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HSBC PRIVATE BANKING CLOSES LATEST IN SERIES OF PRIVATE EQUITY OPPORTUNITIES

HSBC Private Banking has closed the latest in a series of private equity offerings through which it offers suitable high and ultra-high net worth clients access to alternative investments.

Clients had the opportunity to invest in the Asian buyout market, with a focus on mid- and large-cap buyouts and corporate partnering transactions, through a feeder vehicle to The Baring Private Equity Fund VII offered by Baring Private Equity Asia, one of Asia's largest alternative investment managers.

Working in partnership with HSBC Global Asset Management (AMG), HSBC Private Banking was the only global private bank offering access to this investment opportunity to suitable private clients, with the vast majority of investors being institutional clients. AMG have one of the largest global alternative specialist teams managing USD 10.8 billion* across private market funds.

Subscribers to the vehicle will have access to private equity investments across Asia that have delivered better annualised returns in the last 10 years compared to Asian public markets**.

HSBC Private Banking has received approximately USD 300 million of investor commitments from across markets internationally, notably in the US, the UK, Luxembourg, Switzerland, Hong Kong and Singapore.

Henry Lee, Global Head of Managed Investment Solutions, HSBC Private Banking, said, "In today's volatile public markets, we think valuations are high and future stock returns may be lower than in the past 10 years. In this environment we see more clients looking to alternatives as a way to diversify portfolios, and for those sophisticated investors with a long-term investment horizon private equity can play a valuable role. In our view, investing in Asian private equity is attractive due to continued economic momentum in the region."

HSBC Private Banking's long-term Strategic Asset Allocation reflects the view that alternatives are an important part of a well-diversified, multi-asset core portfolio. Within this context, alternatives can be used to find uncorrelated returns, help weather volatility and help take advantage of mispricing, to achieve the highest potential for long term returns, in line with a client's risk tolerances and preferences.

Partnering with AMG's alternative specialists, HSBC Private Banking has been offering alternative investments for over 30 years, including hedge funds, private markets and real estate in Europe, UK, North America and Asia. AMG manages or has oversight of USD 36.6 billion of alternatives.***

** As of 31 December 2018 and includes USD 3.5 billion from committed capital ("dry powder") in private equity*

*** Cambridge Associates Private Investment Database. December 2017*

****As of 31 December 2018. Includes USD 4.0 billion from committed capital ("dry powder") in private equity and infrastructure debt.*

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Note to editors:

BPEA are one of the largest and longest established investors in Asia, and one of the largest independent Asian private equity businesses. Their scale allows them to undertake complex transactions that only a small number of managers are able to undertake in Asia at this scale. Being independent has helped prevent team turnover and resulted in one of the most stable investment teams in Asia, with the senior partners having worked together for 18 years through multiple cycles. They have emerged through this time as the Asian pre-eminent investors in Education, Cross Border and Business Services. BPEA are active across the entire Asia Pacific region. Their strategy is focused on buyouts and corporate partnering deals where opportunity to leverage BPEA's experience and platform is greatest.*

**Baring Private Equity Asia, August 2018*

About HSBC Private Banking

As part of the HSBC Group, one of the world's largest banking and financial services organisations, HSBC Private Banking seeks to be the leading private bank for business owners and their families. It provides clients with wealth, business and family succession solutions in the largest and fastest growing markets around the world. HSBC Private Bank is the marketing name for the private banking business conducted by the principal private banking subsidiaries of the HSBC Group. For more information, visit www.hsbcprivatebank.com

HSBC Global Asset Management

HSBC Global Asset Management should be referred to in full at all times to avoid confusion with any other financial services firms.

HSBC Global Asset Management, the investment management business of the HSBC Group, invests on behalf of HSBC's worldwide customer base of retail and private clients, intermediaries, corporates and institutions through both segregated accounts and pooled funds. HSBC Global Asset Management connects HSBC's clients with investment opportunities around the world through an international network of offices in 26 countries and territories, delivering global capabilities with local market insight. As at 31 December 2018, HSBC Global Asset Management managed assets totalling US\$451bn on behalf of its clients. For more information see www.global.assetmanagement.hsbc.com

HSBC Global Asset Management is the marketing name for the asset management businesses of HSBC Holdings plc.

HSBC Holdings plc

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide across 66 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,558bn at 31 December 2018, HSBC is one of the world's largest banking and financial services organisations.

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