



12 September 2024

**HKHS Signs HK\$12 Billion Syndicated Loan Facilities for
Developing Subsidised Housing to Create Long-Term Social Value**

The Hong Kong Housing Society (HKHS) announced that it has signed HK\$12 billion 5-year term and revolving syndicated loan facilities with 12 local and international banks, marking the largest syndicated loan ever for HKHS, including a HK\$3 billion social tranche. Bank of China (Hong Kong) Limited (BOCHK) and The Hongkong and Shanghai Banking Corporation Limited (HSBC) are the coordinators for the syndicated loan facilities.

HKHS Chairman Walter Chan said, “We are very pleased with the enthusiastic support from the banking community for the syndicated loan facilities. The loan facilities represent multiple significant meanings. They are not only reflecting the trust of the banking community in HKHS’s development, but also a support for making Hong Kong a better place to live, as well as their vote of confidence to the future of Hong Kong. The loan facilities will be used for bolstering the business development of HKHS, particularly the construction of subsidised housing projects. The HK\$3 billion social loan among the loan facilities will fund designated affordable housing projects for people from different walks of lives, creating long-term value for the sustainable development of the community.”

HKHS is now planning or building more than 20 projects, with over 17,000 subsidised housing units expected to be completed within the next five years, including Subsidised Sale Flats, Dedicated Rehousing Estates, rental estate redevelopment projects and elderly housing.

Mr Walter Chan further remarked, “I would also like to express my appreciation to the authority’s support in amending the Banking (Capital) Rules to designate HKHS as a ‘public sector entity’. As a self-financing non-government organisation, HKHS upholds the principle of optimising the use of resources. In the days ahead, we will make the best use of the

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syndicated loan facilities and continue to achieve our vision of ‘Creating Homes for Sustainable Living’, contributing to the sustainable development of Hong Kong.”

Kennis Chong, General Manager of Institutional Business Department of BOCHK, said, “As a long-term partner of the HKHS, BOCHK is honoured to be appointed as one of the Coordinators, the Mandated Lead Arrangers and Bookrunners, as well as the Facility Agent for this syndicated loan facilities. The Facility has received overwhelming response from the banking community, demonstrating HS's solid financial strength and good reputation. BOCHK will continue to provide comprehensive financial solutions in order to meet HS's business needs and assist the development of its various housing projects to benefit the community.”

Sunny Poon, Managing Director and Head of Corporate Banking, Commercial Banking, Hong Kong, HSBC, said: “We are very pleased to arrange for the Hong Kong Housing Society its largest-ever syndicated loan facilities as Joint Coordinator, Mandated Lead Arranger and Bookrunner, and Sole ESG Coordinator. Our extensive financing expertise is dedicated to understanding and meeting the client needs, empowering them to achieve their missions. This landmark transaction featuring a social loan component will support the public housing provider's development of rehousing estates and various affordable housing projects in Hong Kong. We look forward to deepening our relationship with HKHS as it continues its mission to create homes for sustainable living.”

The overall pricing of the loan facilities is based on the Hong Kong Interbank Offered Rate plus 86 basis points. The HK\$3 billion social tranche will be used for the redevelopment project of Ming Wah Dai Ha in Shau Kei Wan, rehousing estates at Shek Pai Wan Road in Aberdeen and Ting On Street in Kwun Tong, as well as Dedicated Rehousing Estates at Pak Wo Road in Fanling, Hung Shui Kiu/Ha Tsuen, Site 1E1 in Kai Tak, and Kwu Tung North, among others. The social tranche has been certified by the Hong Kong Quality Assurance Agency, that the above projects are aligned with the standards of the sustainable finance framework.

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Participating banks of HKHS HK\$12 billion 5-year term and revolving syndicated loan facilities include:

Coordinators

Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited

Mandated Lead Arrangers and Bookrunners

Bank of China (Hong Kong) Limited
Industrial and Commercial Bank of China (Asia) Limited
The Hongkong and Shanghai Banking Corporation Limited
Oversea-Chinese Banking Corporation Limited
DBS Bank Ltd.
Bank of Communications Co., Ltd. Hong Kong Branch
Standard Chartered Bank (Hong Kong) Limited
Sumitomo Mitsui Banking Corporation

Lead Arrangers

Agricultural Bank of China Limited Hong Kong Branch
China Development Bank Hong Kong Branch
Dah Sing Bank, Limited
Hang Seng Bank Limited

Facility Agent

Bank of China (Hong Kong) Limited

ESG Coordinator

The Hongkong and Shanghai Banking Corporation Limited

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The Signing Ceremony of HKHS HK\$12 billion 5-year term and revolving syndicated loan facilities was held earlier at the Corporate Office of HKHS, with HKHS Chairman Walter Chan (standing) as the witness of signing and HKHS Chief Executive Officer (7th from right) as the signatory of HKHS.



HKHS Chairman Walter Chan (8th from left), Vice-Chairman Prof Ling Kar-kan (7th from right), and Chief Executive Officer James Chan (7th from left) joined bank signatories in a toast.



All attending guests posed for a group photo at the signing ceremony.

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