

SME Loan Guarantee Scheme (SGS)

Objective

To help SMEs secure loans from participating lending institutions (PLI) for acquiring business installations and equipment, and meeting working capital needs of general business uses

Details

Types of Loan:	Type 1: Business Installations and Equipment Loans Type 2: Working Capital Loans
Guarantee Amount:	50% of the approved loan, subject to a maximum amount of \$6,000,000
Guarantee Period:	Up to 5 years
Forms of Loan:	<u>Business Installations and Equipment Loans</u> : in the form of a non-revolving loan / a hire purchase agreement <u>Working Capital Loans</u> : in the form of a non-revolving loan
Repayment Arrangement:	<ul style="list-style-type: none"> Loans should be repaid to the PLI by installments 1st installment should take place not later than 6 months after the loan has been activated Repayment interval between subsequent installments should not exceed 3 months

Remark: “Enterprises must assess repayment ability and risks”

Eligibility & Requirement

- Registered under the Business Registration Ordinance (Chapter 310) and with substantive business operation in Hong Kong;
- SME under the definition of the Government of Hong Kong Special Administrative Region;
- Not an associate of the lender; and
- Not carrying on the business of a lender.

Application Procedure

All applications must be lodged through the participating lending institutions.

Implementation Agent

Trade and Industry Department

Please [click here](#) for further information or contact SME ReachOut at +852 2788 6868.