



HSBC and Ant International complete HKD-denominated cross-bank blockchain test transactions under the Hong Kong Monetary Authority's Ensemble Sandbox

First collaboration under the Sandbox to achieve successful HKD cross-bank test transactions using Ant International's Whale platform

Hong Kong, 28 October 2024 – HSBC and Ant International announced today the successful completion of HKD-denominated cross-bank test transactions under the Hong Kong Monetary Authority's (HKMA) Ensemble Sandbox. This is the first use case to achieve successful HKD cross-bank test transactions under the Sandbox's Liquidity Management theme.

Project Ensemble is the HKMA's wholesale central bank digital currency (wCBDC) project aimed at fostering the development of tokenization in Hong Kong. Under the Sandbox, companies can research and test tokenization use cases including the settlement of tokenized monies and tokenized real-world assets, amongst others. As a participant in the Sandbox, Ant International has developed two use cases using its Whale platform, including this collaboration with HSBC.

Ant International and HSBC's use case integrates HSBC's and Hang Seng Bank's networks with Ant International's Whale platform to support real-time cross-bank transfers with 24/7 availability, greater cost efficiency and reduced working capital. The Whale platform is Ant International's next-generation treasury management solution that utilizes blockchain technology, advanced encryption and artificial intelligence to improve the efficiency and transparency of fund movements.

As businesses continue to grow online and transact across borders, Ant International and HSBC understand the need to provide enhanced cross-border payment solutions that allow their customers to transact around the clock, in real-time, and with greater transparency and efficiency. Ant International and HSBC will continue to advance the use cases for tokenized deposits. Both parties will explore new use cases and scalable adoption for the development of the next-generation global treasury solution.

Vincent Lau, Global Head of Digital Money, Global Payments Solutions, HSBC, said: "We are excited to announce the completion of a corporate treasury use case within the Ensemble Sandbox in collaboration with Ant International. The achievement further exemplifies HSBC's advanced digital money capabilities, building upon our three previous use cases on interbank payment settlement, tokenised bond settlement and tokenised electronic bill of lading settlement. The latest test case demonstrates the potential of tokenised deposits in facilitating real-time cross-bank corporate treasury management through the Ensemble interoperability platform. We look



forward to exploring further use cases with more Project Ensemble participants to better serve our clients' needs in payment and treasury management.”

Kelvin Li, Head of Platform Tech at Ant International, said: “We are pleased to see the initial results of our collaboration with HSBC, and the potential it has for enabling real-time cross-bank transactions for businesses. Together with leading banks such as HSBC, we will continue to expand the scalable adoption of our Whale platform through industry-leading collaborations under Project Ensemble, so we can better support businesses' cross-border and global treasury needs.”

In 2023, HSBC and Ant Group successfully tested the use of tokenised deposits in intra-group payment transactions. This initiative, the first of its kind in Hong Kong, aims to explore the potentials of deposit tokenisation in enabling always-on, real-time treasury fund movement between accounts held by a corporate within the HSBC network.

HSBC is also among the first group of financial institutions to have completed proof-of-concept (PoC) use cases under Project Ensemble. Building on its expertise in tokenised deposits and assets – including the issuance of the world’s first multi-currency digital bonds on HSBC Orion this February, HSBC has completed three PoC use cases within the Ensemble Sandbox. These use cases aimed to demonstrate the feasibility of exchange of tokenised deposits and digital assets, as well as the transfer of deposit tokens between blockchains of different financial institutions.

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About 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 60 countries and territories. With assets of US\$2,975bn at 30 June 2024, HSBC is one of the world’s largest banking and financial services organisations.

About Ant International

Headquartered in Singapore, Ant International powers the future of global commerce with digital innovation for everyone and every business to thrive. In close collaboration with partners, we support merchants of all sizes worldwide to realise their growth aspirations through a comprehensive range of tech-driven digital payment and financial services solutions.