



# 2023 China Fintech 50 Report



毕马威中国未来行业50榜单系列  
KPMG China Future Sector 50 Ranking Series



金融科技  
Fintech



## Disclaimer

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# Foreword



**Honson To**

Chairman, KPMG China  
and Asia Pacific

In 2023, the concept of financial technology (“fintech”) was revitalised. From a policy perspective, the 2023 Central Financial Work Conference proposed that digital finance be prioritised and elevated in national strategic plans, indicating the future direction of fintech development. From a technology perspective, the vertical development of the new generation of artificial intelligence (AI) technologies represented by large language models (LLMs) in the fintech industry is expected to deliver a disruptive impact. From an application perspective, digital intelligence has become a consensus for the development of the financial sector; and going forward, it will reshape the financial service experience, boost efficiency and be integrated into various business scenarios, such as customer acquisition, marketing, risk control and investment advisory. In short, disruptive technologies are currently opening up new financial scenarios and reshaping the industry landscape. Against this backdrop, KPMG China is announcing the 2023 China Leading Fintech 50 and Emerging 50 lists. This marks the eighth consecutive year in which KPMG has published the China Fintech 50, which started in 2016. The geographical distribution, diversity of technologies, maturity, and business model quality of the listed companies have improved year after year. We are as excited as ever to be participating in the fintech market and witnessing its phenomenal milestones, while also upholding our service commitment to our clients.



**Jacky Zou**

Vice Chairman and  
Senior Partner,  
Northern Region,  
KPMG China

In December 2023, the Central Economic Work Conference introduced plans for the country’s economic work for the following year in nine areas, and prioritised using scientific and technological innovation to modernise the industrial system. LLMs, as represented by AI-generated content (AIGC) applications, are driving a new type of technological revolution. In combination with the ongoing development of existing fintech, these new AI tools are expected to promote vertical development in the fintech industry and reshape the supply model for fintech products and services, thereby supporting financial business model innovation and the high-quality development of the fintech industry. Many companies on this year’s list explicitly mentioned that they had deployed LLM-related solutions. In the future, how to use LLMs to deliver value in specific financial service scenarios will become a focal point of competition. At the same time, we should recognise that while LLMs have shown considerable commercial value in improving process efficiency, optimising human-machine interaction and other areas, their reliability and interpretability still need to be closely monitored, and the financial industry’s tendency towards strong regulation means that the application of LLMs at scale will face challenges in the future.





**Tony Cheung**

Vice Chairman,  
KPMG China  
Head of Financial  
Services, KPMG China  
and Asia Pacific

In 2023, the Central Financial Work Conference was held for the first time in six years. At this year's meeting, policymakers proposed for the first time to "accelerate the construction of a financial power," and offered an overall blueprint for the development of China's financial industry. This strategic goal not only puts forward expectations for the development of the financial industry itself, but also emphasises the need for the country to improve its overall economic strength. The digital transformation of the financial industry is key to developing China into a financial power. As the driver of digital transformation, fintech that leverages big data, AI, blockchain and LLMs is expected to disrupt the financial industry. Looking into the future, fintech companies need to focus on cutting-edge technologies and grasp development opportunities; and they need to play a bigger role in promoting the digital transformation of the financial industry, serving the real economy, and preventing financial risks. Meanwhile, as a participant in the financial industry, KPMG is responsible for promoting the integration of financial technology with the real economy, and contributing to the high-quality development of the real economy. In the year ahead, let's work together and harness the power of technology to strengthen the country's financial capabilities.



**Thomas Chan**

Head of Financial  
Services Assurance,  
KPMG China

While China's fintech companies still have a long way to go to fully tap the potential of digital finance, we are excited to see a number of innovative enterprises enhancing their technological strength and focusing on big data, AI, blockchain, secure computing and other sub-sectors. These organisations are not only driving the innovative development of information technology (IT) applications in the financial industry in China—they are also promoting their products and services around the world, greatly enhancing China's influence in the global financial market. We have also seen that the country's innovative financial institutions are increasingly recognising the value of digital transformation, and they are using prudent and objective methods to evaluate their digital capabilities and their use of financial technologies. As initiatives such as "Data Element X" and the "Action Plan for the High-Quality Development of Computing Power Infrastructure" continue to be rolled out, we expect technologies such as financial LLMs and generative AI to become increasingly mature, and fintech will be deeply integrated into wealth management, inclusive finance, supply chain finance, green finance, pension finance and other scenarios. As a result, in the years ahead, China's financial institutions and fintech companies will develop closer relationships, and more enterprises on the industry side will be integrated into the digital finance ecosystem, driving the integration of technology, finance and industry.



# Overview



# 2023 China Leading Fintech 50 and Emerging 50

## Introduction

KPMG endeavours to promote the sustainable development of China's fintech sector. We launched the first China Leading Fintech 50 list in 2016, which was widely recognised, and since then we have released the China Leading Fintech 50 list and report each year.

## Composition of the Selection Committee

The Selection Committee comprises a number of external experts, along with dozens of representatives from KPMG China and other KPMG member firms. These individuals are specialists in various fields, including information technology, data, capital markets, venture capital, risk management, finance, macroeconomics and financial services.

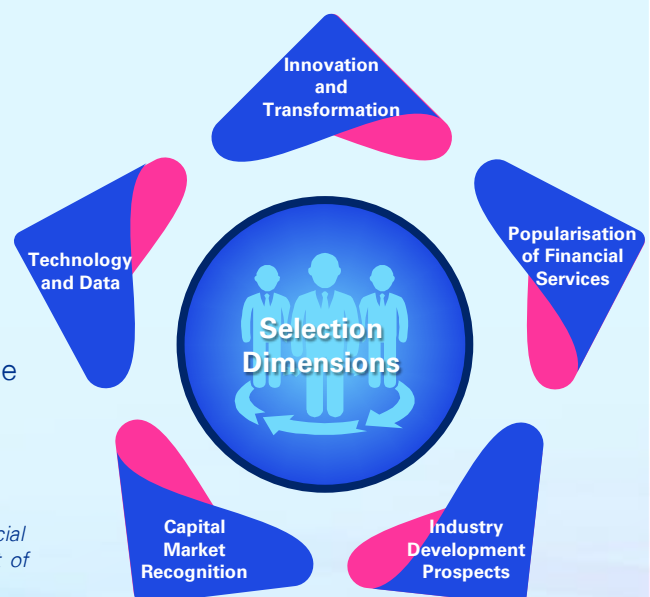
## Core Selection Criteria

The five core dimensions of the KPMG China Leading Fintech 50 and Emerging 50 selection process are as follows:

- Technology and data
- Innovation and transformation
- Popularisation of financial services
- Capital market recognition
- Industry development prospects

KPMG has independently developed the Startup Insights Platform (SIP) Model, which takes into account the above-mentioned core areas to quantitatively evaluate enterprises across multiple dimensions, including collaboration, technology, product, market and financing.

*Note: The selection of the Leading Fintech 50 and Emerging 50 is designed to draw attention to technological innovation in the financial sector, promote industry exchanges and advance the development of fintech. It does not evaluate the compliance or investability of the participating companies, nor does it interpret any regulatory policies.*



# Segment Distribution of the Leading Fintech 50





# 2023 China Leading Fintech 50 and Emerging 50 — Leading Enterprises List



Short name of enterprise	Full name of enterprise	Years in which the enterprise was shortlisted
 <b>Bairong, Inc.</b>	Bairong Yunchuang Technology Co., Ltd.	2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016
 <b>Baiwang Cloud</b>	Baiwang Co., Ltd.	2023
 <b>aiBank</b>	CITIC aiBank Corporation Limited	2023, 2022, 2021, 2020, 2019, 2018
 <b>Baozhunni</b>	Beijing Youquan Zhihui Information Technology Co., Ltd.	2023, 2020, 2019, 2018
 <b>BUBI Blockchain</b>	Bubi (Beijing) Network Technology Co., Ltd.	2023, 2022, 2021, 2020, 2019, 2018, 2017
 <b>DataGrand</b>	DataGrand Tech Inc.	2023, 2022, 2021, 2020
 <b>Dashu Creditech</b>	Shenzhen Dashu Creditech Co., Ltd.	2023, 2022, 2021, 2020
 <b>HUNDSUN</b>	Hundsun Technologies Inc.	2023, 2022, 2021, 2020
 <b>Archforce Financial Technology</b>	Shenzhen Archforce Financial Technology Co., Ltd.	2023, 2022, 2021, 2020
 <b>WeLab</b>	WeLab Group	2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016
 <b>AHI Fintech</b>	Hui'an Jinke (Beijing) Technology Co., Ltd.	2023, 2022, 2020, 2019
 <b>FOFUND</b>	Fofund Co., Ltd.	2023, 2022, 2021, 2020
 <b>Value Online</b>	Shenzhen Value Online Information Technology Co., Ltd.	2023, 2022, 2021, 2020, 2019

# 2023 China Leading Fintech 50 and Emerging 50 — Leading Enterprises List



Short name of enterprise	Full name of enterprise	Years in which the enterprise was shortlisted
➤ <b>Jiangsu Suning Bank</b>	Jiangsu Suning Bank Co., Ltd.	2023
➤ <b>Kincheng Bank</b>	Kincheng Banking Corporation	2023, 2022
➤ <b>Kingdee Fintech</b>	Shenzhen Kingdee Internet Financial Services Co., Ltd.	2023, 2021, 2020, 2019
➤ <b>JFZ</b>	Shenzhen Golden Axe Network Technology Co., Ltd.	2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016
➤ <b>OneConnect</b>	OneConnect Financial Technology Co., Ltd.	2023, 2022, 2021, 2020, 2019, 2018
➤ <b>Kingstar Fintech</b>	Shanghai Kingstar Fintech Co., Ltd.	2023, 2022, 2020
➤ <b>Kingdom Technology</b>	Shenzhen Kingdom Sci-tech Co., Ltd.	2023, 2022, 2021
➤ <b>KINGSWARE</b>	Zhuhai Kingsware Infotech Co., Ltd.	2023, 2022, 2021, 2020
➤ <b>JD Technology</b>	Jingdong Technology Holding Co., Ltd.	2023, 2020, 2019, 2018, 2017, 2016
➤ <b>Kafang</b>	Shanghai Kayang Information System Co., Ltd.	2023, 2022, 2020
➤ <b>Kaixin Technology</b>	Kaixin Financial Technology Co., Ltd.	2023, 2022, 2021, 2020
➤ <b>Laiye</b>	Beijing Laiya Network Technology Co., Ltd.	2023, 2021, 2020
➤ <b>Licaimofang</b>	Beijing Koudai Caifu Information Technology Ltd.	2023, 2022, 2021, 2020

# 2023 China Leading Fintech 50 and Emerging 50 — Leading Enterprises List



Short name of enterprise	Full name of enterprise	Years in which the enterprise was shortlisted
➤ <b>Linklogis</b>	Linklogis Inc.	2023, 2022, 2021, 2020, 2019
➤ <b>IdeaCome</b>	Ideacome Technology Co., Ltd.	2023, 2022, 2021, 2020, 2016
➤ <b>Lufax Holding</b>	Shanghai Lujiazui International Financial Asset Exchange Co., Ltd.	2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016
➤ <b>MSXF</b>	Mashang Consumer Finance Co., Ltd.	2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016
➤ <b>NewBanker</b>	Beijing Niutoubang Technology & Consulting Co., Ltd.	2023, 2022, 2021, 2020
➤ <b>PingAn E-wallet</b>	Ping An e-Wallet e-Commerce Co., Ltd.	2023, 2022, 2021, 2020, 2019
➤ <b>GLP FinTech</b>	GLP Financial Holding (Chongqing) Co., Ltd.	2023, 2022, 2021, 2020
➤ <b>QIFU</b>	Shanghai Qiyu Information Technology Co., Ltd.	2023, 2022, 2021, 2020, 2019
➤ <b>Samoyed Cloud</b>	Samoyed Cloud Technology Group Holdings Limited	2023, 2022, 2021, 2020, 2017
➤ <b>DCITS</b>	Digital China Information Service Company Ltd.	2023, 2022, 2021, 2020
➤ <b>Shouhui Tech</b>	Shenzhen Shouhui Technology Co., Ltd.	2023, 2021, 2020, 2019, 2018
➤ <b>Tianchuang Credit</b>	Tianchuang Credit Co., Ltd.	2023, 2022, 2018, 2017, 2016
➤ <b>Datayes!</b>	Datayes Inc.	2023, 2022, 2021, 2020, 2019, 2018, 2017



