

**FAQ on The Hong Kong International Airport Retail Bonds (“the Bonds”)  
HK\$5,000,000 due 2026 issued by the Airport Authority Hong Kong (“Airport  
Authority”) (“the issuer”)**

Answers to this Frequently Asked Questions (“FAQ”) aim to give you some information on the subscription, allotment and redemption of the Hong Kong International Airport Retail Bonds but they are not exhaustive and are for general reference only. Investments involve risks so you must read the terms and conditions and risks disclosures as set out in the final offering documents for the Hong Kong International Airport Retail Bonds for details.

Compliance with all the requirements in this FAQ does not necessarily mean an application for the Hong Kong International Airport Retail Bonds’ subscription or allotment or redemption will be accepted or successful. Terms and conditions applicable to the investment services and securities account of Hang Seng Bank (the “Bank”) shall apply. If in doubt, please contact our Bank for details.

**1. *Who is eligible to apply for the Hong Kong International Airport Retail Bonds?***

Eligible applicants are limited to those who hold a valid Hong Kong identity card. Applicants must be physically present in Hong Kong when making applications. Any person who is located within the United States or Canada, or is a U.S. person within the meaning of Regulation S under the U.S. Securities Act of 1933, as amended (which includes any person resident in the United States and any partnership or corporation organised or incorporated under the laws of the United States) (“U.S. Person”) or a resident of Canada, or is acting as an agent of a U.S. Person or a resident of Canada, is not allowed to apply. To apply the Hong Kong International Airport Retail Bonds through the Bank, the applicant must be a personal customer (or the primary account holder for joint account) who holds a securities account and a HKD settlement account at our Bank.

**2. *How can I apply for the Hong Kong International Airport Retail Bonds?***

You can apply the Hong Kong International Airport Retail Bonds by visiting any of the branches<sup>^</sup>, contact our service hotline (2826 8866, via Hang Seng Mobile App and Hang Seng Personal e-banking.

For branch addresses please refer to [HangSeng.com](http://HangSeng.com)

<sup>^</sup> **All street-level Branches but except all MTR station branches**

**3. *What fees will be waived for applying for the Hong Kong International Airport Retail Bonds through the Bank?***

Service fees for subscription handling, custody\*, interest collection, maturity redemption, sale through Over-the-Counter (OTC<sup>^^</sup>), transfer-in (not through the Central Clearing and Settlement System) and transfer-out (not through the Central Clearing and Settlement System) relating to the Hong Kong International Airport Retail Bonds will be waived by our Bank.



Deposit charge for purchase order of Hong Kong International Airport Retail Bonds through the Hong Kong Stock Exchange will also be waived by our Bank.

\*Custody fee will be waived if the account only holds non-listed bonds, iBonds, Retail Green Bonds, Silver Bonds or the Hong Kong International Airport Retail Bonds.

^^OTC refers to refers to buying and selling securities outside of an official stock exchange

**4. *Can I make multiple applications?***

No, you can make **ONE** application only. If you have submitted multiple applications to the Airport Authority through more than one placing banks or designated securities brokers, **all** of your applications will be rejected.

**5. *Can an authorized person apply for the Hong Kong International Airport Retail Bonds on behalf of the account holder?***

Yes, an authorized person can visit any of our branches to apply for the Hong Kong International Airport Retail Bonds on behalf of the account holder, but the applicant's name and HKID number of the relevant application will be submitted in accordance with that of the account holder's.

**6. *Can I make an application in the capacity of a joint account?***

If an applicant makes an application under his/her joint account, the Bank will pass to the bond issuer the name and HKID number of the primary account holder of such joint account based on our Bank's record. The primary account holder of joint account is normally the first holder named in account. The secondary account holder of joint account is required to subscribe under his/her personal account.

**7. *When will I know the allotment result? When will I receive the Hong Kong International Airport Retail Bonds successfully allotted to me and the refund of my application money?***

Our Bank will notify you of the allotment result via Push Notification (if you enable Notification service) or SMS (if you have registered for our e-Banking service with your mobile phone number maintained in our Bank's record) in the evening of 1 February 2024 and via e-Advice or mail as soon as practicable. The Hong Kong International Airport Retail Bonds successfully allotted to you will be deposited into your securities account at our Bank on 5 February 2024. The refund of your application money (if any) will also be credited to your HKD settlement account at our Bank at or before 7:00pm on 5 February 2024.



8. What can I do to exit my investment in the Hong Kong International Airport Retail Bonds before maturity?

If you wish to exit your investment in the Bonds before maturity, you can either:

- (i) sell your bonds- please see **Q9** "How can I sell the allotted Hong Kong International Airport Retail Bonds?" below; or
- (ii) exercise your early redemption rights under the Bonds to request the Airport Authority to redeem your Bonds on any interest payment date- please see **Q14** "How do I exercise the right to have my allotted Hong Kong International Airport Retail Bonds redeemed on an interest payment date?" below.

9. ***How can I sell the allotted the Hong Kong International Airport Retail Bonds?***

You can sell the allotted *Hong Kong International Airport Retail Bonds* through the following markets:

1. **Hong Kong Stock Exchange (HKEx)**
2. **Over the counter (OTC), trading to our Bank**

It does not guarantee an active secondary trading market for the Hong Kong International Airport Retail Bonds. Please note that the prices may be volatile and are subject to change from time to time due to market conditions.

10. ***Is there a price difference between the Hong Kong International Airport Retail Bonds offered by the HKEx and OTC ?***

The price in the 2 markets may be different and there is chance that the price on HKEx is higher than OTC or vice versa. This is due to the different demand and supply in respective markets and that the price is driven by different market pool. The price gap also reflects the associate fee/levy when trading on HKEx in considering which market to trade, there are many relevant factors to consider including the leadtime and all the associated costs (please refer to Securities Services Fees and Charges in our website).

