

An isometric illustration of a city scene. In the top left, a white MTR train with red accents is stopped at a station platform. Several people are walking on the platform. To the right, there are modern buildings, including one with a green roof. In the bottom left, a large, curved, grey structure resembling a bridge or a large overpass is shown. A person is walking on a path below it. In the bottom right, another MTR train is moving along a track. A tall, modern building is next to it. The background is a light orange grid pattern.

# BUSINESS OVERVIEW

2023 - 2024



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# About MTR

MTR is regarded as one of the world's leading railway operators for safety, reliability, customer service and cost efficiency. In addition to its railway operations in Hong Kong, the Mainland of China and around the world, the MTR Corporation is involved in a wide range of business activities including the development of residential and commercial properties, property leasing and management,

advertising, telecommunication services and international consultancy services.

The Corporation's aspiration is to "Keep Cities Moving". Through its transportation network and property developments, the Corporation enables cities and their people to move forward and make progress.

### Corporate Strategy

The Corporation is pursuing the Corporate Strategy, "Transforming the Future", by more deeply embedding sustainability and Environmental, Social and Governance principles into its businesses and operations with the aim of creating more value for all stakeholders.

The strategic pillars of the Corporate Strategy are:

#### Hong Kong Core

Attain the full potential of Hong Kong Core Business and advance our social objectives

#### Mainland China and International Business

Expand into new hubs and new products across our Mainland China and International Business, maintaining a steady growth

#### New Growth Engine

Invest in new technologies and mobility services to reinforce our core for long-term growth

### Corporate Governance

The management of the MTR Corporation is overseen by a chief executive officer and an executive committee. They report to a Board headed by a non-executive chairman and made up of local business and community leaders and government representatives.

The Corporation is committed to a high standard of business ethics and integrity. To foster an ethical culture in the workplace, all staff are required to follow a Code of Conduct in their daily duty.

### The MTR Story

The MTR Corporation was established in 1975 as the Mass Transit Railway Corporation with a mission to construct and operate, under prudent commercial principles, an urban metro system to help meet Hong Kong's public transport requirements. The sole shareholder was the Hong Kong Government.

The Company was re-established as the MTR Corporation Limited in June 2000 after the Hong Kong Special Administrative Region Government sold 23% of its issued share capital to private investors in an Initial Public Offering. MTR Corporation shares were listed on the Stock Exchange of Hong Kong on 5 October 2000.

The Corporation marked another major milestone on 2 December 2007 when the operations of the other Government-owned rail operator, the Kowloon-Canton Railway Corporation, were merged into the MTR, heralding a new era in Hong Kong railway development.

Other than bringing more efficient and competitively priced services to local rail passengers, the merger brought new growth opportunities to the Corporation's businesses in and outside of Hong Kong.

Today, along with its transport services in Hong Kong, MTR has expanded its railway operations internationally, serving passengers in the Mainland of China, Macao, the U.K., Australia and Sweden.



MTR's unique vertically integrated Hong Kong business model seamlessly connects railway service with communities above stations in a way that optimises land use, builds new communities, contributes to the growth of the city and is financially and environmentally sustainable in the long run.

Inside and outside Hong Kong, MTR employees are committed to serving communities with excellence, professionalism and a spirit of continuous improvement.

#### International Railway Services

##### Paul Breese

*Head of Planning (MTR Elizabeth line)*

"Delivering high standards of operational reliability and efficiency, as well as providing passengers with excellent service in different cities, is the aim of every MTR staff member. I am proud to be part of the MTR team that brings high quality services to the passengers."



#### Property

##### Ko Ka-ki

*Customer Service Ambassador*

"Working for MTR Malls, my role is not simply to answer customers' enquiries but also to provide them with an excellent customer experience and give them a friendly smile."



#### Mainland China Railway Services

##### Kevin Wang

*Operation Control Centre Manager (Hangzhou MTR)*

"We see the uniqueness of each city and understand the needs of the local passengers and strive to provide caring service to them. The praise and trust of passengers encourages me to keep improving our service quality."



#### Hong Kong Transport Service

##### Hon Yat-sum

*Train Crew Inspector*

"My job is challenging as I am responsible for carrying passengers safely to their destinations while helping to ensure that our overall train service remains smooth and punctual."



#### Railway Construction

##### Chan Chi-chun Jeff

*Senior Construction Engineer-Civil*

"Our new railway projects will serve communities in different parts of Hong Kong. We make every effort to maintain close contact with local communities to listen to their views and we always seek to minimise any impacts on the communities."



#### Maintenance

##### Chui Wai-hung

*Renewal Inspector - P Way*

"Replacing sections of rail track in 3 to 4 hours overnight requires a high level of skill and outstanding teamwork. It's a great reward to know our work keeps millions of people on the move."





# Hong Kong Transport Services



The MTR Corporation's safe, reliable and efficient railway network forms the backbone of the extensive public transport network that serves Hong Kong, a city ranked by international surveys as the world's leader in public transit. With passengers consistently arriving on time at their destinations 99.9% of the time, passengers are counting on the MTR to provide fast and convenient connections to most locations in Hong Kong and beyond.

## Local Train Service

Connecting all corners of the city with about 4.45 million passenger journeys on weekdays, MTR operates 9 commuter rail lines serving Hong Kong Island, Kowloon and the New Territories as well as Light Rail and MTR Bus services in the Northwest New Territories. Train stations are designed for seamless interchange to ensure a smooth flow of passengers throughout the day. In addition, the Corporation operates the Airport Express connecting the city's central business hub to Hong Kong International Airport and Asia World-Expo.

## Cross-Boundary Train Service

Apart from the cross-boundary service on the East Rail Line connecting Hong Kong and Shenzhen, and the Intercity services\*, the High Speed Rail (Hong Kong Section) running from Hong Kong West Kowloon Station connects Hong Kong to the national High Speed Rail network. Passengers can conveniently travel directly to multiple cities in Mainland of China without interchange.

*\*Intercity services connecting Hong Kong with Beijing, Shanghai and a number of cities in Guangdong Province are currently suspended until further notice.*

With the gradual resumption of normalcy after COVID-19, the cross-boundary service on High Speed Rail and the East Rail Line resumed starting from January 2023, with 11 new destinations added to the High Speed Rail in the first six months after its service resumption. The Airport Express has fully resumed its pre-COVID schedule starting from July 2023. The service resumption signifies Hong Kong's reconnection with the Mainland of China and overseas.



## Operations Control Centres

The Operations Control Centre lies at the heart of MTR's Hong Kong railway operations. From one centralised location in Tsing Yi, traffic controllers monitor and regulate heavy rail operations, which makes it easier for staff to take quick and effective decisions. A separate control centre in Tuen Mun and Shek Kong serve as hubs for monitoring and regulating operations for Light Rail network and High Speed Rail respectively.

## Depots

MTR's reliable train service performance is sustained by stringent standards for railway maintenance and repairs, advanced asset management systems and a dedicated workforce. More than 2,000 train and Light Rail cars are serviced at 10 maintenance depots, while MTR buses are serviced at three designated bus depots.

