

## SME Financing Guarantee Scheme – Special 100 per cent Guarantee Product

### Eligibility

- Applicable to Hong Kong enterprises of all sectors, including those most affected by the COVID-19 infections such as retail outlets, travel agents, restaurants, cinemas, karaoke establishments and transport operators and loan applicants should have been operating and holding a valid Business Registration Certificate for at least three months by end December 2019.
- Loan applicants need to provide proofs that they have suffered at least a 30 per cent decline in sales turnover in any month since February 2020 compared with the monthly average of any quarter in 2019.

### Loan Ceiling and Maximum Loan Guarantee Period

- The maximum amount of loan per enterprise is up to the total amount of employee wages and rents for six months per enterprise or \$2 million, whichever is the lower (If an enterprise does not have employee(s) and rented office(s), proxy is made to 50 per cent of the highest monthly net income in 2019 multiplied by six). Enterprises are eligible for the Special 100 per cent Guarantee Product regardless of its existing exposure under the 80 per cent and 90 per cent Guarantee Products, if any.
- The maximum repayment period is three years from the first drawdown of the facility. To lessen the immediate repayment burden of enterprises, an option for principal moratorium will be provided under which loan applicants will only be required to pay interest in the first six months.

### Interest Rate and Guarantee Fee

- An interest rate of the Hong Kong Prime Rate minus 2.5 per cent per annum (or equivalent). The guarantee fee will be waived.

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