Government makes "restriction-testing declaration" and issues compulsory testing notice in respect of specified "restricted area" in Yeung Shue House, Lei Muk Shue Estate, Tsuen Wan

The Government today (May 19) exercised the power under the Prevention and Control of Disease (Compulsory Testing for Certain Persons) Regulation (Cap. 599J) to make a "restriction-testing declaration" (declaration) effective from 6.30pm, under which people (hereafter referred to as "persons subject to compulsory testing") within the specified "restricted area" in Tsuen Wan (i.e. Yeung Shue House, Lei Muk Shue Estate, Tsuen Wan, excluding the kindergarten on G/F, see Annex) are required to stay in their premises and undergo compulsory testing. Persons subject to compulsory testing are required to stay in their premises until all such persons identified in the "restricted area" have undergone testing and the test results are mostly ascertained. The Government aims at finishing this exercise at around 2pm tomorrow (May 20). The operation may be extended depending on test results.

A Government spokesman said, "Under Cap. 599J, the Government can, according to the needs of infection control, make a 'restriction-testing declaration'. Having reviewed a basket of factors, including the viral load in sewage, the information of relevant positive cases, and other circumstantial factors, and conducted a risk assessment, the Government decided to make a 'restriction-testing declaration' for the relevant area."

The Government has set up temporary specimen collection stations at the "restricted area" and requested persons subject to compulsory testing to undergo testing before 11.30pm today. Arrangements will be made for persons subject to compulsory testing to undergo a nucleic acid test at specimen collection stations where dedicated staff will collect samples through combined nasal and throat swabs. Persons subject to compulsory testing must stay at their place of residence until all test results are ascertained to avoid cross-infection risk. The Government will make arrangement to facilitate specimen collection for people with impaired mobility. All persons in the "restricted area" who have tested positive in the past 14 days, including positive cases identified either by nucleic acid tests recorded by the Department of Health (DH) or by rapid antigen tests that have been self-declared to the DH, are not required to undergo testing in this compulsory testing exercise.

The Government spokesman said, "We understand that this exercise will cause inconvenience to the public. The Government has made arrangements to carry out testing for all persons present in the 'restricted area' as soon as possible. The aim is to strive to complete testing of all identified persons

subject to compulsory testing and confirm the results, and finish the exercise at around 2pm tomorrow. The Government will make a public announcement when the declaration expires officially. In the cases in which employees are unable to go to work because of the declaration, the Government hopes their employers can exercise discretion and not deduct the salaries or benefits of the employees."

If staying in the "restricted area" will cause unreasonable hardship to individuals who are not residents in the area when the declaration takes effect, government officers may exercise discretion and allow that person to leave the area after considering the individual circumstances. That person must have followed the instructions to undergo testing and leave his/her personal information for contact purposes.

According to the compulsory testing notice to be issued today, any persons other than those specified above who had been present at the above building for more than two hours from May 13 to May 19, 2022, even if they were not present in the "restricted area" at the time when the declaration took effect, must undergo compulsory testing on or before May 21, 2022. As a mutant strain is involved, for prudence's sake, vaccinated persons and persons who have recently been tested are also required to undergo testing.

The Buildings Department has set up a hotline (Tel: 9121 7579) which starts operation at 6.30pm today for residents restricted by the declaration to make enquiries and seek assistance. The Social Welfare Department will also provide assistance to the affected persons.

The Government appeals to persons subject to compulsory testing for their full co-operation by registering and undergoing testing, and waiting for the results patiently at home. The Government will strictly follow up on whether the persons concerned have complied with the compulsory testing notices and "restriction-testing declaration". Any person who fails to comply with the compulsory testing notices commits an offence and may be fined a fixed penalty of \$10,000. The person would also be issued with a compulsory testing order requiring him or her to undergo testing within a specified time frame. Failure to comply with the compulsory testing order or the "restriction-testing declaration" is an offence and the offender would be liable to a fine at level 5 (\$50,000) and imprisonment for six months.

