

Hung Shui Kiu Industry Park Company – Specific Recommendations

December 2025

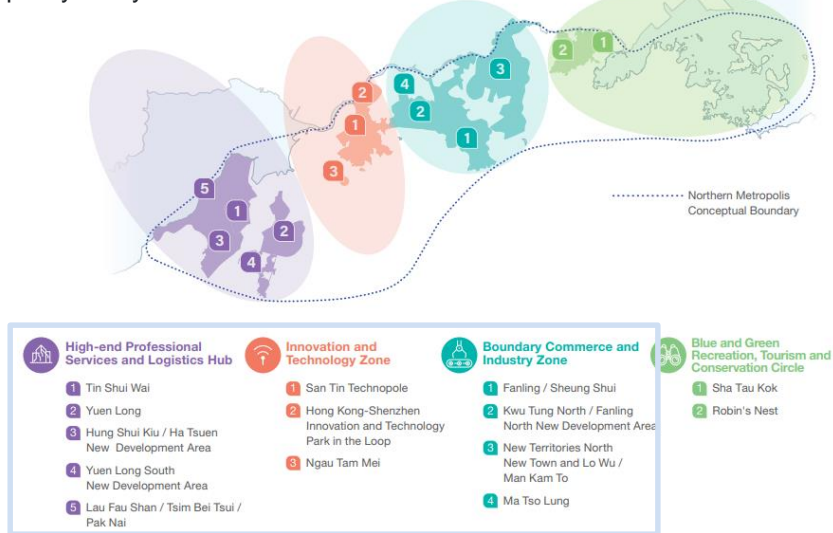


Development Bureau

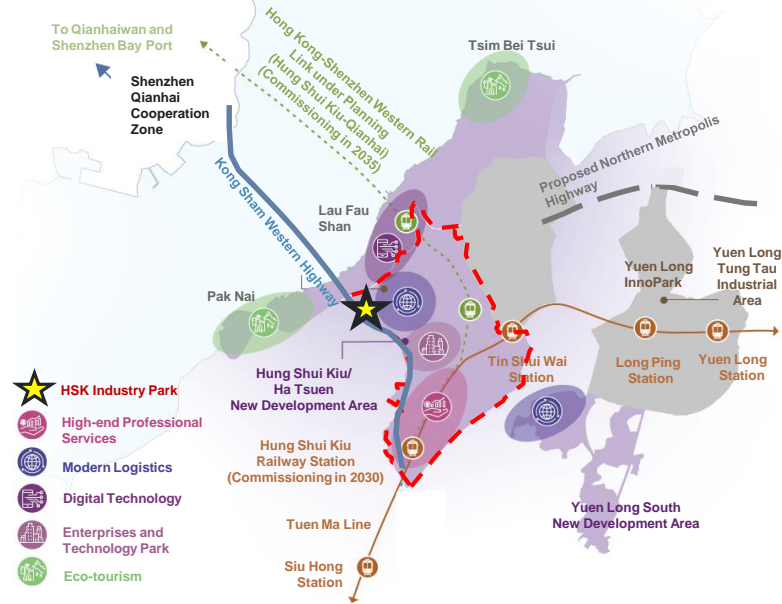
The Government of the Hong Kong Special Administrative Region
of the People's Republic of China

Background

- Over the next 20 years, about 700 hectares of industry sites will come on stream in three major zones in the Northern Metropolis (NM). The Government will adopt innovative and diverse development approaches to draw in enterprises and **accelerate the industry development in the NM**.
- The 2025 Policy Address announced that a **Government-led industry park company** will be established for developing around 23 hectares of industry land in Hung Shui Kiu. The Development Bureau (DEVB) has completed the relevant policy study.



