

Atradius Payment Practices Barometer

# B2B payment practices trends Hong Kong 2025



## In this report

---

B2B payment practices trends	4
------------------------------	---

---

Looking ahead	6
---------------	---

---

Key industry insights	
Consumer durables	7
Electronics and ICT	9
Textile and clothing	11

---

Survey design	13
---------------	----

---

## About the Atradius Payment Practices Barometer

The Atradius Payment Practices Barometer is an annual survey of business-to-business (B2B) payment practices in markets across the world.

Our survey gives you the opportunity to hear directly from businesses trading on credit with B2B customers about how they are coping with evolving trends in customer payment behaviour. Staying informed about these trends is vital because it helps to identify emerging shifts in customer payment habits, allowing businesses to address potential liquidity pressure and maintain smooth operations.

Businesses operating in – or planning to enter – the markets and industries covered by our survey can gain valuable insights from our reports, which also shed light on the challenges and risks companies anticipate in the coming months, as well as their expectations for future growth.

This report presents the survey results for **Hong Kong**.

The survey was conducted during the second half of Q2 2025. Findings should therefore be viewed with this in mind.



# B2B payment practices trends

## Surge in bad debts creates significant threat to cash flow

A negative trend in B2B payment behaviour is affecting liquidity and putting increased financial pressure on companies in Hong Kong. Our survey reveals that while 45% of businesses report no significant changes in how promptly customers pay, a larger share of the rest report a slowdown in customer payments rather than improvement. Overdue invoices now affect 49% of B2B sales on credit, with delays mainly attributed to customer liquidity constraints. Bad debts have surged, currently impacting 7% of B2B invoices, posing a serious threat to cash flow.

Despite these concerns, most companies are either maintaining or relaxing their trade credit policies to support customer relationships and sales volumes, even at the cost of increased financial exposure. Nearly 60% of B2B sales are now transacted on credit, with average payment terms around 60 days, leaving businesses exposed for longer durations. Days Sales Outstanding (DSO) is stable for most companies, but deteriorating collection trends outweigh improvements among the remainder.

Inventory movement shows a comparable trend, with several businesses maintaining stable turnover, while others are experiencing stockpiling that restricts liquidity. The trend for Days Payables Outstanding (DPO) shows many companies slowing down payments to suppliers to safeguard liquidity, though risking strain on supplier relations. Companies in Hong Kong lean heavily on invoice financing and bank loans to bridge funding gaps, with supplier credit also playing a key role. Internal funds are the least-used option as companies aim to preserve liquidity.

Risk mitigation strategies are split, with 44% of businesses opting for a combined approach of internal provisioning and outsourced credit insurance, while one-third rely solely on internal reserves, tying up much-needed funds. Overall, our survey reveals a vulnerable customer payment risk landscape for businesses in Hong Kong, who face a delicate balance between supporting trade and maintaining financial health. Strategic approaches to liquidity and risk management will remain key to ensuring corporate resilience.

[Key figures and charts on the next page](#)



# Key figures and charts

## Hong Kong

% of the total value of B2B invoices paid on time, overdue and bad debts

(change vs. 2024)



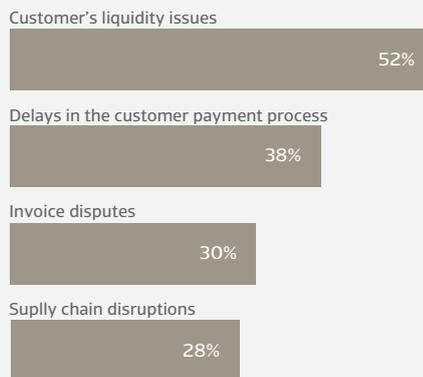
Sample: all survey respondents

Source: Atradius Payment Practices Barometer Hong Kong – 2025

## Hong Kong

What are the top 4 reasons your B2B customers pay invoices late?

