

For Immediate Release

**Dah Sing Bank unveils 2025 SME Growth and Transformation Survey Results**  
*Over 70% Saw Cost Management as the Challenge*  
*New Products or Services Key to Transformation*

(Hong Kong, 25 June 2025) Dah Sing Bank, Limited ("Dah Sing Bank" or "the Bank") today unveiled the results of its 2025 SME Growth and Transformation Survey (the "Survey"), revealing that cost management is the primary challenge faced by surveyed local small and medium enterprises ("SMEs"). According to the Survey results, although 31% of the surveyed SMEs expected their businesses to grow by 4% or more in the next 12 months, this figure is significantly lower than last year's (76%). Over half (53%) of the surveyed SMEs planned to respond to risks through upgrading or transforming their products or services. Meanwhile, SMEs interested in entering the Greater Bay Area (GBA) market continued to be optimistic about revenue growth outlook, while nearly one-third of all surveyed SMEs believed implementing environmental, social, and governance (ESG) practices could enhance competitiveness.

The Bank commissioned a major media platform in Hong Kong to conduct the Survey on 320 local SMEs<sup>1</sup> in May 2025 to understand their views on growth and transformation, GBA business development, and ESG practices.

"Dah Sing Bank has always been committed to providing comprehensive support for the development of SMEs in Hong Kong. We are keen to hear the voices of SMEs, and to understand the challenges they face, so that we can provide appropriate support to help them upgrade, transform, and seize new business opportunities," said Ms. Phoebe Wong, Deputy Chief Executive, Senior Executive Director and Group Head of Personal Banking of Dah Sing Bank.

**The Top Challenge: Cost Management**

Against the backdrop of the recent trade wars, the surveyed SMEs were particularly worried about "rising costs of imported raw materials and equipment" (43%), followed by "unsold products and order stagnation" (38%) and "disruptions in export markets and demand" (36%). Other major external market challenges include "global economic slowdown and weak demand" (43%) and "logistics issues in the supply chain" (28%).

From an internal operational perspective, 77% of the surveyed SMEs identified "cost management" as their primary challenge. Nearly 70% were also concerned about "operational efficiency" (69%) and "cash flow management and financing channels" (69%).

**Focus on Product or Service Growth and Transformation**

When asked how to tackle these internal and external challenges, more than half (53%) of the surveyed SMEs named product or service upgrades and transformations as the top strategy. Other risk-mitigating strategies

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<sup>1</sup> The Survey was conducted through online questionnaires from May 20 to 29, 2025, interviewing 320 Hong Kong SMEs.

cited included “application of digital technology” (40%) and “foreign exchange and financing risk management” (20%). To achieve growth and transformation, the surveyed SMEs believed critical drivers included “new productive forces” (44%), “digital transformation” (38%), “big data or AI applications” (38%) as well as “social media and influencer marketing” (32%).

### **Key Transformation Drivers: Capital, Technology, Policy**

Among surveyed SMEs planning to pursue growth and transformation over the next 12 months, 78% considered “capital investment and support” to be the most critical factor, followed by “clear strategic planning” (76%) and “understanding and utilisation of government policies and resources” (74%). In addition to self-improvement, over half of these SMEs believed “financial support” such as loans and investments (55%) of top importance, along with “technical solutions or partners” (49%) and “government policy support or subsidies” (44%).

### **Optimism for GBA Business Revenue Growth**

Regarding business expansion in the GBA, nearly 30% of the surveyed SMEs expressed intentions to advance their plans within the next year. Among them, 69% expected their revenue from GBA operations to grow by more than 10% during that period. However, they hoped to receive support in areas such as flexible credit lines (43%), business matching assistance (40%) and cross-border banking solutions (35%). When asked about top considerations in relation to their GBA expansion plans, over half (56%) cited “regulatory and policy differences”, followed by “language and cultural differences” (42%), “market dynamics and competition” (38%) and “cross-border remittance and payments” (38%).

