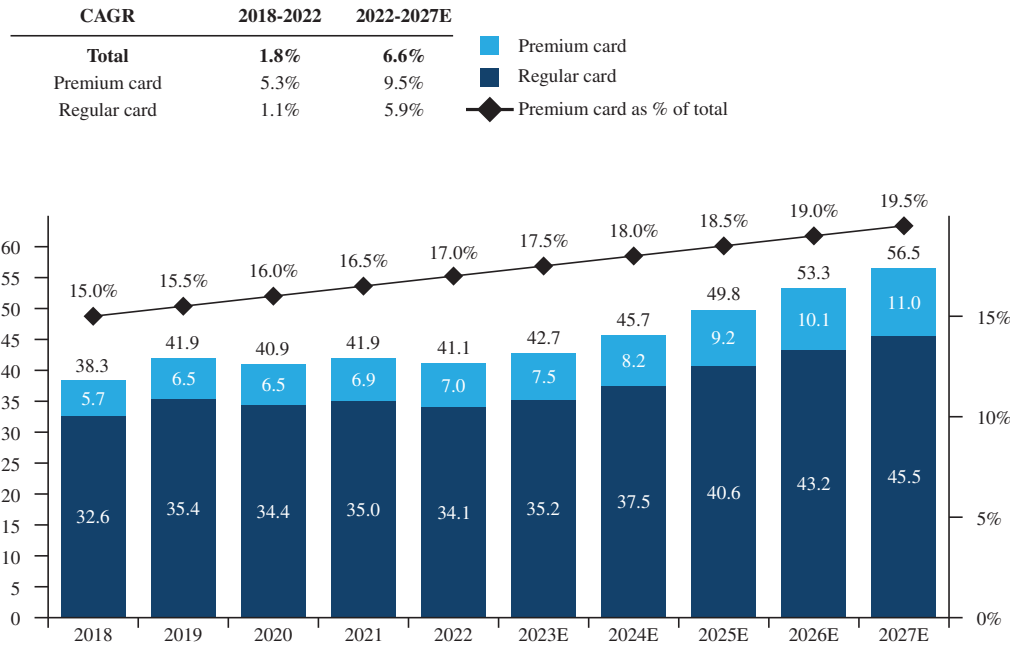
the Company is able to develop partnerships based on its own development strategies, promoting multiple beneficial growth and expanding its reach in the market, while the business expansion plan of financial institutions is often limited by the nature of its financial business and regulations.

### OVERVIEW OF BANK CARD CLEARING MARKET IN CHINA

- Based on the level of credit limit and different services offered to customers, there are two categories of credit cards in China: premium cards and regular cards.
- Premium cards refer to credit cards with a credit limit of RMB50,000 or above on a single card. Regular cards refer to credit cards with a credit limit of less than RMB50,000 on a single card. Regular cards have a low credit limit and are usually used for regular purchases and daily payments, while premium cards not only have a higher credit limit but also offer cardholders a variety of benefits and personalized services. Most of the cardholders of premium cards have high income levels, as well as substantial assets and investments.
- In recent years, the market size of credit card transaction in China has shown a steady growth trend. According to Frost & Sullivan, the transaction amount of credit cards in China has increased from RMB38.3 trillion in 2018 to RMB41.1 trillion in 2022, representing a CAGR of 1.8% from 2018 to 2022, and is expected to reach RMB56.5 trillion in 2027, representing a CAGR of 6.6% from 2022 to 2027.

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### Total Transaction Amount of Credit Cards in China (RMB trillion), 2018-2027E



Source: Frost & Sullivan

- As the number of affluent people in China has increased, the transaction amount of premium credit cards has been increasing. According to Frost & Sullivan, the transaction amount of premium cards in China increased from RMB5.7 trillion in 2018 to RMB7.0 trillion in 2022, representing a CAGR of 5.3% from 2018 to 2022, and the market share of premium cards increased from 15.0% in 2018 to 17.0% in 2022. The transaction amount of premium cards is further expected to reach RMB11.0 trillion in 2027, representing a CAGR of 9.5% from 2022 to 2027 and accounting for 19.5% of the overall transaction amount of credit cards in 2027.
- As affluent people in China have increasing demand to use their credit cards both domestically and internationally, the transaction amount of premium cards supported by card schemes is expected to increase continuously, promoting the international development of the bank card clearing market in China while contributing to the further increase of the transaction amount of premium cards in China.

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### SOURCES OF INFORMATION

We engaged Frost & Sullivan, an independent market research consultant, to conduct an analysis of, and to prepare the Frost & Sullivan Report about, the digital payment solution industry in China and globally for use in this document, for which we agreed to pay a fee of RMB680 thousand. The Frost & Sullivan Report has been prepared by Frost & Sullivan independently. Except as otherwise noted, all data and forecasts in this section have been derived from the Frost & Sullivan Report and were based on literature review, expert interview and analysis by Frost & Sullivan. Frost & Sullivan prepared its report based on its in-house database, independent third-party reports and publicly available data from reputable industry organizations. Where necessary, Frost & Sullivan conducts interviews with experts who have good knowledge of the relevant markets to gather and synthesize information in relation to the market, prices and other relevant information. Frost & Sullivan is an independent global consulting firm founded in 1961 in New York and its services include, among others, industry consulting, market strategic consulting and corporate training. In compiling and preparing the Frost & Sullivan Report, Frost & Sullivan made the following key assumptions: (i) the social, economic and political conditions in China and globally currently discussed will remain stable during the forecast period, (ii) government policies on the digital payment solution industry in China and globally will remain consistent during the forecast period, and (iii) the digital payment solution industry in China and globally will be driven by the factors which are stated in the Frost & Sullivan Report.

Our Directors confirm that after taking reasonable care, there has been no adverse change in the market information since the date of the report prepared by Frost & Sullivan which may qualify, contradict or have an impact on the information set forth in this section in any material respect.