(% of respondents - multiple response)



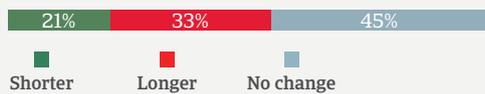
Sample: all survey respondents

Source: Atradius Payment Practices Barometer Hong Kong – 2025

## Hong Kong

% of respondents reporting changes in Days Sales Outstanding (DSO)\* over the past 12 months

(% of respondents)



\*average amount of time to collect payment after a sale

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Hong Kong – 2025

## Hong Kong

What are the main sources of financing that your company used during the past 12 months?

(% of respondents - multiple response)

- 61% Invoice financing
- 59% Bank loans
- 52% Trade credit
- 37% Internal funds

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Hong Kong – 2025





# Looking ahead

## Widespread concern about rising insolvencies and customer payment risk

57% of companies tell us they anticipate a rise in B2B customer insolvencies during the months ahead, a significant increase from the same period last year. This shift highlights deepening anxiety about the territory's economic prospects, particularly given Hong Kong's heavy reliance on international trade. At the heart of these concerns is the uncertain trajectory of US–China relations, which leaves businesses exposed to external pressures, compounded by weak domestic demand and growing unpredictability around US trade policy.

These geopolitical and economic concerns impact on working capital management, with 44% of companies in Hong Kong expecting Days Sales Outstanding (DSO) to worsen, causing tighter operational cash flow. A similar percentage anticipate inventory build-up in the coming months, further tying up liquidity and restricting the ability to channel funds into day-to-day operations. The expectations for Days Payable Outstanding (DPO) suggest a slowdown in payments to suppliers as companies try to maintain liquidity, although this risks straining supplier relationships.

Tepid internal demand and cautious consumer sentiment in China weigh heavily on Hong Kong's sales outlook, with profitability forecasts equally downbeat. To shield themselves from rising customer payment risks, many companies say they will favour internal credit provisioning through the coming months. However, there is a growing shift across Hong Kong's industries towards a combined strategy that includes outsourced credit insurance solutions, marking a more structured approach to risk management in the highly unpredictable B2B landscape.

Looking ahead to the second half of the year and beyond, companies across all sectors in Hong Kong widely recognise the importance of staying agile and responsive. Increasing regulatory demands and environmental pressures are expected to shape business strategies, prompting a stronger focus on sustainability practices. Altogether, these trends point to a growing exposure of the companies in Hong Kong to customer payment risk, resulting in greater emphasis placed by businesses on effective risk management and strategic liquidity planning.



# Key industry insights

## Consumer durables

44% of B2B transactions in the consumer durables sector are conducted on credit, reflecting mixed trade credit policies. Some companies have become more flexible with their credit terms, while others remain consistent or selective. This divergence is also visible in payment terms, which now average around 60 days from invoicing. Currently, 38% of B2B invoices are overdue, a figure that has improved in recent months. On average, customers take an additional month to settle payments past due, largely because of liquidity constraints. Bad debts have risen to 9%, a troubling development that poses a direct threat to margins and overall financial stability.

DSO has shown considerable volatility, prompting companies to sharpen their focus on collection efficiency to avoid long-standing receivables turning into losses. Inventory build-ups are also prevalent, tying up liquidity, while many companies report slowing their own supplier payments to preserve cash. To bridge funding gaps businesses turn primarily to bank credit and invoice financing. Most companies rely on a blend of internal credit provisioning and outsourced insurance-based solutions to mitigate customer payment risk. Looking ahead, 61% of firms expect B2B customer insolvencies to rise, putting further pressure on working capital. Sales and profitability forecasts are also highly uncertain.