## Track and Systems Maintenance

Unseen by passengers, the MTR network is bustling with activity during overnight non-traffic hours, as maintenance crews make use of the two-hour golden window of non-traffic hours to undertake essential inspection, repair and replacement of railway systems and equipment.



## Enhancing Customer Experience

MTR is committed to deliver a world-class customer experience to all customers. It also constantly enhances customers' travelling experience with new technology and investment in asset renewal.

An attractive mix of station retail outlets and services add to the outstanding convenience of travel on the MTR while high speed mobile and data services keep passengers seamlessly connected throughout their journeys. Earnings from station retail rentals and advertising also make MTR a leader among the world's metros in non-farebox revenues.

## Smart Mobility

MTR strives to "Go Smart Go Beyond" and introduces a number of smart mobility initiatives to facilitate a smarter and more seamless travel experience.

The MTR Mobile app features railway and other transport information and journey planning functions, ticketing functions, news and offers from MTR Malls and station shops, and a variety of lifestyle content. "MTR • Care", an app which offers smart functions was also introduced to cater to the needs of the elderly and passengers with special needs.



Passenger can tap the entry/exit gates in the MTR heavy rail network with QR code payment. Customer Service Centres at MTR stations are enhanced in phases to accept e-payment.



"Train Car Loading Indicator" facilitates passengers to choose train cars with more space for boarding.

**1,568** Station shops  
(as at December 2022)



## Continuous Asset Renewal

MTR has been putting in resources to maintain, upgrade and renew the railway system in Hong Kong. New eight-car trains are gradually replacing the first generation of urban line trains to provide passengers with a better travelling experience. The existing signalling system on the Island, Tseung Kwan O, Kwun Tong and Tsuen Wan lines will be replaced, so the overall carrying capacity of the lines can be increased. The automatic fare collection system in the heavy rail network is also further upgraded, with new entry/exit gates being progressively installed in MTR stations. The new gates provide more e-payment options for convenient travel for passengers and tourists.



## Station Retail

MTR stations provide convenient places to enjoy a wide variety of goods and services on offer – everything from food to fashion, health and beauty, books, banking, convenience stores, dry cleaning shops, shoe repairs and travel services.

More user-friendly services along the railway alignment include shopping centres; duty-free shops at Lo Wu, Lok Ma Chau, Hung Hom and Hong Kong West Kowloon stations; ATMs; public car parks; and park and ride services for passengers.

## Advertising

Innovative advertising and promotion campaigns are a well-established feature of the MTR network. MTR uses traditional and digital advertising panels, large LED panels with dynamic contents, and the multi-media broadcast service on board to create opportunities for advertisers to reach large numbers of targeted consumers.

## Telecommunications

MTR passengers can easily stay connected as they travel around the railway network. With 5G services now available in 75 MTR stations, passengers may access the Internet and other high speed data services via their mobile devices. Free Wi-Fi services are also available at all MTR stations, on Airport Express trains and Vibrant Express trains.



**43,000+** Advertising units in stations and trains  
(as at December 2022)





### MTR Network

Total Route Length (MTR, Airport Express and Light Rail)	245.3 km		
Railway Lines	Kwun Tong, Tsuen Wan, Island, Tung Chung, Tseung Kwan O, Disneyland Resort, East Rail, Tuen Ma Line and South Island lines	Airport Express	Light Rail
Total route length	201.8 km	35.2 km (on mainly shared tracks with Tung Chung Line)	36.2 km
Total number of stations	96	5 (3 are integrated with Tung Chung Line)	68
Number of train cars	2,038	88	146
Daily hours of operation	19 (except East Rail Line and Tuen Ma Line: 19.5)	19	19
Designed maximum one-direction loading per hour	Tung Chung Line - 45,000; Kwun Tong, Tsuen Wan, Island and Tseung Kwan O lines - 85,000; Disneyland Resort Line - 10,800; East Rail Line - 82,500; Tuen Ma Line - 75,000; South Island Line - 12,000	6,400	/

### High Speed Rail (Hong Kong Section)

Route Length	25.7km
Station	Hong Kong West Kowloon Station
Total number of trains	9 Vibrant Express trains
Daily hours of operation	18 hours

	Kwun Tong Line (Tiu Keng Leng to Whampoa)*	Tsuen Wan Line (Tsuen Wan to Central)*	Island Line (Chai Wan to Kennedy Town)	Tung Chung Line (Tung Chung to Hong Kong)	Tseung Kwan O Line (Po Lam / LOHAS Park to North Point)*	South Island Line (South Horizons to Admiralty)	Disneyland Resort Line (Sunny Bay to Disneyland Resort)	East Rail Line (Lo Wu / Lok Ma Chau to Admiralty)	Tuen Ma Line (Wu Kai Sha to Tuen Mun)	Airport Express (AsiaWorld-Expo to Hong Kong)	Light Rail (Tuen Mun / Yuen Long / Tin Shui Wai)
Route Length (km)	14.2	16	16	31.1	11.9	7	3.3	45.8	56.5	35.2	36.2
Number of Trains											
Morning Peak	33	34	35	13	16	7	1	32	52	5	137
Evening Peak	31	34	33	13	16	7	1	31	43	5	128
Length of Train	182 metres	182 metres	182 metres	184 metres	182 metres	70 metres	91 metres	219 metres	195 metres	184 metres	20 metres per car
Car Capacity	39-45 seated and 268-272 standing	39-45 seated and 268-272 standing	39-45 seated and 268-272 standing	48 seated and up to 265 standing	39-45 seated and 268-272 standing	39-48 seated and 178-187 standing	60 seated and up to 120 standing	42-49 seated and up to 309 standing First class compartment: 72 seated and up to 29 standing	40-52 seated and up to 287 standing	64 seated	43 seated and up to a range from 161 to 212 standing
Quiet Car	/	/	/	/	/	Available	/	Available	Available	Available	/
Speed											
Average	33 kph	33 kph	33 kph	80 kph	33 kph	38 kph	55 kph	50 kph	38 kph	80 kph	/
Maximum	80 kph	80 kph	80 kph	135 kph	80 kph	80 kph	80 kph	120 kph	130 kph	135 kph	80 kph
Frequency (weekday)											
Morning Peak (sec)	126	120	112	360 to 480 between Tung Chung and Tsing Yi 216 between Tsing Yi and Hong Kong	153 to 246 between Po Lam and North Point 400 between LOHAS Park and North Point	200	600	163	163	900	300-1080
Evening Peak (sec)	138	120	124	240 to 480 between Tung Chung and Tsing Yi 240 between Tsing Yi and Hong Kong	153 to 246 between Po Lam and North Point 400 between LOHAS Park and North Point	200	600	189	210	900	240-1080
Estimate Transit Time (min)	35	32	31	31	Po Lam to North Point: 17 LOHAS Park to North Point: 18	12	6	Lok Ma Chau to Admiralty: 50 Lo Wu to Admiralty: 44	74	AsiaWorld-Expo to Hong Kong: 28 Airport to Hong Kong: 24	/
Maintenance Depot	Kowloon Bay	Tsuen Wan	Chai Wan	Siu Ho Wan	Tsuen Kwan O	Wong Chuk Hang	Siu Ho Wan	Ho Tung Lau	Tai Wai / Pat Heung	Siu Ho Wan	Tuen Mun
Control Room	Tsing Yi	Tsing Yi	Tsing Yi	Tsing Yi	Tsing Yi	Tsing Yi	Sunny Bay	Tsing Yi	Tsing Yi	Tsing Yi	Tuen Mun

\*Duplicated sections of tracks are excluded.

