

Thailand

at a glance



Executive message: Welcome to Thailand



Giorgio Gamba

Chief Executive Officer,
HSBC Thailand

Head office address:

HSBC Building,
968 Rama IV Road,
Silom, Bangrak,
Bangkok 10500

As the country's first commercial bank, HSBC's history in Thailand stretches back to 1888. Today, HSBC Thailand offers banking services to businesses and high net worth individuals, combining in-depth local knowledge with global expertise. This means we are best positioned to help you take advantage of the many opportunities that Thailand has to offer.

Situated at the heart of ASEAN, Thailand is well-placed to be a hub for the region's trade and investment and as the ideal gateway to expand your business across the region. Extensive, sustained investment infrastructure has seen Thailand develop world-class transport links both internationally and domestically. These include enhanced shipping and air transport capacity, as well as high-speed rail links. Trade and commerce continues to flourish, with all the economic powerhouses of China, Japan, Europe and the United States. There are also significant opportunities in both the digital economy and electronic vehicle (EV) industry. Thailand's digital economy is expected to triple in value in the next few years and the government has introduced incentives to boost investment in the EV sector, aiming for 50% of all vehicles produced to be 'Zero Emission Vehicles' by 2030.

With the recent introduction of our onshore Private Banking business in Thailand, HSBC provides a comprehensive range of cross-border and financial services to suit both your personal and business needs, whether you are moving to the region, working in the area, investing or doing business in Thailand.

So, welcome to Thailand, we very much look forward to doing business with you as your long-term financial partner of choice.

Watch the video to learn more about the growth opportunities Thailand offers to your business.



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Overview



Thailand

Population

71.8 million (2023 est.)

Total area

513,120 sq km

Capital

Bangkok

Major language(s)

Thai (English is widely spoken)

Currency

Thai Baht (THB)

Gross domestic product (GDP)

USD514.94 billion

(2023 est.);

2.5% growth rate

(2023 est.);

USD7,133 per capita

(2023 est.)

Time zone

UTC +7

Central bank

Bank of Thailand (BOT)

Consumer price index, average

6.1% (2022);

1.2% (2023 est.);

1.6% (2024 est.)

Exchange rate vs. USD

34.98 (4Q 2023 est.)

Thrive regionally, grow confidently

Businesses across the globe are finding the ASEAN opportunity increasingly compelling. Why? Because it is built on multiple pillars, each reinforcing another, rather than relying on a single mega-trend. A combination of factors – demographic, technological, geopolitical and regulatory – is driving this diverse and dynamic region to new and self-sustaining heights.

There's a caveat of course. When its economy becomes the world's fourth largest, as is expected by 2030¹, ASEAN won't be any less complex. But by then, early-mover advantage in its burgeoning industries will have been grasped by those who acted quickly to take the uncertainty out of ASEAN's expansion opportunity.

The leaders will be firms whose CFOs and treasurers have also built a holistic vision from multiple sources of strength, while drawing on and catering to the individual characteristics of ASEAN's fast-evolving – and rapidly digitising – economies. In particular, they will be the businesses that have positioned themselves for success by prioritising treasury innovation, embracing the new economy, and integrating sustainability into their financial strategies. In short, ASEAN's leading firms will have aligned themselves with the future.

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Optimism, dynamism, futurism

With a population that will reach 700 million by 2030 – 61% of which is currently under the age of 35² – ASEAN’s expanding and tech-literate middle class is expected to double domestic consumption by the end of the decade. Much of this demand will be digital, with healthcare, biotech and education among the new economy sectors that are likely to benefit.

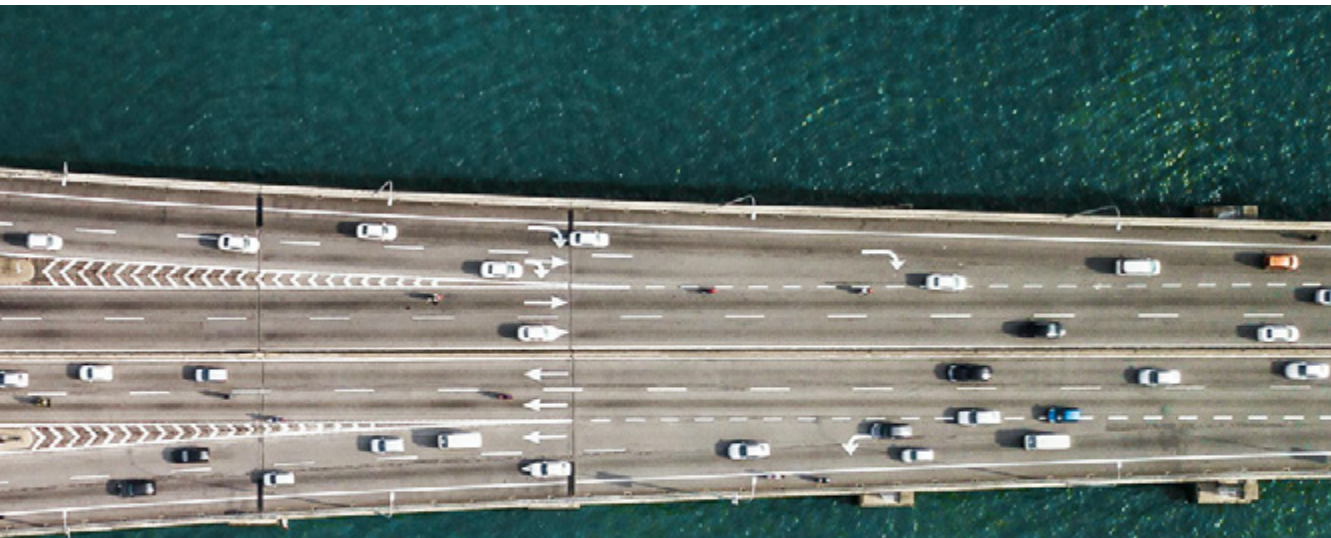
Unsurprisingly perhaps, the region’s businesses are also among the most optimistic in the world. More than 90% are more upbeat about the region’s prospects than they were a year ago, according to an HSBC survey of decision-makers in its six biggest economies³.

