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HSBC LAUNCHES DATA-LED TRADE FINANCE FOR CROSS-BORDER ECOMMERCE MERCHANTS IN MAINLAND CHINA AND HONG KONG

****Collaboration with technology startup Dowsure to tap into
booming eCommerce sector****

HSBC announced today its collaboration with Dowsure Technologies, a cross-border eCommerce API platform, to provide data-led trade finance for eCommerce merchants in mainland China and Hong Kong. This represents the Bank's latest initiative to help SMEs capture cross-border eCommerce opportunities and expand internationally.

Through this collaboration with Dowsure, one of Amazon's Seller Lending Programme partners in mainland China, a streamlined credit assessment process leveraging transaction data, such as inventory, sales and refund records, will be tailored for Amazon's merchants in applying for HSBC's trade finance. Without requiring further financial statements or collaterals, the process improves cross-border eCommerce merchants' access to trade finance.

Aditya Gahlaut, Co-Head of Global Trade and Receivables Finance, Asia Pacific, HSBC, said, "As the largest trade bank in Asia, we are in a unique position to transform the way trade is financed. Our collaboration with Dowsure is the latest example of using big data to enable credit approvals on a real time basis and embedded on platforms. By assigning scores using historical trade and other financial and non-financial data, we are able to support a greater number of sellers operating in the booming eCommerce sector."

Across mainland China and Hong Kong, there are more than 100,000 cross-border eCommerce entities¹, with total value of eCommerce trade exceeding 2 trillion yuan in 2022². The growth in eCommerce sector has accelerated trade digitisation and enhanced transaction efficiency, enabling financial institutions to transform trade finance with big data.

Christina Ong, Head of Business Banking, Commercial Banking, Hong Kong, HSBC, said, "Data is a game changer for SME financing. In an increasingly digital economy, the online activities of businesses leave a footprint that can provide up-to-date and reliable insights for banks in credit assessment. We are pleased to join hands with Dowsure to draw on a variety of online data to make trade finance more accessible for SMEs in Hong Kong. This partnership – together with HSBC Merchant Box and HSBC ECom Direct

– will further strengthen our proposition specially designed to help smaller merchants in Hong Kong and mainland China capture opportunities arising from the burgeoning eCommerce market.”

Merchants on Amazon³ can apply for trade facility of up to USD1 million with a loan period of up to 120 days under this financing programme. From now until 31 December 2023, Amazon merchants who become new HSBC trade customers and are granted a new general banking facility can enjoy trade service offers of up to HKD25,000.

Byron Pei, Founder of Dowsure Technologies, said, "HSBC's enhanced support for small and medium-sized eCommerce enterprises through the investment in Dowsure is a positive signal for the entire cross-border eCommerce industry. By combining our technological capabilities and connections within the eCommerce sector with HSBC's financial expertise and international network, we are able to provide a comprehensive, convenient, and efficient product offer to a wide range of cross-border eCommerce sellers. We look forward to leveraging this collaboration to capture more opportunities in future global expansion, especially for those businesses based in the Greater Bay Area."

Cecilia Yang, Head of Amazon China Lending Program, said, "We seek to provide flexible financing solutions for our sellers through Amazon Lending Program and our partners. Over the last two years, Dowsure has joined hands with major banks like HSBC to help Amazon sellers improve their cash flows and build resilience amid market uncertainties. We look forward to the collaboration of Dowsure and HSBC to enable more sellers to take advantage of fast and accessible financing solutions to grow their businesses."

HSBC is committed to supporting the growth of its customers' eCommerce business through a comprehensive range of services that meet their needs in bank account, payment, financing and foreign exchange. In Hong Kong, HSBC Merchant Box was launched in February 2023 to help 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'.

In April 2023, HSBC China rolled out a new digital service named HSBC ECom Direct to enable sellers in mainland China to collect sales receivables from overseas eCommerce marketplaces directly and automatically. Through direct connection with eCommerce platforms, it utilises digital transaction data to offer a compliant and seamless cross-border collection solution for merchants.

In addition to the collaboration, HSBC Ventures has made a strategic investment in Dowsure. The investment is part of HSBC's agenda to support companies in emerging and high growth industries and those that can enable further digitisation of the Bank's SME customers.

- 1 Source:
<http://tradeinservices.mofcom.gov.cn/article/yanjiu/hangyezk/202305/149138.html>
- 2 Source: https://www.gov.cn/lianbo/bumen/202306/content_6887007.htm
- 3 In Hong Kong, the programme is only applicable to Hong Kong-registered companies.
Terms and conditions apply.

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Note to editors

Photo Caption



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Pictured here are (from left to right) Christina Ong, Head of Business Banking, Commercial Banking, Hong Kong, HSBC; Gayle Lacey, Chief Risk Officer, China, HSBC; Kevin Huang, Co-founder of Dowsure; Dan Roberts, Global Head of Business Banking, Commercial Banking, HSBC; Irene Tse, Country Head of Business Banking, Commercial Banking, China, HSBC; Joseph Ma, Executive Vice President and Country Head of Commercial Banking, China, HSBC; Byron Pei, Founder of Dowsure; and Eric Yuan, Country Head of Global Trade and Receivables Finance, China, HSBC.

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.

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