(Data as at December 2022)



# Hong Kong Properties

MTR Corporation's property business includes the development, management and rental of high-quality residential and commercial projects. Through its successful Rail plus Property integrated development model, MTR not only builds new railway lines but also plans and creates fully integrated commercial and residential communities along the railway alignment. This enhances land values and stimulates patronage. Profits generated from property sales can be used to finance new railway projects. Fares can thus be kept at reasonable levels without the need for government subsidies.



**118,000+**  
Managed residential flats  
in Hong Kong  
(as at December 2022)



**820,000+\***  
Square metres of managed  
office and commercial space  
in Hong Kong  
(as at December 2022)



**14** managed shopping  
malls  
(as at December 2022)  
**+**  
**2** new shopping malls  
opening in 2023

## Property Development

MTR has a solid property portfolio along the railway network in Hong Kong, as well as investment properties under development.

Completed projects of note include the 118-storey International Commerce Centre at Kowloon Station in West Kowloon and the 88-storey Two IFC at Hong Kong Station in the central business district on Hong Kong Island. They are Hong Kong's tallest buildings.

MTR property projects are currently under development along the Light Rail, Tseung Kwan O Line, Tuen Ma Line, East Rail Line, South Island Line and Kwun Tong Line. MTR will continue to explore the development potential of stations and associated railway facilities along existing and future railway lines.

## MTR Malls

MTR Corporation owns and manages 14 retail complexes throughout Hong Kong, with another two new retail complexes opening in 2023. The outstanding performance of MTR Malls has been widely recognised over the years with numerous awards for providing outstanding shopping and customer experiences.

The flagship shopping centre in its portfolio is ELEMENTS. The luxury shopping space above Kowloon Station is home to the world's most coveted brand names and is a lifestyle shopping destination.

MTR continues to expand its investment property portfolio in Hong Kong. The Corporation's brand new community landmark, The Wai, situated above Tai Wai Station, softly opened in July 2023. The Wai spans four retail floors, covering a total of 60,620 square metres with around 150 tenants. It is seamlessly connected to the MTR station and features Hong Kong's largest indoor bicycle parking lot, measuring approximately 1,207 square metres with 330 bicycle parking spaces and various bicycle-friendly facilities. The mall also incorporates over 4,645 square metres of outdoor green spaces, providing customers with a holistic shopping and leisure experience.

Besides, THE SOUTHSIDE, a new 47,000-square-metre mall at Wong Chuk Hang, is scheduled to open by phases, starting from the fourth quarter of 2023.

## Premier Property Management Service

Through the day-to-day management of over 118,000 residential units, 14 malls and five office buildings (over 820,000 square metres of office and commercial space)\*, MTR Corporation is one of the largest property managers in Hong Kong.



The Wai softly opened on 22 July 2023.



THE SOUTHSIDE is scheduled to open by phases starting from the fourth quarter of 2023 (Photomontage of THE SOUTHSIDE)

MTR's property management teams provide high quality living and working environments and excellent services to residents, tenants and owners. To actively promote environmental protection and waste reduction, waste recycling schemes have been introduced at all managed properties and extended in recent years to cover glass bottles and food waste, while various energy saving measures are adopted in MTR's properties.

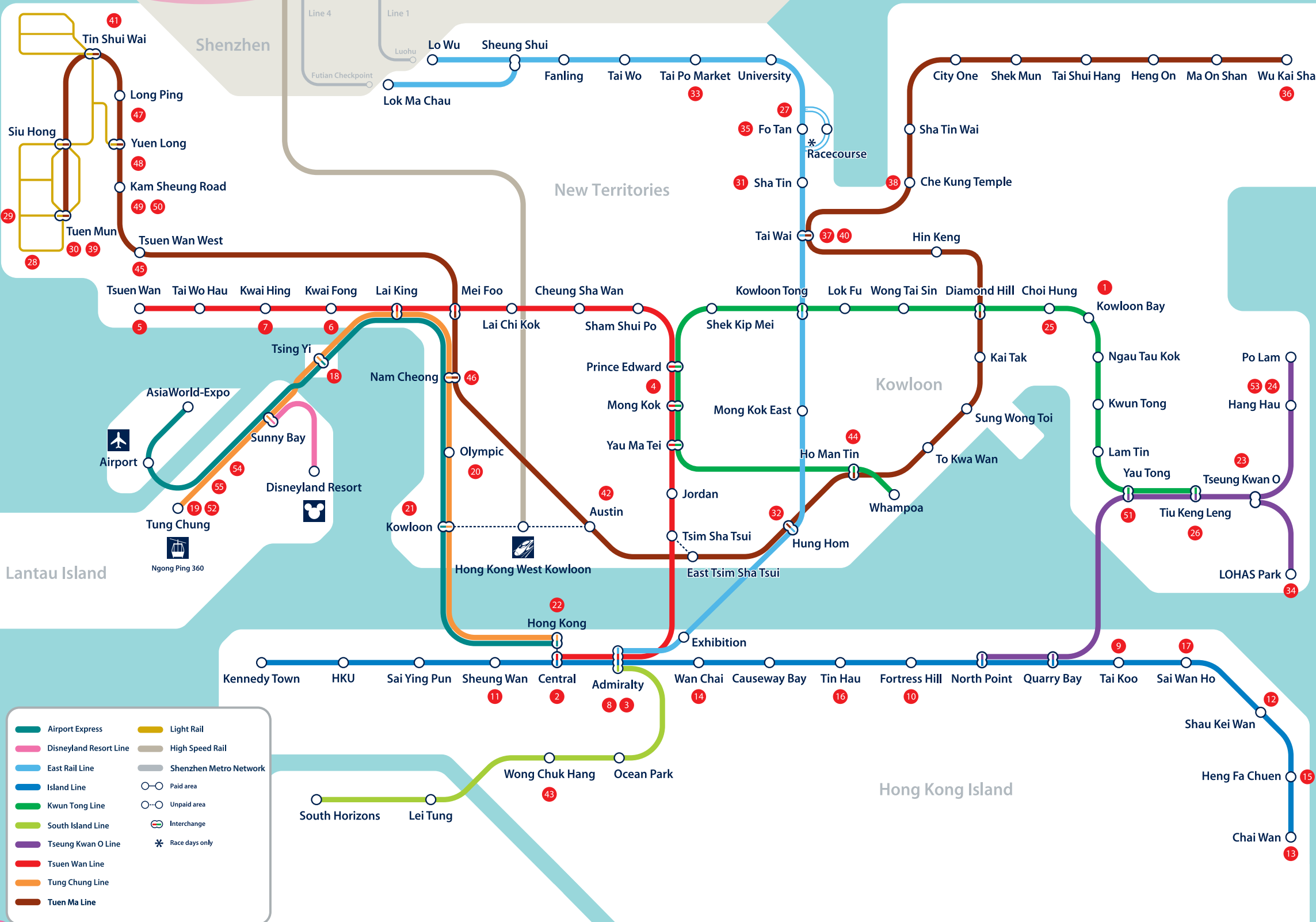
At luxury residential and commercial properties, Premier Plus management delivers the highest quality of services along with hospitality standards matching those of international five-star hotels.