### Hong Kong - Consumer durables

Top 5 challenges companies face when offering credit to B2B customers

(% of respondents - multiple response)

Balancing customer terms with financial stability

44%

Assessing customer creditworthiness

39%

Cash flow disruptions

34%

Handling economic shifts impacting customer payment

31%

Maintaining customer relationships

31%

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Hong Kong – 2025



# Hong Kong - Consumer durables

## Key industry figures

Main sources of financing used by the industry over the past 12 months

(% of industry respondents)

63%

Bank loans

54%

Invoice financing

48%

Trade credit

40%

Internal funds

Expected change in insolvency risk of B2B customers over the next 12 months

(% of industry respondents)

61%

Increase

31%

Remains as current

8%

Do not know

Top 3 challenges businesses in the industry expect to face over the next 12 months

(% of industry respondents - multiple response)

59%

Increasing regulations

53%

Being responsive to market shifts

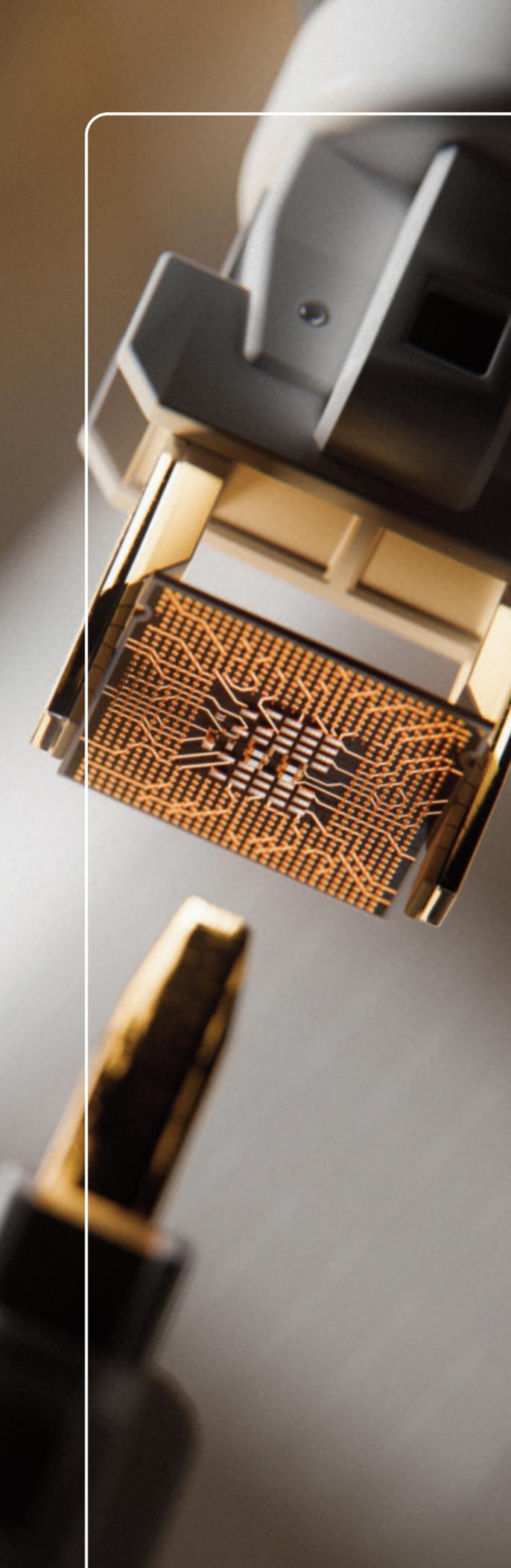
50%

Sustainability practices

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Hong Kong - 2025





# Key industry insights

## Electronics and ICT

Credit-based transactions are the norm in the electronics and ICT industry, with 65% of B2B sales conducted on deferred payment terms. Most firms have kept payment terms stable, currently averaging around 30 days from invoicing. 57% of invoices are now overdue, with B2B customers typically taking an additional month to settle past-due accounts. The main reasons for late payments include customer liquidity constraints and administrative delays in the payment process. Although bad debts remain at an average 4%, one-third of firms report a worsening in collections, limiting ability to swiftly convert receivables into working capital.

