



## News Release

31 May 2022

### HSBC AND OCTOPUS ANNOUNCE NEW PARTNERSHIP ON COMMERCIAL DATA

#### MAKING ACCESS TO SME FINANCING EASIER FOR MERCHANTS

HSBC and Octopus announced today an innovative partnership that utilises commercial data in streamlining SME loan application and approval process, making access to financing easier and more convenient for Octopus' small- and medium-sized merchants and retailers.

As part of the Commercial Data Interchange (CDI) pilot initiative\* of the Hong Kong Monetary Authority, the partnership combines HSBC's market-leading innovation capabilities and Octopus' extensive merchant network and its deep understanding of retail sector to advance the city's digital transformation and financial inclusion.

HSBC will become Octopus' first banking partner to offer data-driven financing solution for its merchants. Starting from today, a pilot programme will be made available to Octopus merchants by phases.

**Frank Fang, General Manager and Head of Commercial Banking, Hong Kong and Macau, HSBC** said, "The next generation of banking services for SMEs largely hinges on the effective application of technology and big data. In its latest stride in fintech innovation, HSBC is pleased to partner with Octopus to further harness the potential of commercial data in Hong Kong and strengthen our support to the business community. As always, we are keen to find synergy in the fintech ecosystem to fully unleash the potential of emerging technologies."

"The COVID-19 pandemic has accelerated digital transformation for businesses over the world. At Octopus, we are committed to playing a critical role in building an inclusive digital economy through augmented services to businesses and communities," said **Angus Lee, Chief Executive Officer, Octopus Cards Limited**. "We are pleased to partner with HSBC to enable our business customers to enjoy commercial financing more efficiently through a convenient and fully digitised experience. This innovative service demonstrates that Octopus is more than a payment gateway – we are our

customers' reliable business partner that lives out our mission – Making everyday life easier."

Under the collaboration arrangement, a streamlined credit assessment process leveraging commercial data will be tailored for Octopus' merchants in applying for SME loans from HSBC. With the prior consent of merchants, Octopus will provide their commercial data for HSBC to facilitate the Bank's evaluation of their business conditions and approval of loan applications.

Without requiring further financial statements nor provision of collaterals, a business instalment loan of up to HKD1.5 million will be made available in as fast as 3 working days, with a repayment period up to 60 months.

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**Note to editors:**

**Photo Caption**



HSBC and Octopus announced an innovative partnership that utilises commercial data in streamlining SME loan application and approval process, making access to financing easier and more convenient for Octopus' small- and medium-sized merchants and retailers. Pictured here are Frank Fang, General Manager and Head of Commercial Banking, Hong Kong and Macau (left), and Angus Lee, Chief Executive Officer, Octopus Cards Limited (right).

\* CDI is a consent-based financial infrastructure being developed by the HKMA. It would enable more secure and efficient data flow between banks and sources of commercial data, allowing SMEs to use their own data to enhance their access to financial services.

Octopus is not involved in any way in Loan Application, the Loan and/or any related commercial lending products and services as provided by the Bank, and/ or any of their credit assessment and approval process in connection therewith.

Terms & Conditions apply.

Reminder: "To borrow or not to borrow? Borrow only if you can repay!"

**The Hongkong and Shanghai Banking Corporation Limited**

The Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group. HSBC serves customers worldwide from offices in 64 countries and territories in its geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of US\$3,022 billion at 31 March 2022, HSBC is one of the largest banking and financial services organisations in the world.

**Octopus Cards Limited** (Licence Number: SVF0001)

Operating under the Stored Value Facilities Licence, Octopus Cards Limited (OCL) provides innovative offline and online Octopus payment services to meet customers' diverse payment needs.

Launched in 1997 by OCL, the Octopus system in Hong Kong is one of the world's leading and most extensively accepted contactless smartcard payment systems. Its aspiration is to bring diversity and inclusion in payment to customers of all facets of life.

Today, more than 30 million Octopus cards and products are in circulation; spanning businesses including public transport, parking, retail, self-help services, schools, and leisure facilities, and access control for residential and commercial buildings. There are over 150,000 Octopus acceptance points in the market. Octopus' application has been extended to online and mobile payment arenas with services including Octopus on iPhone and Apple Watch, Octopus on Samsung Pay, Octopus on Huawei Pay, Octopus App, Octopus Wallet, and Octopus Mastercard®, bringing new payment experiences to customers.

The Octopus Group exports its unique experience and technology overseas, offering consultancy services across the world. The mission of OCL is simple: Making everyday life easier. For more information about OCL, please visit [www.octopus.com.hk](http://www.octopus.com.hk).

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