But consumer and business energy does not exist in a vacuum. In recent decades, at least part of ASEAN’s appeal has been its proximity to neighbouring giants; however, ASEAN’s largest export market is now itself, with intra-community trade reaching

historic levels. According to a survey of 600 businesses in ASEAN’s six core economies, 57% of firms expect their intra-ASEAN trade to increase by up to 30% this year, while a further third foresaw a higher uptick⁴. Inflows still matter. Foreign direct investment rose 5.5% to a new high of USD224 billion in 2022, surpassing China, as global levels fell⁵.

The Regional Comprehensive Economic Partnership ensures strong ties with ASEAN’s five main regional trading partners – China, Japan, South Korea, Australia and New Zealand – via the world’s largest free trade agreement, accounting for around 30% of the world’s GDP and over a quarter of global trade⁶.

In combination, these factors are set to drive the ASEAN economy to 5% of GDP growth per annum on average up to at least 2030⁷, offering opportunities to local and global businesses alike.



Visibility, flexibility, liquidity

To capture these exciting and evolving opportunities across ASEAN's strongest markets, CFOs and treasurers will need to reimagine their existing processes and practices, while adhering to first principles. In a varied and sometimes volatile business environment, it will remain important to exert control over multiple risk factors and cash flows, to establish visibility over subsidiaries, business partners and supply chains, and to maintain flexibility to account for local regulations, practices and preferences.

To this end, treasurers are turning to digital platforms for real-time cash visibility, automated payments and streamlined treasury operations, with cloud-based treasury management systems becoming indispensable for managing liquidity and risks across diverse markets.

Firms appreciating the benefits of digitised control and visibility across their ASEAN operations include IHH Healthcare, one

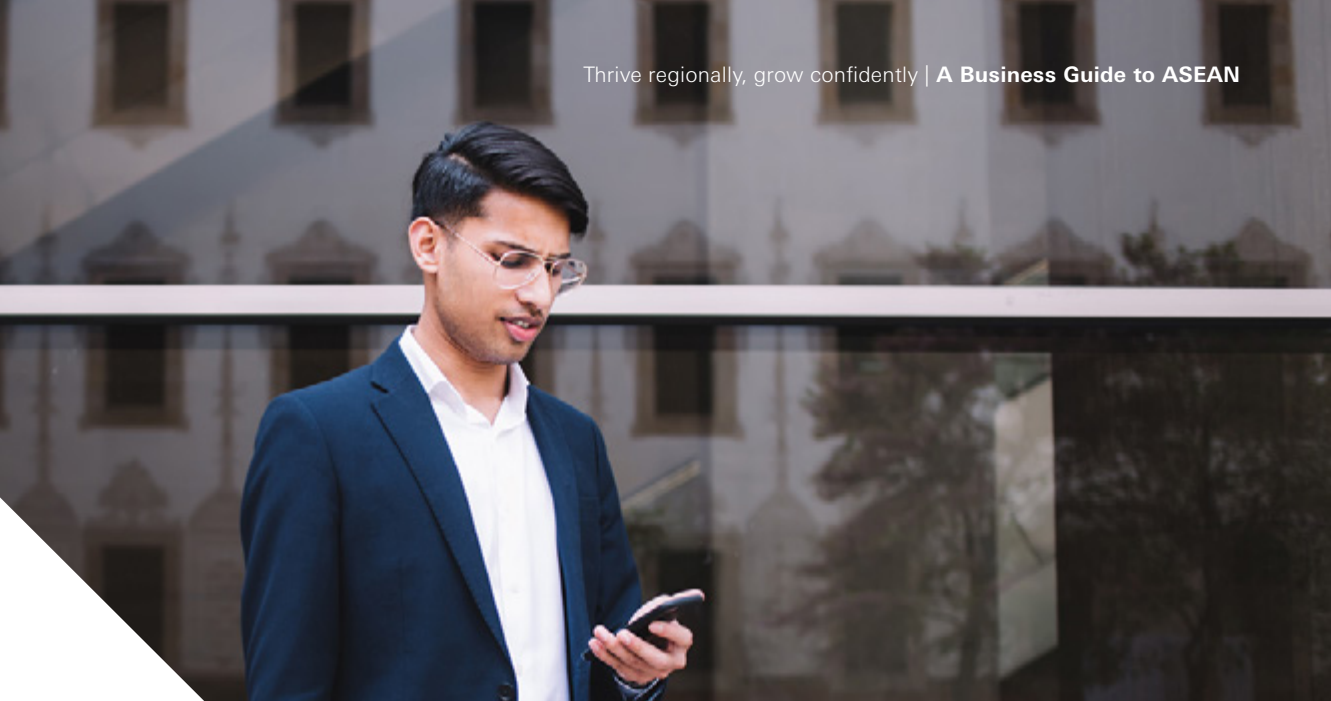
of Asia's largest private healthcare groups. Having grown rapidly through acquisition, the firm has adopted a centralised treasury model based on group-level policies and processes, host-to-host connectivity between banks and in-house payroll and accounting systems, and a multi-currency notional pooling structure to optimise liquidity, funding and investments. Its sharp improvements in visibility and flexibility can be measured in tangible terms, with a halving of bank accounts and an extra USD74 million to pay down debt and boost investments.