### **Professional Talent is Key to ESG Transformation**

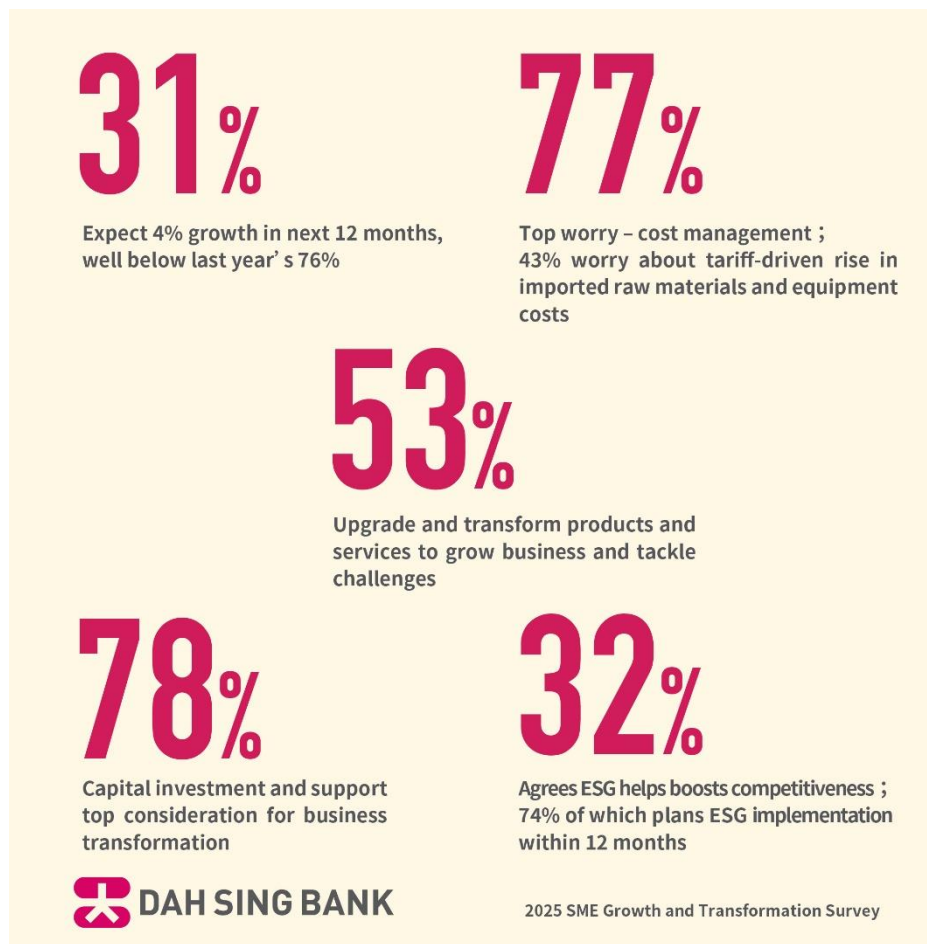
The Survey also explored SME’s attitude towards ESG. Nearly one-third of the surveyed SMEs believed implementing ESG practices could enhance competitiveness, with 74% planning to take action within the next 12 months. They believed that having “availability of relevant professionals” (53%) is the most critical factor for successful ESG implementation, followed by “government policy support” (47%) and “management support and initiative” (38%). Meanwhile, 58% believed that successful ESG implementation could “improve brand image and market reputation”, “meet customer or market demand for sustainability” (46%) and “attract more investors or partners” (42%).

Ms. Wong continued, “Growth and transformation cannot be achieved overnight. Dah Sing Bank has long stood alongside SMEs. We understand that in today’s highly challenging economic and business climate, it is essential for SMEs to adopt innovative thinking, stay agile, and embrace change. Beyond offering banking and financial services, we are committed to providing timely, relevant and diverse assistance to SMEs to help them unlock new opportunities and achieve mutual success”.

As a local bank with a 78-year legacy in Hong Kong, Dah Sing Bank has been growing alongside local SMEs and supporting their development with flexible, one-stop banking solutions. With ever-changing market dynamics and new opportunities in the Greater Bay Area, we remain committed to helping SMEs transform and strengthen their competitiveness. To further empower this important customer segment, the Bank will soon launch a

series of online seminars offering expert insights and market intelligence — designed to help SMEs stay ahead of trends and unlock new growth potential.

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### About Dah Sing Bank

Dah Sing Bank, Limited ("Dah Sing Bank") is a wholly-owned subsidiary of Dah Sing Banking Group (HKG:2356). Founded in Hong Kong over 75 years ago, Dah Sing Bank has been providing quality banking products and services to its customers with a vision to be "The Local Bank with a Personal Touch". Over the years, the Bank has been rigorous in delivering on its brand tagline to grow with its customers in Hong Kong, the Greater Bay Area and beyond – "Together We Progress and Prosper". Building on our experience and solid foundation in the industry, our scope of professional services now spans retail banking, private banking, business and commercial banking. Meanwhile, the Bank is also making significant investments in its digital banking capabilities to stay abreast with smart banking developments in Hong Kong and to support financial inclusion at large.

In addition to its Hong Kong banking operations, Dah Sing Bank has wholly-owned subsidiaries including Dah Sing Bank (China) Limited, Banco Comercial de Macau, S.A. and OK Finance Limited. It is also a strategic shareholder of Bank of Chongqing with a shareholding of about 13%. Dah Sing Bank and its subsidiaries now have around 63 operating locations in Hong Kong, Macau and Mainland China.