DSO is mostly held steady, reflecting increased focus on collection efficiency, but several occurrences of deterioration highlight financial vulnerabilities across the sector. Many firms report stability in stock turnover, while a significant number report inventory stock build-ups, tying up cash. DPO is equally split, with some slowing supplier payments to conserve cash while others keep timings steady. Businesses rely chiefly on bank credit and invoice financing to bridge funding gaps, and internal provisioning remains the preferred method to manage customer payment risk. 55% of companies expect insolvencies to rise, threatening already vulnerable cash flow conditions, and the outlook for both sales and profits is pessimistic.

### Hong Kong - Electronics and ICT

Top 5 challenges companies face when offering credit to B2B customers

(% of respondents - multiple response)

Cash flow disruptions

38%

Assessing customer creditworthiness

36%

Balancing customer terms with financial stability

31%

Maintaining customer relationships

31%

Managing volatility of finance costs

30%

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Hong Kong – 2025



# Hong Kong - Electronics and ICT

## Key industry figures

Main sources of financing used by the industry over the past 12 months

(% of industry respondents)

63%  
Bank loans

59%  
Invoice financing

51%  
Trade credit

35%  
Internal funds

Expected change in insolvency risk of B2B customers over the next 12 months

(% of industry respondents)

55%  
Increase

40%  
Remains as current

5%  
Do not know

Top 3 challenges businesses in the industry expect to face over the next 12 months

(% of industry respondents - multiple response)

