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MTR CORPORATION LIMITED

香港鐵路有限公司

(the “Company”)

(Incorporated in Hong Kong with limited liability)

(Stock Code: 66)

INSIDE INFORMATION

SETTLEMENT DEEDS IN RELATION TO THE HSR AGREEMENTS AND THE SCL AGREEMENTS

This announcement is made by the Company pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“**SFO**”).

Capitalised terms used but not defined herein shall have the meanings ascribed to them in the Company’s 2026 Interim Report (“**2026 Interim Report**”).

Information on the background to the HSR Project and the SCL Project as at 30 June 2026 is set out in notes 14A and 14B of the 2026 Interim Report.

As disclosed in notes 14A and 14B of the 2026 Interim Report, the Company and the Government have been engaged in discussions regarding certain issues arising from the HSR Project and the SCL Project.

On 2 October 2026, the Company and the Government, without admission of any liability by either party, entered into two settlement deeds respectively in relation to the HSR Project as further defined in the HSR Agreements referred to below (the “**HSR Settlement Deed**”) and the SCL Project as further defined in the SCL Agreements referred to below (the “**SCL Settlement Deed**”, and together with the

HSR Settlement Deed, the “**Settlement Deeds**”), pursuant to which the Company and the Government have reached an amicable settlement, subject to limited exceptions, in respect of all disputes, differences, claims and potential claims arising from or in connection with:

- (i) the HSR Preliminary Entrustment Agreement in 2008, the HSR Entrustment Agreement in 2010, the HSR Agreement in 2015, and the related deed in 2020 (together, the “**HSR Agreements**”); and
- (ii) the SCL Preliminary Entrustment Agreement in 2008, the SCL Advance Works Entrustment Agreement in 2011, the SCL Entrustment Agreement in 2012 (“**SCL EA3**”), the Contract 901 in 2016, and the related deed in 2025 (together, the “**SCL Agreements**”).

The HSR Project and the SCL Project have been the subject of previous disclosures by the Company over a number of years and are matters of significant public and investor interest. The Company therefore considers that entry into the Settlement Deeds constitutes inside information requiring disclosure under Part XIVA of the SFO.

Principal Terms of the Settlement Deeds:

The principal terms of the Settlement Deeds are summarised as follows.

Date:

2 October 2026

Parties:

- (i) the Company; and
 - (ii) Government.
- (each a “**Party**” and together, the “**Parties**”)

Principal terms:

- (i) pursuant to the HSR Settlement Deed, the Company shall pay to Government HK\$2,250,000,000 (the “**HSR Settlement Sum**”) in full and final settlement of all claims and potential claims arising out of or in connection with the HSR Agreements, subject to limited exceptions;
- (ii) pursuant to the SCL Settlement Deed, there is a full and final settlement of all claims and potential claims arising out of or in connection with the SCL Agreements, subject to limited exceptions, and neither Party shall pay any

settlement sum or other financial compensation to the other Party;

- (iii) both Settlement Deeds respectively provide that the Parties shall release and discharge each other from all actual, potential, known and unknown claims, demands, causes of action, liabilities and rights arising out of or in connection with the HSR Agreements and the SCL Agreements, save for specified obligations and exceptions expressly preserved under the Settlement Deeds; and
- (iv) both Settlement Deeds respectively provide that, save for the specified obligations and exceptions expressly preserved under the Settlement Deeds, the Parties shall have no further claims against each other arising out of or in connection with the HSR Agreements or the SCL Agreements.

The Settlement Deeds represent a negotiated commercial resolution reached without any admission of liability by either Party.

Exceptions:

A limited number of items are excepted from the scope of the Settlement Deeds.

HSR Settlement Deed: In relation to the HSR Agreements, certain limited continuing obligations are expressly preserved, and possible liabilities involving potential third party claims (which may or may not materialise) are excepted from the scope of the HSR Settlement Deed.

SCL Settlement Deed: In relation to the SCL Agreements, certain limited continuing obligations are expressly preserved, including arrangements relating to settlement of final accounts with contractor(s), minor outstanding works and Appendix I unfulfilled handover obligations under SCL EA3.

The Company has assessed the likely financial impact of the excepted matters stated above and does not expect them to have a material financial impact on the Company.

FINANCIAL IMPACT OF THE SETTLEMENT ON THE COMPANY

Following the execution of the Settlement Deeds, the Company expects to recognise the HSR Settlement Sum as an expense in the consolidated statement of profit or loss of the Company for the year ending 31 December 2026.