Zones with industry sites



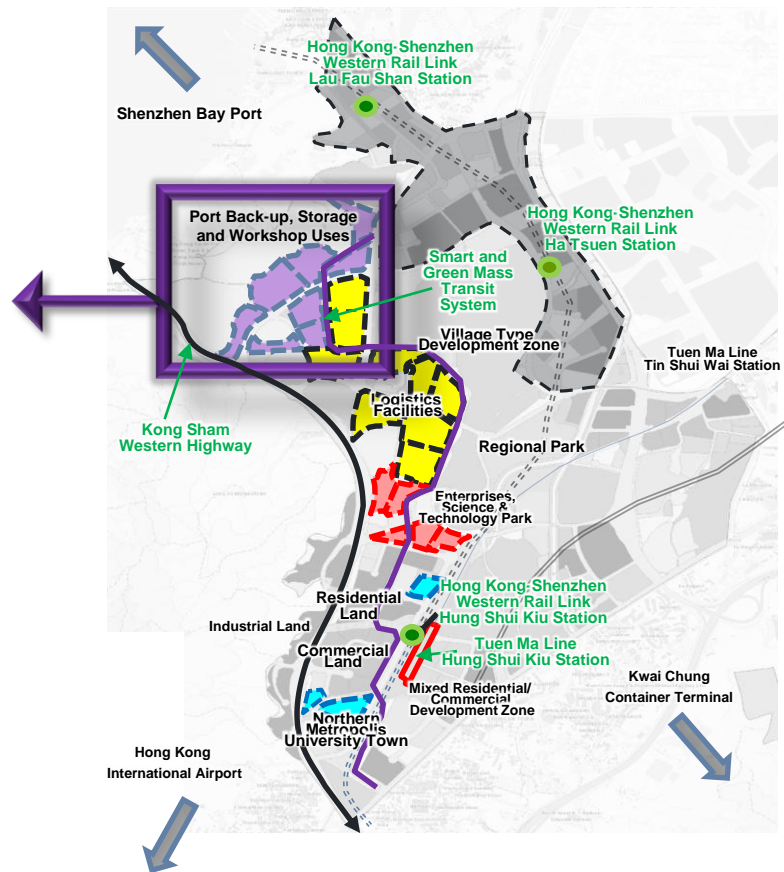
Hung Shui Kiu (HSK) New Development Area (NDA)

- Situated within the “High-end Professional Services and Logistics Hub” in the NM
- Strategic location:** Proximity to and connectivity with the Qianhai Cooperation Zone in Shenzhen, to be further enhanced by the future cross-boundary railway under planning
- Good transport network:** Direct connection to the Kong Sham Western Highway, with northward access to Shenzhen Bay and southward access to the Hong Kong International Airport and other areas

Proposed Hung Shui Kiu Industry Park

Prime location with readily available land

- A total of **23 hectares** (see the purple parts in the figure on the right, which include 8 hectares of readily available land) located in the northwestern part of the HSK NDA, distanced from residential areas; bordered by natural hills to the north and other industry sites to the south
- Apart from direct connection to the **Kong Sham Western Highway**, connection to **Hung Shui Kiu MTR Station** (commissioning in 2030) through the **Smart and Green Mass Transit System (SGMTS)** for which tender will be invited next year; proximity to Lau Fau Shan Station and Ha Tsuen Station of the **Hong Kong-Shenzhen Western Rail Link** (commissioning in 2035)



Park Company – Corporate and Governance Structure

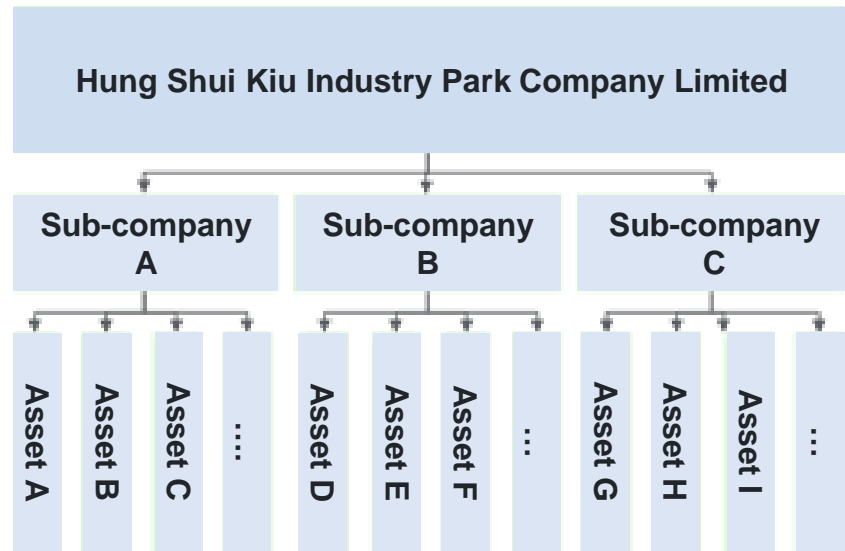
Company's registered name: Hung Shui Kiu Industry Park Company Limited (洪水橋產業園有限公司)

Nature

Non-statutory: no legislation required to enable faster establishment. The Financial Secretary has approved the incorporation of the company under the Companies Ordinance, with registration to be completed in early January 2026.