More details of the Corporation's property business are available at: [www.mtr.com.hk](http://www.mtr.com.hk)

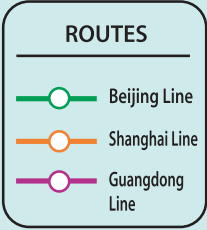
\* Figures exclude the new malls opening in 2023



# MTR System and Properties



Intercity Through Train Route Map



Intercity services are currently suspended until further notice.



## Properties Owned / Developed / Managed by the Corporation

- 1 Telford Gardens / Telford Plaza I and II
  - 2 World-wide House
  - 3 Admiralty Centre
  - 4 Argyle Centre
  - 5 Luk Yeung Sun Chuen / Luk Yeung Galleria
  - 6 New Kwai Fong Gardens
  - 7 Sun Kwai Hing Gardens
  - 8 Fairmont House
  - 9 Kornhill / Kornhill Gardens
  - 10 Fortress Metro Tower
  - 11 Hongway Garden / Infinitus Plaza
  - 12 Perfect Mount Gardens
  - 13 New Jade Garden
  - 14 Southorn Garden
  - 15 Heng Fa Chuen / Heng Fa Villa / Paradise Mall
  - 16 Park Towers
  - 17 Felicity Garden
  - 18 Tierra Verde / Maritime Square 1 / Maritime Square 2
  - 19 Tung Chung Crescent / Citygate / Novotel Citygate / Seaview Crescent / Coastal Skyline / Caribbean Coast
  - 20 Central Park / Island Harbourview / Park Avenue / Harbour Green / Bank of China Centre / HSBC Centre / Olympic City One / Olympic City Two
  - 21 The Waterfront / Sorrento / The Harbourside / The Arch / Elements / The Cullinan / The Harbourview Place / W Hong Kong / International Commerce Centre / The Ritz-Carlton, Hong Kong
  - 22 One International Finance Centre / Two International Finance Centre / IFC Mall / Four Seasons Hotel / Four Seasons Place
  - 23 Central Heights / The Grandiose / The Wings / PopCorn 1 / PopCorn 2 / Crowne Plaza Hong Kong Kowloon East / Holiday Inn Express Hong Kong Kowloon East / Vega Suites
  - 24 Residence Oasis / The Lane
  - 25 No. 8 Clear Water Bay Road / Choi Hung Park & Ride
  - 26 Metro Town
  - 27 Royal Ascot / Plaza Ascot
  - 28 Ocean Walk
  - 29 Sun Tuen Mun Centre / Sun Tuen Mun Shopping Centre
  - 30 Hanford Garden / Hanford Plaza
  - 31 Citylink Plaza
  - 32 MTR Hung Hom Building / Hung Hom Station Carpark
  - 33 Trakside Villas
  - 34 The Capitol / Le Prestige / Hemera / Wings at Sea / MALIBU / LP6 / MONTARA / SEA TO SKY / MARINI / GRAND MONTARA / GRAND MARINI / OCEAN MARINI / LP10 / The LOHAS
  - 35 The Palazzo
  - 36 Lake Silver
  - 37 Festival City
  - 38 The Riverpark
  - 39 Century Gateway
  - 40 THE PAVILIA FARM I / THE PAVILIA FARM II
  - 42 The Austin / Grand Austin
  - 43 SOUTHLAND
  - 45 Ocean Pride / Ocean Supreme / PARC CITY / THE PAVILIA BAY / City Point
  - 46 Cullinan West
  - 47 The Spectra / Sol City
- ## Property Developments Under Construction / Planning
- 34 LOHAS Park Packages
  - 40 Tai Wai Station Packages
  - 41 Tin Wing Stop
  - 43 THE SOUTHSIDE Packages
  - 44 Ho Man Tin Station Packages
  - 51 Yau Tong Ventilation Building
  - 52 Tung Chung Traction Substation
  - 53 Pak Shing Kok Ventilation Building
  - 54 Oyster Bay Packages
  - 55 Tung Chung East Station Packages
- ## West Rail Line Property Developments (As Agent for the Relevant Subsidies of KCRC)
- 39 Century Gateway
  - 45 Ocean Pride / Ocean Supreme / PARC CITY / THE PAVILIA BAY / City Point
  - 46 Cullinan West
  - 47 The Spectra / Sol City
  - 48 Yuen Long Station
  - 49 Kam Sheung Road Station Packages
  - 50 Pat Heung Maintenance Centre



# Building New Railways and Communities

Railway is the backbone of a city's development. For many years, MTR Corporation has been actively supporting the Hong Kong Government's strategy of using railways as the backbone of the public transportation system, capitalising the Corporation's professional knowledge and extensive experience in railway business to build railways to connect numerous communities. Applying the "Rail plus Community" development concept, the Corporation develops railway communities and facilitates city development. Modern railways provide convenient transportation for the community with seamless connections and diversified community facilities, such as residential areas, shopping malls, recreational areas, etc., providing ever more efficient and high-quality living to the residents of Hong Kong.

## Building Hong Kong's Public Transport Backbone

Since the late 1970s, MTR Corporation has been successfully delivering many major railway infrastructure projects to world-class standards in design, engineering technology and railway services. Starting from the service commencement of Kwun Tong Line, Tsuen Wan Line, Island Line in 1980's, followed by Tung Chung Line, Airport Express, Tseung Kwan O Line in 2000's, and the West Island Line Extension, Kwun Tong Line Extension, South Island Line, High Speed Rail (Hong Kong Section), Tuen Ma Line and East Rail Line Cross-Harbour Extension which commenced in recent years. The railway network development continues to enhance connections to different corners of the city, providing a sustainable transport option to keep Hong Kong moving.



## New Railway Projects in Hong Kong

The Corporation is currently developing several new railway projects with the vision of "Go beyond boundaries" which aligns with the city's development blueprint. The Corporation will fully support the Government to implement the key infrastructure plans by continuously extending the railway network to drive development, create opportunities, and build more communities with enhanced livability.

The Corporation has teams of professionals with strong experience in project design, construction and management. They are committed to adopting innovative technologies, new construction methods and creative thinking to champion the challenges of building the new railway projects, creating a new era of more accessible transportation for Hong Kong people.