Two persons sentenced for breaching compulsory quarantine order

Two persons were sentenced by magistrates' courts today (May 19) for violating the Compulsory Quarantine of Certain Persons Arriving at Hong Kong Regulation (Cap. 599C) and the Compulsory Quarantine of Persons Arriving at

Hong Kong from Foreign Places Regulation (Cap. 599E) respectively.

The first case involved a woman aged 56, who was earlier issued a compulsory quarantine order stating that she must conduct quarantine at home for seven days. Before the expiry of the quarantine order, she left the place of quarantine on October 31, 2021, without reasonable excuse nor permission given by an authorised officer. She was charged with contravening sections 8(1) and 8(5) of Cap. 599C and was sentenced by the Kwun Tong Magistrates' Courts today to imprisonment for 14 days, suspended for 12 months.

The second case involved a man aged 32, who was earlier issued a compulsory quarantine order stating that he must conduct quarantine at a hotel for 21 days. Before the expiry of the quarantine order, he left the place of quarantine on October 27, 2021, without reasonable excuse nor permission given by an authorised officer. He was charged with contravening sections 8(1) and 8(5) of Cap. 599E and was fined \$5,000 by the West Kowloon Magistrates' Courts today.

Breaching a compulsory quarantine order is a criminal offence and offenders are subject to a maximum fine of \$25,000 and imprisonment for six months. A spokesman for the Department of Health said the sentence sends a clear message to the community that breaching a quarantine order is a criminal offence that the Government will not tolerate, and solemnly reminded the public to comply with the regulations. As of today, a total of 234 persons have been convicted by the courts for breaching quarantine orders and have received sentences including immediate imprisonment for up to 14 weeks or a fine of up to \$15,000. The spokesman reiterated that resolute actions will be taken against anyone who has breached the relevant regulations.

Government announces relaunch of online platform for declaration of non-local vaccination records

The Government announced today (May 19) that the online platform for declaration of non-local vaccination records (www.chp.gov.hk/vac-df/) will be relaunched tomorrow (May 20). The online platform provides an additional channel for declaring non-local vaccination records apart from boundary control points and designated post offices.

Considering that quite a number of persons who arrived in Hong Kong, especially non-Hong Kong residents, hold non-local COVID-19 vaccination records, starting from September last year, the Government has put in place arrangements for relevant persons to declare non-local vaccination records through boundary control points, designated post offices and online means, in

order to enable these persons to carry and present the non-local vaccination records in an electronic format.

In view of the latest Vaccine Pass arrangement, the Government has earlier updated the online platform and made respective technical revisions. Starting tomorrow, the following persons may declare their non-local vaccination records through the relaunched online platform and are not required to declare at designated post offices.

Persons who are not required to make declarations again

(2) For persons who have declared non-local vaccination records and non-local recovery records (if applicable) since September last year at boundary control points or designated post offices, if they have subsequently received additional vaccines locally or have been infected and recovered locally (Note 2), they may download the vaccination record QR codes again directly though the Electronic Vaccination and Testing Record System (www.evt.gov.hk) or the "eHealth" mobile application (Note 3). A new function was added to the Electronic Vaccination and Testing Record System recently. Apart from supporting "iAM Smart" users to download vaccination records, members of the public may also directly verify their personal identity at the system website to download the vaccination record. If members of the public are unsure whether the previously issued vaccination record QR code has reflected their latest vaccination or recovery condition, they may also check the record through the aforementioned function in order to determine whether they are required to redeclare their non-local vaccination record and non-local recovery record (if applicable) through the online platform or designated post offices.

Persons who may use the online platform

⁽¹⁾ For persons who have declared non-local vaccination records and non-local recovery records (if applicable) and have been issued with vaccination record QR codes since September last year at boundary control points or designated post offices, if the declared non-local vaccination records and non-local recovery records are already compliant with the respective vaccination requirements under the Vaccine Pass, they may use the relevant QR codes as the Vaccine Pass directly. If the declared record is not yet compliant with the respective vaccination requirements under the Vaccine Pass, they may visit any local vaccination outlet, state their previous vaccination record and receive an additional dose. They will be issued with an updated vaccination record QR code for the Vaccine Pass after receiving vaccination (Note 1).

