

Wednesday 10 March 2021

## **HSBC UK LAUNCHES £15BN SME FUND TO SUPPORT BUSINESSES TO GROW AGAIN**

HSBC UK has today launched a record £15 billion lending fund to support small and medium-sized enterprises (SMEs) across the UK, as part of its commitment to help British businesses innovate and grow as the country looks to rebound from the Covid-19 health crisis.

The Fund, which includes over £10 billion of specific regionally focussed allocations, will seek to ensure that companies throughout the country can benefit, supporting regional economies, employment opportunities and driving growth.

This year's Fund also includes increased ring-fenced pots for businesses trading internationally (£2 billion), the agriculture sector (increased to £1.2 billion) and new ring-fenced pots for businesses in the tech sector (£500m) and franchise businesses (£500m).

Despite the challenging economic environment, 62% of UK businesses intend to increase investment in their business in the next year, according to research from HSBC, with the focus on four fundamental areas of their business in 2021 – employee well-being, customer experience, cash flow/capital management and security.

Almost three quarters (71%) of UK businesses expect to have returned to pre pandemic levels of profitability by the end of 2022 and a fifth by the end of this year and nearly half of British companies (49%) are projecting sales growth.

**Philip King, Interim Small Business Commissioner said:** "The past 12 months have highlighted the challenges many small businesses face. The issue of late payment and pressure on cash flow is more prevalent now due to the continued impact of the pandemic.

"SMEs are the backbone of the economy and initiatives such as the lending fund will help more businesses to access finance and support business recovery post COVID-19."

**Paul Scully, Small Business Minister said:** "Small businesses are the backbone of our economy and though this has been such a challenging period, we have seen many businesses find creative ways to innovate, adapt and plan for the future.

"This extra finance from HSBC will help small businesses not only prepare for reopening, but to try new ideas and build back better from the pandemic, complementing the unprecedented support available from the Government."

Since launching the SME Fund in 2014, HSBC has lent more than £75 billion to UK SMEs as part of its commitment to help British businesses innovate, evolve and grow. We remain committed to supporting the needs of our small business customers and have lent over £14bn during the pandemic so far.

**Peter McIntyre, Head of Small Business Banking at HSBC UK, said:** “With the vaccine rollout there is light at the end of the tunnel and businesses are starting to look ahead again. We’ve helped British business get through the last year with over £14bn of Covid-19 lending support. Now it’s time to turn our minds to what comes next and how we help companies grow again, opening up a world of opportunity and contributing towards a sustainable future society. The £15 billion fund will help businesses to expand internationally and here in the UK, support key sectors and drive investment across regions.

We know our customers are innovating and adapting at pace and British businesses tell us that through these uncertain times they need their bank to be flexible, provide funding when they need it most and to support future growth opportunities and that is exactly what this year’s Fund intends to achieve.”

Our [Tomorrow Ready](#), online resource hub is also available to help businesses adapt for today, while preparing for the future. All businesses can access insights and resources to help them hone their cash flow management skills and view our programme of business events, webinars and articles to help them understand the implications of new ways of working, building resilience and exploring export opportunities.

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**Notes to editors:**

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For the latest news and updates, visit the HSBC UK newsroom:

<https://www.about.hsbc.co.uk/news-and-media>

The latest HSBC Navigator report, surveyed more than 10,000 businesses in 39 markets with 1,000 of those in the UK.

**HSBC UK**

HSBC UK serves around 14.5 million customers across the UK, supported by 32,000 colleagues. HSBC UK offers a complete range of retail banking and wealth management to personal and private banking customers, as well as commercial banking for small to medium businesses and large corporates.

**HSBC Holdings plc**

HSBC Holdings plc, the parent company of HSBC, is headquartered in London. HSBC serves customers worldwide from offices in 64 countries and territories in its geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of US\$2,984bn at 31 December 2020, HSBC is one of the world’s largest banking and financial services organisations.

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