# 2023 China Leading Fintech 50 and Emerging 50 — Leading Enterprises List



Short name of enterprise	Full name of enterprise	Years in which the enterprise was shortlisted
 <b>VBAO</b>	Beijing Chinavbao Technology Co., Ltd.	2023, 2022, 2021
 <b>WeBank</b>	WeBank Co., Ltd.	2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016
 <b>Memory Connected</b>	Beijing Memory Connected Internet Technology Co., Ltd.	2023, 2019
 <b>XW Bank</b>	Sichuan XWBank Co., Ltd.	2023, 2022, 2021, 2020, 2019
 <b>XWFintech</b>	Chengdu XWFintech Co., Ltd.	2023, 2022, 2021, 2020
 <b>SUNRATE</b>	SUNRATE	2023, 2022, 2021, 2020, 2019, 2018
 <b>AsialInfo Security</b>	Asialinfo Security Technologies Co., Ltd.	2023, 2022
 <b>EasyTransfer</b>	Easy Transfer (Beijing) Technology Co., Ltd.	2023, 2022
 <b>China UMS</b>	China UnionPay Merchant Services Co., Ltd.	2023, 2022, 2021, 2020
 <b>Yingmi Fund</b>	Zhuhai Yingmi Fund Service Co., Ltd.	2023, 2022, 2021, 2020, 2019
 <b>CSCC</b>	Zhongqiyunlian Co., Ltd.	2023, 2022, 2021
 <b>BOC Fintech</b>	BOC Financial Technology Co., Ltd.	2023, 2022
 <b>ZhongAn Infotech</b>	Shanghai ZhongAn Infotech Information Technology Co., Ltd.	2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016

# 2023 China Leading Fintech 50 and Emerging 50 — Emerging Enterprises List



Short name of enterprise	Full name of enterprise	Years in which the enterprise was shortlisted
➤ <b>Baige Online</b>	Baigebao (Xiamen) Insurance Brokers	2023, 2022, 2021
➤ <b>Beijing Kuaique</b>	Beijing Kuaique Information Technology Co., Ltd.	2023, 2021
➤ <b>Bicai Group</b>	Bicai Data Technology Group	2023, 2022, 2021
➤ <b>Credit-X</b>	Beijing Chexiao Technology Co., Ltd.	2023, 2022
➤ <b>DaoKou Fintech</b>	Beijing Daokou Jinke Technology Co., Ltd.	2023, 2022, 2021, 2020
➤ <b>InsightOne</b>	Insightone Tech Co., Ltd.	2023, 2022, 2021
➤ <b>Dowsure</b>	Dowsure Technology	2023, 2022
➤ <b>Finogeeks</b>	Shenzhen Fantai Geek Technology Co., Ltd.	2023, 2022
➤ <b>Golden Technology</b>	Shenzhen Golden Technology Co., Ltd.	2023, 2020
➤ <b>Secidea</b>	Shenzhen Secidea Network Security Technology Co., Ltd.	2023, 2022
➤ <b>Hongling Tech</b>	Beijing Hongling Technology & Development Co., Ltd.	2023, 2021
➤ <b>JDH</b>	Jiandanhui Information Technology (Guangzhou) Co., Ltd.	2023, 2022
➤ <b>Jiangsu United Credit</b>	Jiangsu United Credit Co., Ltd.	2023

# 2023 China Leading Fintech 50 and Emerging 50 — Emerging Enterprises List



Short name of enterprise	Full name of enterprise	Years in which the enterprise was shortlisted
➤ <b>Goldpac</b>	Goldpac Group Limited	2023
➤ <b>JF Wealth</b>	JF Wealth Holdings Ltd	2023
➤ <b>Keydom</b>	Sichuan Keydom Smart Technology Co., Ltd.	2023
➤ <b>KEYIKE</b>	Shenzhen Keyike Information Technology Co., Ltd.	2023, 2022
➤ <b>CraiditX</b>	Shanghai CraiditX Technology Co., Ltd.	2023, 2021
➤ <b>LeChainCloud</b>	Shenzhen Xiaobu Runpao Technology Co., Ltd.	2023, 2022, 2021
➤ <b>Lewei Sichuan</b>	Sichuan Lewei Technology Co., Ltd.	2023, 2022
➤ <b>Fintopia</b>	Fintopia Group	2023, 2022
➤ <b>Ling Shu Tech</b>	NengLian Tech Ltd.	2023, 2022, 2021
➤ <b>Meibao Keji</b>	Guangzhou Meibao Keji Co., Ltd.	2023, 2020
➤ <b>Meishi</b>	Shanghai Meishi Technology Co., Ltd.	2023
➤ <b>Nanyan Infotech</b>	Shanghai Nanyan Infotech Co., Ltd.	2023
➤ <b>Puyi Smart Cloud</b>	Puyi Smart Cloud Technology Co., Ltd.	2023











# 2023 China Leading Fintech 50 and Emerging 50 — Emerging Enterprises List



Short name of enterprise	Full name of enterprise	Years in which the enterprise was shortlisted
 <b>Sanyue Technology</b>	Beijing Youpin Sanyue Technology Development Co., Ltd.	2023, 2022
 <b>CoralGlobal</b>	Hangzhou Mumin Network Technology Co., Ltd.	2023, 2022
 <b>Shenghe Technology</b>	Shanghai Sohertz Zhiyuan Technology Group Co., Ltd.	2023, 2022
 <b>DC Public Service</b>	Shujin Public Service (Qingdao) Co., Ltd.	2023, 2022, 2021
 <b>Siku Lifang</b>	Beijing Siku Lifang Technology Co., Ltd.	2023
 <b>TDFT</b>	Tiandao Fintech Co., Ltd.	2023, 2022, 2021, 2020
 <b>TTD</b>	Sichuan Totodi Technology Co., Ltd.	2023, 2022, 2021
 <b>Wiseweb</b>	Wise Web Technology Group Co., Ltd.	2023, 2022
 <b>Weiyang Tech</b>	Shenzhen Weiyang Technology Co., Ltd.	2023, 2022, 2021, 2020
 <b>Vzoom Creditech</b>	Shenzhen Vzoom Creditech Co., Ltd.	2023, 2020, 2019, 2018, 2017, 2016
 <b>SUMERU DIGITAL TECH</b>	SUMERU Digital Technology Co., Ltd.	2023, 2022, 2021
 <b>Xmirror</b>	Beijing Ann puno information technology co., LTD	2023
 <b>Yinzhe Technology</b>	Yinzhe Technology (Guangzhou) Co., Ltd.	2023, 2022

# 2023 China Leading Fintech 50 and Emerging 50 — Emerging Enterprises List



Short name of enterprise	Full name of enterprise	Years in which the enterprise was shortlisted
 <b>Uqian Tech</b>	Shenzhen Uqian Technology Co., Ltd.	2023
 <b>YULORE</b>	Beijing Yulore Innovation Technology Co., Ltd.	2023
 <b>Yunphant</b>	Hangzhou Yunphant Network Technology Co., Ltd.	2023, 2021
 <b>Leapstack</b>	Shanghai Leapstack Technology Co., Ltd.	2023, 2020
 <b>SME CREDIT</b>	Zhejiang Zhelixin Credit Investigation Co., Ltd.	2023, 2022, 2021
 <b>ZIGGURAT</b>	Xi'an Zhigui Internet Technology Co., Ltd.	2023, 2022
 <b>HashSTACS</b>	Chengdu HashSTACS Technology Co., Ltd.	2023, 2022, 2021
 <b>Smart Star Chain</b>	Zhuhui Xinglian (Xiamen) Digital Technology Co., Ltd.	2023, 2022
 <b>CIAS</b>	China Insurance Automobile Service Technology Co., Ltd.	2023, 2020
 <b>CITIC Technology</b>	CITIC Technology Development Co., Ltd.	2023
 <b>Chongqing Fumin Bank</b>	Chongqing Fumin Bank Co.,Ltd.	2023
 <b>Datapipeline</b>	Beijing Data Pipeline Co., Ltd.	2023

# Multi-dimensional Analysis of Selected Enterprises

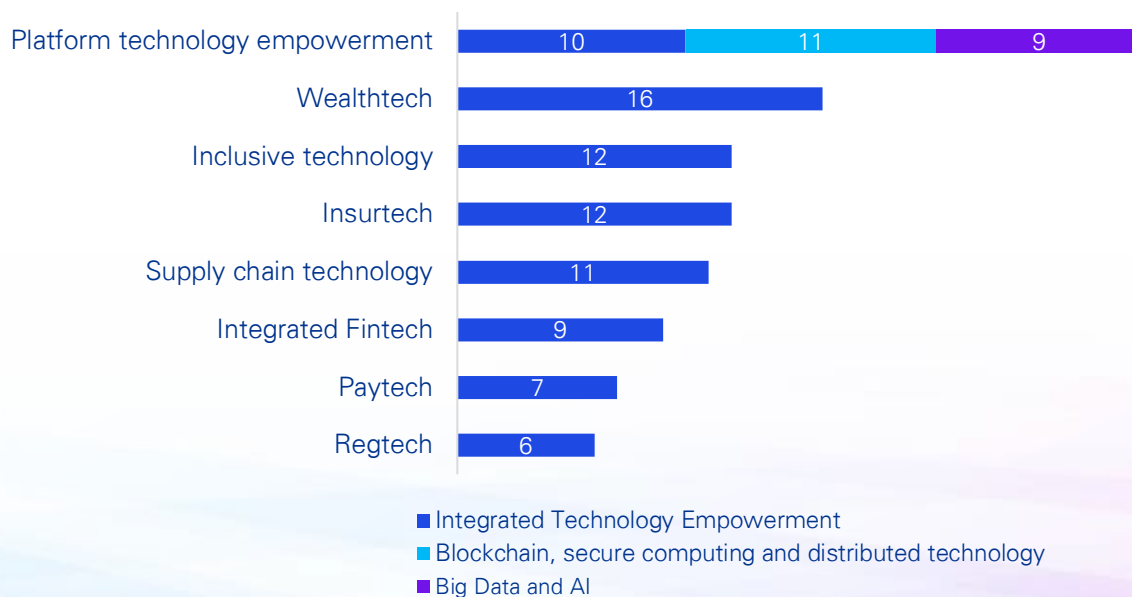
## Distribution of expertise areas

Platform Technology Empowerment and Wealthtech were the top two categories, followed by Inclusive Technology and Insurtech (tied for third place). Meanwhile, AI and blockchain are still the leading infrastructure technologies

In terms of the selected companies' areas of expertise, Platform Technology Empowerment and Wealthtech ranked first and second in 2023, which were the same rankings as in 2022. These fields accounted for 29 percent and 15.5 percent of the selected companies respectively. Inclusive Technology and Insurtech are tied for third place, accounting for 11.7 percent of selected companies. Finally, Supply Chain Technology, Integrated Fintech, Insurtech, Paytech and Regtech ranked fourth to eighth respectively (Figure 1).

To highlight the technology-based nature of fintech development, in 2023, we divided the Platform Technology Empowerment segment into three sub-segments: Integrated Technology Empowerment; Big Data and AI; and Blockchain, Secure Computing and Distributed Technology. Within the Platform Technology Empowerment segment, Blockchain, Secure Computing and Distributed Technology came in first, accounting for 10.7 percent of selected companies. Meanwhile, Integrated Technology Empowerment, and Big Data and AI ranked second and third, accounting for 9.7 percent and 8.7 percent of selected companies respectively. Once again, the rankings underscore the role of big data, AI and blockchain as leading infrastructure technologies.

**Figure 1 Distribution of expertise areas of selected companies**





# Multi-dimensional Analysis of Selected Enterprises

## City and regional distribution

Beijing, Shenzhen and Shanghai were home to the most selected companies, and Chengdu ranked fourth for the first time. The Beijing-Tianjin-Hebei region, Yangtze River Delta, and Guangdong-Hong Kong-Macao Greater Bay Area demonstrated a strong clustering effect

In terms of city distribution, a large majority of the selected companies are in Beijing (32), Shenzhen (22) and Shanghai (20); and the number of selected companies in Chengdu rose from 7 last year to 8 in 2023, giving the city a fourth-place ranking for the first time (Figure 2). Geographically, 88 percent of the selected companies are located in the Yangtze River Delta, Guangdong-Hong Kong-Macao Greater Bay Area, and Beijing-Tianjin-Hebei city clusters, down slightly from 92 percent last year. The percentage for these regions ticked downward because the growing number of selected companies in Chengdu significantly elevated the overall percentage accounted for by the Chengdu-Chongqing region, indicating a narrowing of regional differences in fintech development (Figure 3).

We also found that companies in the northeast, northwest and southwest regions were more enthusiastic about participating in this year’s selection process, which also corroborated this trend around regional differences. Going forward, we expect the cross-regional development of fintech to generate synergies that drive high-quality development.

