

28 March 2024

HSBC LAUNCHES NEW INITIATIVES TO MAKE FINANCING EASIER FOR SMEs

*** Interest rebate of up to HKD10,000 and service offers for applicants of government-backed SME Financing Guarantee Scheme ***

HSBC is introducing a range of offers and dedicated service support to applicants of SME Financing Guarantee Scheme (SFGS), making financing easier for Hong Kong's small and medium-sized enterprises (SMEs).

In addition, HSBC welcomes the nine measures dedicated to increase support for Hong Kong SMEs announced by the Hong Kong Monetary Authority (HKMA), including expediting SFGS application processing, offering assistance to customers facing difficulties according to the principles of the Principal Payment Holiday Scheme, and other facilitation arrangements for SMEs making alternative financing arrangements. The Bank stands ready to address the varied financing needs of SMEs at different stages of recovery and growth.

Frank Fang, General Manager, Head of Commercial Banking, Hong Kong and Macau, HSBC, said: "SMEs form the backbone of Hong Kong's economy. Supporting SMEs not only secures their prosperity but also contributes to the broader goal of building a resilient and dynamic economy. As one of the leading banks participating in the government-backed SFGS, HSBC has processed nearly 30% of the total applications¹ of the Scheme by the end of 2023. In continuing this momentum, we are stepping up our support to help SMEs manage short-term liquidity needs and seize new growth opportunities, ultimately driving a more inclusive and sustainable economic recovery."

Recent Government survey data has shown some improvement in the overall business sentiment among SMEs last month². Liquidity will remain a primary focus for SMEs as they continue to navigate through evolving market conditions.

In light of the extension of the 80% and 90% Guarantee Products of SFGS, HSBC will offer 2-month interest rebate of up to HKD10,000 and application fee waiver of up to HKD10,000 from 1 April to 30 September 2024, in addition to its current guarantee fee rebate of up to HKD50,000.³ These initiatives aim to ease cost concerns of SMEs considering bank financing to enhance cash flow and bolster financial resilience.

SFGS applicants can also enjoy a range of special banking service offers, including a HKD10,000 set-up fee waiver of HSBC Business Collect, and 2-month Autopay transaction fee rebate.³

Commercial Banking customers can register their SFGS applications on the Bank's dedicated digital portal upon logging into Business Internet Banking. Moreover, HSBC has launched an SME Financing Hotline to provide dedicated support and advice for their financing needs. The Bank will also prioritise processing of SFGS applications.

As an active participant of the city's data eco-system, HSBC continues to leverage data to streamline credit application and assessment for SMEs. The Bank is among the first group of financial institutions to connect to the Commercial Credit Reference Agency since the launch of the Commercial Data Interchange initiative in October 2022. Under the HKMA's Interbank Account Data Sharing pilot programme, selected commercial customers are also able to give permission for HSBC to access their data at Hang Seng Bank when applying for financing.

In addition to credit support, HSBC also provides SMEs with additional aids to enhance operation and accelerate digital transformation. These include PayMe for Business onboarding support and beyond-banking solutions enabling SMEs to manage their daily finance and operation more efficiently.

1. Source: The Hong Kong Mortgage Corporation Limited (https://www.hkmc.com.hk/eng/information_centre/statistics/sme_financing_guarantee_scheme_statistics.html)
2. Source: Census and Statistics Department : Results of monthly survey on business situation of small and medium-sized enterprises for February 2024 (https://www.censtatd.gov.hk/en/press_release_detail.html?id=5392)
3. Terms and conditions apply.

ends/more

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 62 countries and territories. With assets of US\$3,039bn at 31 December 2023, HSBC is one of the world's largest banking and financial services organisations.

ends/all