Ground-breaking Ceremony for the Tung Chung Line Extension

The construction works of Tung Chung Line Extension commenced in May 2023. Other railway projects, including the Tuen Mun South Extension, Oyster Bay Station between the existing Sunny Bay and Tung Chung stations on the Tung Chung Line, and Kwu Tung Station between Lok Ma Chau and Sheung Shui stations on the East Rail Line will commence works in 2023. The Northern Link Main Line, Hung Shui Kiu Station between Tin Shui Wai and Siu Hong stations along the Tuen Ma Line, and the Airport Railway Extended Overrun Tunnel are expected to commence works within one to two years.

The Corporation will continue to collaborate with the Government to support the detailed planning and development of the Northern Link Spur Line in view of the new community development and further explore planning for the North Island Line and South Island Line (West).

New railways will lead the development of several new development areas. The Corporation stands in full support of the railway projects proposed under the "Northern Metropolis Development Strategy" and "Strategic Studies on Railways and Major Roads beyond 2030" to expand Hong Kong's railway network, providing closer connections to local communities as well as strengthening connectivity with other cities in the Greater Bay Area. The feasibility study for the proposed Science Park/Pak Shek Kok Station on the East Rail Line is underway.



Photomontage of Tung Chung East Station

To build new railways for the future of Hong Kong, new technologies, such as Building Information Modelling (BIM) and Design for Manufacture and Assembly (DfMA), etc., will be applied to achieve better quality and greater efficiency in works and project management. The new station designs are targeting for BEAM plus – Gold standard with elements of sustainable development including low-carbon and environmentally friendly designs and facilities with high energy efficiency. Through the use of recyclable resources and taking advantage of the station environment, the new stations will be sustainable and better immerse into the local communities.

## Building New Communities for Hong Kong

The Corporation continues to take forward property development and build community facilities at future stations to bring livable communities for Hong Kong.

The development of the Siu Ho Wan Depot Site was announced in the 2020 Policy Address of the Hong Kong SAR Government. The detailed design and advance works have commenced for the Siu Ho Wan Depot site topside development, which will provide about 20,000 residential units, about half of which will be public housing. Oyster Bay Station, which will be constructed by the Corporation to serve the property development and future population growth, is targeted for completion in 2030 for service commencement to serve the first intake of residents.

Beside, the Corporation will also take forward property development at Tung Chung East Station to provide more residential units.



Residential units will be built atop the Siu Ho Wan Depot on Lantau Island.

Note: All drawings and visuals are provided for concept illustration only, and the content is subject to change.



# Mainland of China and International Businesses

The Mainland China and international businesses are one of the three strategic pillars of MTR's Corporate Strategy, enabling MTR to diversify its revenue streams across multiple geographies and build the brand as one of the world's leading providers of mass transit.

Building on its world-class railway services in Hong Kong, over the past 15 years MTR Corporation has taken its expertise in railway development and operations to major cities in the Mainland of China, Macao, the United Kingdom, Sweden and Australia. To meet the needs of different cities, the projects are structured under different models such as Public-Private-Partnerships (PPP), Build-Operate-Transfer (BOT), and Operations and Maintenance (O&M) concessions.

## Railways in Mainland of China and Macao

The Corporation operates railway services to the highest international standards on newly-built lines in Beijing, Shenzhen and Hangzhou.

### Beijing

Beijing rail lines are operated by Beijing MTR Corporation Limited (Beijing MTR), a joint venture company comprising MTR Corporation, Beijing Infrastructure Investment Co. Ltd. and Beijing Capital Group. These lines include:

- Beijing Metro Line 4, a PPP project,
- Beijing Metro Daxing Line, an extension of Line 4, which operates under an O&M concession,
- Beijing Metro Line 14, a PPP project,
- Beijing Metro Line 16, a PPP project, and
- Beijing Metro Line 17, which is operated under an O&M concession.

### Shenzhen

The Corporation's wholly owned subsidiary MTR Corporation (Shenzhen) Limited operates Shenzhen Metro Line 4 (SZL4), with Phase 2 of the line, a 16-km extension constructed by MTR (Shenzhen). The project is funded on a BOT model. The Corporation also operates the SZL4 North Extension under an O&M agreement.

A consortium led by the Corporation's wholly owned subsidiary was awarded the tender for the Shenzhen Metro Line 13 PPP project, which covers investment, construction and O&M.



### Hangzhou

Hangzhou Metro Line 1 and its extensions, the Xiasha Extension and Airport Extension, are operated by a joint venture between MTR and Hangzhou Metro Group Co. Ltd. Hangzhou Metro Line 5 is also operated by a joint venture of MTR.

### Macao

MTR's wholly owned subsidiary operates and maintains the 9.3-km, 11-station Macao Light Rapid Transit Taipa Line in Macao.

## Property in Mainland of China

Based on the successful "Rail plus Community" development model in Hong Kong, MTR Corporation has expanded into the Mainland of China with transit-oriented development (TOD) projects in Beijing, Shenzhen, Tianjin and Hangzhou.

The Corporation has the land use right for a TOD site in the south of Hangzhou West Station together with its partners. This project is a mixed-use property development comprising serviced apartment, office, retail and hotel components and has a total developable GFA of approximately 688,210 square metres.



**Operating in 4 countries**  
(as at December 2022)

**12 Railway services outside Hong Kong**  
(as at December 2022)



**Around 1.77 billion Total patronage outside Hong Kong**  
(2022)

## International Railways

MTR operates railway businesses in the UK, Sweden and Australia. Through its international business, the Corporation has delivered significant enhancements to train service performance as well as customer service improvements to existing rail lines in London, Stockholm and Melbourne through O&M concessions.



### United Kingdom

- MTR Elizabeth line (MTREL), a wholly owned subsidiary of MTR Corporation, operates the Elizabeth line on behalf of Transport for London (TfL) and serves 41 stations.
- The South Western Railway, operated by a joint venture of which MTR is a member, covers routes between London Waterloo and south western England.

### Sweden

MTR is the largest rail operator in Sweden by passenger volume. The Corporation's wholly owned subsidiaries operate four rail businesses in the country, including:

- Stockholm Metro (Stockholms tunnelbana),
- Stockholm commuter rail (Stockholms pendeltåg),
- Mälardalen Regional Traffic (Mälartåg), and
- MTRX.

	Commencement operation/ concession	Concession period	Route length (km)	No. of stations
Beijing Metro Line 4/ Daxing Line	2009 / 2010	30 years/ End together with BJL4 concession	28/22	24/11
Beijing Metro Line 14	2013	30 years	50.8	37
Beijing Metro Line 16 <sup>(1)</sup>	2016	30 years	49.5	30
Beijing Metro Line 17	2021	20 years	49.7	21
Shenzhen Metro Line 4 / Line 4 North Extension	2010 / 2020	30 years / End together with SZL4 concession	31.3	23
Shenzhen Metro Line 13	2024	30 years	22.4	16
Hangzhou Metro Line 1 <sup>(2)</sup> / Line 1 Xiasha Extension / Line 1 Airport Extension	2012 / 2015 / 2020	25 years / End together with HZL1 concession	52.4	33
Hangzhou Metro Line 5	2019	25 years	58.2	40
Macao Light Rapid Transit Taipa Line	2019	80 months	9.3	11
Elizabeth line	2015	8 years + 2 years	128	41
South Western Railway	2017	2 years + 2 years <sup>(3)</sup>	998	210
Stockholm Metro	2009	14 years + 1.5/2 years	108	100
MTRX	2015	License is subject to renewal	462	10
Stockholm commuter rail (Stockholms pendeltåg)	2016	10 years	247	54
Mälardalen Regional Traffic (Mälartåg)	2021	8 years	1060	45
Melbourne's Metropolitan Rail Service	2009	15 years + 1.5 years	432	222
Sydney Metro North West Line	2019	15 years	36	13
Sydney Metro City & Southwest Line	Target in 2024	10 years	30	18

<sup>(1)</sup> BJL16 commenced operations in phases since December 2016. The full opening of BJL16 is expected to be in 2023.

