

Press Release

Government announces subscription and allocation results of retail green bond

Monday, 16 May 2022

The Government announced today (May 16) the subscription and allocation results of the inaugural retail green bond issued under the Government Green Bond Programme.

According to the subscription information submitted by placing banks and Hong Kong Securities Clearing Company Limited (HKSCC), as at the close of the subscription period at 2pm on May 6, 2022, 488,353 valid applications were received for a total of HK\$32,567,420,000 in principal amount of bonds.

A breakdown of valid applications is as follows –

	<u>Total number of valid applications</u>	<u>Total amount of valid applications (HK\$)</u>
Placing banks	319,758	24,298,720,000
HKSCC (including the subscription applications made through securities brokers)	168,595	8,268,700,000
Total	488,353	32,567,420,000

The final issuance amount of the inaugural retail green bond is HK\$20 billion. Allocation is conducted in accordance with the mechanism set out in the Issue Circular dated April 26, 2022. The valid applications received have been allocated different amounts of bonds up to a maximum of five lots. There are a total of 150,826 applications for four or fewer lots. They will be allocated the full amounts applied for. The remaining 337,527 applications (i.e. those applying for more than four lots) will be allocated four lots each and then entered into a ballot. Of these applications, 194,302 will be allocated one additional lot.

The retail green bond will be issued on May 18, 2022 and listed on the Stock Exchange of Hong Kong on May 19, 2022. Notifications on individual allocation results, applicable subscription moneys and amounts of any refund of application moneys will be made by the placing banks and HKSCC in accordance with the schedule set out in the Issue Circular.

The Financial Secretary, Mr Paul Chan, said, “The inaugural retail green bond of the Government is well received by the public. This is the largest retail green bond issuance across the globe thus far. The introduction of the retail green bond has provided the public with a green investment choice with a steady return and further promoted the development of the local retail bond market. It has also broadened the variety of green and sustainable financial products in Hong Kong, reinforcing our position as a premier green finance hub both regionally and internationally.”

Ends