



Completion of the
**Shatin to
Central Link**

Oyster Bay
Station^{and}
Tung Chung
Line
Extension
entered into
Project Agreements

Schemes of
Tuen Mun
South
Extension^{and}
Kwu Tung
Station
were authorised under
the Railways Ordinance

HONG KONG NETWORK EXPANSION

AIM

We are committed to expanding our network and supporting our “Hong Kong Core” strategic pillar by developing, designing and constructing new railway projects that enhance connections between communities and deliver safe, reliable, affordable, accessible and environmentally friendly mass transit services for all.

CHALLENGES

Following the completion of the Shatin to Central Link, we are in the midst of Hong Kong's next phase of railway development, including important projects under Railway Development Strategy 2014 ("RDS 2014"), the Northern Metropolis Development Strategy and other strategic railway projects.

Apart from challenges on the availability of sufficient labour in Hong Kong's construction sector, each of our new railway projects has its own technical difficulties and challenges to be addressed, including works needing to be carried out at night during non-traffic hours.

STRATEGIES

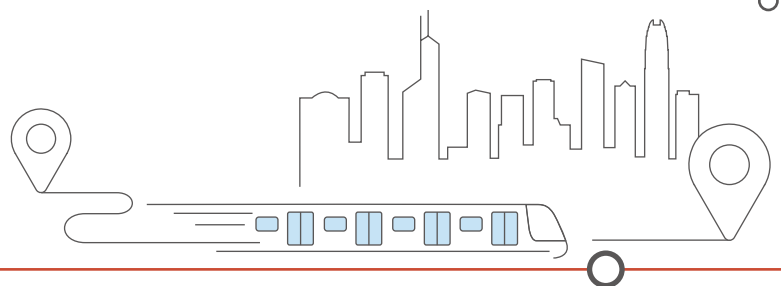
We continue to "Go Smart Go Beyond" by leveraging cutting-edge innovation and technology to enhance our project design, construction and management, delivering high-quality railway networks for communities and securing important projects that ensure MTR's sustainable future growth and success.

OUTLOOK

With the completion of the Shatin to Central Link, which signified the conclusion of a major phase of railway network growth in Hong Kong, we are now moving forward to the next phase of the city's infrastructural development.

We continue to advance a number of projects under RDS 2014. On 28 February 2023, the Company entered into a Project Agreement with Government for the Tung Chung Line Extension, which will enhance the connectivity of North Lantau and support the growth of communities around rail stations in line with Government's strategy of making railways the backbone of public transport.

Other projects under RDS 2014, including the Tuen Mun South Extension, the new Kwu Tung Station on the East Rail Line, the Northern Link, and the new Hung Shui Kiu Station on the Tuen Ma Line, are at various stages and are progressing satisfactorily. We are also excited to be taking part in discussions and preparations regarding potential projects under the Policy Address 2022 and Government's Northern Metropolis Development Strategy.



Service commenced for the East Rail Line cross-harbour extension in May 2022, signifying the completion of the Shatin to Central Link. This extension offers another convenient option for passengers to travel throughout the city and provides a fourth rail line spanning Victoria Harbour.

Meanwhile, works continued on several projects under RDS 2014, which guides Hong Kong's future railway expansion. Preparations are also underway for the initiatives under Government's Northern Metropolis Development Strategy and strategic railway projects recommended under the Strategic Studies on Railways and Major Roads Beyond 2030 ("RMR2030+ Study").

SHATIN TO CENTRAL LINK

The 17-km Shatin to Central Link, a project managed by the Company on behalf of Government, has enhanced the railway network in Hong Kong by offering passengers more choices and reduced travel times when travelling between Hong Kong Island and Central Kowloon and the Northeast New Territories. 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.

The second phase, the 6-km Hung Hom to Admiralty Section, comprised the new Exhibition Centre Station and the expanded Admiralty and Hung Hom stations. After the Company signed the agreements with Government and KCRC on the operation of the East Rail Line cross-harbour extension for a concession period of 10 years on 10 May 2022, passenger service has commenced on 15 May 2022. The East Rail Line now covers 46 km and offers interchanges with five other railway lines, connecting communities across the city more seamlessly than ever.