<sup>(2)</sup> HZL1 Linping Section became an independent operation under Hangzhou Metro Line 9 in July 2021.

<sup>(3)</sup> The Corporation signed a National Rail Contract in May 2021 for a 2-year term. In February 2023, the Department for Transport exercised its option to extend the contract for a further two years up to May 2025.

## Consultancy and Contracting Services

The Corporation offers worldwide consultancy and contracting services on railway planning, design management, system integration and assurance, project management, construction management, railway operations and maintenance, and non-fare revenue business. The Corporation has provided services to a number of railway



Besides, MTR Tech, a wholly owned subsidiary of MTR, maintains rolling stock for the Stockholm Metro, Stockholm commuter rail and Mälartåg.

### Australia

- The Northwest Rapid Transit (NRT) consortium, of which MTR is a member, is responsible for the design, financing, construction and the on-going operations and maintenance of the Sydney Metro North West Line. It is also responsible for the delivery of new metro trains and core rail systems as well as the operation and maintenance of the combined Sydney Metro North West and City & Southwest lines for 10 years starting from 2024.
- Melbourne's Metropolitan Rail Service is operated by Metro Trains Melbourne Pty. Ltd., an MTR's subsidiary.





# Serving the Community

MTR is a critically important part of the communities it serves, bringing people together and keeping cities on the move. The Corporation operates on a sustainable development basis that it must meet the needs of the present while looking ahead to fully consider and take into account the needs of stakeholders to come.



## Community Connect

MTR proactively leverages its assets, skills, and resources to connect, grow and support communities to thrive. Community Connect is a platform for initiatives that support everyone from the young to the elderly, while also enhancing the livability of our city, so that together we can grow and thrive in a sustainable city.

## Youth

Young people are future leaders, innovators and game changers. MTR believes supporting our youth is an investment in our communities' future. The Corporation organises and supports youth programmes to empower young individuals and equip them with the skills, knowledge and experience for success, creating a better future for themselves and their communities.

### MTR Budding Station Master Programme

The "MTR Budding Station Master Programme" provides children with a unique opportunity to learn about the railway industry and promote safety and courteous behaviour through an interactive and educational experience. Through the programme, they have a chance to experience the daily duties of station staff and promote safety messages to passengers.



## Elderly

MTR facilitates elderly customers to have hassle-free journeys in the network and enhances the age-friendly facilities at stations. MTR also organises different programmes including the "Elderly Safety Promotion Campaign", in collaboration with Radio Television Hong Kong Radio 5, and elderly talks to promote a safe travelling environment for the elderly.

## Volunteering works in Communities

Under the "More Time Reaching Community" scheme, MTR staff engage in community services that benefit people in need. The Corporation also provides support to non-governmental organisations by offering them free advertising space in stations to raise awareness about various social causes.



## Culture in Communities

Eye-catching works including sculptures, installations and mosaics are incorporated into station architecture through the "Art in MTR" programme, enriching the travelling environment for passengers. Over 90 artworks from established local and international talents from all over the world are showcased in more than 50 stations with a wide spectrum of art pieces in station concourses and platforms. The Corporation also displays artworks of amateur artists, neighbourhood students, residents and organisations in stations and Community Art Galleries, nurturing a love of art in and across the community.

### "Art in MTR" Programme

The Corporation incorporates stimulating and attractive art pieces in station concourses and platforms and creates a more vibrant and vivid travelling experience for everyone to enjoy.



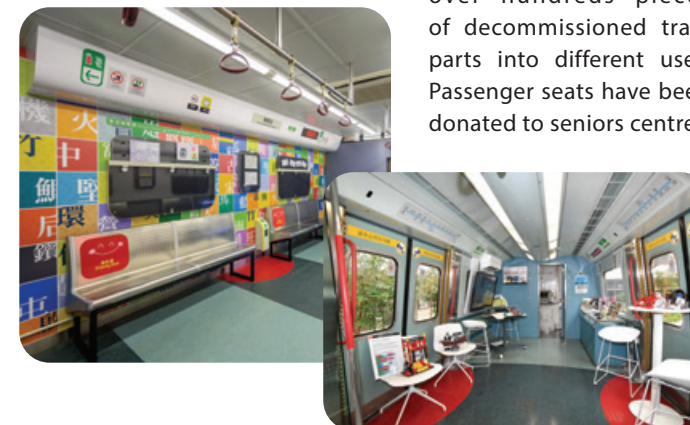
In addition to the artworks in stations, the Corporation actively collaborates with various organisations to transform the railway through different mediums to bring art into passengers' journeys, including the collaboration with M+



in November 2022 in bringing the distinctive pumpkin and polka dot motifs by the world-renowned contemporary artist Yayoi Kusama into a train on the Tuen Ma Line. This turned the train into a form of mobile art to reach out to passengers from all walks of life, enabling them to experience an imaginative art journey.

## Legacy Train Revitalisation Programme

With the aim to preserve, revitalise, and utilise resources for the betterment of society, the Legacy Train Revitalisation Programme (LTRP) has been giving retired trains a second life by preserving whole train cars as well as recycling or upcycling train compartments and components. Since the programme launch in 2021, MTR has cooperated with more than 20 non-governmental organisations, social partners and government departments, jointly turning over hundreds of pieces of decommissioned train parts into different uses. Passenger seats have been donated to seniors centres,



What's more, in June 2023, the Corporation transformed Admiralty Station into the "Double Ducks-Themed Station" to share the happy vibes of Dutch artist Florentijn Hofman's Gigantic Rubber Duck via the railway network in collaboration with AllRightsReserved. Rubber Ducks with uniquely Hong Kong overlays also popped up at selected stations to bring joy to passengers around the city.

