

HKSAR Government's Institutional Green Bonds and Infrastructure Bonds Offering

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

The Government of the Hong Kong Special Administrative Region of the People's Republic of China (the HKSAR Government) today (June 4) announced the successful pricing of approximately HK\$27 billion worth of green bonds (the Green Bonds) and infrastructure bonds (the Infrastructure Bonds) denominated in Hong Kong dollars (HKD), Renminbi (RMB), US dollars (USD), and euro (EUR) under the Government Sustainable Bond Programme and the Infrastructure Bond Programme.

Following a virtual roadshow on June 2, 2025, the Green Bonds and Infrastructure Bonds were priced on June 3, 2025 as follows:

- HKD1.5 billion 30-year infrastructure tranche at 3.85 per cent;
- RMB4 billion 20-year green tranche at 2.60 per cent;
- RMB4 billion 30-year infrastructure tranche at 2.70 per cent;
- USD1 billion 5-year green tranche at 4.151 per cent; and
- EUR1 billion 8-year green tranche at 3.155 per cent.

The offering attracted participation from a wide spectrum of investors from more than 30 markets across Asia, Europe, Middle East, and the Americas, with total order amounting around HK\$237 billion equivalent, representing a subscription ratio of around 3.3 to 12.5 times. In particular, the HKD 30-year bond was offered for the first time by the HKSAR Government, and is the longest tenor HKD bond issued by the HKSAR Government so far. The 20-year and 30-year RMB bonds, which were first introduced last year, also received overwhelming support, doubling in issuance size from last year.

The Financial Secretary, Mr Paul Chan, said, "The issuance of green bonds by the HKSAR Government aims to attract and channel market capital to support green projects, promoting the sustainable development in Hong Kong. The issuance of infrastructure bonds helps to accelerate the development of projects such as the Northern Metropolis and facilitate the early completion of projects for the good of the economy and people's livelihood. Global institutional investors responded enthusiastically to the subscription, fully reflecting their confidence in Hong Kong's sound public finance and long-term development. Among which the inaugural offering of the 30-year HKD government bonds helps to extend the HKD benchmark yield curve, further promoting the development of the local bond market."

The Green Bonds and the Infrastructure Bonds are expected to be settled on June 10, 2025 and listed on the Hong Kong Stock Exchange and the London Stock Exchange. The Green Bonds and the Infrastructure Bonds have been

assigned credit ratings of AA+ by S&P Global Ratings and AA- by Fitch. The Hong Kong Monetary Authority acted as the HKSAR Government's representative in the Green Bonds and Infrastructure Bonds offering.

The Green Bonds and the Infrastructure Bonds are being issued in accordance with the HKSAR Government's Green Bond Framework and Infrastructure Bond Framework respectively. Proceeds raised will be credited to the Capital Works Reserve Fund to finance or refinance eligible green projects and infrastructure projects in accordance with the relevant frameworks.

The HKSAR Government published its Green Bond Framework in March 2019, which sets out how green bond proceeds will be used to fund projects to improve the environment and facilitate the transition to a low carbon economy. This framework was subsequently updated in February 2022, reflecting the HKSAR Government's latest commitments and strategy in combatting climate change and aligning with the latest international standards and practices in the green bond market. Vigeo Eiris, which is now part of Moody's ESG Solutions, has provided a Second Party Opinion for both the original and updated Green Bond Framework. The Green Bonds have also received the Green and Sustainable Finance Certificate (Pre-issuance Stage) from the Hong Kong Quality Assurance Agency. The HKSAR Government has since published five annual reports on the allocation of the proceeds from previous green bond issuances and the expected environmental benefits of the projects financed.

The HKSAR Government published the Infrastructure Bond Framework in September 2024, setting out how it intends to issue infrastructure bonds under the Infrastructure Bond Programme to fund projects that are conducive to the long-term development of Hong Kong. Allocation of proceeds from the infrastructure bond issuances and other relevant details are expected to be published in the annual Infrastructure Bond Report.

The list of Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers, Joint Green and Sustainable Bond Structuring Banks, and Joint Infrastructure Bond Structuring Banks for the Green Bonds and Infrastructure Bonds offering are set out at the attached Annex.

Investors' Distribution by Category

Category	HKD Bonds	RMB Bonds	USD Bonds	EUR Bonds
Banks	14%	75%	44%	43%
Central banks, sovereign wealth funds and international organisations	13%	3%	19%	21%

Fund managers, private banks, insurance companies and others	73%	22%	37%	36%
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Note: The HKD, RMB, and EUR Bonds were offered in Reg S format, and the USD Bonds in 144A / Reg S format (Note).

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Note: Reg S pertains to offerings of securities made outside of the United States. Rule 144A pertains to placements of securities to qualified institutional buyers in the United States meeting the requirements of that Rule.