Figure 2 Individual cities

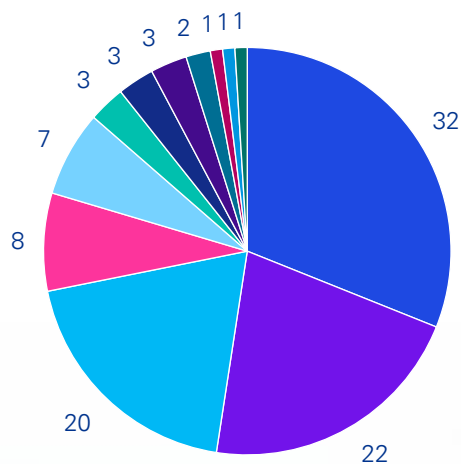
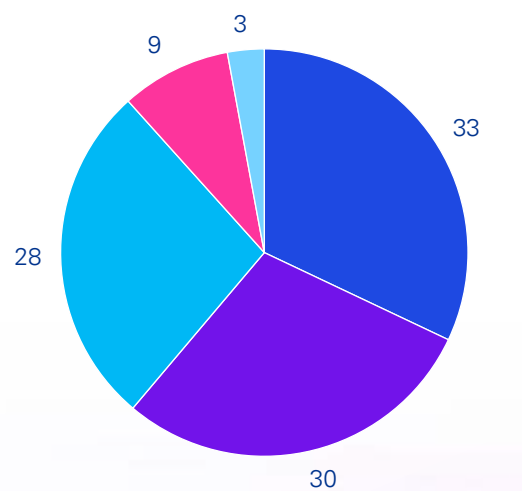


Figure 3 Urban clusters



- Beijing
- Shenzhen
- Shanghai
- Chengdu
- Hangzhou
- Guangzhou
- Nanjing
- Zuhai
- Xiamen
- Qingdao
- Tianjin
- Chongqing

- Beijing-Tianjin-Hebei
- Yangtze River Delta
- Guangdong-Hong Kong-Macao
- Chengdu -Chongqing
- Other

# Multi-dimensional Analysis of Selected Enterprises

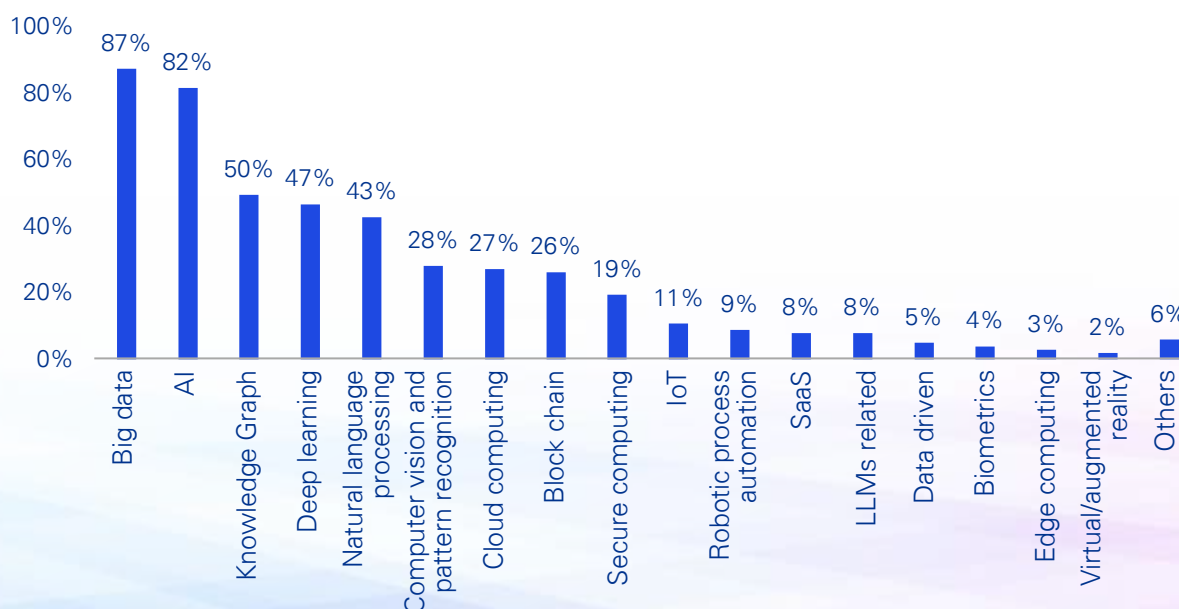
## Distribution of core technologies

Core technologies grew more diversified, with the proportion accounted for by trusted computing and LLMs rising significantly

In addition to the ABCD technologies (AI, blockchain, cloud computing and big data) and other traditional technologies, the types of core technologies cited by selected companies grew more diversified. In the 2023 report, three new technologies—trusted computing, LLMs and data-driven technology—were added, and each category exceeded 5 percent (Figure 4), reflecting that fintech companies are exploring and pursuing change and development amid heightened industry regulation and technological change.

Among the new technologies, trusted computing includes sub-segments such as privacy computing, data security, risk management and risk control modelling, which align with the stringent regulation and security-oriented tendencies in the financial industry. Our survey also shows that fintech companies' interest in trusted computing has been growing year by year. LLM-related technologies include AIGC, conversational AI, AI agents, financial LLMs and artificial general intelligence (AGI). This year's findings reflect that, following the explosive growth of LLMs, fintech companies have started to invest in these technologies. At present, fintech players are focussing on how to use LLMs to deliver value in practical business scenarios. Meanwhile, efforts to develop data-driven core technologies are still ongoing, and this field will be segmented further in the future. However, with the establishment of the National Data Bureau, the transition of data assets onto the balance sheet, and the release of "Data Element X" and other policies, fintech companies are directing more attention to data elements and expanding investment in this growing area.

**Figure 4 Distribution of core technologies**



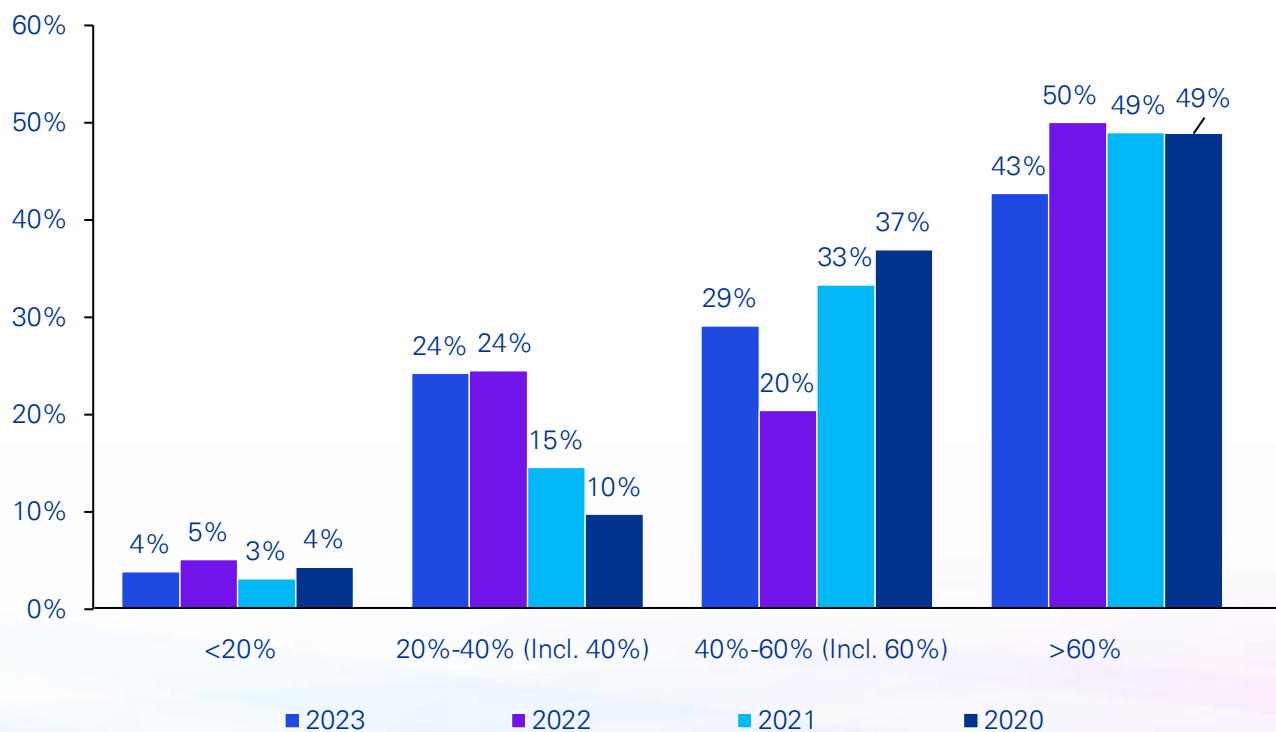
# Multi-dimensional Analysis of Selected Enterprises

## Proportion of technical personnel

70 percent of selected companies had more than 40 percent technical personnel

Technical talents play a crucial role in fintech development. A company's proportion of technical personnel not only reflects its commitment to research and development (R&D) and technological innovation, but also serves as an indicator of the company's ability to quickly adapt to market changes, develop new products and services, and pursue business model innovation. In general, fintech companies attach great importance to technical talents. In 2023, 72 percent of selected companies had more than 40 percent technical personnel, reflecting an increase of 2 percentage points over 2022 (Figure 5). Fintech companies with a higher proportion of technical personnel are more likely to achieve breakthroughs in technological innovation and develop competitive advantages amid intense market competition.

**Figure 5 Proportion of technical personnel**





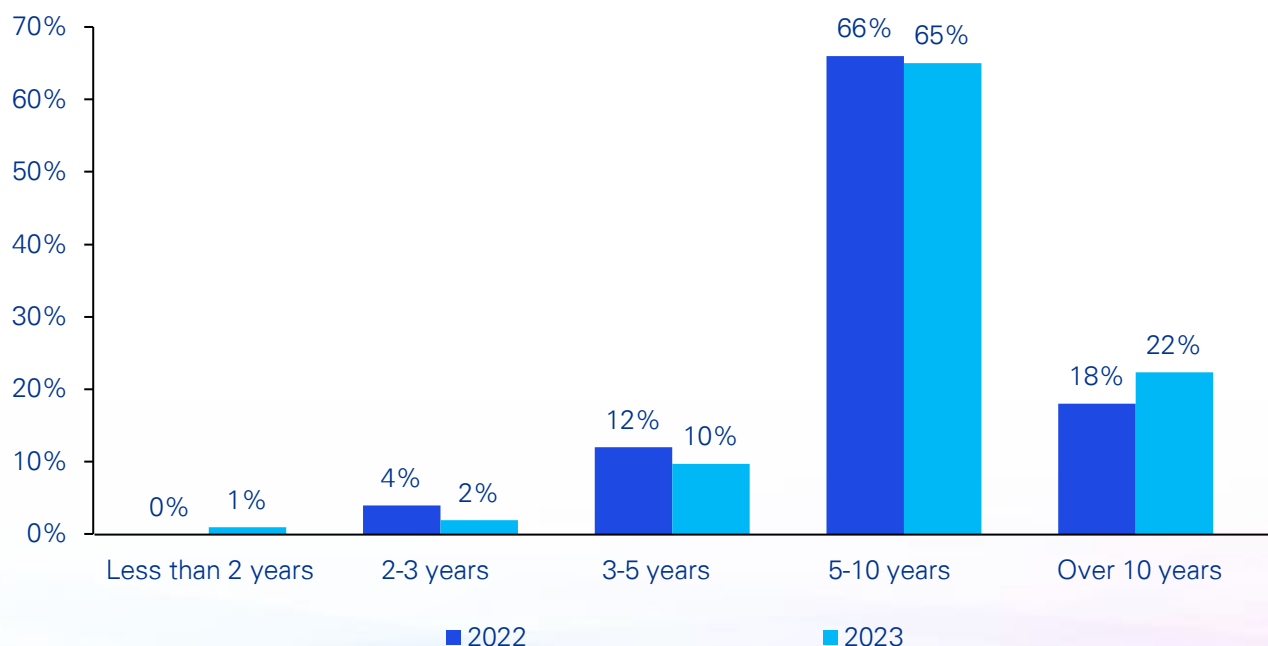
# Multi-dimensional Analysis of Selected Enterprises

## Distribution of years since establishment

The share of selected enterprises that have been operating for more than 10 years increased

The flourishing digital economy provides fertile ground for the development of fintech companies, and established players that have long been involved in the field are optimising data processing, improving transaction speed, simplifying financial service processes, and innovating financial products and services in order to strengthen their market position. In 2023, 22 percent of selected companies had been established more than 10 years ago, up 4 percentage points from 2022 (Figure 6). The 2023 China Fintech 50 lists include both rising stars that were recently founded and long-time players that have been established for more than 20 years. Through the China Leading Fintech 50 and Emerging 50 lists, KPMG China is taking a measure of both established enterprises and newcomers, while also encouraging more companies to enter this growing market and seize opportunities presented by the digital economy.