Critically, firms are looking to treasury solutions that serve multiple needs and specific contexts, such as streamlined collections services that offer a smooth customer experience as well as internal process efficiencies, by leveraging connectivity to real-time payments networks in key markets.

Digitisation, transformation, solutions

Building on a vibrant ecosystem of tech startups, e-commerce platforms and digital payment solutions, ASEAN's rapid digital transformation is reshaping traditional industries and creating new opportunities. The extent of these is reflected in the fact that Southeast Asia's digital economy is set to double to USD340 billion by 2025, on the road to surpassing USD1 trillion in 2030⁸.

Governments and regulators are creating an enabling environment for e-commerce in response to the mobile-first preferences of middle-class consumers. Authorities of various countries in the region have awarded digital banking licences, as infrastructure and regulatory roadmaps are rolled out in all major ASEAN markets, to encourage digital transformation and prompt the emergence of the next Grab, Ovo, or GoTo.



The rise of FinTech innovation presents both challenges and opportunities for treasurers, who must be able to evaluate the value of emerging digital technologies to company-wide e-commerce strategies as well as more specific treasury-focused tasks.

Foodpanda, a food and grocery delivery company operating in 11 Asian markets, has done both, implementing technology-led solutions which streamlined its bank account structure, improved liquidity visibility, control and yield, saved cost and effort through automated processing of high payment volumes, and enhanced the digital experience of clients and partners.

Key elements included the bulk execution of payments on real-time payment rails, virtual accounts that automated the identification of incoming payments from merchants, and an ongoing expansion of supported digital payment methods. Whether one considers the seamless customer experience or the USD1 million generated through the interest

enhancement solution, integration of treasury and business priorities underpinned an award-winning digitisation initiative.

An online delivery platform might be a suitable poster child for the new economy, but firms from a much wider range of sectors are realising treasury efficiencies and business benefits. These include DKSH, a market expansion services provider for companies looking to grow their business in new or existing markets in Asia and beyond, in consumer goods, healthcare, performance materials and technology.

The service provider has streamlined collections by accepting payments via a QR code scanned into a mobile device. Thanks to API connectivity, DKSH receives real-time notification of each payment while payer details and other transaction information are also embedded into the code to automate and accelerate reconciliation, which frees up customer credit lines more quickly for reinvestment into the business.

Sustainable, achievable, buildable

Whether driven by regulation, access to finance or access to markets, sustainability is emerging as a force of value creation in ASEAN.

With 11% of ASEAN GDP loss expected by 2100 if climate change is left unaddressed and having five out of 20 countries most impacted by climate change being from ASEAN⁹, the region's politicians and regulators have established the ASEAN climate vision 2050¹⁰ to ensure business and finance support the Paris Agreement, the Global Biodiversity Framework and the UN Sustainable Development Goals (SDGs).

But they're also alive to opportunity: the pursuit of carbon neutrality in ASEAN is expected to increase its GDP by up to USD5.3 trillion, attract green investments of up to USD6.7 trillion, and create up to 66 million additional jobs across the region by 2050¹¹.

The ASEAN regulators are putting in place an array of standards, strategies, plans and guidance to accelerate climate actions across the region. For example, the latest version of the annually updated ASEAN Taxonomy for Sustainable Finance was unveiled in April, setting sustainable financing and investment criteria for three out of the six focus sectors. Additionally, the ASEAN Climate Change Strategic Action Plan 2025–2030 is currently being developed, which will provide clear prioritised actions, timelines and implementation agencies to sustainably transform ASEAN as a region¹².

Aligning business models with sustainability goals will thus present CFOs and treasurers with multiple opportunities to add value to the wider organisation over the coming decades, not only on the funding and investment side, but also in terms of reporting performance to stakeholders, and liaising with customers along the supply chain to collaborate on common sustainability objectives.

With lenders and investors expecting sustainability as well as financial performance, there are increasing funding opportunities across ASEAN for firms that can meet climate- or nature-related KPIs. Similarly, corporates can develop stronger relationships with customers and suppliers through programmes that provide financial incentives for better sustainability performance, such as sustainable supply chain financing.

From a cash and payments perspective, firms in the region are already combining customer convenience and process efficiency with sustainability. HSBC developed a solution by digitising the highly labour-intensive and paper-driven process that not only improves operational efficiency, but is a major step towards being responsible in consumption and production of resources.

Challenging, compelling, connecting

Alongside the opportunities outlined earlier, ASEAN offers its fair share of challenges to treasurers and CFOs. Many risks lie in its divergent regulatory and tax regimes, while geopolitical tensions, trade disputes and other sources of disruption can never be discounted in a region of such scale and contrast.

To negotiate these hurdles and align with the future, firms should seek established, knowledgeable and innovative partners, both at the local and regional level, with a deep understanding of the dynamics of each market and a broad-based experience of connecting businesses across individual economies to connect.

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1. World Economic Forum, 2024
2. World Economic Forum, 2019
3. HSBC
4. HSBC
5. ASEAN Investment Report 2023
6. ASEAN, 2022
7. ASEAN, 2023
8. Temasek in collaboration with World Economic Forum and AlphaBeta, 2021
9. ASEAN.org, August 2023
10. ASEAN.org, June 2022
11. ASEAN.org, August 2023
12. The ASEAN Capital Markets Forum, April 2024; Institute for Global Environmental Strategies (IGES), April 2024

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Banking system and bank accounts

The Bank of Thailand (BOT) serves as the central bank, responsible for monetary policy, currency issuance and overall financial stability. It regulates and supervises financial institutions to ensure the stability of the financial system.

Across Thailand, there are thirty licensed banks, with a further six being state owned.

Commercial banks are the backbone of Thailand's banking sector, offering a wide range of services including deposit accounts, loans, credit cards and investment products.