11. ***How can I sell the allotted The Hong Kong International Airport Retail Bonds (OTC) to the Bank?***

You may use our Bank's available channels to sell the allotted Hong Kong International Airport Retail Bonds (OTC) to our bank:

- Hang Seng Mobile App or Hang Seng Personal e-banking from 10:30am to 4:30pm on 5 February 2024, and from 9:30am to 4:30pm during Monday to Friday from 6 February 2024 onwards,
- Visit any of our Bank's branches **but except all university branches, all MTR branches, Des Voeux Road West Branch, Tsz Wan Shan Branch and Sheung Kwai Chung Branch** from 10:30am to 5:00pm on 5 February 2024, and from 9:00am to 5:00pm during Monday to Friday from 6 February 2024 onwards,



- Call our service hotline at 2826 8866 from 10:30am to 5:00pm on 5 February 2024, and from 9:00am to 5:00pm during Monday to Friday from 6 February 2024 to 20 February 2024.

If you are our Prestige Banking customer, you may also contact your Relationship Manager from 9:00am to 5:00pm during Monday to Friday to sell the allotted Hong Kong International Airport Retail Bonds (OTC) to our Bank.

**12. How can I sell the allotted Hong Kong International Airport Retail Bonds through the Hong Kong Stock Exchange?**

You can visit any branches and submit a request to our Bank to have the allotted Hong Kong International Airport Retail Bonds (Bond Code: K1186) transferred to the Central Clearing and Settlement System (CCASS) (Stock Code: 04701). The transfer to the CCASS is free of charge. After the transfer is completed, you can sell the allotted Hong Kong International Airport Retail Bonds through the Hong Kong Stock Exchange via any of the stock trading channels, including Hang Seng Invest Express Mobile App, Hang Seng Mobile App, Hang Seng Personal e-banking, telephone banking, Automated Securities Trading Hotline 2166 6888, Manned Securities Trading Hotline 2532 3838 or the below 3 designated branches of our Bank.

<b>Designed Branches for trading local securities services</b>	<b>Address</b>
<b>Head Office</b>	<b>83 Des Voeux Road, Central</b>
<b>Kowloon Main Branch</b>	<b>618 Nathan Road</b>
<b>Yuen Long (Kau Yuk Road) Branch</b>	<b>1/F, Fu Ho Building, 5 Kau Yuk Road</b>



**13. Can I sell the allotted Hong Kong International Airport Retail Bonds (OTC) to the Bank via internet banking?**

Yes, you can sell your allotted Hong Kong International Airport Retail Bonds OTC via our Bank's Hang Seng Mobile App and Hang Seng Personal e-banking. Please see Q8 and Q10 above for details on selling methods

**14. How do I exercise the right to have my allotted Hong Kong International Airport Retail Bonds redeemed on an interest payment date?**

You have an early redemption right to request the Airport Authority to redeem some or all of your Bonds (if some, only in a principal amount which is an integral multiple of HK\$10,000) on each quarterly interest payment date under the terms and conditions of the Bonds. If you exercise such early redemption right, your Bonds will be redeemed at 100% of their principal amount, together with interest accrued to (but excluding) the date of redemption.

The completed early redemption instruction form must be received by our Bank by post or in-person **ONLY** during the specified period below corresponding to the interest payment date on which you wish your Bonds to be redeemed.

Timing for submission of an early redemption request to your placing bank		Interest payment date on which Bonds are to be redeemed (Bondholder Put Early Redemption Date)
Not earlier than <sup>(Note 1)</sup> :	Not later than 5:00 pm :	
1	6 March 2024	Please refer to the instruction deadlines as specified in the Bank's instruction form
2	6 June 2024	
3	6 September 2024	
4	7 December 2024	
5	6 March 2025	
6	6 June 2025	
7	6 September 2025	
8	7 December 2025	
9	6 March 2026	
		5 May 2024
		5 August 2024
		5 November 2024
		5 February 2025
		5 May 2025
		5 August 2025
		5 November 2025
		5 February 2026
		5 May 2026

**Note 1** *If any deadline falls on a public holiday in Hong Kong or a weekend, it shall be moved to the immediately preceding business day.*



**15. *Can I obtain the hardcopy of the Offering Memorandum for the Hong Kong International Airport Retail Bonds?***

No. The Offering Memorandum for the Hong Kong International Airport Retail Bonds will be made available electronically only.

**16. *Can I cancel the instruction of early redemption on an interest payment date?***

No, once the instruction is submitted, it is irrevocable.

**17. *If I exercise early redemption at the option of Bondholders on an interest payment date, what will be the total return I received by issuer?***

You will have the right to require the Airport Authority to redeem some or all of the bonds held by you at 100% of your principal amount, together with accrued and unpaid interest to (but excluding) the date of redemption.

**18. *What are the risks and important investment considerations involved in investing in the Hong Kong International Airport Retail Bonds?***

An investment in the Hong Kong International Airport Retail Bonds is not equivalent to a time deposit and involves investment risks. For further details, please refer to Offering Memorandum.

**19. *Where can I get more details about Hong Kong International Airport Retail Bonds?***

Further information about Hong Kong International Airport Retail Bonds is available on the Airport Authority website at [www.hongkongairport.com](http://www.hongkongairport.com) and the website of the Hong Kong Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) or the electronic copy of Offering Memorandum are available for download from the QR code set out below



Offering Memorandum

**The Chinese version of this FAQ is for reference only. In case of discrepancies between the English and Chinese versions, the English version shall prevail.**