



HONG KONG NETWORK EXPANSION



Hung Hom to
Admiralty Section

97.2%
Complete

**Tung Chung Line
Extension and
Tuen Mun South
Extension** Projects
were Gazetted Under
Railways Ordinance

Progressing the Design of
Kwu Tung Station
of East Rail Line,
**Northern Link and
Hung Shui Kiu Station**
Projects

AIM

MTR strives to grow its “Hong Kong Core” and support the city’s economic development through the design and construction of quality new railway projects, thus expanding its world-class railway network while connecting more and more communities across the territory with safe, environmentally friendly, affordable and accessible mass transit.

CHALLENGES

The Company is working to meet its scheduled opening date of June/July 2022 for the Hung Hom to Admiralty Section of the Shatin to Central Link while also progressing a number of important projects under Railway Development Strategy 2014 (“RDS 2014”).

OUTLOOK

Following the opening of the full Tuen Ma Line in June 2021, MTR remains focused on completing the Hung Hom to Admiralty Section of the Shatin to Central Link, which will bring the entire project to completion and connect major population centres in Hong Kong more seamlessly than ever.

The Company is working to meet the targeted opening date of June/July 2022 for the Hung Hom to Admiralty Section of the Shatin to Central Link.

The Company continues to progress a number of projects under RDS 2014. The Tung Chung Line Extension and Tuen Mun South Extension were gazetted in December 2021 and January 2022, respectively. We are progressing the planning and design of the new Kwu Tung Station on the East Rail Line, the 10.7-km Northern Link and Hung Shui Kiu Station, and we continue to work closely with Government on other RDS 2014 projects.

The Company is also exploring ways to support Government’s Northern Metropolis Development Strategy and the construction of a new Science Park/Pak Shek Kok Station, both of which were announced in the 2021 Policy Address.

STRATEGIES

MTR continuously enhances its project design, construction and management to ensure world-class railway networks that support the current and future needs of its communities, integrating digital and leading-edge technologies while strengthening collaboration among key internal and external stakeholders.

The Company opened the full Tuen Ma Line on 27 June 2021, commencing service for the longest railway line in Hong Kong. The Company is now focused on delivering the cross-harbour Hung Hom to Admiralty Section of the Shatin to Central Link, which will complete this major infrastructure project.

Work continues for various projects under the RDS 2014 development framework for Hong Kong railways. Together, these projects could increase the city's rail

network by 35 km and bring with them a multitude of development opportunities for MTR and the communities they serve.

The Company joined Hong Kong in welcoming the announcement of the Northern Metropolis Development Strategy, an initiative that promises to provide strong foundations for future growth and closer integration with the Greater Bay Area.

SHATIN TO CENTRAL LINK

The 17-km Shatin to Central Link, a project managed by the Company on behalf of Government, will enhance Hong Kong's rail network by connecting several existing railway lines and significantly reducing travel times between New Territories North, Kowloon and Hong Kong Island. Once completed, it will give passengers more routes to choose from – particularly those using the busy cross-harbour section of the Tsuen Wan Line and the Tai Wai to Kowloon Tong section of the East Rail Line – thus reducing congestion while boosting passenger convenience and comfort.

Project Progress

The first phase of the Shatin to Central Link, the 11-km Tai Wai to Hung Hom Section, opened with the commissioning of the full Tuen Ma Line in June 2021. This new section connects the former Ma On Shan Line to the former West Rail Line via Tai Wai and Hung Hom stations. On 21 June 2021, the Company entered into agreements with Government and KCRC to operate the Tuen Ma Line for a concession period of two years from 27 June 2021.

In addition to greater convenience, passengers may also enjoy artistic elements that have been incorporated into the design of various stations along the new section. In particular, the Company collaborated with the Antiquities and Monuments Office to showcase approximately 400 archaeological relics from the Song-Yuan period in Sung Wong Toi Station. The relics, which were unearthed during the station's construction, include Song Dynasty coins, ceramics and architectural components.

The second phase of the Shatin to Central Link is the 6-km Hung Hom to Admiralty Section, which was 97.2% complete as at 31 December 2021. Once finished, it will extend the East Rail Line under Victoria Harbour from Hung Hom to Admiralty Station via Exhibition Centre Station.





As part of this project, the Company has upgraded the East Rail Line signalling system to ensure compatibility between the new Hung Hom to Admiralty section and the existing East Rail Line. The new signalling system and first of the new trains were commissioned on 6 February 2021. The commissioning of the Hung Hom to Admiralty Section is targeted for June/July 2022, and efforts are being made to achieve this milestone as early and safely as possible. Trial operations of East Rail Line trains to the future terminus of Admiralty Station commenced in January 2022.

After reviewing the Report of the Investigation Panel into the postponement of the commissioning of the new signalling system of the East Rail Line, the Company announced the establishment of a dedicated Shatin to Central Link Technical and Engineering Assurance Team to monitor the project from both technical and service readiness perspectives and to identify any critical issues for timely reporting and follow-up. A new Service Reliability Report is being prepared for Government before the commissioning of new line.