Several foreign banks operate in Thailand, providing services to both local and international clients. These banks often cater to the needs of multinational corporations, expatriates and high net worth individuals.

Thailand also has government-owned banks, development banks and specialised financial services firms which focus on specific sectors such as agriculture, export-import financing, and small- and medium-sized enterprises (SMEs).

For companies registered outside Thailand, the documents required for opening a bank account include the following (please note other similar/different documents will be required for different types of business incorporation):

- board of directors' resolution or letter of intention to open corporate account;
- certified true copy of the company's certificate of incorporation;
- certified true copy of the official Company Search Report or Certificate of Incumbency or equivalent document showing company information (e.g. registered company's name, registered



company’s number, registered address), list of directors, list of principle shareholder, signing condition for binding the company;

- certified true copy of the company’s license/permission to conduct specific business;
- certified true copy of the company’s memorandum and articles of association;
- business/principle operating address information if different from registered address;
- ownership structure chart showing following information (i) percentage of shares and voting rights in an Entity, (ii) Country of Business Address, (iii) Country of Incorporation for each intermediate company which is owned or control 10% or more of the client to the ultimate beneficial owners (UBO) of the company. The ownership structure is mandatory to show up to the last level of ownership where the UBOs are either persons and/or corporate entities which directly/indirectly held less than 10% of the company (including Bearer Shares if applicable); and

- certified true copy of passports of UBO with 10% or more of shares or voting rights, directors, authorised signatories.

The following types of bank accounts are currently available:

Account type	Local current	Local savings ¹	Foreign current	Foreign savings ¹
Resident	✓ ¹	✓ ¹	✓ ²	✓ ²
Non-resident	✓ ³	✓ ³	✓ ³	✓ ³

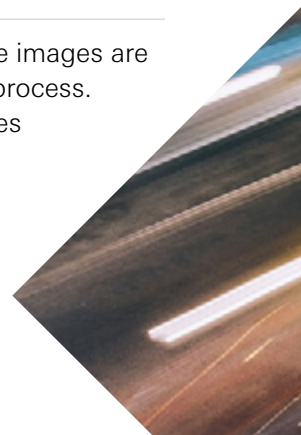
1. No restrictions are applied to residents opening THB accounts.
2. Thai residents are generally allowed to open onshore foreign currency deposit account, without the maximum amount limit. For foreign currency deposits in a current account, a cheque book is not available.
3. No restrictions are applied to non-residents opening foreign currency accounts; however, non-resident THB accounts are prohibited from having outstanding balances at the end of each day exceeding THB200 million, inclusive of all THB accounts of the same non-resident opened with onshore banks. Funds deposited from resident to non-resident accounts must be accompanied by payment obligation documents (evidence of obligation for service). Cheque facilities are not available for non-resident THB accounts held in Thailand because of the difficulty of BOT reporting requirements.



Clearing systems and payment instruments

Thailand is making a push towards the digitisation of its payment infrastructure, with the aim of transitioning to a “less-cash” society. The principal clearing systems are:

Clearing system	Comments
Bank of Thailand Automated High-value Transfer Network (BAHTNET)	<ul style="list-style-type: none"> • Operated by Bank of Thailand (BOT). • Facilitates large value funds transfer between financial institutions or other organisations maintaining deposit accounts at BOT. • Settlement via BAHTNET is done on a real-time gross settlement (RTGS) basis. • BOT is currently implementing ISO 20022 international message standard in BAHTNET, to facilitate interoperability with important payment infrastructures and to support domestic and cross-border payment transactions.
Interbank Transaction Management and Exchange (ITMX) Bulk Payment	<ul style="list-style-type: none"> • Operated by ITMX, a subsidiary of the Thai Bankers’ Association, which operates various payment systems and financial messaging services in Thailand. • Facilitates secure bulk payment transactions between financial institutions in the country, including banks and non-bank institutions. • Allows institutions to process large volumes of payment transactions in batch mode, typically involving low-value payments such as salary payments, vendor payments, pension disbursements and utility bills.
PromptPay	<ul style="list-style-type: none"> • A government-led initiative that enables real-time fund transfers between individuals and businesses using their mobile phone numbers or Thai national ID numbers. • Allows businesses to receive payments from customers instantly and securely, without the need for cash or physical cards. • PromptPay for Business offers features such as QR code payments and bulk payments, streamlining transactions for businesses of all sizes.
The Imaged Cheque Clearing and Archive System (ICAS)	<ul style="list-style-type: none"> • Image-based cheque clearing system where cheque images are used in place of physical cheques in the collection process. • The volume and value of cheque payments continues to decline, mainly due to the shift toward digital payments.



Though still sizeable, cash and cheque usage is declining steadily. During the past five years, the value of cash withdrawals has decreased by an average of 7% per year. The volume of cheque transactions has decreased by an average of 10% per year.

The number of digital payments rose five times in the past five years. Mobile banking is increasingly widespread, including for fund transfers, payments and cardless withdrawals. The PromptPay QR Code standard facilitates QR code-based payments across various payment providers, banks, merchants and consumers, enabling users to make payments using their smartphones.

Under the ASEAN Payment Connectivity initiative introduced by the BOT in 2019, the PromptPay QR Code standard is also designed to support cross-border payments, enabling tourists and international visitors to make QR code-based payments using their foreign bank accounts or payment apps. QR payment linkages exist with Cambodia, Indonesia, Japan, Laos, Malaysia, Singapore and Vietnam. Remittance linkage with Singapore between Thailand's PromptPay system and Singapore's PayNow system allows real-time cross-border funds transfer via mobile applications.



Trade

Thailand's economy is the second-largest in ASEAN. The country has a free-enterprise economy and a government that generally promotes pro-business, pro-investment policies.

