

Enhancements to Special 100% Loan Guarantee

The following is issued on behalf of the Hong Kong Monetary Authority:

HKMC Insurance Limited, a wholly-owned subsidiary of the Hong Kong Mortgage Corporation Limited, today (September 15) announced that, in order to further alleviate the cash flow pressure of small and medium-sized enterprises, the maximum amount of loan per enterprise under the Special 100% Loan Guarantee of the SME Financing Guarantee Scheme (SFGS) is raised from the total amount of employee wages and rents (note) for six months to that for 12 months, or HK\$5 million (originally HK\$4 million), whichever is lower. The total guarantee commitment is raised from HK\$50 billion to HK\$70 billion. Meanwhile, the maximum repayment period of the guaranteed loans is increased from three years to five years. Borrowers with existing loans under the Special 100% Loan Guarantee can apply to their lending banks for increasing the loan amount and/or extending the repayment period if they deem appropriate, and in general no additional supporting documents will be required. The enhanced scheme will start receiving applications from this Friday (September 18).

For public enquiries, please call the SFGS Hotline at 2536 0392.

Note: If an enterprise does not have either employee(s) or rented office(s), the calculation can be replaced by half of the maximum monthly net income in 2019.