⁽³⁾ Persons who only hold non-local vaccination records and without the need to declare any non-local recovery record may make declarations through the online platform. Upon completing the declaration, they will be issued with the vaccination record QR codes. If the QR code is compliant with the respective vaccination requirements, it may be used for the Vaccine Pass.

(4) Persons who hold both non-local and local vaccination records and without the need to declare any non-local recovery record may make declarations through the online platform, and upload the non-local vaccination records to the Government's Central Vaccination Database for merging with their local vaccination records at the same time, in order to obtain a consolidated QR code with non-local and local dosage. If the QR code is compliant with the respective vaccination requirements, it may be used for the Vaccine Pass. If the relevant person is a locally recovered person as well (Note 2), the vaccination record QR code issued will also incorporate the person's recovery status.

Persons who are required to make declarations through designated post offices

(5) If individual persons have never declared their non-local recovery records at boundary control points but the status is required in order to comply with the respective vaccination requirements under the Vaccine Pass, or if individual persons recovered locally have yet to receive vaccines locally and only hold non-local vaccination records that have yet to be declared, they are still required to visit designated post offices (Note 4) to declare their non-local recovery records and/or non-local vaccination records, and provide the relevant document of proof, in order to obtain the recovery record QR codes or the vaccination record QR codes reflecting their recovery status.

To ensure that members of the public have sufficient time to declare their non-local vaccination records and obtain the vaccination record QR codes through the aforementioned methods, transitional arrangement has been provided for under the Vaccine Pass. Persons who had received COVID-19 vaccines from places outside Hong Kong may directly present their non-local vaccination records and complete the specified form (if applicable), in order to enter specified premises of the Vaccine Pass without the need to scan the vaccination record QR codes on or before August 31 this year. The Government reminds relevant persons-in-charge of premises to pay attention to the above transitional arrangement.

Note 1: Members of the public are reminded to check that the dose sequence of the local additional dose on the local vaccination record issued has taken into account all of their previous non-local doses.

Note 2: This is only applicable to locally recovered persons with infection records declared, checked and stored in the Government's database.

Note 3: Users of "eHealth" (www.portal.ehealth.gov.hk/app/covid19qr) may download and present family members' (including young children or elderly who are unable to download and manage their vaccination records online by themselves) vaccination records through their mobile phones at the same time. The vaccination record QR codes can also be presented using a single button to enter specified premises of the Vaccine Pass.

Note 4: Members of the public can make use of the online booking service of Hongkong Post

(www.hongkongpost.hk/en/services/non_local_covid19_vr/index.html#list). Sameday tickets are also issued at designated post offices.

<u>Contractors fined for violation of safety legislation</u>

DrilTech Geotechnical Engineering Limited and Bo Yip Engineering Limited were fined \$100,000 and \$150,000 respectively at Kowloon City Magistrates' Courts today (May 19) for violation of the Factories and Industrial Undertakings Ordinance. The prosecutions were launched by the Labour Department.

The case involved a fatal accident that occurred on December 19, 2019, at a foundation construction site in Kowloon City. While a banksman was working at the site, he was knocked down by an excavator and died.

HKMC's Financial Results Highlights for 2021

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Mortgage Corporation Limited (HKMC) today (May 19) announced the highlights of its audited consolidated financial results for 2021 as follows:

2021 Financial Results Highlights

The audited profit after tax of the HKMC was HK\$831 million (loss after tax for 2020: HK\$362 million). The profit turnaround was primarily attributable to:

- (1) the annuity business's turn into profit from the preceding year's accounting loss as a result of higher investment returns from placements with the Exchange Fund;
- (2) foreign exchange gains arising from US dollar and strategic offshore Renminbi exposures in deposits and debt investments; and
- (3) increase in net premium receipts the mortgage insurance business.

The embedded value of the annuity business as at December 31, 2021 was about HK\$9 billion indicating that the business should be profitable in the long term. The embedded value comprised HK\$7.2 billion of total equity and HK\$1.8 billion of present value of future profits, and the total equity included a capital injection of HK\$2.5 billion during the year.