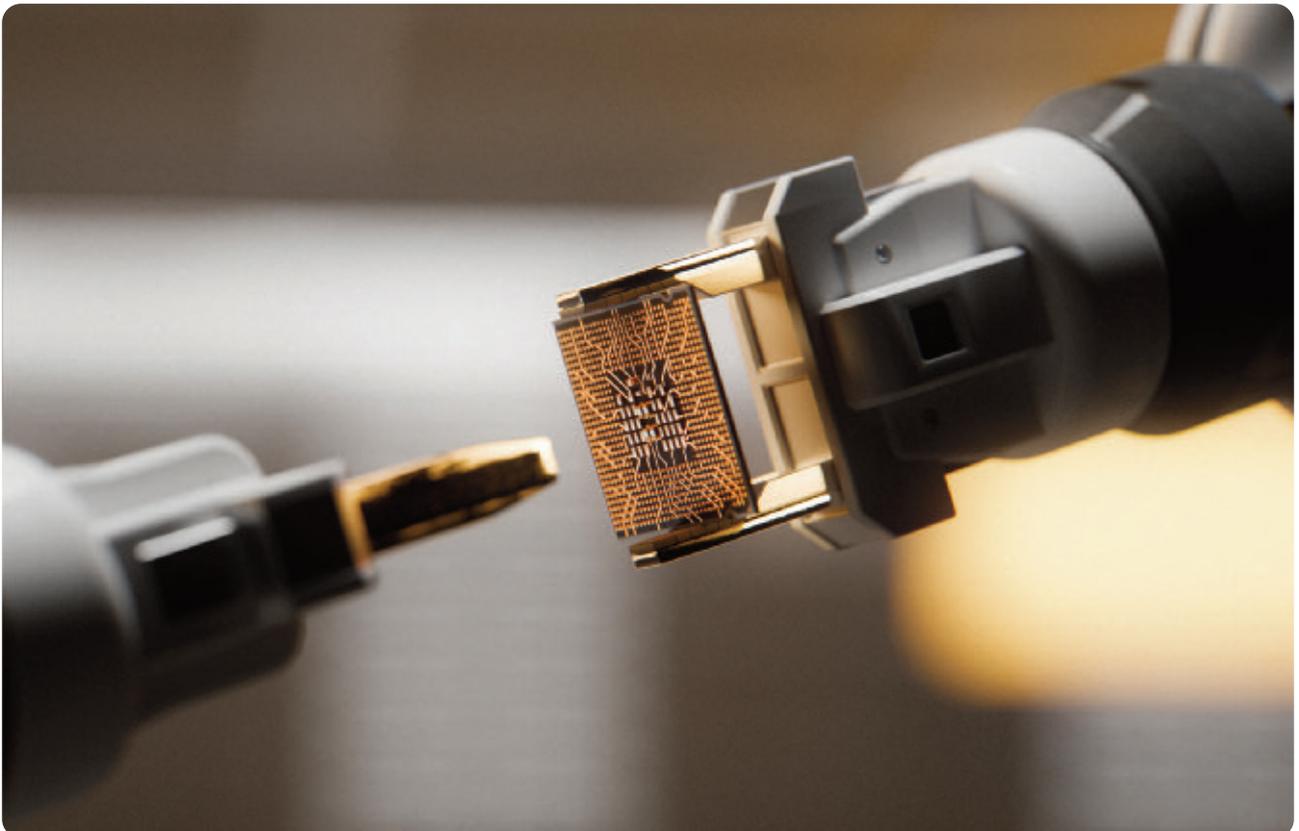
60%  
Being responsive to market shifts

50%  
Increasing regulations

48%  
Geopolitical trade-related developments

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Hong Kong - 2025





# Key industry insights

## Textile and clothing

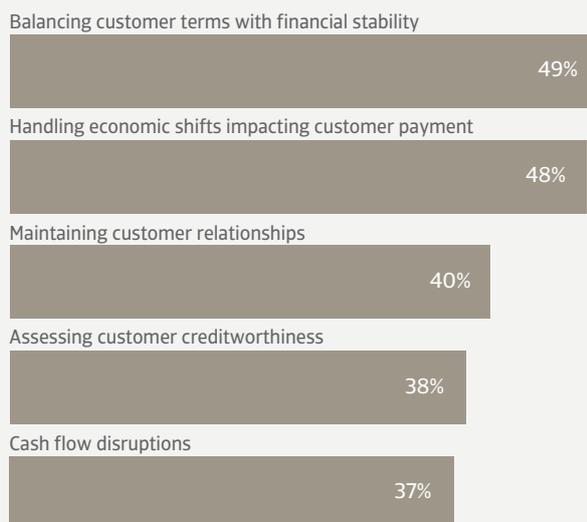
This sector is adopting a more risk-aware approach to B2B transactions in a bid to protect working capital and remain resilient amid economic uncertainty. 63% of B2B sales are transacted on credit, a decline from last year. While many companies maintain consistent payment terms, some offer more lenient arrangements to key customers, with current terms averaging around 44 days from invoicing. Overdue payments affect 52% of B2B invoices, an improvement from last year, with delays mainly caused by customer liquidity challenges. Bad debts have surged significantly to 7% of B2B invoices, placing further strain on working capital.

DSO is stable but inventory build-ups are common, tying up liquidity and increasing pressure on cash flow. Supplier payment patterns are split evenly between companies maintaining steady timelines to avoid disrupting relationships, and those slowing payments to preserve cash. Invoice financing is the preferred trade finance method, surpassing bank and supplier credit. Internal provisioning remains the dominant risk mitigation approach, although some companies are now exploring insurance-backed solutions. 54% of firms anticipate a rise in B2B customer insolvencies, and pessimism about sales and profitability means working capital constraints are likely to intensify, requiring stronger focus on strategic customer payment risk management.

### Hong Kong - Textile and clothing

Top 5 challenges companies face when offering credit to B2B customers

(% of respondents - multiple response)



Sample: all survey respondents

Source: Atradius Payment Practices Barometer Hong Kong – 2025



# Hong Kong - Textile and clothing

## Key industry figures

Main sources of financing used by the industry over the past 12 months

(% of industry respondents)

71%

Invoice financing

58%

Trade credit

51%

Bank loans

35%

Internal funds

Expected change in insolvency risk of B2B customers over the next 12 months

(% of industry respondents)

54%

Increase

42%

Remains as current

4%

Do not know

Top 3 challenges businesses in the industry expect to face over the next 12 months

(% of industry respondents - multiple response)

61%

Being responsive to market shifts

40%

Rising production input costs

39%

Ongoing geopolitical shifts

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Hong Kong - 2025





# Survey design

Atradius conducts annual reviews of international corporate payment practices through a survey called the Atradius Payment Practices Barometer.