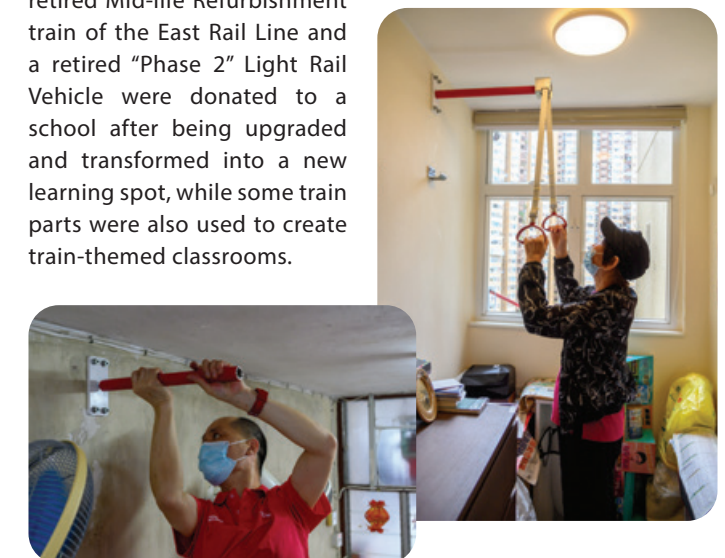


### Living Art Stage

The MTR "Living Art Stage" located in the Central Subway of Hong Kong Station provides a stage for professional artists and amateur performers to bring music, dance and theatrical performances into the MTR in a rich variety of entertaining ways.



schools, and the public community as recreational facilities. Some train parts were also transformed into arm-stretching equipment, which was installed by the MTR volunteer team in homes of the elderly. Furthermore, carriages from a retired Mid-life Refurbishment train of the East Rail Line and a retired "Phase 2" Light Rail Vehicle were donated to a school after being upgraded and transformed into a new learning spot, while some train parts were also used to create train-themed classrooms.





# Environmental and Social Responsibility

With its mission to “Keep Cities Moving”, MTR strives to connect and grow communities with inclusive, innovative and sustainable services. MTR is committed to embedding environmental, social and governance (ESG) considerations into its business and operations. Three priority areas: (1) Social Inclusion, (2) Advancement and Opportunities, and (3) Greenhouse Gas Emissions Reduction, have been set forth to advance its environmental and social objectives while supporting the United Nations Sustainable Development Goals. Under these three objectives, MTR has clearly defined 10 focus areas and a set of key performance indicators in which a greater impact can be created for society.

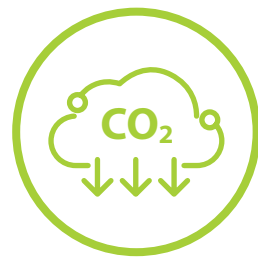


## Social Inclusion

- Universal Basic Mobility
- Diversity & Inclusion
- Equal Opportunities

## Advancement & Opportunities

- Employees
- Business Partners
- Future Skills & Innovation

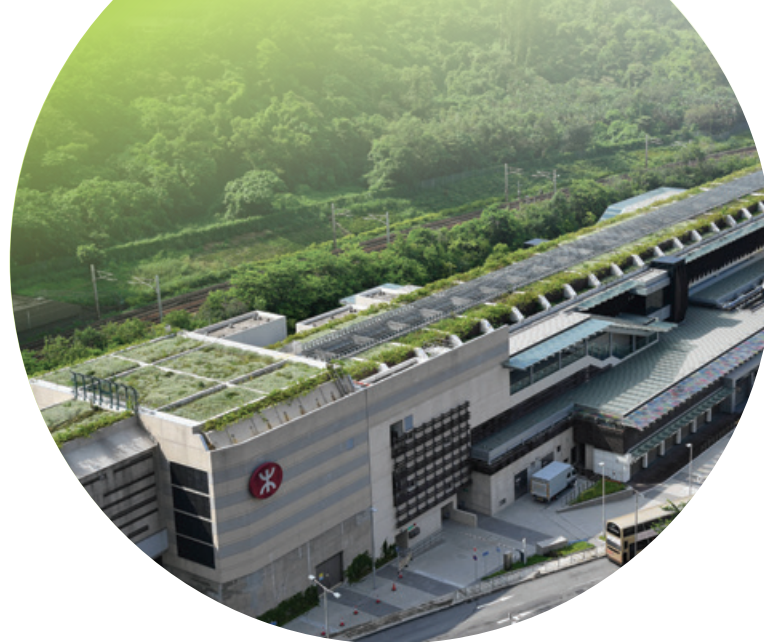


## Greenhouse Gas Emissions Reduction

- Carbon Emissions
- Clean Energy & Energy Efficiency
- Waste Management
- Green and Low-carbon Designs

### Social Inclusion

As a provider of public transport services for all, MTR aims to foster social inclusion, promote equality and make a positive impact on communities we serve. The railway system and properties are accessible for all, and the Corporation takes special care of the elderly, those with disabilities, people travelling with infants or toddlers and anyone who might need barrier-free access along the network. The Corporation closely communicates with non-governmental organisations



(“NGOs”) to better understand the mobility needs of different service users and make improvements to facilities at new and existing stations.

MTR aspires to create a diverse and inclusive work environment while actively promoting equal opportunities. The Corporation also supports employment of persons with disabilities and from ethnically diverse communities with different programmes and initiatives. To promote gender equity and diversity in the workplace, a Gender Equity Network was also established to provide a safe space for discussions on gender issues through a variety of programmes including topical seminars, workshops and networking events as well as a mentorship programme.



MTR is committed to leveraging its strengths and business to grow and support the communities it serves by developing mutually beneficial partnerships with NGOs and social enterprises and work with them to build inclusive and sustainable society. MTR partnered with True Colors Symphony and The Zubin Foundation to organise the “Multicultural Green Music Show” to promote social inclusion and upcycling to the public. MTR staff joined families from diverse cultural backgrounds to perform music using musical instruments upcycled from retired MTR train parts.



### Advancement and Opportunities

MTR aspires to create long-term shared value by developing and growing the communities it serves and its business partners with advancement opportunities. The Corporation is committed to upskilling its staff by offering a wide range of learning resources, training programmes and schemes to support their personal growth and professional development. To foster staff well-being, the Corporation provides a wide range of health talks and programmes to promote a healthy lifestyle.

The Corporation fosters the sustainable growth of local enterprises in cities where it operates. It is committed to enhancing and rewarding ESG performance of the supply chain and increasing the spending on green procurement. Training sessions are also provided to promote and raise awareness on ESG along the supply chain.

The Corporation also works to enhance the skills and innovative capacity of the future generations by collaborating with local schools and universities, as well as startups and the technology ecosystem. Career talks, visits and mentoring schemes are hosted for secondary school and university students. Aiming to unleash the youth’s potential and supporting them in life-planning, the “Train’ for Life’s Journeys” programme provides secondary school students with a unique learning experience to enhance soft skills and strengthen their self-confidence. The Corporation also collaborates with various key players in the innovation and technology sector, including Hong Kong Science and Technology Parks Corporation and Hong Kong Cyberport Management Limited to foster innovation.



### Greenhouse Gas Emissions Reduction

MTR offers a low-carbon solution connecting the communities it serves. As an operator of a reliable, efficient and environmentally friendly transportation system, the Corporation is playing its part in transiting Hong Kong to a carbon-neutral city by 2050 by reducing greenhouse gas emissions. Aside from implementing climate mitigation and adaptation measures, the Corporation will continue to incorporate green features and energy efficiency measures in the planning, design, construction and operation of its railway network and properties. For example, the Corporation completed the first phase of its large-scale chiller replacement project at stations and depots in 2022. It has commenced the second phase of the project, with an expected chiller energy saving of at least 20% after



replacement. It is also committed to increasing the generation of renewable energy by installing solar facilities in its premises.