**Figure 6 Distribution of years since establishment**





# Trends and Prospects



# 2023 Fintech Trends



## The development of financial large language models (LLMs) will deliver a far-reaching impact on the fintech industry

The Central Economic Work Conference was held in December 2023. Based on the economic work conducted in 2023, the conference systematically planned economic work for 2024 across nine areas, and prioritised using scientific and technological innovation to drive the construction of a modern industrial system. As AI rapidly develops, every industry is facing the question of how to integrate and apply this new technology. The huge application potential of this technology is the result of the explosive growth of new hardware, new algorithms and new data. In particular, generative AI and AI-generated content (AIGC) are considered landmark breakthroughs that have the potential to transform productivity models in the era of the digital economy. Generative AI is underpinned by LLMs that engage in deep learning based on massive amounts of data. LLMs are expected to ignite the fourth scientific and technological revolution as a new underlying technology. Going forward, LLMs are expected to deliver more value in real-world scenarios, and industrial competition will shift from focusing on LLMs as an underlying technology to using the technology in different scenarios. Organisations that aim to harness LLMs to drive change need to first solve the problem of how to apply common, general LLMs in their industry, and then they can move on to developing industry-specific LLMs.

In the era of the mobile Internet, China's fintech companies have achieved countless innovations in mobile payment, digital credit and related fields, greatly improving China's strength in digital finance and AI applications. After years of development, the financial sector boasts unique advantages over other industries in respect of the three pillars of vertical LLMs: algorithms, computing power and data. Among these pillars, data determines the intelligence of the LLM. As enterprises in the financial industry have accumulated massive amounts of historical data and text, they have an inherent advantage in their effort to develop industry-specific LLMs. Meanwhile, through financial digitalisation and intelligent transformation, fintech enterprises have developed unique algorithmic solutions, giving them another advantage over organisations in other industries. Finally, while bottlenecks exist in respect of computing power, the financial sector still has an advantage compared to other traditional industries.

Domestic players have been actively deploying financial LLMs, and many have achieved eye-catching results. Looking ahead, fintech enterprises need to extract more value from data and gain a deeper understanding of the scenarios in which LLMs can be used in order to develop competitive advantages. As the development of LLMs shifts from quantity to quality, we expect for competition to centre on the quality and application of LLMs, and enterprises that focus on the reasoning structure of LLMs will likely develop a competitive edge. Going forward, we expect financial LLMs to have the following far-reaching impacts on the financial sector:

**Reducing costs and raising efficiency in the financial industry.** The extensive application of LLMs in the financial industry will empower the entire industrial chain and raise the quality and efficiency of services. At the front-end, by harnessing LLMs' natural language processing (NLP) capabilities, smart customer services will significantly reduce customer wait times, improve customer satisfaction, reduce workloads for customer service personnel and raise work efficiency. At the middle-end, LLMs will be used to upgrade processes in knowledge acquisition, content creation, meetings, communications, code development and testing in financial institutions, while comprehensively improving operating efficiency. At the back-end, as an underlying technology, LLMs will make other technologies easier to apply, and enterprises will be able to support a wide range of financial business scenarios by simply fine-tuning a small amount of tagged financial data.

# 2023 Fintech Trends

**Strengthening risk management.** Due to limitations around the speed of sample accumulation and model complexity, traditional financial risk control models have significant defects in risk identification and iteration frequency. LLMs that use generative networks and deep learning can ascertain more complex risk patterns across longer cycles; and they can use transfer learning to adapt to different business verticals, thereby improving the accuracy of risk control identification and significantly reducing sample requirements. At present, many financial institutions are trying to apply LLMs to pre-loan risk control, post-loan alerts and other scenarios. For example, the People's Bank of China (PBOC) aims to use LLMs to interpret credit reports, with a view to developing a new risk control model that will reduce credit default risks.

**Reshaping the customer service process and experience.** With NLP and speech recognition technologies, LLMs can provide more natural services with a human touch. They can imbue financial services with a sense of warmth by gaining insight into customer needs, providing a user-friendly interface, and engaging in in-depth communication. For example, in wealth management, generative AI can use semantic understanding, information integration and deduction capabilities to significantly improve the user interaction experience; and for licensed wealth managers, generative AI can greatly improve the efficiency and accuracy of investment advisory and empower human wealth managers.

**Changing the perception and concept of AI.** As AI shifts from a supporting tool to a core technology, going forward, an enterprise's business capabilities may depend on its AI technologies and applications. To systematically drive AI innovation and change, enterprises need to devise new AI strategies that cover high-level planning, mid-level design, implementation, cross-level management and optimisation.

Although LLMs present great potential for the financial industry, their reliability and interpretability still need to be demonstrated, and the financial sector's tendency towards rigid regulation means that the large-scale application of LLMs still faces challenges. In terms of the technical logic of LLM training, data is the key factor that determines the performance of an LLM. Therefore, the quality and compliance of underlying data provide the foundation for improving LLMs' adaptation to more financial industry scenarios. In terms of data quality, the quality of data owned by financial institutions is generally higher than that in other industries. However, LLM training often requires cross-sector and cross-enterprise data, which presents challenges to data governance. In this regard, some institutions have even had to manually annotate data. In the future, institutions need to continue to enhance basic processes such as data cleansing, standardisation and quality verification. In terms of data compliance, the *Provisional Administrative Measures for Generative Artificial Intelligence Services* were released on 15 August 2023, and they emphasise the importance of "using data and underlying models from legal sources." In addition, in accordance with regulations, banks and other financial institutions "cannot transfer data out of the country or the bank," and therefore, the financial sector's LLMs are currently deployed on-site, and the data used must be authorised for compliance purposes. We expect that going forward, the commercial use of LLMs and the development of related compliance management systems will be carried out side by side.



# 2023 Fintech Segment Trends



## Integrated Fintech Segment

**In science and technology investing, enterprises are focussing more on results and cost effectiveness, and the existing “peer-to-peer technology delivery” model is shifting to an ecosystem model**

With their technological advantages and “financial DNA,” integrated fintech enterprises are actively embracing the new technological development opportunities brought about by LLMs. They are expanding their technological investments and making such investments more business-oriented and targeted. Meanwhile, they are continuing to share their technological capabilities with their peers, which means they are shifting from traditional technology empowerment towards ecosystem-based services.

- **Making technology investment more business-oriented and targeted**

As the fintech industry enters a period of stable development, standardisation and high-quality growth are the themes of the industry. Financial institutions with innovation capabilities are seizing the technological development opportunities that are being presented by the rise of LLMs, and in terms of technology investment, they are setting goals and using methods that focus more on results and cost effectiveness.

From the perspective of technology investment, innovative financial institutions are focussing on how to improve the input-output ratio of technology and how to use technology to deliver more business value. For example, now that the development of LLMs and generative AI is a consensus in the industry, enterprises are working to leverage the vertical application of LLMs in the financial sector to empower specific business activities, expand business and acquire customers. From the perspective of investment methods, the technology-driven “casting a wide net” investment model of the past is gradually shifting to a model under which investments are driven by business demand, customer experience and product scenarios. Meanwhile, as the digital transformation revolutionises more financial verticals, technology investment is shifting from single technology investments to a focus on tech-empowered business scenarios; and data assetisation, retail digitalisation, intelligent investment advisory and intelligent risk control have become major areas of investment.

In November 2023, the People's Bank of China issued the *Financial Digitalisation Capability Maturity Guidelines*, which proposes a financial digitalisation capability maturity model and maturity calculation method, and defines the corresponding grading requirements for different dimensions of digital finance transformation capabilities. Innovative financial institutions have begun to use guidelines such as these to measure their fintech applications and examine their advantages and weaknesses in digital development. In this context, they are seizing the opportunity to accelerate business value-oriented digital transformation and enhance their digital operations, digital innovation capabilities, and other competitive advantages in the era of the digital economy.

# 2023 Fintech Segment Trends

- **From technological empowerment to ecosystem empowerment**

By improving core capabilities in areas such as IT infrastructure, servitisation and cloud computing, innovative financial institutions are not only empowering internal operations but also delivering technical service capabilities to other organisations. For example, for small and medium-sized financial institutions, applications that leverage cloud-native technologies can make up for differences in traditional hardware infrastructure, allowing these enterprises to improve resource utilisation and use cloud-based services such as software-as-a-service (SaaS) and platform-as-a-service (Paas) to support business agility, decision-making and development efficiency. By harnessing these capabilities along with the advantages of the financial industry chain, innovative financial institutions can adopt a “to government” (To G) and “to business” (To B) approach, and deliver technical capabilities across multiple industry chains, such as e-government, smart medical care, urban brain and smart campus. In this way, enterprises can develop a digital ecosystem that bridges industries and finance and enables ecosystem-based empowerment.

In October 2023, the State Council issued the *Implementation Opinions on Promoting the High-quality Development of Inclusive Finance* to encourage financial institutions to use technologies to improve services in inclusive finance. With their inherent financial and technological advantages, innovative financial institutions are among the main drivers of the development of inclusive finance. Based on their technological breakthroughs, innovative financial institutions are integrating technology, business scenarios and finance and steadily enhancing the service capabilities of small and micro financial institutions, with a view to improving inclusive financial services.



# 2023 Fintech Segment Trends



## Wealthtech Segment

### **AI is promoting wealth management innovation and accelerating the “autonomisation” of institutions’ core systems**

Following the explosive growth of AIGC in 2022, the financial industry has had high hopes for the future. Wealthtech enterprises have been applying the data and experience they have gained by applying AI to train financial LLMs, with the goal of providing support for different aspects of wealth management, including investment advisory and marketing. According to the 2023 Leading Insights Report on Chinese Fintech Enterprises released by KPMG in conjunction with the National Internet Finance Association of China, wealthtech is expected to be one of the three main fields in which AIGC is applied, along with the fields of integrated financial technology and platform technology empowerment. As AIGC technology matures and wealth management institutions explore more application scenarios, AIGC will be used across the entire cycle of wealth management.

- **First, the application of AIGC in wealth management business scenarios such as investment advisory, investment research and marketing will improve efficiency and services**

In terms of investment advisory, as generative AI has strong semantic understanding and information integration capabilities, wealth management institutions can use AIGC-powered internal chatbots to provide customers with faster and more accurate services. Meanwhile, wealth management enterprises can use intelligent LLM-driven wealth management assistants to transition from search AI to generative AI. To build these internal chatbots, they can combine generative AI with their own databases and knowledge resources; and since the responses from chatbots will come from their own data and content resources instead of from the Internet, the answers will be much more reliable. As digital personal assistants for financial advisers, internal chatbots can help financial advisers break through limitations in their own financial knowledge, find information faster and provide customised service solutions for different types of customers, thereby improving the overall efficiency and scale of wealth management.



# 2023 Fintech Segment Trends

In terms of investment research, AIGC LLMs can be used to improve the efficiency of research report generation. Researchers need to collect a large amount of relevant information and data before writing a report. However, manual search and data processes for such reports are time-consuming and work-intensive, and the information collected may still be incomplete. To solve this problem, ICBC is using AIGC and related technologies to empower research report generation. First, it uses robotic process automation (RPA) technology to obtain research reports of pre-set types and quantities at the target client end, and it collects structured data through an application programming interface (API) at the target client end. After obtaining the initial data, the bank uses machine learning algorithms and an AIGC LLM to perform heat screening, information summarisation and information extraction on the initial dataset in order to generate a target dataset. Finally, it configures and processes the initial financial report according to the target dataset to generate the target financial report<sup>1</sup>.

In addition, AIGC can perform real-time analysis of massive financial data, news, social media and other information, quickly capture market dynamics, and provide investment advice for customers. It is worth noting that, due to unclear regulations, as well as data security and data privacy issues, AIGC still faces security compliance risks in respect of the provision of investment advice to customers.

- **Second, wealthtech enterprises are promoting the autonomous transformation of wealth management institutions' core systems**

"Family bucket" services refer to the integration of various fintech services by fintech service providers to deliver integrated and comprehensive services to customers. "Family bucket" services can compensate for the R&D weaknesses of small and medium-sized wealth management enterprises, and facilitate their digital transformation through technology-enabled business management. However, as technological innovation strategies advance and financial regulations emphasise autonomous and controllable key product technologies, more and more wealth management enterprises—especially industry leaders—are accelerating their investment in technological research and development to create autonomous and controllable systems, thereby reducing their dependence on "family bucket" services. Wealthtech enterprises are actively embracing new technologies, and quickly integrating the latest technologies with their own to provide effective financial service solutions. In particular, large and medium-sized wealth management enterprises are purchasing the latest technical solutions in the sub-segment and deploying them in their systems, and gradually improving the efficiency, stability and autonomy of their core systems by leveraging the modular and decentralised nature of distributed technology.

