

Press Release

Government announces subscription and allocation results of iBond

Monday, 21 June 2021

The Government announced today (June 21) the subscription and allocation results of the eighth inflation-linked retail bond, or iBond, issued under the Government Bond Programme.

According to the subscription information submitted by Placing Banks and the Hong Kong Securities Clearing Company Limited (HKSCC), as at the close of the subscription period at 2 pm on June 11, 2021, 709,198 valid applications were received for a total of HK\$53,948,780,000 in principal amount of bonds.

A breakdown of valid applications is as follows –

	Total number of valid <u>applications</u>	Total amount of valid <u>applications (HK\$)</u>
Placing Banks	479,921	42,010,880,000
HKSCC (including the subscription applications made through securities brokers)	229,277	11,937,900,000
Total	709,198	53,948,780,000

The final issuance amount of iBond is HK\$20 billion. Allocation is conducted in accordance with the mechanism set out in the Issue Circular dated May 12, 2021. The valid applications received have been allocated different amounts of bonds up to a maximum of three units. There are a total of 55,381

applications for two or fewer units. They will be allocated the full amounts applied for. The remaining 653,817 valid applications (i.e. those applying for more than two units) will be allocated two units each and then entered into a ballot. Of these applications, 605,727 will be allocated one additional unit.

The iBond will be issued on June 23, 2021 and listed on the Stock Exchange of Hong Kong on June 24, 2021. Notifications on individual allocation results, applicable subscription moneys and amounts of any refund of application moneys will be made by the Placing Banks and the HKSCC in accordance with the schedule set out in the Issue Circular.

The Financial Secretary, Mr Paul Chan, said, “The latest issuance of iBond is warmly received by the public, with the volume of applications and the total application amount both achieving record high since the iBond’s inaugural issuance in 2011. The issuance of iBond has not only provided the public with a safe investment choice of steady return under the current low interest rate and uncertain investment environment, but also further enhanced the investing public's interest in and awareness of bond investments, thereby promoting the development of the retail bond market in Hong Kong.”

Ends