## Sample overview – Total interviews = 240

Business sector	Interviews	%
Manufacturing	98	40
Wholesale trade	64	27
Retail trade/Distribution	62	26
Services	16	7
<b>TOTAL</b>	<b>240</b>	<b>100</b>
Business size	Interviews	%
SME: Small enterprises	10	4
SME: Medium enterprises	81	34
Medium Large enterprises	92	38
Large enterprises	57	24
<b>TOTAL</b>	<b>240</b>	<b>100</b>
Consumer durables	80	33.3
Electronics and ICT	80	33.3
Textile and clothing	80	33.3
<b>TOTAL</b>	<b>240</b>	<b>100</b>

## Survey scope

- Basic population: Companies from Hong Kong were surveyed and the appropriate contacts for accounts receivable management were interviewed.
- Sample design: The Strategic Sampling Plan enabled us to perform an analysis of country data crossed by sector and company size.
- Selection process: Companies were selected and contacted by use of an international Internet panel. A screening for the appropriate contact, and for quota control, was conducted at the beginning of the interview.
- Sample: N=240 people were interviewed in total. A quota was maintained according to four classes of company size.
- Interview: Computer Assisted Web Interviews (CAWI) of approximately 15 minutes duration.
- The survey was conducted during the second half of Q2 2025. Findings should therefore be viewed with this in mind.

This is part of the 2025 edition of the Atradius Payment Practices Barometer available at

<https://group.atradius.com/knowledge-and-research>



# Interested in finding out more?

Please visit the [Atradius](#) website where you can find a wide range of up-to-date publications. [Click here](#) to access our analysis of individual industry performance, detailed focus on country-specific and global economic concerns, insights into credit management issues, and information about protecting your receivables against payment default by customers.

To find out more about B2B receivables collection practices in Hong Kong and worldwide, please visit [atradiuscollections.com](http://atradiuscollections.com).

## **Our solutions**

- Credit Insurance
- Solutions for Multinationals
- Credit Specialties
- Debt collections
- Surety
- Reinsurance

## **Our presence across the globe**

- Africa
- Asia
- Europe
- Middle East
- North America
- Oceania
- South America

## **For Hong Kong please visit:**

[atradius.com.hk](http://atradius.com.hk)

Email: [info.hk@atradius.com](mailto:info.hk@atradius.com)

On LinkedIn follow [Atradius Asia](#)



Connect with  
Atradius on  
social media  
[youtube.com/  
user/atradiusgroup](https://www.youtube.com/user/atradiusgroup)  
[linkedin.com/  
company/atradius](https://www.linkedin.com/company/atradius)



#### Copyright Atradius N.V. 2025

Disclaimer: This publication is provided for information purposes only and is not intended as investment advice, legal advice or as a recommendation as to particular transactions, investments or strategies to any reader. Readers must make their own independent decisions, commercial or otherwise, regarding the information provided. While we have made every attempt to ensure that the information contained in this publication has been obtained from reliable sources, Atradius is not responsible for any errors or omissions, or for the results obtained from the use of this information. All information in this publication is provided 'as is', with no guarantee of completeness, accuracy, timeliness or of the results obtained from its use, and without warranty of any kind, express or implied. In no event will Atradius, its related partnerships or corporations, or the partners, agents or employees thereof, be liable to you or anyone else for any decision made or action taken in reliance on the information in this publication or for any loss of opportunity, loss of profit, loss of production, loss of business or indirect losses, special or similar damages of any kind, even if advised of the possibility of such losses or damages.

#### Atradius

David Ricardostraat  
11066 JS Amsterdam  
Postbus 8982  
1006 JD Amsterdam  
The Netherlands  
Phone: +31 20 553 9111

[info@atradius.com](mailto:info@atradius.com)  
[atradius.com](https://www.atradius.com)