In relation to the SCL Agreements, the Company has previously recognised a provision of HK\$2,000 million in relation to the Hung Hom Incidents Related Costs (as further described in note 14B of the 2026 Interim Report). As no settlement sum is payable by either Party under the SCL Settlement Deed and if no significant additional costs for the SCL Project in relation to the preserved obligations referred to above are incurred, the Company expects that the remaining amount of this provision of approximately HK\$600 million will, at the appropriate time, be written back to the consolidated statement of profit or loss of the Company.

Further details of the financial effect of the Settlement Deeds will be disclosed in the Company's subsequent financial reporting as appropriate.

REASONS FOR ENTERING INTO THE SETTLEMENT DEEDS

The Settlement Deeds resolve the substantive disputes and differences between the Company and the Government relating to the HSR Agreements and the SCL Agreements, terminate existing reservations of rights, and provide broad mutual releases in relation to historical claims and potential claims. Certain continuing obligations and residual liabilities expressly identified in the Settlement Deeds will remain in force.

The Board considers that the Settlement Deeds avoid potentially lengthy, complex and costly dispute resolution proceedings and eliminate significant litigation risk and uncertainty associated with future claims. The Settlement Deeds also avoid the diversion of substantive management time and resources and support the maintenance of a constructive and cooperative relationship between the Company and the Government in relation to railway operations and future infrastructure projects.

In reaching its decision, the Board considered, among other matters, the following factors:

- (i) the claims and potential claims relating to the SCL Agreements and the legal and technical assessments of potential exposure associated with claims and potential claims relating to the HSR Agreements;

- (ii) the contractual limitations on liability contained in the relevant project agreements;
- (iii) the uncertainty, costs and risks inherent in formal dispute proceedings;
- (iv) the limited residual liabilities and continuing obligations preserved under the Settlement Deeds; and
- (v) the commercial benefits of achieving a resolution in respect of both projects.

None of the Directors appointed by Government under section 8 of the Mass Transit Railway Ordinance (Chapter 556 of the Laws of Hong Kong), or who holds a position in Government, was present at the relevant Board meeting at which the Settlement Deeds were approved by the Board and none voted on the relevant Board resolutions.

Having considered the foregoing matters and the overall terms of the Settlement Deeds, the Directors (including the independent non-executive Directors) present at the relevant Board meeting consider that the Settlement Deeds are fair and reasonable and are in the best interests of the Company and its shareholders as a whole.

GENERAL

While the Government is a controlling shareholder of the Company and therefore a connected person of the Company, the Stock Exchange has granted to the Company a waiver whose terms were contained in announcements made by the Company on 13 January 2005 and 24 October 2005 (as amended from time to time and subject to certain conditions) (the “**Waiver**”), from certain requirements under Chapter 14A of the Listing Rules which would otherwise apply to connected transactions between the Company and the Government involving settlements with Government subject to certain conditions. Under the Waiver, the Company is only required to disclose details of the Settlement Deeds in its next annual report.

The applicable percentage ratios under Chapter 14 of the Listing Rules in respect of the Settlement Deeds are below 5%. Accordingly, the Settlement Deeds do not constitute notifiable transactions under Chapter 14 of the Listing Rules.

Investors should exercise caution in their dealings in the securities of the Company. The price of the Company's shares may be subject to fluctuations.

By Order of the Board
Gillian Elizabeth Meller
Company Secretary

Hong Kong, 2 October 2026

As at the date of this announcement:

Members of the Board: Dr Jacob Kam Chak-pui (*Chairman*)**, Jeny Yeung Mei-chun (*Chief Executive Officer*), Andrew Clifford Winawer Brandler*, Dr Bunny Chan Chung-bun*, Cheng Yan-kee*, Mary Huen Wai-yi*, Hui Siu-wai*, Ayesha Macpherson Lau*, Professor Sunny Lee Wai-kwong*, Jimmy Ng Wing-ka*, Susanna Shen Shuk-ching*, Sandy Wong Hang-yee*, Adrian Wong Koon-man*, Professor Anna Wong Wai-kwan*, Michael Wong Yick-kam*, Christopher Hui Ching-yu (Secretary for Financial Services and the Treasury)**, Secretary for Transport and Logistics (Mable Chan)**, Permanent Secretary for Development (Works) (Ricky Lau Chun-kit)** and Commissioner for Transport (Winnie Tse Wing-yee)**

Members of the Executive Directorate: Jeny Yeung Mei-chun, David Tang Chi-fai, Margaret Cheng Wai-ching, Linda Choy Siu-min, Carl Michael Devlin, Michael George Fitzgerald, Wilson Kwong Wing-tsuen, Gillian Elizabeth Meller and Sammy Wong Kwan-wai

* *independent non-executive director*

** *non-executive director*

This announcement is made in English and Chinese. In case of any inconsistency, the English version shall prevail.