

25 March 2020

HSBC Malaysia announces Non Compounded Interest or Profit During Moratorium Period for Retail and SME Customers

The International bank goes above and beyond in its support for customers impacted by COVID-19

Bank Negara Malaysia (“BNM”) today (25 March 2020) announced the regulatory and supervisory measures in support of efforts by banks to assist individuals, small and medium-sized enterprises (“SMEs”) and corporations to manage the impact of the COVID-19 outbreak. Following BNM’s guidelines, HSBC Malaysia (comprising both HSBC Bank Malaysia Berhad and HSBC Amanah Malaysia Berhad) is offering automatic moratorium for HSBC Malaysia’s individual and SME customers, whereas corporate customers can choose to opt in.

Stuart Milne, Chief Executive Officer, HSBC Bank Malaysia said:

“We at HSBC Malaysia welcome and fully support BNM’s loan repayment deferment measures to aid individuals and businesses. HSBC will continue to support Malaysia through ups and downs, and we reaffirm our unwavering commitment to assist the local community during tough times.

We empathise with everyone who is currently going through a challenging time here in Malaysia due to the COVID-19 outbreak and therefore we have taken the decision **for retail and SME customers - both the interest for conventional loans as well as profit on Islamic financing will not be compounded during the moratorium period, we hope this proactive effort will help ease the financial burden of our retail and SME customers.**

This is an extra measure taken by HSBC Malaysia for our retail and SME customers above and beyond the loans/ financing deferment measures announced by BNM where interest will still be accrued and compounded for conventional loans (excluding hire purchase loans) but profit from Islamic financing is accrued but not compounded.

For our corporate customers, we will review on a case by case basis and, thus, we encourage our corporate customers to reach out to us via their relationship managers. Please note that only non-impaired accounts are qualified for moratorium. This moratorium applies to all loans/ financing outstanding as at 1 April 2020.

HSBC Malaysia continues to be in consultation with BNM as we evaluate further initiatives to proactively lend a helping hand to our individual and commercial customers as they navigate through their financial challenges during this trying time. We stand ready to provide comprehensive assistance to our customers who are in need.”

We will be able to share more information and details by 1 April 2020 and retail customers may refer to www.hsbc.com.my/help/coronavirus/ and SME customers are to contact their Relationship Managers for more updates.

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