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<sup>1</sup> ICBC's new patent: Using an AIGC LLM and RPA to improve the efficiency of research report generation, NetEase, 7 December 2023, <https://www.163.com/dy/article/ILCGNGSG055240KW.html> |



# 2023 Fintech Segment Trends



## Insurtech Segment

### **Insurtech is evolving towards risk reduction management, integrating with industrial upgrading and expanding service boundaries**

The risk management principle of the insurance industry has gradually evolved from equivalent risk management to risk reduction management; that is, by using more professional and advanced technological methods, and actively participating in the risk management of the insured subject, insurers can reduce the probability of accidents, and hence the total amount of risks in society. On one hand, through the extensive application of new technologies, insurtech companies can transform previously uninsurable risks into insurable risks, and limited coverage into full coverage, creating a broader insurance market. On the other hand, technologies are permeating the development processes of all industries, giving rise to new risk management demands. By integrating their services with industrial upgrading, insurtech companies are steadily expanding their service boundaries.

- **Technology is helping insurtech companies to steadily expand service boundaries**

With the development and penetration of technologies, certain previously uninsurable risks can now be effectively identified, measured and transformed into insurable risks. Automobile insurance is an effective example in this regard. China has the world's largest automotive market in terms of production and sales, as well as the largest pool of car owners. In addition, auto insurance generates the largest amount of premium income among all the types of property insurance in China. The country's auto insurance system is currently in a transitional period as insurance products that were originally designed for traditional gas-powered vehicles are not suitable for smart electric vehicles. Meanwhile, with the iterative upgrading of 5G communication technology, laser radar, Internet of Vehicles and other related technologies, driving capabilities are becoming increasingly mature, which not only reduces insurance claims arising from accidents, but also changes the subject of the insured liability from the car owner to the automobile manufacturer or auto driving system provider. These developments are set to fundamentally change the product logic and pricing model of traditional auto insurance. In the future, the subject of auto insurance will not only cover driving behaviour, but also the vehicle itself as well as the passenger and property in the vehicle, which may require more accurate pricing and the development of an insurance service ecosystem.

# 2023 Fintech Segment Trends

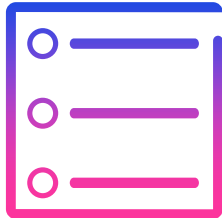
- **The open “insurance +” ecosystem will span multiple industries and represent an important new market for insurtech companies**

Building a more expansive insurance ecosystem that incorporates insurance and other industries will become an important growth engine of the insurance industry. This ecosystem can connect all industries along the value chain, and organisations within the ecosystem will use insurance to jointly create and share value. Players in the ecosystem can leverage their respective strengths and actively use insurtech to technologically empower the integration of the insurance industry with other industries. For example, in respect of life insurance, an “insurance +” ecosystem should be developed in conjunction with the health care and elderly care sector. Meanwhile, as auto insurance accounts for a substantial share of the property insurance industry, companies along the automotive industry chain are focussing on how to build an “insurance +” ecosystem. In addition, insurtech is penetrating into health management, automotive aftermarket services, electricity and gas, commercial medical insurance, parking and other sectors by technologically empowering system construction and interfacing, marketing services, and automatic underwriting and claims settlement, among other areas.

In addition, the construction of an ecosystem will not be possible without open source innovation. Similar to how the development of LLMs requires open source code, the construction of an open insurtech ecosystem requires open APIs to share and manage insurance-related data and other types of personal information between different organisations. The establishment of an open insurance ecosystem requires returning the ownership of data to consumers, who will then be able to specify which company can use their information and for what purpose. In this way, a high level of digitalisation, intelligence and collaboration can be achieved across the entire ecosystem.



# 2023 Fintech Segment Trends



## Inclusive Technology Segment

**The integration of digital technologies, the real economy and digital platform services is accelerating the development of inclusive finance**

- **The integration of digital technologies and the real economy will accelerate the development of inclusive finance**

Due to the integration of digital technologies and the real economy, corporate users and individual users are switching between real life and digital life more smoothly, and financial demands in what were traditionally not financial scenarios such as research, production, supply, marketing, services and management, as well as clothing, dining, housing and travelling, are increasing rapidly, which is encouraging financial institutions to deeply analyse the work and daily lives of inclusive finance users. They are seeking to use technological innovation, model innovation and product innovation to embed inclusive financial services into various scenarios. In this way, financial institutions are achieving their high-quality development goals in respect of inclusive finance, which include improving access to basic financial services and financing for business entities. In terms of technological innovation, technologies such as Web3, virtual reality (VR), augmented reality (AR) and mixed reality (MR) can break down time and space barriers, extend the reach of financial services to more customers, and provide these customers with a seamless service experience that blends real life with the virtual world. This will help small and micro enterprises and self-employed individuals access more flexible and convenient financial services, and solve the “digital gap” facing the elderly and people with disabilities.

- **Digital service platforms will help small, medium and micro enterprises achieve digital intelligence transformation**

The digital intelligence transformation of small, medium and micro enterprises is an important part of the “Building a Digital China” initiative, but these organisations face difficulties in achieving that goal using only their own resources. Small, medium and micro enterprises are a key component of the national economy, and they account for more than 99 percent of the total number of domestic enterprises. These companies play a decisive role in economic growth, innovation, employment and the modernisation of the industrial system. Therefore, the digital intelligence transformation of small, medium and micro enterprises will provide strong support for the construction of a digital China. In addition, the digital intelligence transformation also plays an important role in driving their own development. By adopting AI, big data, cloud computing and other technologies, small, medium and micro enterprises can achieve production automation and intelligent management and improve their operating efficiency and competitiveness. However, the large number and wide range of small, medium and micro enterprises in China represent a pain point for their digital intelligence transformation. Digital intelligence transformation requires huge investments in terms of capital, R&D and talents. As small, medium and micro enterprises have limited funds and relatively weak R&D and talent development capabilities, they face difficulties in bearing the high cost of transformation.



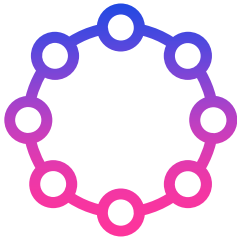
# 2023 Fintech Segment Trends

Internet-based digital service platforms provide a digital transformation channel for small, medium and micro enterprises. Digital service platforms refer to convenient, efficient service platforms provided by Internet platform providers, industrial Internet platform providers, large enterprises, and digital transformation service providers. These organisations leverage their advantages in infrastructure and digital technology, as well as their extensive experience, to provide these digital service platforms. Through the platforms, small, medium and micro enterprises can tap into vast digital resources. Using SaaS, PaaS and data integration technologies, they can build digital business processes, meet rapidly changing market demands and accelerate their own digital transformation. In addition, digital service platforms can provide a wealth of application scenarios and innovation opportunities for small, medium and micro enterprises through the construction of API economies and ecosystems. Enterprises can flexibly select and integrate various API services according to their own needs, and rapidly develop and deploy innovative applications. At the same time, partners and developers on the digital service platform can also develop new technologies and business models, thereby driving continuous innovation and development within the ecosystem.





# 2023 Fintech Segment Trends



## Supply Chain Technology Segment

**Various organisations are jointly exploring the supply chain finance “blue ocean,” and scenario-based innovations are emerging**

As the digital economy thrives, the penetration of supply chain finance has gradually increased. With the advancement of supply chain technology and the enactment of several supply chain finance-related policies, there have been multiple new developments in supply chain fintech since the beginning of 2023.

- **First, banks and third-party platforms are collaborating to explore supply chain finance opportunities**

With the digital transformation of the financial industry and the development of a virtuous circle focused on "Technology-Industry-Finance," digital technology has been increasingly used in the field of industrial finance; and the pool of suppliers, which was previously dominated by financial institutions and leading enterprises, has gradually expanded to include supply chain technology companies, industrial Internet platforms and other entities. With the government encouraging banks and other financial institutions to vigorously develop inclusive finance, banks—as the source of funds—are focussing more on cooperating with third-party supply chain technology platforms. For example, Agricultural Bank of China (ABC), which has adopted the slogan of "ABC supply chain finance supports small and micro enterprises," has enabled direct access between ABC and core clients' enterprise resource planning (ERP) systems to obtain supplier order information. ABC has also gradually expanded cooperation with a number of high-quality supply chain service platforms.

In 2023, the economic recovery was uneven, and the construction and steel industries experienced significant operating pressure. Although supply chain finance service platforms usually do not bear any credit risk in cooperation with enterprises, they still need to closely monitor the reputation risk that could be caused by the default of core enterprises in the above industries in supply chain financing.

- **Second, the creditor's rights establishment model is gradually receding, and scenario-based innovation is becoming a new driver for supply chain finance**

At present, as competition between core enterprises using the traditional creditor's rights model grows increasingly fierce, the market is beginning to show signs of a price war in respect of financing fee rates. Against this backdrop, many supply chain platforms are shifting to scenario-based financing, including relying on warehousing and logistics information, order waybill information, and invoice and transaction information. Scenario-based financing is becoming popular because supply chain finance platforms can enable credit data sharing; and through such platforms, banks can lend to suppliers based on real-time data, which reduces financing costs. Going forward, more innovative scenario-based products are expected to emerge.

# 2023 Fintech Segment Trends

Under core enterprises' creditor's rights establishment model, accounts payable financing and reverse factoring are among the main products of the supply chain platform. This financing arrangement helps optimise the debt structure of core enterprises and renders interest-bearing debts interest-free. To disclose an enterprise's liabilities to users of financial statements in a more comprehensive manner, in November 2023, Accounting Standards for Business Enterprises Interpretation No. 17 (ASBE Interpretation No. 17) was issued by the Ministry of Finance to require core enterprises to disclose information about supplier financing arrangements (i.e., accounts payable prepaid by banks on behalf of core enterprises to suppliers). ASBE Interpretation No. 17 has been effective since 1 January 2024. As the relevant information disclosure is now required to be more comprehensive and transparent, core enterprises' creditor's rights establishment mindset in supply chain finance is expected to gradually recede.

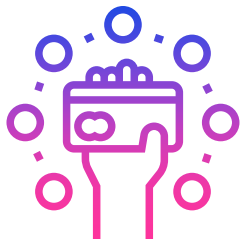
- **Third, as treasury systems evolve, the supply chain finance platforms of central government-owned enterprises are thriving**

At the beginning of 2022, the State-owned Assets Supervision and Administration Commission (SASAC) issued the *Opinions on Encouraging Central Government-owned Enterprises to Accelerate the Construction of Treasury Systems and Strengthen Fund Management*, which proposes "strengthening the management of supply chain finance services, drawing in high-quality financial resources, building supply chain finance service platforms, accurately meeting the financial needs of supply chain entities, especially small and medium-sized enterprises (SMEs), related to production, circulation, and transaction, and providing high-quality and efficient supply chain finance services." Against this backdrop, central government-owned enterprises have accelerated the development of supply chain platforms. According to media reports, many central government or state-owned enterprises have set up commercial factoring companies, and carried out supply chain finance business with the support of enterprises within the groups engaging in digital technology and logistics. By November 2023, central government-owned enterprises had completed the construction of their treasury systems<sup>2</sup>. In terms of products, many supply chain technology companies subordinate to central government-owned enterprises are marketing digital creditor's rights certificates for accounts receivable as the main product in the early stage.

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<sup>2</sup> Reducing capital costs to prevent and control risks: the construction of treasury systems by central government-owned enterprises is coming to an end. China Business Network, 6 December 2023, <https://finance.sina.com.cn/jjxw/2023-12-07/doc-imzxcsii8708432.shtml>

# 2023 Fintech Segment Trends



## Paytech Segment

### **Innovative scenario-based services are emerging in mobile payment, and cross-border payment is expanding overseas**

With the continuous development of paytech applications, competition in the payment industry is growing increasingly fierce. Payment companies continue to develop new application scenarios, empower other industries through payment platforms, and provide integrated and comprehensive services. At the same time, some payment companies are pursuing other avenues for growth by “going global” and exploring emerging markets.

