

News Release

4 November, 2025

LPPSA receives RM1 billion funding from HSBC Amanah to provide home financing for civil servants

Transaction marks LPPSA's inaugural establishment of a non-Government Guaranteed financing solution, to support its primary funding programme.

Lembaga Pembiayaan Perumahan Sektor Awam (LPPSA), the public sector home financing board secured RM1 billion in funding from HSBC Amanah, aimed at providing home financing specifically for civil servants. The transaction marks a significant milestone as it represents LPPSA's inaugural alternative funding initiative, establishing a non-Government Guaranteed (GG) Islamic Receivables Finance (RF-i) facility. This initiative aligns well with the government's focus on enhancing access to home financing for civil servants while providing innovative alternative financing arrangements for government entities.

"LPPSA's collaboration with HSBC will enable LPPSA to play a vital role in helping nearly 1.6 million civil servants in the country, across all ranks, to acquire home financing and fulfil their aspirations of becoming homeowners by ensuring they have access to the necessary resources for securing their future homes. This initiative will further strengthen our fiscal discipline as outlined under the Fiscal Responsibility Act", according to En. Farid Nawawi, CEO of LPPSA.

Malaysia's continued adherence to debt-stabilising policy measures is essential for achieving a stronger and more sustainable fiscal position¹. The funding offered by HSBC Amanah to LPPSA for civil servants' housing loans can contribute to effective debt management by optimising the government's guarantee exposure. Moreover, by providing access to home financing for civil servants, this initiative profoundly impacts not just civil servants themselves, but also the stability, efficiency, and equity of the entire nation in line with the Malaysia MADANI framework.

Dato' Omar Siddiq, CEO, HSBC Malaysia said, "We are grateful for the opportunity to partner with LPPSA on this transaction. The RM1 billion financing provided by HSBC Amanah to LPPSA aligns with the government's agenda to deliver expanded housing access to civil servants. This initiative not only supports the government's debt management efforts but also offers social and economic benefits for the civil servant community, contributing to a more stable financial climate. The solution showcases HSBC's innovative capabilities and expertise in shariah compliant transaction banking solutions, effectively addressing the needs of the country's public service sector".

LPPSA has enhanced its funding agility by implementing an innovative RF-i solution from HSBC Amanah. This facility is designed to complement its primary GG sukuk programme, allowing LPPSA to diversify its funding options. This approach ensures competitive funding costs while reinforcing its core mission of providing sustainable home financing for the public sector.

-Ends-

¹ [Fiscal Sustainability \(Part 2\): Malaysia's pathway to a resilient balance sheet - MARC](#)

Media Enquiries
HSBC Malaysia
Rhia Sarah George
rhia.sarah.george@hsbc.com.my
+6012 6827344

Public Sector Home Financing Board (LPPSA)
Nashrul bin Abdul Shukor
Corporate Communications Department
nashrul.shukor@lppsa.gov.my
03-8880 2888

About HSBC Malaysia

HSBC's presence in Malaysia dates back to 1884 when the Hongkong and Shanghai Banking Corporation Limited established its first office in the country on the island of Penang, with the permission to issue currency notes. HSBC Bank Malaysia Berhad was locally incorporated in 1984 and is a wholly-owned subsidiary of The Hongkong and Shanghai Banking Corporation Limited, founding member of the HSBC Group. In 2007, HSBC Bank Malaysia Berhad was the first foreign bank to be awarded an Islamic banking subsidiary licence in Malaysia, and HSBC Amanah Malaysia Berhad was subsequently established. HSBC Malaysia offers a comprehensive range of banking and financial services including Islamic financial solutions. HSBC Malaysia has also led innovation in Malaysia by introducing Malaysia's first ATM and Electronic Touch Banking in the early 1980s. Today, HSBC Malaysia has launched innovative solutions such as HSBCnet for secure banking for businesses, Trade Transaction Tracker and Facial Recognition on supported mobile phones.

About the Public Sector Home Financing Board (LPPSA)

LPPSA is a statutory body under the Ministry of Finance Malaysia (MOF) that operates independently and is self-financed. It is responsible for managing home financing for the public sector and has been in operation since 1 January 2016.