Exports are a major driver of Thailand's economy, with China and the United States being Thailand's top two export partners.

In 2022, Thailand exported over USD283.8 billion worth of goods around the globe. This is a 13.6% gain since 2018 and a 6.1% increase from 2021.

Thailand is the world's biggest exporter of natural rubber, capturing about 33% of the market. This trade is worth roughly USD5.5 billion for the country. In terms of other exports, Thailand is the globe's second biggest exporter of rice, with 13.5% of the market share, and the third largest exporter of raw sugar, with 6.1% of market share.

	Exports	Imports
Value (2022)	USD283.8 billion	USD305.7 billion
% of GDP (2022)	66%	68%

Taxation

Resident/non-resident

- The company is a tax resident in Thailand if it is incorporated under the law of Thailand.
- Resident companies are subject to income tax on their worldwide income.
- Non-resident companies not carrying on a business in Thailand are taxed only on income derived from or in Thailand.

Financial instruments

- Gains and losses from financial instruments are generally taxable and deductible.

Interest and financing costs

- Interest expenses and the related financing costs are generally tax deductible, on the condition that the underlying loans or borrowings were taken for the purpose of making profit or for the business. Interest expenses incurred up to the date before the asset is ready-to-use shall be capitalised and deductible in the form of depreciation.

Foreign exchange

- FX differences are generally taxable (gains) and deductible (losses).

Advance pricing tax agreement availability

- Thai tax authorities are generally open to advance pricing tax agreement.

Capital gains tax

- Capital gains are treated as ordinary business income and subject to normal corporate income tax.

Withholding tax

- The dividends distributed to resident companies are generally subject to withholding tax at 10%.
- If the recipient (1) is a company listed in Thailand, or (2) owns at least 25% of the total shares with voting rights in the company paying the dividends (with no cross shareholding); entire domestic dividends are exempt from withholding tax.
- Interests paid to resident companies are generally subject to withholding tax at 1%.
- Royalties and service fees paid to resident companies are subject to withholding tax at 3%.
- Domestic rent payments are subject to withholding tax at 5%.
- Dividends distributed to non-residents are subject to withholding tax at 10%.
- Interests and royalties paid to non-residents are subject to withholding tax at 15%, or lower subject to tax treaties.

Tax treaties

- A foreign tax credit (FTC) is granted under Thailand's tax treaties. The credit is limited to the lower of (1) the actual foreign tax paid, and (2) the Thailand tax payable on that foreign income.
- A unilateral FTC is granted in respect of foreign tax paid on income derived from countries that have not signed double taxation agreements with Thailand.
- Tax treaty provisions generally take precedence over the domestic law.

Thin capitalisation

- There are no thin capitalisation rules in Thailand.



Transfer pricing

- Certain provisions in the tax law operate to require related-party transactions (RPTs) to be on arm's-length terms, i.e. being carried out as if the parties were unrelated and independent.
- If it is found that the pricing of the RPTs is not at arm's length, the tax authority may impose adjustments to increase income, expense or gains/losses of a taxpayer.

Cash pooling

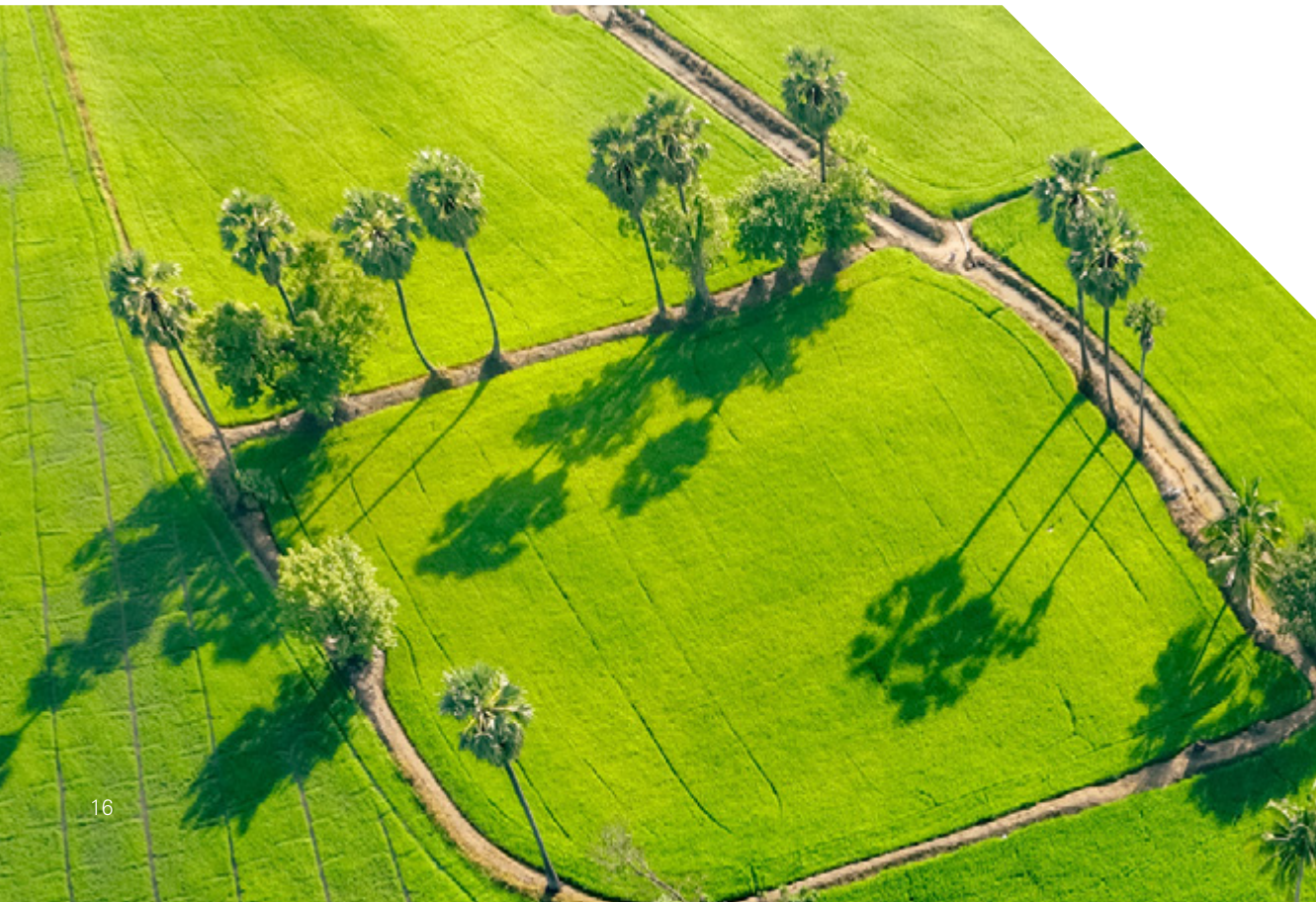
- General tax deduction rules and transfer pricing principles apply to cash pooling arrangements.