- **First, mobile payment platforms are enriching their scenario-based offerings and providing integrated services**

On the consumer side, third-party payment platforms are expanding their business by exploring new scenarios and product innovation. Mobile payment platforms are steadily developing new service scenarios, which is making mobile payment scenarios increasingly diversified. According to the Statistical Report on China’s Internet Development, as of June 2023, the number of online payment users in China had reached 943 million, accounting for 87.5 percent of domestic Internet users<sup>3</sup>. This large base of online payment users provides the foundation for the enrichment of scenario-based services. By integrating with traditional payment, mobile payment platforms are cooperating with government departments to provide services related to public security, provident fund, medical care, environmental protection, taxation, civil affairs, education and transportation, among other areas. Moreover, mobile payment platforms are actively exploring new biometric technologies, such as palm-scanning payment, to provide customers with more convenient and diverse payment methods. For example, WeChat officially launched palm-scanning payment in May 2023, and Amazon launched its upgraded palm vein payment system in November 2023. Compared with face-scanning payment, palm-scanning offers enhanced privacy and anti-risk capabilities, and users are more accepting of it. However, payment platforms need to closely monitor security and compliance in relation to data collection, storage and use.

On the business side, mobile payment platforms are empowering other industries and providing integrated services. For small enterprises, in addition to payment functionality, mobile payment platforms are providing other value-added services, such as helping restaurants build take-out ordering systems in order to increase customer loyalty. For large and medium-sized enterprises, mobile payment platforms can strengthen the linkage between the payment system and the enterprise’s internal ERP system, and combine the payment function with the enterprise’s finance and internal control functions, with a view to streamlining approval processes, enhancing collaboration and improving work efficiency.

<sup>3</sup> As of June this year, the number of online payment users had reached 943 million, people.com.cn, 18 October 2023, [http://paper.people.com.cn/rmrbhwb/html/2023-10/18/content\\_26022110.htm](http://paper.people.com.cn/rmrbhwb/html/2023-10/18/content_26022110.htm)



# 2023 Fintech Segment Trends

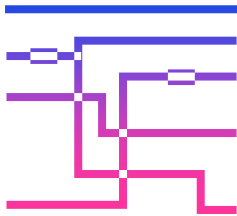
- **Second, cross-border payment platforms are providing comprehensive financial services, and countries along the "Belt and Road" are becoming new growth markets**

Increasingly, cross-border payment platforms are providing not only payment services, but also services such as currency exchange and enterprise foreign exchange risk management. Foreign exchange risk is a risk that enterprises engaging in cross-border business face. Enterprises engaging in cross-border services, especially SMEs, usually lack foreign exchange risk management personnel and have relatively weak foreign exchange management capabilities. Based on their technical advantages and accumulated data, cross-border payment platforms are providing modular services for foreign exchange risk management through their payment systems, including foreign exchange risk alerts and foreign exchange risk hedging schemes. In addition, cross-border payment platforms are exploring new services such as platform store opening, global order collection, overseas marketing and supply chain financing, so as to provide customers with comprehensive services that enhance customer loyalty.

At the same time, cross-border payment platforms are going global, especially in countries along the "Belt and Road." As China's export structure changes, the growth rate of trade with developed countries and regions such as the United States and Europe is slowing down, and trade with "Belt and Road" countries is expanding. As a result, China's cross-border payment platforms are focussing more on developing markets along the "Belt and Road." However, compared with developed economies such as those in Europe and the United States, providing services to SMEs in countries along the "Belt and Road" presents issues such as difficulties in collecting payments and high costs, posing new challenges to foreign trade enterprises. In view of the pain points in cross-border payment in countries along the "Belt and Road," cross-border payment platforms are obtaining licences locally or cooperating with banks to actively carry out product and service innovation, help local enterprises make or receive payments, and address the inefficiency, high costs, and lack of transparency in transactions. However, cross-border payment enterprises also need to pay attention to the local culture, compliance risk and data security when entering overseas markets.



# 2023 Fintech Segment Trends



## Regtech Segment

### Regtech is expected to improve regulatory efficiency with the help of LLMs

The digital transformation of the financial industry has put forward higher requirements on digital regulatory capabilities. Fortunately, emerging technologies such as AIGC present significant potential for the development of financial regtech. Going forward, regtech development will increasingly rely on technologies to achieve more efficient and accurate regulation. At the same time, the development of regtech will also drive fintech innovation and empower the financial industry's digital transformation.

- **First, as financial regulation becomes digitalised and intelligent, financial regtech companies will gain a deeper understanding of business**

With the development of AI, big data and blockchain, regtech has been widely applied in the regulation of traditional financial business—including in data aggregation, risk modelling and real-time monitoring—making financial regulation become more digitalised and intelligent. Intelligent financial regulation has put forward higher requirements on regtech. At present, financial regulation focuses on behavioural regulation and penetrating regulation; but as the financial system becomes more complex, and financial risk transmission defies limitations due to technological changes, regtech is facing many new challenges.

In the face of the challenges posed by financial regulation, fintech enterprises need to establish a stable business foundation and gain a deeper understanding of the industry language and the business of the regulated financial institutions, so as to better understand the pain points and business needs of the regulated institutions and provide targeted, professional technical services. In the context of ever-changing regulatory requirements, regtech enterprises need to continuously monitor the latest regulatory developments, and gain a deep understanding of the financial regulatory environment, including regulatory policies, regulations and standards, and adjust their services in a timely manner. At the same time, in light of the rapid development of technology, regtech enterprises need to also possess a deep understanding of technological applications, stay up-to-date with the latest technological developments, and apply the latest technologies to financial regulation. In this way, they can effectively study new problems, build rapid response and product iteration capabilities, and ultimately improve and safeguard the financial industry's reputation.

# 2023 Fintech Segment Trends

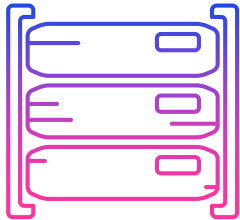
- **Second, LLMs are driving the development of regtech**

With the continuous development of technologies such as AIGC, both regtech on the regulator side and supotech on the financial institution side are improving efficiency by integrating new technologies and regulatory scenarios and optimising regulatory processes. However, challenges remain in the effort to apply LLMs in financial regulation scenarios. LLMs' weaknesses in relation to authenticity and fact verification have resulted in errors in these tools' understanding and judgements in financial regulation scenarios. Financial regulation needs to be prudent, and it has a low tolerance for errors and requires explicability. Therefore, users are cautious in applying LLMs to the field of regtech. With machine learning models being extensively applied in various fields, users have increasingly high requirements on the credibility and explicability of these models. The "explainability" of models is particularly important for the financial industry because the industry emphasises regulation and compliance. All enterprises in the financial sector need to strictly comply with regulatory requirements, and every judgement and decision made must be explicable.

Nevertheless, LLMs can assist in business scenarios in which humans make decisions, provide information references for risk control and compliance practices, and enable human-computer collaboration. In this way, LLMs can be applied to financial compliance work and provide effective support for human users. In the future, LLMs are expected to be used in the regtech field under a "LLM + financial small model" approach, which will entail injecting high-quality financial data and industry experience into LLMs. With this approach, expert knowledge and certain classic decision-making algorithms can be used to make comprehensive judgements and improve explicability.



# 2023 Fintech Segment Trends



## Platform Technology Empowerment

### Riding the wave of digital finance as a new round of development opportunities emerges

In October 2023, policymakers at the Central Financial Work Conference proposed "five major tasks: technological finance, green finance, inclusive finance, pension finance and digital finance." Among these tasks, digital finance is appearing in central government-level meetings and documents for the first time. This term represents an advanced form of finance arising from the integration of financial innovation and technological innovation<sup>4</sup>. In hindsight, the integration of financial innovation and technological innovation started with the online platform model, then shifted to scenario-based finance, then to the integration of digital technology and the real economy, and finally to digital finance.

Currently, IT application innovation and "Going Global" are major trends in digital finance, and initiatives such as "Data Element X" and the "Action Plan for the High-Quality Development of Computing Power Infrastructure" are steadily moving forward. With the technological opportunities brought about by financial LLMs and generative AI, going forward, China's fintech sector is expected to deliver more and more value, make inroads in the global market, and facilitate the high-quality development of digital finance.

#### Sub-segment 1

Integrated  
technology  
empowerment

IT application innovation and the  
"Going Global" strategy are  
creating new growth momentum



Fintech enterprises that possess more comprehensive technical capabilities are able to offer richer scenario-based applications, which presents them with more market choices. Whether they focus on the domestic market and IT application innovation or go global to seek new opportunities, enterprises that have robust capabilities and technical advantages and choose the right market will be well-positioned to achieve steady growth.

<sup>4</sup> Play an important role of digital finance in supporting economic growth, Guang Ming Daily, June 9, 2022, [https://news.gmw.cn/2022-06/09/content\\_35797327.htm](https://news.gmw.cn/2022-06/09/content_35797327.htm)



# 2023 Fintech Segment Trends

- **As the IT innovation ecosystem matures, “Going Global” initiatives are promoting the high-level opening-up of the country’s financial system**

As contributors to the long-term drive toward IT innovation in the financial industry, Chinese fintech enterprises are dedicated to independent innovation, and they are steadily promoting domestic-made chip adaptation, core operating system migration and other key work. Through these efforts, they have gradually developed core competitive advantages. Under the high-level opening-up of the financial system and the "Belt and Road" initiative, fintech companies with both technical strength and an international outlook have expanded into overseas markets such as Southeast Asia, the Middle East, Africa and South America. By exporting products, IT frameworks, services and solutions, they have helped financial institutions build global information systems and operate internationally, and empowered electronic payment, cross-border e-commerce and inclusive finance, thereby promoting mature domestic applications and practices overseas. These efforts have not only facilitated the growth of fintech enterprises, but also promoted the high-level opening-up and international influence of the country’s financial system. Notably, these “going global” efforts often face enormous challenges in various areas, such as uneven information infrastructure between regions, high costs in adapting to local laws and regulations, and difficulties in understanding local user habits and cultural differences.

- **Technical capabilities are strengthening, and cross-sector empowerment is accelerating**

In the process of integrating finance and technology, enterprises that focus on technologies as their main deliverables tend to steadily strengthen their own technological capabilities; and rapidly drive product and technology innovation through iterative development, industry-university-research collaboration and open cooperation. They also tend to actively apply for key technology research projects through mechanisms such as "open competition" and "horse racing," which the government encourages in order to solve the major bottlenecks and frontier problems facing the fintech industry. With the continuous strengthening of their endogenous capabilities, these enterprises are accelerating cross-scenario, cross-entity and even cross-sector empowerment, thereby opening up additional growth paths. Fintech subsidiaries subordinate to banks are good examples of these enterprises. Since their establishment, they have focused on strengthening their own technical capabilities and serving the digital transformation of their parent banks. Based on pain points in the parent banks’ business and scenarios, they can leverage resources across the bank to launch effective and practical digital solutions. Compared with other third-party fintech companies, fintech subsidiaries subordinate to banks have relatively stable business needs and a more innovation-friendly environment, and they inherit the “DNA” of the parent bank. Therefore, they not only have certain advantages in risk resistance and experience when providing cross-sector solutions, but they are also capable of quickly finding the right verticals in order to engage in differentiated competition.

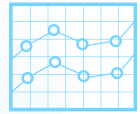


# 2023 Fintech Segment Trends

## Sub-segment 2

### Big data & AI

### Leveraging the multiplier effect of data elements, and examining the potential of generative AI



The digital transformation of the financial industry is steadily advancing; and as one of the new, important production factors for the digital economy, data will inevitably evolve from being a resource, to being an asset and finally to being capital. With new industry models such as "data element X financial services" and "big data + big computing power + strong algorithms" emerging, understanding and fully leveraging data elements has become key to the development of digital finance. Generative AI is an important tool under these new models, and determining how to use this new technology to deliver value is crucial to the development of digital finance.

- **Moving data assets onto the balance sheet marks a significant step in the development of digital finance**

From the release of the "20 measures for building a basic data system" on 19 December 2022, to the official establishment of the National Data Bureau, to the release of the *Interim Provisions on the Accounting Treatment of Enterprise Data Resources* in August 2023 (with effect from 1 January 2024), the construction of China's data elements market has been accelerating. The inclusion of data assets on the balance sheet is merely a first step, but it represents a giant leap for the development of digital finance. Its impact can be seen in two areas: the digital transformation of the financial industry and financial service innovation.

