HSBC   News Release

11 May 2023

HSBC STRENGTHENS PAYMENT CAPABILITIES TO SUPPORT CROSS-BORDER ECOMMERCE MERCHANTS IN GREATER BAY AREA

New digital service for merchants in mainland China to collect sales receivables from overseas eCommerce marketplaces directly

HSBC further strengthens its payment capabilities to support the booming cross-border eCommerce sector in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA), with the rollout of a new digital service that enables sellers in mainland China to collect sales receivables from overseas eCommerce marketplaces directly and automatically.

The new solution, named HSBC ECom Direct, builds on the Bank's extensive payment network and strong transaction banking infrastructure. Through direct connection with eCommerce platforms, it utilises digital transaction data to offer a compliant and seamless cross-border collection solution for merchants in mainland China, using their existing bank accounts at zero transaction fee.

As a leading global transaction bank, HSBC aims to simplify payment collection processes for SMEs in the GBA who are well placed to tap the growing international sales opportunities. In Hong Kong, HSBC Merchant Box was launched in February 2023 for selected merchants and is now extended to all commercial customers, helping them simplify international payments and manage receivables across regional and global eCommerce platforms. Fully integrated with HSBC Business Internet Banking, the solution enables SMEs to 'receive like a local'.

The GBA is a powerful engine that primarily drives eCommerce growth in China. As the beating heart of the world's factory, Guangdong Province saw its cross-border eCommerce trade value grow more than 40 times since 2015 to over RMB645billion in 2022. All cities and regions in the Province was designated by the Chinese government as comprehensive pilot zones for cross-border eCommerce. HSBC will introduce more digital services to support the various business needs of smaller eCommerce merchants in the GBA.

Yvonne Yiu, Managing Director, Regional Co-Head of Global Payments Solutions, Asia Pacific, HSBC said, "The shift to online sales from store-based retail has become irreversible. The Greater Bay Area, with its world-class manufacturing capabilities, has a right to win amidst the strong growth in eCommerce activities around the world. As cross-border payment flows

between the region and the rest of the world are set to accelerate, merchants are in need of instant, secure and efficient payment solutions to help them manage fast-increasing transactions. We will continue to invest in our payment capabilities to support the growth of our customers' eCommerce business."

HSBC ECom Direct is now integrated with Coupang, a leading eCommerce platform in South Korea, to allow sales proceeds from the marketplace to be directly disbursed to the domestic Renminbi accounts of mainland merchants. The solution will establish connections to more overseas eCommerce platforms in the future.

HSBC is also joining hands with eCommerce ecosystem players, such as professional service providers and business associations, to better support the growth journey of merchants in the region. Recently, the Bank has forged a partnership with the Shenzhen Cross-Border E-Commerce Association to explore product innovation and other collaboration opportunities.

Driven by its commitment to becoming the international bank of choice in the GBA, HSBC has rolled out digital innovations and strengthened its range of services to deliver a seamless GBA banking experience. It has various Connect schemes to provide businesses with one-stop solutions in payment transfers, credit allocation, trade financing, account management and service access.

ends/more

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 62 countries and territories. With assets of US$2,990bn at 31 March 2023, HSBC is one of the world's largest banking and financial services organisations.

ends/all