

29 December 2025

**HSBC PARTICIPATES IN PHASE 2 OF
HKMA'S RMB BUSINESS FACILITY**

*** Among first banks to arrange RMB working capital facility under the scheme ***

HSBC announced today that it is among the first group of banks to receive a quota in Phase 2 of the Hong Kong Monetary Authority (HKMA)'s RMB Business Facility.

Using the quota, HSBC provided a RMB1.4 billion working capital facility for a subsidiary of a Mainland-listed company with overseas operations. This was one of the first deals under the expanded scheme and the client's first offshore RMB facility, highlighting the growing role of RMB financing in supporting global corporate operations.

HSBC received a quota in the RMB Trade Finance Liquidity Facility when it launched in February 2025. Initially, the Facility focused on supporting RMB trade finance transactions. HSBC utilised this quota to provide RMB trade finance solutions to hundreds of corporate clients across various sectors. These transactions include a range of tailored trade finance solutions, such as documentary trade, open account trade, and structured trade.

Frank Fang, Head of Commercial Banking, Hong Kong and Macau, HSBC, said: "In today's shifting market dynamics, financing in multiple currencies, including RMB, helps businesses manage funding costs more effectively across different rate cycles. By participating in RMB Business Facility, we offer greater flexibility in financing to support corporate clients' growth and investment. This enhanced scheme also strengthens the ability of banks in Hong Kong to support Mainland enterprises in their global expansion, playing to the city's strength as a leading offshore RMB financing hub."

Outstanding commercial bank loans in RMB to offshore borrowers were RMB2 trillion as of the end of 2024, an increase of 14 per cent from a year earlier.¹ In Hong Kong, the RMB loan-to-deposit ratio in the banking sector exceeded 90% in June 2025,² reflecting the robust demand for the RMB as a funding currency.

Under Phase 2 of the RMB Business Facility, the scope of eligible RMB financing activities has been broadened to include RMB capital expenditure (capex) and working capital term loans. The enhancement provides participating institutions with a predictable and stable source of RMB funds,

enabling them to meet a wider range of their corporate clients' operational and investment needs.

1. Source: People's Bank of China
(<https://www.pbc.gov.cn/huobizhengceersi/214481/3871621/5885243/2025122616492523798.pdf>)
2. Source: Hong Kong Monetary Authority (<https://www.hkma.gov.hk/eng/news-and-media/insight/2025/09/20250926-2/>)

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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 57 countries and territories. With assets of US\$3,234bn at 30 September 2025, HSBC is one of the world's largest banking and financial services organisations.

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