BUILDING THE FUTURE OF HONG KONG RAILWAY NETWORK

Oyster Bay Station

On 23 September 2022, MTR entered into a Project Agreement with Government for the financing, design, construction, operation and maintenance of a new Oyster Bay Station. The station will be located at Siu Ho Wan between Sunny Bay and Tung Chung stations on the

Tung Chung Line. Planning and design work of the station has commenced. Construction is expected to commence in 2023, and the project is targeted for completion in 2030.

RDS 2014

In 2022, we continued to advance several important projects supporting Government's RDS 2014 framework for the development of Hong Kong's rail network.

Tung Chung Line Extension

On 28 February 2023, the Company entered into a Project Agreement with Government for the financing, design, construction, operation, and maintenance of the Tung Chung Line Extension. This agreement also covers the construction of the Airport Railway Extended Overrun Tunnel. The Tung Chung Line Extension project will be funded by the financial contribution from the "Rail plus Property" development model and the Company's internal resources. With the Project Agreement in place, the tendering for the key contracts of





the Tung Chung Line Extension will be completed soon, after which the project will proceed to the construction stage. It is expected that the construction of the Tung Chung Line Extension will commence in mid-2023 for targeted completion in 2029, while the construction of the Airport Railway Extended Overrun Tunnel is targeted to commence in 2025 for completion in 2032.

Other Projects

The scheme for the Tuen Mun South Extension – 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 – was authorised under the Railways Ordinance in June 2022. Construction is anticipated to commence in 2023, and completion is targeted for 2030.

The scheme for Kwu Tung Station, a new station that will be located between Lok Ma Chau and Sheung Shui stations on the East Rail Line, was authorised under the Railways Ordinance in November 2022. Construction is targeted to commence in 2023 for completion in 2027. Meanwhile, we are making progress on the preliminary design of the Northern Link main line, which will connect the Tuen Ma and East Rail lines via the new Kwu Tung Station and three intermediate stations. Construction on the Northern Link is targeted to commence in 2025 and be completed in 2034.

Reference design works continue for Hung Shui Kiu Station, which will be located on the Tuen Ma Line between Tin Shui Wai and Siu Hong stations to serve the growing Hung Shui Kiu/ Ha Tsuen New Development Area. The scheme for the Hung Shui Kiu Station was gazetted under the Railways Ordinance in February 2023.

Apart from challenges on the availability of sufficient labour in Hong Kong's construction sector, each of these projects has its own technical difficulties and challenges to be addressed, including works needing to be carried out at night during non-traffic hours.

It is important to note that the Company is still in various stages of discussion with Government and has yet to enter into project agreements for the Tuen Mun South Extension, Northern Link/ Kwu Tung Station and Hung Shui Kiu Station projects. Government has announced its intention to proceed with MTR on these projects using the ownership approach. Different funding models, including the rail plus property model, may be deployed to ensure commercial returns on the Company's investments.

For the South Island Line (West) and North Island Line, we are working closely with Government to address various technical matters and comments.

Policy Address 2022 and Northern Metropolis Development Strategy

The Chief Executive's 2022 Policy Address proposed further extension of Hong Kong's railway network as well as plans for long-term land development. In particular, Government intends to take forward the three strategic railway projects recommended in the RMR2030+ Study: two new local railway projects, the Tseung Kwan O Line Southern Extension and the Central Rail Line connecting Kam Tin in Yuen Long with Kowloon Tong via Kwai Chung; and the Hong Kong – Shenzhen Western Rail Link project linking Hung Shui Kiu and Qianhai in Shenzhen.

The Policy Address also outlined plans to develop the Northern Metropolis as the foundation for Hong Kong's strategic future growth. We have submitted a technical proposal to Government on the Northern Link Spur Line, and we have appointed a consultant to carry out a technical study on the construction of a new Science Park/ Pak Shek Kok Station on the East Rail Line between University Station and Tai Po Market Station as well as the use of the station site and its adjoining land to provide more residential units and auxiliary facilities. Existing MTR works related to the Northern Link main line and Hung Shui Kiu Station projects are progressing to help facilitate these developments.

As always, MTR will offer its expertise in developing and operating world-class railway networks for Hong Kong's sustainable development.