- (1) In terms of digital transformation, strengthening data governance and activating the potential of data elements have become priorities for fintech companies and financial institutions. The inclusion of data assets on the balance sheet will provide a standardised and quantifiable value reference for the construction of data asset management systems, the establishment of enterprise-level data asset catalogues and the design of thematic data asset maps. In this way, the costs and benefits of data can be reflected at the enterprise level, which will support data-driven decision-making and elevate the competitiveness of enterprises;
- (2) In terms of financial service innovation, the National Data Bureau and similar organisations are constantly emphasising the multiplier effect of data elements, which can empower economic and social development. Financial data is expected to be integrated with multi-source data such as data related to science and technology, industry and commerce, taxation, energy, and environmental protection. This integration will help financial institutions such as banks, insurance companies and securities institutions explore and innovate financial products and services based on data assets. In this process, data elements represent both production tools and objects of labour, and significant economic value can only be generated through the assetisation and capitalisation of data and its free flow through transactions. Therefore, while the inclusion of data assets on the balance sheet is only a small step, it will effectively promote the development of various fields in the financial industry, such as data rights establishment, standards building, data transactions, data circulation, and the opening-up and sharing of data. As a result, data elements within the industry and even across society will be allocated more optimally and used more efficiently, which will promote the development of digital finance and the digital economy.

# 2023 Fintech Segment Trends

- **With generative AI driving scenario application efficiency, human-computer interaction is reaching new heights**

In 2023, as AIGC grew in popularity, AI applications in financial scenarios shifted from the "perception-cognition-decision" model to a "generative" stage. Compared with the previous three stages, one of the most important feature of generative AI is its creativity. First, these tools can efficiently generate a large amount of high-quality content, greatly improving execution efficiency. Second, the content generated is original and unique, which greatly optimises the human-computer interaction experience. At this stage, generative AI tools applied in the financial sector mainly include applications such as chatbots, virtual digital humans and similar tools that are based on NLP, intelligent voice recognition and machine vision technologies. The creativity of the tools is reflected in their ability to engage in open/closed-book question-and-answer, text generation, and knowledge question-and-answer. These capabilities can be applied in intelligent outbound calls, intelligent investment advisory, smart contracts, digital customer service and other business scenarios. Going forward, the full integration of generative AI with financial LLMs is expected to further unlock the intelligence of these new technologies, enabling these tools to deliver more value in existing scenarios and open up more scenarios in an iterative manner. For example, in smart marketing scenarios, the powerful cross-task learning capabilities and multi-modal data mining capabilities of LLMs will make marketing strategy design and advertisement streaming more targeted; and on the end user side, developments in human-computer cooperation models such as "smart device + generative AI" and "SaaS software + smart assistant (Copilot)" will give rise to various AI agent products and related applications.



# 2023 Fintech Segment Trends

## Sub-segment 3

**Blockchain, secure computing and distributed technology**

**Data security is being prioritised, and insufficient computing power is forcing changes in computing architecture**



To effectively promote digital finance, financial innovation requires security, and technological innovation requires sufficient computing power. First, China's financial regulations are still quite strict. Data security is becoming a cornerstones of protection, and it is key to the effort to use blockchain, security computing and other technologies to empower financial security. Second, fintech innovation is currently facing a mismatch between supply and demand for computing power. Fortunately, new applications that harness hardware innovation, distributed architecture and AI computing power data centres are expected to effectively solve the urgent needs of the financial industry and alleviate the problem of insufficient computing power in China.

- **In addition to strengthening full life cycle data security, data circulation activities also need to be made more secure**

With the deepening of digital transformation of the financial industry, financial services are increasingly brought online and becoming more intelligent. As data resources in the financial field continue to expand, the value of data elements has been fully reflected in supporting business connectivity and assisting intelligent decision-making. But at the same time, data threats also increase, and the challenges in data security intensifies. A full life cycle data security system covering data production, storage, transmission, access, use, and destruction is being developed at a higher speed. For example, the data security management of certain financial institutions has been able to traced back to the code generation phase. As the construction of data element market accelerates, in addition to the security of data itself, the security of data opening-up, sharing, transaction and other circulation activities and data-hosting platforms is also under increasing pressure. Institutions not only need to use privacy computing and related technologies to render data "accessible but invisible" between participants, but also need to achieve the "controllable and measurable" use of data. This will lead to innovation opportunities such as hierarchical evaluation of data, construction of data security and circulation management platform and data security inspection and certification.

- **Through platform-based, integrated development, blockchain is expanding and deepening financial services**

Guided by national policies and cutting-edge application research in the financial field, blockchain technologies such as smart contracts, consensus algorithms and encryption algorithms are becoming increasingly mature, while various "blockchain +" applications are being adopted in an accelerated manner. The main scenarios include supply chain finance, trade finance, fund management, payment settlement, and digital assets. These applications are mainly adopted through a platform-based approach, which can effectively facilitate multi-party collaboration and innovation and promote data security, openness and sharing to build a credible ecological network. In addition, with the effective integration of the financial database on the blockchain platform with data related to government affairs, medical care, education and health and other related fields, the integrated development trend is becoming increasingly evident. This will facilitate the finance sector to better serve the real economy in a larger scale, and continuously promote the capitalisation of data elements and increase their value.



# 2023 Fintech Segment Trends

It is expected that with the accelerated construction of the "national-level new infrastructure" represented by the "Spark · Chain Network," and supported by the super nodes and backbone nodes across various regions and industries, the existing blockchain applications will be further standardised and up-scaled to eventually form a nationwide platform for co-construction, sharing, mutual trust and interconnection, an integrated new infrastructure and service network.

## **Computing hardware and architecture innovation is helping domestic computing power providers overcome the external technology blockade**

In terms of computing hardware, the Graphics Processing Unit (GPU) and General Purpose Graphics Processing Unit (GPGPU) are in short supply globally. In particular, China is also facing restrictions on purchase of high-end GPU products, forcing innovative technology enterprises to explore alternative solutions. First, multi heterogeneous computing. In addition to GPU, deploy Field Programming Gate Array (FPGA), Application Specific Integrated Circuit (ASIC), Neural Network Processing Unit (NPU), Tensor Processing Unit (TPU) and other heterogeneous computing capabilities according to the needs of business scenarios, and use domestic chips where possible; second, high-speed hardware interconnection, supported by chip interconnection technology and high-speed network construction, generating a strong clustering computing power to make up for the computing power deficiency in any single hardware; third, the joint design integrating software and hardware, compatible with the heterogeneous computing architecture beyond the CUDA ecosystem, so as to achieve unified control and management of heterogeneous computing power, and with this as the basis, optimise the overall computing efficiency.

In terms of computing architecture, in order to continuously enhance the underlying computing power and ensure the collaboration of heterogeneous computing power, financial institutions often need to make reasonable planning based on the original IT infrastructure, and at the same time take into account the needs for the transition between systems, the smooth migration of business, and the shift down of core business logic. Therefore, distributed architecture is becoming the mainstream. In terms of implementation and application, the distributed architecture is less dependent on hardware, has a rich ecosystem and is easy to integrate, can be scaled up flexibly and achieve rapid iteration, and has subsystems that are relatively independent and thus easier to perform fault isolation, which can improve the security of the overall system; in terms of supporting scenario applications, the distributed architecture can flexibly deploy computing tasks according to business needs, dynamically adjust computing resource allocation, effectively empower edge scenario innovation, and promote cross-regional and cross-scenario collaboration and continuous expansion of financial business. The transformation of fintech architecture represented by the distributed architecture has also accelerated the bottom-up innovation through the whole technology stack. The technical capabilities of leading fintech enterprises in key system software fields such as distributed database, middleware and multi-cloud management platform has been continuously improved, supporting the sustainable development of financial innovation.



# Appendix

# Appendix I

## Summary of Fintech-related Laws and Regulations (1/2)

Date	Policy	Issued by	Official link
<b>2023</b>			
January	Guiding Opinions on Promoting the Development of Data Security Industry	Ministry of Industry and Information Technology, Cyberspace Administration of China and others	<a href="https://www.gov.cn/zhengce/zhengceku/2023-01/15/content_5737026.htm?eqid=89b49f240002c2da00000002648ac9fb">https://www.gov.cn/zhengce/zhengceku/2023-01/15/content_5737026.htm?eqid=89b49f240002c2da00000002648ac9fb</a>
January	Action Plan for Accelerating the Construction of Digital Hebei (2023-2027)	General Office of the People's Government of Hebei Province	<a href="http://info.hebei.gov.cn/hbszfxgk/6898876/7026469/7026511/7026506/7059290/index.html">http://info.hebei.gov.cn/hbszfxgk/6898876/7026469/7026511/7026506/7059290/index.html</a>
February	Overall Planning for Digital China Construction	Central Committee of the Communist Party of China, State Council	<a href="https://www.gov.cn/zhengce/2023-02/27/content_5743484.htm">https://www.gov.cn/zhengce/2023-02/27/content_5743484.htm</a>
April	Key Tasks for Digital Rural Development 2023	Office of the Central Cyberspace Affairs Commission, the Ministry of Agriculture and Rural Affairs, the National Development and Reform Commission, the Ministry of Industry and Information Technology, and the National Rural Revitalisation Administration	<a href="http://www.cac.gov.cn/2023-04/13/c_1683027266482224.htm?eqid=e8ae06e100012bad00000004643791a1">http://www.cac.gov.cn/2023-04/13/c_1683027266482224.htm?eqid=e8ae06e100012bad00000004643791a1</a>
April	Management Measures for Special Funds to Support High Quality Development of Financial Industry in Shenzhen Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone	Shenzhen Qianhai Administrative Bureau	<a href="http://www.gd.gov.cn/gdywdt/zwzt/ygdwq/zxcz/content/post_4154080.html">http://www.gd.gov.cn/gdywdt/zwzt/ygdwq/zxcz/content/post_4154080.html</a>
May	Measures to Support the Construction of National Fintech Demonstration Zones	Beijing Local Financial Supervision and Administration Bureau, Beijing Financial Street Service Bureau	<a href="https://www.bjxch.gov.cn/file/20230619/1687162232002016119.pdf">https://www.bjxch.gov.cn/file/20230619/1687162232002016119.pdf</a>
May	Implementation Plan for Accelerating the Construction of an Artificial Intelligence Innovation Hub with Global Influence (2023-2025)	Beijing Municipal People's Government	<a href="https://www.beijing.gov.cn/zhengce/zhengcefagui/202305/t20230530_3116889.html">https://www.beijing.gov.cn/zhengce/zhengcefagui/202305/t20230530_3116889.html</a>
June	Implementation Opinions of Guangdong Provincial People's Government on Further Deepening the Reform and Construction of Digital Government	Guangdong Provincial People's Government	<a href="https://www.gd.gov.cn/xxts/content/post_4207011.html">https://www.gd.gov.cn/xxts/content/post_4207011.html</a>
June	Implementation Plan for the Construction of Digital Human Resources and Social Security	Ministry of Human Resources and Social Security	<a href="http://www.mohrss.gov.cn/xgk2020/fdzdgnr/qt/gztz/202306/t20230626_502000.html">http://www.mohrss.gov.cn/xgk2020/fdzdgnr/qt/gztz/202306/t20230626_502000.html</a>
June	Implementation Opinions on Better Leveraging Data Elements to Further Accelerate the Development of Digital Economy	Beijing Municipal Committee of the Communist Party of China and Beijing Municipal People's Government	<a href="https://www.beijing.gov.cn/zhengce/zhengcefagui/202307/t20230719_3165748.html">https://www.beijing.gov.cn/zhengce/zhengcefagui/202307/t20230719_3165748.html</a>
July	Implementation Plan of Shanghai for Promoting Urban Blockchain Infrastructure System Project (2023-2025)	General Office of Shanghai Municipal People's Government	<a href="https://www.shanghai.gov.cn/nw12344/20230731/74d21b6a0d7e4f909168ad37c2b4f82.html">https://www.shanghai.gov.cn/nw12344/20230731/74d21b6a0d7e4f909168ad37c2b4f82.html</a>
August	Three Year Action Plan for Innovative Development of Metaverse Industry (2023-2025)	General Office of the Ministry of Industry and Information Technology, General Office of the Ministry of Education, General Office of the Ministry of Culture and Tourism, General Office of the State-owned Assets Supervision and Administration Commission of the State Council	<a href="https://www.gov.cn/zhengce/zhengceku/202309/content_6903023.htm">https://www.gov.cn/zhengce/zhengceku/202309/content_6903023.htm</a>
September	Implementation Plan for Promoting Future Industrial Innovation and Development	General Office of Beijing Municipal People's Government	<a href="https://www.beijing.gov.cn/zhengce/zhengcefagui/202309/t20230908_3255227.html">https://www.beijing.gov.cn/zhengce/zhengcefagui/202309/t20230908_3255227.html</a>
September	Guidance on Data Assets Appraisal	China Appraisal Society	<a href="http://www.cas.org.cn/ggl/427dfd5fec684686bc25f9802f0e7188.htm">http://www.cas.org.cn/ggl/427dfd5fec684686bc25f9802f0e7188.htm</a>
September	Implementation Opinions of the State Council on Promoting the High Quality Development of Inclusive Finance	State Council	<a href="https://www.gov.cn/zhengce/content/202310/content_6908495.htm">https://www.gov.cn/zhengce/content/202310/content_6908495.htm</a>
November	Three Year Action Plan for the Construction of Digital Greater Bay Area	General Office of the Government of Guangdong Province	<a href="http://www.gd.gov.cn/gdywdt/zwzt/ygdwq/zxcz/content/post_4287723.html">http://www.gd.gov.cn/gdywdt/zwzt/ygdwq/zxcz/content/post_4287723.html</a>
November	Guiding Opinions on Encouraging Municipal State-owned Enterprises to Accelerate Financial Digital Transformation	Shenzhen State-owned Assets Supervision and Administration Commission	<a href="http://gzw.sz.gov.cn/ztzl/zcjd/gytssgyqjkcwszhxzdyy/content/post_10949788.html">http://gzw.sz.gov.cn/ztzl/zcjd/gytssgyqjkcwszhxzdyy/content/post_10949788.html</a>
November	Notice on Strengthening Financial Support Measures to Promote the Development and Growth of Private Economy	Eight departments including the People's Bank of China and National Financial Regulatory Administration	<a href="https://www.gov.cn/lianbo/bumen/202311/content_6917268.htm">https://www.gov.cn/lianbo/bumen/202311/content_6917268.htm</a>
November	Unswervingly follow the path of financial development with Chinese characteristics - the Central Financial Work Conference pointing out the direction and inspiring confidence for financial development	Central Financial Work Conference	<a href="https://www.gov.cn/yaowen/liebiao/202311/content_6913215.htm">https://www.gov.cn/yaowen/liebiao/202311/content_6913215.htm</a>
December	Administrative Measures for Developing Foreign Exchange Businesses by Banks (for Trial Implementation)	State Administration of Foreign Exchange	<a href="https://www.gov.cn/govweb/zhengce/zhengceku/202312/content_6923403.htm">https://www.gov.cn/govweb/zhengce/zhengceku/202312/content_6923403.htm</a>