Banking services tax

- There are no specific tax rules relating to banking services in Thailand.

- However, financial service businesses are mainly subject to the specific business tax (SBT). The SBT is imposed on the gross receipts of those businesses generally at 3%. A reduced rate of 0.01% applies to certain revenue derived by the financial service businesses.

Corporate Income Tax (Rate)	20%
Personal Income Tax (Rate)	0–35%
Value Added (Sales) Tax (Rate)	7%
IMD World Competitiveness Ranking number	30



Environmental, social and governance

Initiatives by the Securities and Exchange Commission (SEC):

- SEC issued in October 2023 guidance for corporates and asset managers on the implementation of TNFD recommendations; it is also committed to the implementation of ISSB's IFRS S1 and IFRS S2 disclosure standards.
- SEC launched ESG mutual funds with tax exemption and tax-deductible benefits in November 2023 as a vehicle to achieve national strategic goals.
- Release of the Guidelines on Management and Disclosure of Climate-related Risk by Asset Managers in January 2023.
- Collaboration between CDP and SEC Thailand to raise awareness on and drive higher levels of environmental disclosure in Thailand.
- New disclosure guidelines for socially responsible funds issued by SEC in April 2022.
- Launch of the Thailand SDG Investor Map.
- First implementation of one report for all listed companies in January 2022 for the fiscal year ending 2021. The report also requires listed companies to disclose further information on each company's business sustainability, corporate governance, and environmental and social footprint, including carbon emissions and human rights commitments.

Initiatives by the Bank of Thailand

- The BOT published 'Industry Handbook – Internalizing Environmental and Climate Change Aspects into Financial Institution Business for Banks' in January 2024, prepared by the Thai Bankers' Association.
- The BOT issued Thailand Taxonomy Phase 1 on Energy and Transportation sectors in July 2023.
- The BOT is developing Thailand Taxonomy Phase 2 on four additional sectors – Manufacturing, Agriculture and Forestry, Building and Real Estate, and Waste Management. The target to launch is Q2 2025.

Initiatives by the Department of Climate Change and Environment (DCCE)

- Thailand is in the process of developing its first Climate Change Act, which aims to increase the efficiency of climate change mitigation and adaptation actions and facilitate the transition to a net zero economy.
- The public hearing of the draft Climate Change Act was conducted in February-March 2024.

Expected developments

- Climate stress test conducted by the BOT for all banks within Q2 2024.
- Self-assessment questionnaire for all banks by the BOT in Q1 2025.
- FI's reporting with TCFD-aligned disclosures in Q2 2026.
- The DCCE will present the revised draft Climate Change Act to the Cabinet by July 2024 for the Act to be enacted within 2024.

Clearing systems holidays 2024

Holiday	Date
New Year's Day	1 January, Monday
Substitution for Makha Bucha Day (Saturday 24 February)	26 February, Monday
Substitution for Chakri Memorial Day (Saturday 6 April)	1 February, Thursday
Additional holiday for Songkran	12 April, Friday
Songkran Festival	15 April, Monday
Substitution for Songkran Festival (Saturday 13 April and Sunday 14 April)	16 April, Tuesday
National Labour Day	1 May, Wednesday
Substitution for Coronation Day (Saturday 4 May)	6 May, Monday
Visakha Bucha Day	22 May, Wednesday
H.M. Queen Suthida Bajrasudhabimalalakshana's Birthday	3 June, Monday
Substitution for Asarnha Bucha Day (Saturday 20 July)	22 July, Monday
Substitution for H.M. King Maha Vajiralongkorn Phra Vajiraklaochaoyuhua's Birthday (Sunday 28 July)	29 July, Monday



Holiday	Date
H.M. Queen Sirikit The Queen Mother's Birthday	12 August, Monday
Substitution for H.M. King Bhumibol Adulyadej The Great Memorial Day (Sunday 13 October)	14 October, Monday
H.M. King Chulalongkorn The Great Memorial Day	23 October, Wednesday
H.M. King Bhumibol Adulyadej The Great's Birthday/National Day	5 December, Thursday
Constitution Day	10 December, Tuesday
New Year's Eve	31 December, Tuesday

Sources: Bank of Thailand, CEIC, Climate Bonds Initiative; ESG Investor; HSBC; IMF; KPMG (Taxation); OECD; Trading Economics; World Bank

Case study:

Thai Union Group International

Supporting global expansion and resilient supply chains

The challenge

Thailand-based global seafood leader company Thai Union Group Public Company Limited was established in 1977, and began its trading life as a small tuna canning facility. The company has since grown to supply seafood from over 14 production facilities in 12 countries. HSBC has been the banking partner for Thai Union Group for nearly three decades, since providing the company with its first credit facility.

