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HSBC INCREASES SUPPORT FOR HONG KONG SMEs WITH NEW HKD40 BILLION FINANCING SCHEME

** Up to HKD20,000 rebate,
including HKD10,000 to incentivise new job openings **

HSBC launched today a new HKD40 billion financing scheme to help small and medium sized enterprises (“SMEs”) in Hong Kong access bank financing and unlock their business potential.

The new scheme is open to new and existing HSBC commercial customers from different industries. In addition to funding and service offers, successful applicants will receive interest rebate on new term loans, as well as cash rebate for creating new jobs.

There are over 340,000 SMEs in Hong Kong, constituting more than 98 per cent of business establishments and providing over 45 per cent of private sector jobs¹. According to The World Bank², access to finance is a key constraint to SME growth. It is the second most cited obstacle facing SMEs to grow their businesses in emerging markets and developing countries.

Luanne Lim, Chief Executive, Hong Kong, HSBC, said: “The new scheme will help SMEs – the bedrock on which our economy and community are built – tackle short-term challenges and invest in growth opportunities. Many SMEs are keen to build resilience in their operating model as well as to make use of technology to support business growth. The fund will help them expand, create jobs and digitise as the local economy starts to recover gradually in the second half of the year.”

Frank Fang, General Manager, Head of Commercial Banking, Hong Kong and Macau, HSBC, said : “It is crucial that Hong Kong businesses continue to focus on a long-term future by investing in innovation and technologies that drive transformation for greater efficiencies, accelerating delivery of high-end products and services, and enhancing sustainable performance. As a leading bank for Hong Kong SMEs, we are rooting for our customers and will continue to provide support along their growth journey in a timely manner.”

From today until 31 December 2022, successful scheme applicants will be entitled to up to HKD20,000 interest and cash rebate on new term loans ^{3 4}:

- Two-month loan interest rebate, up to HKD10,000;
- Cash rebate of HKD1,000 per newly hired employee during a defined period, capped at HKD10,000

In addition, the following service offers will be available³:

- Transaction fee waiver in the first 2 months for new registrants of autopay
- Set up fee waiver for new registrants of HSBC Business Collect, a payment collection solution for SMEs

First announced at HSBC's Informal Shareholding Meeting in August 2022, this new scheme adds to a wide range of initiatives that the Bank has taken to support Hong Kong's economic recovery. Since the start of the pandemic in February 2020, HSBC has provided over HKD330 billion in liquidity relief to commercial customers, in addition to a HKD40 billion financing scheme in 2021 to support the growth journey of SMEs.

On top of this new initiative, HSBC also has other dedicated funding schemes in place to provide companies with all-rounded support, including HSBC GBA Sustainability Fund for businesses of all sizes to transition to a low carbon economy, as well as HSBC GBA+ Technology Fund and GBA+ Healthcare Fund to support fast-growing, early-stage new economy companies.

For any enquiries or further details, customers are welcome to contact HSBC's dedicated service hotline at (852) 2748 8238, their relationship managers or visit www.business.hsbc.com.hk/SMEscheme.

1 Source: https://www.tid.gov.hk/english/smes_industry/smes/smes_content.html

2 Source: <https://www.worldbank.org/en/topic/sme/finance>

3 Terms and conditions apply. For more information, please refer to HSBC website.

4 The aggregate amount of interest and cash rebate is subject to a cap of the total interest payable in the first two months from the drawdown date of the new term loan.

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

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Note to editors:

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 63 countries and territories in its geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of USD2,985bn at 30 June 2022, HSBC is one of the largest banking and financial services organisations in the world.

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