Concerns relating to construction works

In April 2021, the audit report submitted by the Independent Audit Panel for “Implementation of Recommendations in the Final Report of the Commission of Inquiry (“the COI”) into the Construction Works at and near the Hung Hom Station Extension under the Shatin to Central Link Project” was released. The report concludes that the Company has implemented the majority of the COI recommendations. Regarding the remaining recommendations, which primarily relate to amendments of the project management procedures and review of the suite of contract documents to be adopted for future projects, the Company is making satisfactory progress towards implementation, with a view to having these in place ready for the construction of the new RDS 2014 projects.

In the meantime, we are continuing our discussions with the Hung Hom Station contractor about fulfilling their contractual responsibilities and will be considering our legal position.

OTHER NEW RAILWAY PROJECTS

RDS 2014

During the year, the Company made progress on a number of projects under the RDS 2014 framework for the future development of the Hong Kong railway network.

In December 2021, the Tung Chung Line Extension became the first railway project under RDS 2014 to be gazetted under the Railways Ordinance. After receiving Government's invitation to proceed with detailed planning and design in April 2020, preliminary design commenced in June 2020. Construction is expected to commence in 2023 and be completed in 2029.

The project comprises two components: i) a new intermediate Tung Chung East Station between Sunny Bay Station and Tung Chung Station, and ii) an extension of the existing Tung Chung Line to a new terminal station at Tung Chung West. The Company has also agreed with Government to construct the Airport Railway Extended Overrun Tunnel to facilitate increased train frequency along the Tung Chung Line in the future.

The Tuen Mun South Extension is a 2.4-km extension of the Tuen Ma Line from the existing Tuen Mun Station to a new terminus at Tuen Mun South via a proposed intermediate station between Tuen Mun Station and the new Tuen Mun South Station. Following Government's invitation to proceed with the detailed planning and design in May 2020, detailed planning and design commenced in the fourth quarter of 2020. The scheme was gazetted under the Railways Ordinance in January 2022. Construction is targeted to commence in 2023 and be completed in 2030.

The Kwu Tung Station on East Rail Line and Northern Link project comprises two phases: i) a new Kwu Tung Station along the Lok Ma Chau Spur Line between Sheung Shui Station and Lok Ma Chau Station, and ii) a 10.7 km-long railway line linking Kam Sheung Road Station on the Tuen Ma Line with the new Kwu Tung Station via three proposed intermediate stations in San Tin, Ngau Tam Mei and Au Tau. Upon completion of the project, a loop will be formed in the northwest New Territories to enhance transport network connectivity between the east and west New Territories.

After receiving Government's invitation to proceed with detailed planning and design in December 2020, we awarded the consultancy for the detailed planning and design of Kwu Tung Station on the East Rail Line in April 2021, with construction targeted to commence in 2023 for completion in 2027. The preliminary design consultancy for the Northern Link Main Line and associated stations was awarded in July 2021, with construction targeted to commence in 2025 for completion in 2034.

Hung Shui Kiu Station will be located between Tin Shui Wai and Siu Hong stations along the Tuen Ma Line to serve the growing Hung Shui Kiu/Ha Tsuen New Development Area, thus increasing development potential and contributing to more job opportunities in the area. We were invited by Government to proceed with detailed planning and design in May 2021, and we awarded the preliminary design consultancy for the project in October 2021. Construction is targeted to commence in 2024 for completion in 2030.

The Company is still in various stages of discussion with Government, and has yet to enter into project agreements, for the Tung Chung Line Extension, Tuen Mun South Extension, Northern Link and Hung Shui Kiu Station projects. Government has announced its intention to proceed with certain of these projects using the well-proven Rail plus Property model.

We are working closely with Government to address technical challenges regarding the East Kowloon Line and North Island Line. We are also working with Government on the South Island Line (West), a proposal for which was submitted in December 2020.

Opportunities under the Policy Address 2021

During the Policy Address in October 2021, the Chief Executive announced plans for the Northern Metropolis Development Strategy, an initiative designed to foster the city's future urban and economic development through enhanced railway networks and more extensive connectivity with the Greater Bay Area. Railway projects include:

- constructing the Hong Kong-Shenzhen Western Rail Link to connect the Hung Shui Kiu/Ha Tsuen New Development Area and Qianhai in Shenzhen;
- extending the Northern Link northwards to connect to the new Huanggang Port in Shenzhen via the Hong Kong-Shenzhen Innovation and Technology Park in the Lok Ma Chau Loop, a project that will be known as the Northern Link Spur Line;

- extending the East Rail Line to Luohu in Shenzhen;
- extending the Northern Link eastwards from Kwu Tung Station to connect with Lo Wu, Man Kam To and Heung Yuen Wai as well as further southwards to Fanling; and
- examining the feasibility of constructing an automated people-mover system from Tsim Bei Tsui to Pak Nai.

Among these five projects, the Company has already commenced a study on the Northern Link Spur Line after receiving an invitation from Government in early 2021. Government has also invited MTR to study the construction of a new Science Park/Pak Shek Kok Station on the East Rail Line at the current site of The Hong Kong Education University Sports Centre at Pak Shek Kok, as well as the use of the station site and its adjoining land to provide more residential units and auxiliary facilities.

The Company will support Government and contribute its expertise in railway construction and operations where needed to assist with these initiatives and help foster the long-term growth of Hong Kong.

