



**Hong Kong's leading supply chain finance platform Qupital,
strengthens its e-commerce finance services,
stimulating the development of Mainland-Hong Kong Cross-border e-commerce
and capturing Singles' Day opportunities**

[Hong Kong · 3 October 2018] Cross-border e-commerce is blooming with great potential of growth. AliResearch*, a subsidiary of Alibaba, has estimated in a report that the size of Mainland China's cross-border e-commerce transactions will reach RMB 12 trillion in 2020 (with a compound annual growth rate of as high as 20.1%). Qupital, Hong Kong's leading supply chain finance platform, announced today its entrance to the cross-border e-commerce market. Its new system is now officially in operation, providing suppliers across leading e-commerce platforms such as Amazon, eBay, Tmall, Koala and JD.com with quick and quality supply chain finance services. Qupital is using big data, platform integration, innovative risk management models and more to make cross-border e-commerce finance more efficient and precise.

Cross-border e-commerce is a type of international commercial activity. It refers to a situation where a consumer and a seller are in different places, and they complete transactions as well as logistics and other procedures through networks (government websites, e-commerce platforms and so on).

Qupital's new service strengthens cooperation with e-commerce and logistics service companies

Qupital has created its international finance service with a focus on cross-border e-commerce. A simple and one-step registration leads users to a system that can be managed completely online. Qupital's platform also simplifies the processes for loans and advances and can finance loan amount up to HK\$40 million. This will significantly increase funding liquidity in cross-border e-commerce and maximise business opportunities, for example, sales on the coming Singles' Day, as well as during peak shopping seasons.

Cross-border e-commerce merchants can choose to provide Qupital with their performance figures – such as business performance data, cargo value, speed of sales and more – to be used as the basis of an assessment. The information can originate from three kinds of sources, including e-commerce platforms (such as Tmall), payment channels (such as Alipay) and logistic services (such as Cainiao). Base on the provided information, Qupital can have a better understanding of the business performance of the merchants, thus, be able to make more accurate risk assessments and shorten approval times, making the whole process more secure and transparent.

New service targets a gap in the market

Cross-border e-commerce remains a relatively new concept in the Hong Kong and Mainland Chinese markets. The cross-border e-commerce companies mostly have short experience in their e-commerce business and do not have enough mortgage assets. In addition, the traditional financial institutions are not familiar with the e-commerce model. As a result, there has not been enough financing support in the market.

For application, all that Qupital required from a cross-border e-commerce company are that they have a company registration in Hong Kong, a Hong Kong bank account, more than 12 months operations of continuous basis and an annual turnover of HK\$2 million or up.

'As a rapidly growing start-up company, Qupital is very excited to collaborate with the large-scale Mainland logistics firm Cainiao and to connect with cross-border e-commerce platforms such as Tmall, following our recent collaboration with Alibaba.com.' said Mr. Tang Kwan-yung, the Manager of Qupital Cross-border e-commerce service, 'Besides, showing that Qupital has received recognition and support from the industry, this expands the target customer base from Hong Kong's SMEs to cross-border e-commerce companies, which have great potential. The cooperative new service helps Qupital develop its business in Hong Kong and Mainland strategically. We believe that with this new collaboration, the Qupital's gross merchandise volume (GMV) will continue to increase by over 20% monthly. With the new customer base, we expect to reach a turnover of HK\$800 million and with over 100 company clients in the fourth quarter of 2018.'

New service performs brilliantly

Qupital and Cainiao's partnership has already put to test in mid-2018. Qupital has already financed multiple e-commerce clients, including a cross-border online cosmetics company established seven years ago, and a company trading in designers watches. After the official launch of the partnership, the potential client base through this channel will increase to over 1,000. The number of clients is expected to increase to over 100 in the coming 12 to 18 months, with financing volume of up to HK\$1.5 billion.

Qupital has already provided over HK\$1 billion supply chain finance to SMEs across the greater China area, with a more than 5,000 transactions. Qupital will continue to provide supply chain finance services and develop new products to provide the market with more advance financing options.

– END –

About Qupital

Qupital is Hong Kong's leading supply chain finance platform established in March 2016. Operating on a safe and secure online platform, Qupital enables SME businesses to raise capital in few clicks by connecting them with professional investors, at same time providing a brand-new asset class to investors that is previously unavailable.

Qupital had closed a funding US\$5 million. Qupital's shareholders include Alibaba Entrepreneurs Fund, Gobi Partners and Mindworks Ventures.

In March 2018, Qupital launched its strategic partnership with Alibaba.com, the leading B2B business platform, aiming to help more HK B2B businesses in the transformation of e-commerce.

Website: www.qupital.com

* Report by AliResearch (阿里研究院報告)

<http://i.aliresearch.com/img/20160901/20160901101059.pdf>

For media enquiries
Qupital Limited
Ms. Samantha Wang

Email: samantha@qupital.com

Direct: +852 3156 7503

Website: www.qupital.com