To further reduce greenhouse gas emissions, the Corporation is committed to reducing waste at sources and developing sustainable infrastructure with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies. A variety of initiatives to encourage waste reduction and recycling at stations, shopping malls and managed properties have been put in place.

The Corporation adopts green and low-carbon designs in its projects, with an aim to achieve a minimum of BEAM Plus Gold accreditation for all its new stations and new residential development projects. The proposed Tung Chung East and Tung Chung West stations have attained BEAM Plus Provisional Gold accreditation.

The green design at Hin Keng Station was also recognised internationally, as the station becomes the first railway station in the world achieving “Excellent” rating under BREEAM In-Use, the most widely used sustainability assessment rating scheme for the built environment worldwide.

### Moving Toward Carbon Neutrality by 2050

In April 2023, the Science Based Targets initiative (SBTi), the international agency that defines and promotes best practice in science-based reduction target setting for combatting climate change, approved MTR’s targets for reducing greenhouse gas emissions from its Hong Kong railway and property business by 2030. Scope 1, 2 and 3 well-to-wheel greenhouse gas emissions from rail transport will be reduced by 46.2% per passenger kilometre, and scope 1 and 2 greenhouse gas emissions from investment properties will be reduced by 58.6% per square metre of floor area by 2030, from a 2019 base year. The Corporation also pledges to reduce absolute scope 3 greenhouse gas emissions by 13.5% within the same timeframe.

The approval of these targets for reducing greenhouse gas emissions by the SBTi supports MTR’s long-term goal of achieving carbon neutrality by 2050.





# Finance

A sustainable business model is key to the long-term success of MTR as it allows the Corporation to provide reasonable returns to capital providers while maintaining high quality railway services and achieving its objectives in a responsible and sustainable manner.

MTR Corporation operates largely under a “Rail plus Property” business model that includes the Corporation’s “Hong Kong Transport Services” – comprising rail and bus services as well as related commercial activities at stations – and the development, rental and management of its railway-linked properties.

Since the commencement of MTR operations in 1979, the Corporation’s fare revenue has grown as a result of patronage and fare increases. Other recurring revenue comes mainly from property rental and management, station retail rental and advertising, as well as railway operations in Mainland China and overseas.

The Corporation’s operating costs, which principally comprise staff costs, repairs and maintenance, energy costs, and other expenses, have been well contained in relation to revenue growth.

Profits from property developments on sites along the railway are important contributions to the Corporation’s overall return on investment.

MTR Corporation is listed on the Stock Exchange of Hong Kong with a market capitalisation of HK\$256.5 billion as of 31 December 2022.

## Financing

The Corporation finances its funding requirements through a variety of means including debt and equity issuances, income from railway and related operations, and profits from property development, investment and management.

External debt financing and related hedging activities are conducted in accordance with the Preferred Financing Model, which seeks to diversify risks by specifying a preferred mix of fixed and floating rate debt, a permitted level of foreign currency debt, a well-balanced spread of loan maturities and the use of different types of instrument.

## Credit Rating

The Corporation was the first Hong Kong corporate entity to obtain internationally recognised credit ratings and has since maintained investment grade ratings on par with the Hong Kong Special Administrative Region Government. Currently, its foreign currency debts are rated AA+, Aa3 and AA+ respectively by Standard & Poor’s, Moody’s and Rating and Investment Information Inc. of Japan.



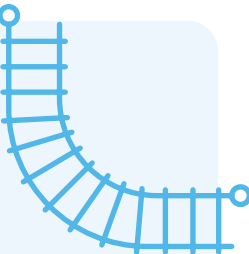
Five-Year Financial Statistics	2022	2021	2020	2019	2018
Consolidated Profit or Loss (in HK\$ million)					
Total revenue	47,812	47,202	42,541	54,504	53,930
Total EBIT	13,541	14,523	6,674	12,290	14,810
Profit/(loss) attributable to shareholders of the Company arising from:					
– Recurrent businesses	157	1,808	(1,126)	4,980	9,020
– Property development businesses	10,480	9,343	5,507	4,369	2,243
– Underlying businesses	10,637	11,151	4,381	9,349	11,263
– Fair value measurement of investment properties	(810)	(1,599)	(9,190)	2,583	4,745
– Total	9,827	9,552	(4,809)	11,932	16,008
Profit/(loss) for the year	10,141	9,679	(4,821)	12,092	16,156
Share Information					
Basic earnings/(loss) per share (in HK\$)	1.59	1.55	(0.78)	1.94	2.64
Basic earnings per share arising from underlying businesses (in HK\$)	1.72	1.80	0.71	1.52	1.86
Ordinary dividend per share (in HK\$)	1.31	1.27	1.23	1.23	1.20
Dividend payout ratio (based on underlying business profit) (in %)	76	71	173	81	65
Share price at 31 December (in HK\$)	41.35	41.85	43.35	46.05	41.20
Consolidated Financial Position (in HK\$ million)					
Total assets	327,081	292,082	290,574	289,214	274,687
Loans, other obligations and bank overdrafts	47,846	43,752	50,340	39,456	40,205
Obligations under service concession	10,142	10,231	10,295	10,350	10,409
Total equity attributable to shareholders of the Company	179,286	179,714	176,788	186,606	180,447
Financial Ratios					
EBIT margin <sup>(1)</sup> (in %)	1.8	5.2	(1.0)	13.8	21.5
EBIT margin <sup>(1)</sup> (excluding Mainland China and international subsidiaries) (in %)	3.7	7.8	(3.2)	19.3	32.8
Net debt-to-equity ratio (in %)	23.3	18.1	22.5	15.4	18.1
Return on average equity attributable to shareholders of the Company arising from underlying businesses (in %)	5.9	6.3	2.4	5.1	6.5
Interest cover (times) <sup>(2)</sup>	14.2	14.4	8.2	14.4	13.6

<sup>(1)</sup> Excluding Hong Kong property development profit from share of surplus and interest in unsold properties, and share of profit of associates and joint ventures

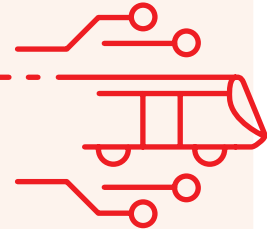
<sup>(2)</sup> Excluding fair value measurement of investment properties

# HONG KONG RAILWAY OPERATIONS AT A GLANCE 2022

245.3  
Kilometres of Track

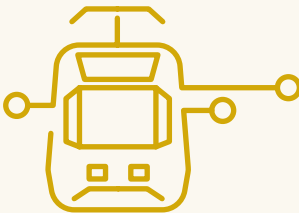


9 Railway Lines  
Airport Express  
Light Rail



98 MTR Stations

68 Light Rail Stops



1.52  
billion  
Patronage



2.53  
million Train and  
Light Rail Trips operated



99.9%  
On-time  
Passenger Service



## High Speed Rail (Hong Kong Section)



Hong Kong West  
Kowloon Station

25.7  
Kilometres  
of Track

