# PRESS RELEASE

## Coface APAC Payment Survey 2026: Half of Hong Kong firms expect payment conditions to deteriorate despite economic rebound

- **93% of surveyed organisations in Hong Kong experienced late payments in the past 12 months,** compared with 91% across Asia Pacific (APAC).
- **Energy, transportation, and metals reported the longest payment delays**, with average overdue of around 80 days.
- It takes respondents in Hong Kong **an average of 144 days** from product delivery to final payment collection.
- The cash conversion cycle even **exceeds 160 days in sectors such as transportation, energy, and agriculture**.
- **Half (50%) of organisations in Hong Kong expect payment conditions to deteriorate further over the next 12 months**, compared with 48% across APAC.

**Singapore, October 13, 2026 –** Coface's APAC Payment Survey 2026 reveals that 93% of organisations in Hong Kong reported experiencing late payments of some kind in the past 12 months (vs. 91% across APAC). The findings come against an improving economic backdrop. Hong Kong's GDP grew 5.1% in the first half of 2026, its fastest semi-annual expansion in nearly five years, prompting the government to raise its full-year forecast to 3.5-4.5% from 2.5-3.5%. However, robust growth has not, so far, translated into better payment behaviour.

*"The economic recovery is real, but it remains narrowly based. Financial services and electronics re-exports are doing well, but they have weak spillover to the broader economy and re-export trade tends to generate thin margins.*" said **Junyu Tan, Regional Economist for North Asia at Coface**. "*So despite the strong headline numbers, many companies still feel business conditions are challenging, and payment behaviour remains under pressure.*"

Despite less frequent and severe customer defaults compared to peers in the region, payment discipline in Hong Kong is showing signs of strain. Around four in 10 respondents said payment delays had become more frequent and severe than in the previous year, despite relatively generous payment terms averaging 73 days in the city.

It takes our respondents an average of 144 days from product delivery to final payment collection. In sectors such as transportation, energy, and agriculture, the cash conversion cycle is even longer, exceeding 160 days. Against this backdrop, respondents remain cautious despite the economic recovery, with 50% expecting payment conditions to deteriorate further over the next 12 months.

**Relationships continue to shape how payment risk is managed**

The top factors contributing to payment delays in Hong Kong were reported to be relationship strength or strategic importance of the customer (21%), macroeconomic conditions (18%), and customer financial health or creditworthiness (17%). These results reflect the importance of relationship in doing business in the city, which could potentially overshadow objective evaluation of a buyer's ability to pay.

Echoing this finding, nearly three-quarters (73%) of organisations said long-standing relationships influence how much late payment they tolerate, led by the energy (83%), automotive and mobility (83%), transport and logistics (77%), and construction and real estate (71%) sectors. That said, relationship affects this tolerance less in Hong Kong than across the region, with 22% of Hong Kong respondents saying it influences tolerance to a great extent, compared with 32% across APAC.

"*Long-standing relationships are a strength of doing business in Hong Kong, and they are one reason companies stay flexible with customers they trust*," said **Chris Murphy, General Manager for Hong Kong at Coface**. "*But trust and a strong payment history do not reflect a customer's financial position today and it can change much faster than a relationship built over years. In an environment where payment delays are increasingly becoming the norm, businesses need to complement trust with timely financial information and closer monitoring of payment behaviour*."

While financial information plays a role in customer payment risk assessment in Hong Kong, with 83% of organisations drawing on it to at least a moderate extent, they are less likely to say financial information has a strong influence on risk

assessment (35% vs. 43% APAC), or to adopt highly structured, analytics-led approaches (14% vs. 31% APAC), compared with the regional average.

**Risk management practices have not kept pace with the outlook**

Despite a higher incidence of late payment, most firms in Hong Kong do not expect payment terms to change over the coming year (60%). At the same time, only 32% of firms in Hong Kong reported becoming more cautious over the past 12 months (vs 48% APAC).

This may suggest that firms in Hong Kong need to take a more proactive approach to managing payment risk: monitoring payment behaviour closely and escalating delays as risk signals early, before they turn into defaults.

## ABOUT COFACE APAC PAYMENT SURVEY 2026

The 16th edition of the Coface APAC Payment Survey, conducted in March and April 2026, gathered insights from 2,800 finance professionals across multiple sectors and 10 APAC markets, including 161 respondents in Hong Kong. The survey examines evolving payment behaviours, liquidity pressures, customer defaults and early warning indicators, while evaluating the governance, analytics, escalation frameworks and customer-engagement practices that strengthen organisational resilience to payment risk.

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ISIN Code: FR0010667147 / Mnemonic: COFA Y

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