# Appendix II

## Profile of the Selection Expert Committee (2/2)

Gao is the deputy director of the Digital Finance Working Committee of the National Internet Finance Association of China, as well as a postgraduate student in policy and science at the International Monetary Fund and the National Graduate Institute for Policy Studies. Gao currently heads the Information Technology, Group Standards and Telebanking Professional committees of the China Banking Association, and he is involved in projects such as Fintech Master Certification Training, the Fintech Application Contest, the construction of a confirmation blockchain platform, and the development of a talent pool for senior executives in China's banking sector. Gao served as director of the Funds Management Division of the World Bank Department of the Ministry of Finance and the Foreign Investment Office of the Ministry of Internal Trade, and head of the Corporate Business Department, Retail Banking Department, Institutional Banking Department, Electronic Banking Department and Operations Management Department of the Head Office of China Minsheng Bank.

Jiang is currently the president and general director of the Chengdu Digital Future Research Institute, founding president of the Chengdu Technology Finance Association, executive president of the Chongqing Western Chamber of Commerce, and lecturer of the Development Strategy Seminar at the University of Electronic Science and Technology of China, and the guest professor of Geely University.

### Gao Feng

Chief Information Officer of the China Banking Association and Senior Researcher of the National Institution for Finance & Development



### Jiang Kun

Member of the 8th Committee of the Chinese People's Political Consultative Conference (CPPCC) of Wuhou District, Chengdu, and deputy director of the Working Committee on Promoting Technological Innovation of the Sichuan Provincial Committee of the Jiusan Society



### Lin Jianwu

Double Employed professor of finance in School of Economics and Management of Tsinghua University and Shenzhen International Graduate School, and the director of Quantitative Investment Research Center



### Zheng Xiaolin

Doctor, professor. Professor and doctoral supervisor of School of Computer Science, Zhejiang University, and visiting scholar of Stanford University. Vice President of Computer Innovation Technology Research Institute of Zhejiang University, Vice Director of Artificial Intelligence Research Institute of Zhejiang University



Dr. Lin has been engaged in financial investment business on Wall Street for more than a decade, and served as the director of global quantitative investment strategy in Magnetar Capital, LLC in the United States. He has worked in Morgan Stanley, Goldman Sachs and other world-class investment institutions for nearly ten years, and served as the vice president of investment strategy in Goldman Sachs. He graduated from Tsinghua University with double bachelor's and master's degrees and is one of the first group of industrial engineering graduate of the School of Economics and Management. Later, he went to the United States to study and obtained a doctorate and double masters in system engineering from the University of Pennsylvania (UPENN).

Lin is a member of the Risk Management Committee of the International Association of Financial Engineers (IAFE). He is also the deputy editor of the International Journal of Financial Engineering and a peer reviewer of several academic journals in the United States.

Currently, he is also the Secretary General of the Financial Technology and Algorithm Special Committee of the China Society for Industrial and Applied Mathematics, a distinguished peacock expert in finance in Shenzhen, and an expert of Shenzhen Financial Advisory Committee.

Chief scientist of the national key research and development project "Key Technologies and Applications of Large scale and Complex Digital Service Networks," IEEE Senior Member, CCF outstanding member, Zhejiang Provincial Ten Thousand Talents Plan leading talent for scientific and technological innovation, provincial 151 talents, and Alibaba "Running Water Plan" board member. Served as the executive member of CCF Service Computing Special Committee and the standing member of CCF Digital Finance Branch. He is also an independent director/supervisor of Hangzhou Credit Investigation Co., Ltd., Tailong Bank, Dongyang Rural Commercial Bank and Jiangshan Rural Commercial Bank.

# Appendix III

## KPMG China's Fintech Team (1/2)



**Andrew Huang**  
Head of Fintech



**Integrated Fintech**



**Emma Liu**  
Partner of  
Financial Service  
Assurance



**Wealthtech**



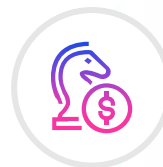
**Abby Wang**  
Head of  
Asset Management  
Services



**Insurtech**



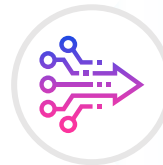
**Tracey Zhang**  
Head of Tax,  
Financial Services



**Inclusive Technology**



**Larry Choi**  
Head of Financial  
Service  
Southern Region



**Supply Chain Technology**



**Charles Zhang**  
Partner of  
Financial Service  
Assurance



**Paytech**



**Eric Pang**  
Head of Fintech  
Eastern and  
Western Region



**Regtech**



**Chris Wang**  
Head of Risk Technology  
and Regtech,  
Financial Services



**Platform Technology Empowerment**



**Big Data & AI**



**Blockchain, Secure Computing and Distributed Technology**



**Integrated Technology Empowerment**



**James Chen**  
Partner of Fintech,  
Deal Advisory and Audit



**Silvester Liu**  
Head of Advisory, Chief  
Information Officer in  
Banking and Asset  
Management

# Appendix III

## KPMG China's Fintech Team (2/2)

\* The following list is in no particular order

<b>Honson To</b> Chairman, KPMG China and Asia Pacific	<b>Jacky Zou</b> Vice Chairman and Senior Partner, Northern Region, KPMG China	<b>Tony Cheung</b> Vice Chairman, KPMG China; Head of Financial Services, KPMG China and Asia Pacific
<b>Thomas Chan</b> Head of Financial Services Assurance	<b>Sam Shi</b> Head of Banking	<b>Ivan Li</b> Chief Partner of Southern Region
<b>Andrew Huang</b> Head of Fintech	<b>Tracey Zhang</b> Head of Tax, Financial Services	<b>Abby Wang</b> Head of Asset Management Services
<b>James Zheng</b> Head of Management Consulting	<b>Koko Tang</b> Head of Private Enterprise, Southern Region	<b>Larry Choi</b> Head of Financial Services, Southern region
<b>Eric Pang</b> Head of Fintech, Eastern and Western Region	<b>Silvester Liu</b> Head of Advisory, Chief Information Officer in Banking and Asset Management	<b>Chris Wang</b> Head of Risk Technology and Regtech, Financial Services
<b>Carson Bao</b> Partner, Financial Services	<b>James Chen</b> Partner of Fintech, Deal Advisory and Audit	<b>Ella Chen</b> Partner, Tax Services
<b>Edward Dou</b> Partner, Financial Services	<b>Belinda Fan</b> Partner, Tax Advisory	<b>Felix Feng</b> Partner, Tax Advisory
<b>James Ge</b> Partner, Financial Services	<b>Chris Ge</b> Partner, Tax Advisory	<b>Joyce Ge</b> Partner, Risk Consulting
<b>Kevin Gong</b> Partner, Financial Services	<b>Michael Guan</b> Partner, Financial Services	<b>Yvonne He</b> Partner, Financial Services
<b>Adam He</b> Partner, Tax Advisory	<b>Jason He</b> Partner, Management Consulting	<b>Oriental Hu</b> Partner, Financial Services
<b>Elise Wong</b> Partner, Financial Services	<b>Wilson Huang</b> Partner, Financial Services	<b>Gracie Li</b> Partner, Tax Services
<b>Penny Li</b> Partner, Financial Services	<b>Emma Liu</b> Partner, Financial Services	<b>Liping Liu</b> Partner, Financial Services
<b>Josie Liu</b> Partner, Corporate Services	<b>Benjamin Lu</b> Partner, Tax Advisory	<b>Grace Luo</b> Partner, Tax Advisory
<b>Allen Miao</b> Partner, Corporate Services	<b>Melfice Pan</b> Partner, Financial Services	<b>Minna Sheng</b> Partner, Tax Services
<b>Candice Shui</b> Partner, Financial Services	<b>Tanya Tang</b> Partner, Tax Services	<b>Iris Tang</b> Partner, Financial Services
<b>Ciro Wang</b> Partner, Corporate Services	<b>Mimi Wang</b> Partner, Tax Services	<b>Brandon Wang</b> Partner, Corporate Services
<b>Forrest Wu</b> Partner, Financial Services	<b>Vicky Xi</b> Partner, Financial Services	<b>Gary Xu</b> Partner, Corporate Services
<b>Oliver Xu</b> Partner, Tax Services	<b>Robert Xu</b> Partner, Tax Services	<b>Eric Xuan</b> Partner, IT Audit
<b>May Yang</b> Partner, Risk Consulting	<b>Josh Ye</b> Partner, Financial Services	<b>Christy Ye</b> Partner, Financial Services
<b>Jill Yu</b> Partner, Financial Services	<b>Charles Zhang</b> Partner, Financial Services	<b>Diamond Zhang</b> Partner, IT Audit
<b>Patrick Zhang</b> Partner, Financial Services	<b>Silvia Zhang</b> Partner, Financial Services	<b>Victor Zhang</b> Partner, Financial Services
<b>Sandra Zuo</b> Partner, Financial Services	<b>Charlie Chen</b> Director, IT Audit	<b>Derek Li</b> Director, Deal Advisory
<b>Helen Li</b> Director, Tax Services	<b>Alizze Liu</b> Director, Management Consulting	<b>Helen Peng</b> Director, IT Audit
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# About us

# KPMG China's Fintech Series reports

## KPMG China's Leading Fintech 50 reports (2016-2022)

KPMG China released the KPMG China Fintech 50 for the first time in 2016, drawing widespread attention from the industry.



## KPMG's Insights Reports on Fintech Leaders (2020-2023)





# KPMG China's Fintech Series reports (Continued)

## Pulse of Fintech series reports



## Large Language Models in the Financial Industry (2023)





# About KPMG China

## KPMG China

Around **15,000** partners and employees,  
with offices across 31 cities



## KPMG deploys a single management structure across the Chinese Mainland, Hong Kong SAR and Macao SAR

and our offices are positioned in close proximity to our clients. This allows us to efficiently and rapidly deploy resources wherever our clients are located and effectively serve companies across the country.

## The first to enter China and pursue long-term development here



### Providing professional services in Hong Kong SAR, China for over 78 years

The Hong Kong office can trace its origins to 1945.



### The first company in the Chinese Mainland to be approved as a Sino-foreign joint venture

In 1992, KPMG became the first international accounting network to be granted a joint venture licence in the Chinese Mainland.



### First approved special general partnership

On 1 August 2012, KPMG China became the **first** among the Big Four in the Chinese Mainland to convert from a joint venture to a special general partnership.

[kpmg.com/cn/socialmedia](https://kpmg.com/cn/socialmedia)



For more information about KPMG China's offices, scan this QR code or visit our website at:  
<https://home.kpmg.com/cn/en/home/about/offices.html>

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