

29 April 2020

**HSBC EXTENDS PRINCIPAL MORATORIUM TO MORTGAGES
ASSOCIATED WITH SUBSIDISED SALE FLATS SCHEME***Open to applications with second mortgage loan offered by property developers*

HSBC will extend its offer of a moratorium on principal repayments for mortgages associated with residential units under the Hong Kong Housing Authority's Subsidised Sale Flats Scheme as part of its broader programme to help individuals and families during these difficult days due to COVID-19 situation.

Based on the extension, the Bank will allow mortgage loan holders associated with subsidised-sale flats under Hong Kong Housing Authority to apply for principal repayment deferral for up to 12 months, from 4 May to 31 October 2020. Eligible mortgages include subsidised-sale flats pertaining to the Home Ownership Scheme, the Private Sector Participation Scheme, the Buy or Rent Option Scheme, the Tenants Purchase Scheme and the Green Form Subsidised Home Ownership Scheme in the primary market and under the Secondary Market Scheme.

To broaden our coverage, the Bank will also accept applications from existing customers of mortgage loans involving approved co-financing arrangements with property developers.

Greg Hingston, Head of Wealth and Personal Banking, Asia-Pacific, and Head of Wealth and Personal Banking, Hong Kong, HSBC, said: "Our immediate priority is to do what we can to provide support and flexibility to those who may be entering a period of financial uncertainty. Today's measures are part of a broader programme of assistance that we hope will make more people's lives a little easier. We will continue to stay highly responsive to their changing needs."

Residential mortgage loans form the bulk of total household debt in Hong Kong. According to the Hong Kong Monetary Authority, the outstanding value of mortgage loans stood at HKD1,452 billion at end-February, 2020. As such, we introduced the first phase of mortgage principal moratorium in February for privately owned residential properties as part of our broader relief measures for personal customers to cope with financial stress engendered by COVID-19. With this unprecedented pandemic affecting all walks of life, HSBC's principal moratorium scheme is open to all occupations to support customers in need of relief.

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The Hongkong and Shanghai Banking Corporation Limited

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