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**HSBC REVEALS NEW TECHNICAL AND COMMERCIAL
INSIGHTS UNDER HKMA's PROJECT e-HKD+**

HSBC has recently completed experimental testing under the Hong Kong Monetary Authority's Project e-HKD+. Along with a public survey on perceptions of e-HKD, HSBC brings in new technical and commercial insights into the potential design options of e-HKD, as the city continues to explore the full potential of digital money.

HSBC's technical use cases under Project e-HKD+ focused on practical issues that may be encountered in designing, implementing and operating a digital money ecosystem, including:

- How digital money can operate on Distributed Ledger Technology environments ("DLT") for storing and transferring value, and also potentially serve as a settlement utility for tokenised assets
- How to support privacy and security in the design of an e-HKD, tokenised deposits, and other real-world assets through enablers such as Privacy Enhancing Technology (PET) and Decentralised Identity
- How can an e-HKD potentially operate on either public or private DLT at scale

HSBC has also conducted a survey with over 700 individuals in Hong Kong to examine public perceptions of e-HKD¹. Key findings include:

- 90 per cent of respondents acknowledged the importance of privacy in e-HKD transactions
- 65 per cent of professional investors² are familiar with the concept of e-HKD, compared with 42 per cent of the overall respondents surveyed
- Around one-third of respondents are willing to use e-HKD for digital asset trading, citing "safety" as the key advantage, derived from its digital nature and official backing

HSBC will leverage these results to propose further options for implementing real world use of digital currencies under Project e-HKD+. HSBC has experimented on a sample of public DLT environments (Arbitrum, Ethereum, Linea and Polygon) and private DLT developed by the Bank on Hyperledger Besu. The findings will support the HKMA and the industry in exploring how innovative forms of digital money can add value to the Hong Kong public. Further key learnings will be shared later this year.

Luanne Lim, Chief Executive Officer, Hong Kong, HSBC said "At HSBC, we are leveraging our deep financial expertise to pioneer the future of financial innovation. Focusing our efforts on secure, accessible, and

transformative technologies, Project e-HKD+ highlights our dedication to digital currencies. As Hong Kong's largest note-issuing bank, we will continue our efforts in driving financial innovation in Hong Kong and in the world."

John O'Neill, Group Head of Digital Assets and Currencies, HSBC said "HSBC is committed to supporting the development of digital currencies in Hong Kong. Our experimental work on 'Project e-HKD+', combined with our survey of public perceptions towards e-HKD, aim to support the work of the HKMA in assessing different options for the real-world use of digital currencies."

HSBC has actively participated in various digital asset and currency initiatives in Hong Kong. HSBC is a member of the e-HKD Industry Forum under Project e-HKD+. During the first phase of the e-HKD Pilot Programme, HSBC explored potential retail use cases for digital money. HSBC has also been supporting other HKMA digital asset and currency initiatives, including Project mBridge, Project Ensemble, and the issuance of HKSAR Government's digital green bonds.

Recently, the Bank also launched Tokenised Deposit Service for corporate clients in Hong Kong, marking the city's first bank-led, blockchain-based settlement service.

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Note to editors:

1. The survey was conducted among 744 individuals in Hong Kong from in April 2025.
2. Professional investor refers to individual with HKD7.8 million or equivalent in assets made up of: Investments (including stocks, bonds, unit trusts, equity linked investment and more) based on market value, certificates of deposit (CDs), cash or cash equivalent deposits

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