

Remarks by SDEV on quarterly land sale programme for January to March 2025

Following is the remarks by the Secretary for Development, Ms Bernadette Linn, at a media session today (January 7) on the quarterly land sale programme for January to March 2025:

Reporter: What is your expected response for the tender exercise of the Tung Chung residential plot this time around? And also how would you assess the performance of the land sale programmes in this fiscal year? Are you confident that the annual income target can be met? And what ways will the government boost land sales revenue and market sentiment in light of the budget deficit?

Secretary for Development: First, on the prospect about being able to successfully award this Tung Chung site, we are reasonably optimistic because recently the MTRCL has successfully rolled out its first Tung Chung site which is just across the future Tung Chung East Station. And also, this is a site in a prime location in the Tung Chung East New Town Extension with a harbourfront location, and is also pretty close to the future station. We have also taken into account the fact that this site will not be a lonely site upon the time of its completion because by the time of its completion, various public housing sites will have been completed nearby, and also the population intake will have started. So, there will be a growing community in this Tung Chung area. And as I have mentioned just now in my opening remarks, this site is a rather clean site, simple, with no requirement on delivery of government facilities, you do not have to do complicated site formation works because it is already formed as reclaimed land. We believe it is of considerable interest, so we are pretty optimistic.

As regards your question about the revenue income from land premium or land-related revenue, we won't know the final figure until the end of the year. The information the media can now find openly on the websites are those lease modifications which have been executed, and the tenders which have been successfully awarded, be it for residential sites or even for some electrical vehicle charging stations. According to my calculation, based on all open information, today we have some \$4.3 billion of revenue income, but that is not the final figure because we have a pool of lease modifications pending execution. Or even executed, they have yet to be registered in the land registry. So by the end of the year, you will have a final figure, and perhaps I should not predict here what the final figure should be.

As regards how we would like to promote market sentiment in the current climate, I think we remain pragmatic and prudent in selecting the kind of land that we would like to roll out. When we know that the appetite of the market is for smaller size, simpler size, we are exactly moving along that direction, and that will help sort of enliven the market and rekindle their interest in coming forward to bid for sites.

(Please also refer to the Chinese portion of the transcript.)