Now a global player, 90% of Thai Union's sales come from overseas markets, and so the business needed an international banking partner to support its global business operations and expansion. However, it also needed to centralise its funding in Thailand as per objectives set out from its treasury policy.

In order to monitor treasury operations and financial liquidity globally, Thai Union Group needed digital banking solutions to better manage its operations in terms of automating cash concentration and payment flows to mitigate disruptions to global supply chains, which started during the pandemic, but are still subject to world events today.

Improving the working capital efficiency across continents and between time zones was crucial to allow the company to expand in the way it wanted to. As this expansion developed, the business required banking support that would allow it to efficiently build its presence internationally and pursue cross-border opportunities.

HSBC solutions and capabilities



Liquidity management



Service & implementation



The solution

HSBC's international banking platform enables Thai Union to utilise and manage the banking services of its global operations from the headquarters in Thailand. All of Thai Union's banking services and finances are under one single platform, and HSBC's GPS Global Liquidity Solution provides automated bi-directional cash sweeping between Thai Union's headquarters in Thailand and subsidiaries in the United States and Europe.

Through HSBC's liquidity solutions and HSBCnet platform, Thai Union Group was able to optimise its financial positions, centralise cash management and improve operational efficiency from its headquarters to its subsidiaries. This was achieved through the use of a global cash pooling structure as well as globally centralised platform.

“Despite uncertainties, HSBC kept us connected with its digital banking and financing solutions, which helped us run our business smoothly. We've come far with HSBC as our partner, but this is just the start.”

Thiraphong Chansiri

President & CEO, Thai Union Group

The benefits

Throughout this three-decade strong partnership, HSBC has provided for Thai Union Group's banking needs across its growth journey from a small SME to the world's seafood leader.

HSBC's cash and liquidity management solutions have enabled financing and risk management support for Thai Union Group's companies globally. This provides it with full visibility and control over its overseas operations and regional cash position.

Thai Union continues to leverage HSBC's digital banking and financing solutions to keep its supply chains resilient and support its global expansion.



Learn how Thai Union Group leveraged HSBC's solutions to support its global expansion

HSBC cash management capabilities

Liquidity management		Collections	
Physical cash pooling	✓	Over-the-counter deposit (cash)	✗
Notional pooling – balance compensation	✓	Inward telegraphic transfers	✓
Notional pooling – interest optimization	✓	Inward Promptpay	✓
Liquidity Management Dashboard	✓	Inward domestic transfers	✓
		QR code Promptpay	✓
		Virtual Accounts for Payor Identification	✓
		Omni Collect – alternate payment methods enablement (in store & online)	✓
Payments		Channels	
Cash withdrawals	✓	Local e-banking	✓
Cheque payments	✓	Global e-banking – HSBCnet	✓
Direct debit payments	✓	SWIFT/ host to host	✓
Domestic outgoing transfers	✓	Treasury APIs	✓
Real Time Instant Payments via Promptpay	✓		
Commercial cards	✗		
Virtual cards	✗		
International outgoing transfers	✓		
SWIFT GPI	✓		
Card issuing	✗		

HSBC trade finance capabilities

Trade payments	ESG Labelling		Trade channels	
Documentary credits	✓	✓	Trade finance	✓
Documentary collections	✓	×	Supply chain finance	✓
			SWIFTNet Trade for Corporates	×
Guarantees	ESG Labelling		HSBCnet for Trade	✓
Bank guarantees	✓	✓	E-Guarantee/Block chain Guarantee	✓
Standby letters of credit	✓	✓	E-Bill of Lading (Bolero)	✓
Supply chain management	ESG Labelling			
Receivables	✓	✓		
Payables	✓	✓		
Inventory	✓	✓		



ASEAN's international bank

With over 135 years supporting businesses in six ASEAN countries, and an extensive network across Asia and the rest of the world, HSBC provides clients with an in-depth understanding of local market dynamics, tailored advice and international connectivity.

Businesses can harness HSBC's extensive regional experience, and benefit from local insights, dedicated support and comprehensive market research for a competitive advantage in ASEAN markets.

HSBC's network across ASEAN



Our services

With a deep understanding of the region's markets and businesses, HSBC provides comprehensive financial services to support companies operating in ASEAN.



Source: HSBC Commercial Banking



Global expertise for global businesses

Expectations of, and demands on, corporate treasurers and their teams are high. As well as all the traditional functions of overseeing and being responsible for payment methods and technologies, cash visibility and optimisation, they must also be aware of changing regulatory environments and the increasing demands of ESG compliance and standards.

HSBC's broad and deep international networks connect clients to experienced, on-the-ground specialists and solutions. This extensive network helps businesses scale up, with a full suite of tailored services including access to capital, easy cross-border transactions, advisory services and more.

As the world's number one trade bank, HSBC facilitated USD850 billion in trade in 2023¹. Businesses looking for a banking partner to support international growth and enable them to explore new opportunities can rest assured that HSBC understands individual markets and how to navigate the dynamics between them.

HSBC's extensive banking network facilitates cross-border transactions. With specialist knowledge, dedicated Southeast Asia desks and ASEAN specialists in other countries, and local RMs, HSBC is an invaluable guide to assisting businesses through regulatory, cultural and economic nuances to achieve their growth potential.

HSBC's ASEAN Desk Network comprises individual specialists who provide valuable insights into local business practices, cultures and legal environments. It can also help clients identify growth opportunities and support their entry to new markets in ASEAN. These desks are available for major corridors, including China, Germany, France, the UK and the Middle East – all offering support in local languages.