The Capital Adequacy Ratio (CAR) of the HKMC remained solid at 23.4 per cent as at December 31, 2021 (December 31, 2020: 37.3 per cent), well above the minimum ratio of 8 per cent stipulated by the Financial Secretary. The solvency ratios of HKMC Insurance Limited (HKMCI) operating general insurance business and HKMC Annuity Limited (HKMCA) operating annuity business (both being the HKMC's wholly-owned subsidiaries) were about 7 times and 15 times respectively as at December 31, 2021, well above the respective 200 per cent and 150 per cent minimum regulatory requirements stipulated by the Insurance Authority.

Amid uncertain market conditions, the HKMC proactively communicated with both local and international investor communities in debt issuance activities to satisfy refinancing needs and to obtain cost-effective pre-funding support for sizable loan purchases. With strong financing capability and liquidity position, the HKMC remains resilient and stands ready to face any financial turbulence ahead in fulfilling its core missions and social objectives.

2021 Business Performance Highlights

Asset Purchase

- Purchased loan assets of HK\$3.1 billion (2020: HK\$1.3 billion), and from the Special 100% Loan Guarantee under the SME Financing Guarantee Scheme (SFGS), loans of HK\$42.9 billion (2020: HK\$37.6 billion); and
- Outstanding principal balance of loan portfolio was HK\$79.6 billion as at December 31, 2021 (December 31, 2020: HK\$43.1 billion).

Debt Issuance

- In 2021, issued a new record amount of corporate debts totalling HK\$109.5 billion, of which HK\$84.2 billion with a tenor of one year or above (2020: totalling HK\$58.4 billion, of which HK\$29.4 billion with a tenor of one year or above), being the most active issuer in the domestic market of Hong Kong dollar and offshore Renminbi corporate bonds;
- It included a HK\$10 billion-equivalent dual-tranche issuance of Hong Kong dollar- and offshore Renminbi-denominated bonds, being the largest ever public corporate bond offering with book-building and pricing all conducted in Hong Kong;
- Outstanding balance of debt securities was HK\$115.7 billion as at December 31, 2021 (December 31, 2020: HK\$61.9 billion); and

• Credit ratings of AA+ from S&P Global Ratings and Aa3 from Moody's, same as those of the Hong Kong Special Administrative Region Government.

Mortgage Insurance Programme (MIP)

- New MIP loans drawn down amounted to HK\$132.6 billion (2020: HK\$98.3 billion); and
- 87 per cent of loans drawn down (in terms of loan amount) were secured on properties in the secondary market, demonstrating the importance of the MIP to home buyers in the secondary market.

SME Financing Guarantee Scheme

- In respect of the 80% Guarantee Product, approved more than 21,300 applications for a total loan amount of approximately HK\$92.5 billion since its launch;
- In respect of the 90% Guarantee Product launched in December 2019, approved more than 5,500 applications for a total loan amount of approximately HK\$10.6 billion since its launch;
- In respect of the Special 100% Loan Guarantee launched in April 2020, approved more than 47,000 applications for a total loan amount of approximately HK\$81.6 billion since its launch, of which HK\$80.5 billion were purchased by the HKMC; and
- The 80% and 90% Guarantee Products and the Special 100% Loan Guarantee had benefitted more than 45,000 local small and medium-sized enterprises and 640,000 related employees by the end of 2021.

Reverse Mortgage Programme

• Approved 786 applications (2020: 630 applications), with an average property value of HK\$6.6 million and an average monthly payout of HK\$20,800.

HKMC Annuity Plan

• Issued 4,059 policies (2020: 2,606 policies), with total premium received of around HK\$3 billion (2020: HK\$2.5 billion) and an average premium of HK\$740,000 (2020: HK\$974,000).

100% Personal Loan Guarantee Scheme

• Launched in April 2021, approved around 36,000 applications for a total loan amount of approximately HK\$2.5 billion.

Further details of the HKMC's consolidated financial results and financial review for 2021 are set out at Annex.