Treasury cannot work alone, which is why HSBC has a suite of interconnected regional solutions for working capital, trade, liquidity and risk management, and specialist teams across Real Estate, Commodities & Structured Trade, Private Equity, Leveraged Finance and Debt Origination.





Watch the video to find out more about the HSBC Sustainability Tracker

Leading transition pathways

ASEAN countries have seen an increase in the development of policies, standards and initiatives that aim to support greater deployment of sustainable finance. In turn, there is an increased expectation for corporates to be more transparent on their sustainability targets and performance in order to enhance their access to capital.

In six key ASEAN markets, mandatory sustainability disclosure requirements have been implemented for listed companies, with some countries looking to further enhance these requirements to align with global developments. For example, the Singapore Exchange (SGX) announced in February 2024 that all listed issuers and large non-listed companies will be required to report climate-related disclosures from 2025 and 2027, respectively, in line with the

International Sustainability Standards Board (ISSB) standards².

HSBC offers a range of products, services and tools to support clients on their sustainability journey. For businesses involved in carbon-intensive industries, HSBC's Transition Pathways provides insights and solutions to help guide companies towards net zero. HSBC's Sustainability Tracker offers tailored suggestions and tangible actions that companies can implement to create a more sustainable business across their operations, energy use and products. HSBC's global network of analysts actively support dedicated coverage teams in providing key insights into the increasingly broad and fast-moving world of ESG.

Innovating for growth

HSBC gives clients the ability to trade and invest confidently, securely and efficiently all around the world, through the development of innovative new business models and the digitisation of companies' business and financial operations.

Management of the supply chain and quick responses to disruptions can impact cash flow, particularly if businesses face seasonal working capital challenges due to the cyclical nature of purchasing inventory from several suppliers. Across ASEAN, HSBC offers innovative trade finance solutions that help treasurers effectively manage and mitigate risks, improve cash flow and optimise their trade operations, through services including supply chain finance, receivables finance, trade loans, guarantees and letters of credit. In Singapore and Indonesia, HSBC TradePay, a simplified digital trade finance solution, means companies can draw down on their loan and make just-in-time payments to suppliers.

Managing transactions across markets needs simple solutions for complex trades. HSBC Omni Collect simplifies digital payment collections for in-store and e-commerce companies. Multiple payment methods become available to customers, and the business receives a comprehensive overview of all sales receipts.

Businesses can access six ASEAN accounts through HSBCnet with one login, increasing efficiency.

Access to capital is critical for business expansion, as it provides the financial resources necessary to fund growth initiatives, scale operations, penetrate new markets, innovate, mitigate risks, and attract investors and strategic partnerships. HSBC's dedicated ASEAN Growth Fund holds USD1 billion to accommodate debt financing for new economy businesses across the region that are looking to scale up³. In addition, the New Economy Fund (available in Singapore and Malaysia) provides early-stage funding to new economy businesses, while Singapore's Venture Debt offering provides debt financing to high-growth companies that are backed by venture capital or private equity investors.

Ultimately, the key to unlocking growth in ASEAN is understanding the dynamics of each market and grasping how businesses across individual economies can connect and work together. To find out more about how HSBC's network could help you to grow your business in ASEAN, please visit <https://www.business.hsbc.com/asean>.

1. HSBC
2. SGX
3. HSBC

Clients across ASEAN have benefited from HSBC's global expertise, transition pathways and innovations for growth

Vietnam



HSBC's delivery of a green loan helped finance the purchase of equipment for Vietnam's first plastics recycling factory. Duy Tan Plastics Recycling Factory will recondition used plastic bottles for further use in packaging – a step forward in Vietnam's battle against ocean pollution.

Thailand




J&T Express (J&T) is one of Thailand's top express delivery companies, delivering up to two million parcels every day. HSBC's dynamic solutions helped J&T modernise its end-to-end collections and payments processes, with a PromptPay QR solution that leverages Thailand's real time payment network. Improved user experiences for employees, customers and partners have reinforced J&T's position in a competitive market.


Singapore




When Multiplier, a global employment platform, rapidly expanded, it needed a banking partner that could help with streamlined account opening across multiple sites, timely collections, straight-through payment processing and FX hedging solutions, and that's where HSBC stepped in to provide holistic solutions to support its business growth.




The Philippines

 Manila-based Prime Infrastructure Capital Inc. is addressing the country's waste disposal problem, with a broader strategy to support sustainable development. Its subsidiary PWS turned to HSBC for a USD24.5 million Green Loan to finance a sustainable waste management facility in Cebu. Not only will the facility recover more reusable material and reduce landfill-generated emissions by doubling the daily waste processing capacity of the plant, it will also produce a lower emission fuel alternative derived from refuse and biowaste.

Malaysia

 HSBC provided Malaysia's Guan Chong Cocoa Manufacturer with its first green trade financing facility in support of sustainable cocoa sourcing. Its parent company, Guan Chong Berhad, is the fourth-largest cocoa grinder in the world and has committed to making its cocoa supply chain sustainable by supporting growers, minimising environmental impact and producing sustainable cocoa. This bespoke financing arrangement helps the business to source certified cocoa beans from farms that do not contribute to cocoa-related deforestation.

Indonesia

 Digitalisation has been a game-changer for businesses with global expansion plans. However, expanding into foreign countries can be challenging because of varying regulations and cultures. Indonesia-based aquaculture company eFishery partnered with HSBC because of the bank's knowledge of different regulations and cultures, facilitating the business's expansion into India, Singapore and the United States.

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Today we finance a number of industries that significantly contribute to greenhouse gas emissions. We have a strategy to help our customers to reduce their emissions and to reduce our own. Find out more: <https://www.hsbc.com/who-we-are/our-climate-strategy>

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