Ownership and corporate structure

- Private limited company **wholly owned by the Government** through the **Financial Secretary Incorporated (FSI)** as the sole shareholder
- Subsidiary companies may be formed on an individual development project basis (e.g. forming joint venture with profit-sharing between the Park Company which provide land and the enterprise(s) responsible for capital and human resources for development and operation)



Park Company – Objects

- a) Establish, develop, manage and operate an **industry park in Hung Shui Kiu** of the NM to capitalise on its **locational advantage** to drive development of industries with a **competitive edge** and **supported by the Government**;
- b) **Masterplan** the development of the industry park, build the **park infrastructure** and provide **value-added services** to support the growth of enterprises and develop a vibrant industry ecosystem;
- c) Adopt **diversified public-private partnership models** to attract investments and enterprises establishing foothold in the industry park; and
- d) Provide accommodation and technical support to selected **brownfield operations** affected by Government development to move up the value chain



Park Company – Corporate and Governance Structure

Board of Directors (BoD)

- To steer and supervise the Park Company's overall development strategies, corporate governance, finances and investments, etc.
- BoD (including the Chairperson and members) to be appointed with approval of the Chief Executive (CE), with the following composition -
 - **Chairperson** (a non-official member: to appoint an individual with strong market insight and knowledge of development trends)
 - **5 official directors** to represent the interest of the Government: including SDEV, SFST, SCED, SIT1, STL (or their alternates)
 - **About 10 non-official members:** with diverse backgrounds to draw on the expertise from outside the Government
- Decisions of the BoD require a majority vote of the directors which must include the affirmative vote of at least one official director

Chief Executive Officer (CEO) and management team

- CEO to be appointed with approval of the CE
- CEO to take charge of day-to-day operation and execute the BoD's decisions, with the support of 20-30 key staff in the initial stage

Accountability

- The Park Company should submit annual operating and financing report to the Legislative Council (LegCo)

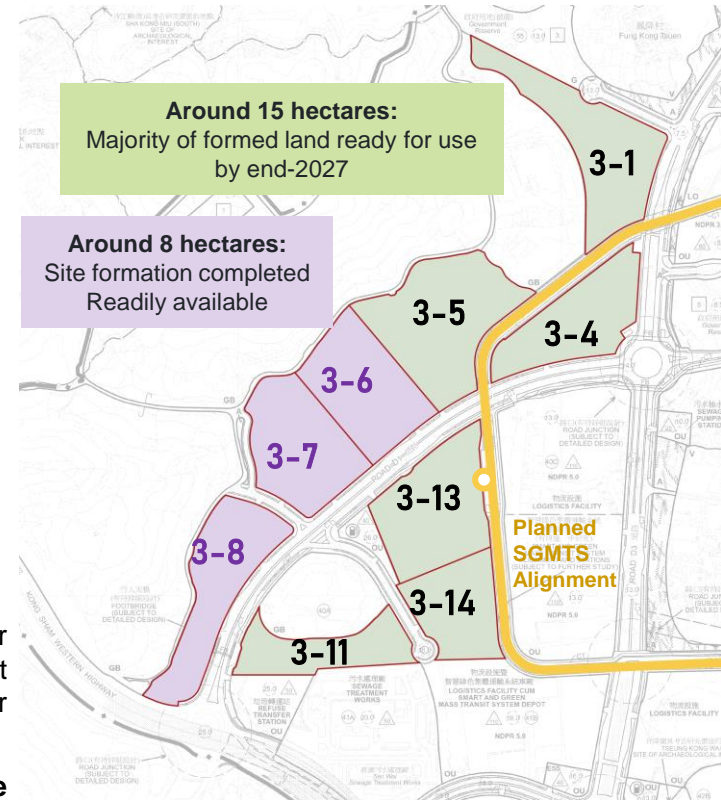
Park Company – Land Asset and Initial Capital

Land asset

- To seek approval of the Chief Executive in Council in Q1 2026 for **direct grant** of the **around 23 hectares** of industry sites in Hung Shui Kiu at **nil premium** to the Park Company for a term of **50 years**
- To commence **rezoning** of the 23-hectare land in Q1 2026 to designate an **industry park-specific zoning**, **increasing the land use flexibility** to accommodate a wide range of industries (including advanced construction, high value-added or smart manufacturing such as pharmaceutical manufacturing and food processing); providing supporting facilities (including research and development (such as testing and certification), convention or exhibition facilities, talent accommodation, training venues, food and beverage facilities, etc.)
- The Government may inject more land to the Park Company in future for development, such as part of the logistics sites to the south of the 23-hectare land. The Transport and Logistics Bureau is currently conducting a study on those logistics sites (about 36 hectares in total).

Initial capital

- To announce details in the Budget next year, and seek LegCo's approval in Q2 2026 for **capital injection** into the Park Company through the **Capital Investment Fund** to support the operating expenses of the Park Company in the initial years and capital expenditure for self-construction of industry facilities
- The Government may also provide the Park Company **with direct loan** or **loan guarantee** for it to raise funds from the market in the future



Indicative map for illustration purpose only

HSK Industry Park – Development Positioning

Target industries

- To capitalise on the **locational advantage** of Hung Shui Kiu to drive the development of industries with a **competitive edge** and **supported by Government**
- Work with the Office for Attracting Strategic Enterprises (OASES) and Invest Hong Kong (InvestHK) to help “**China-go-global**” and **overseas firms** to **enter the Chinese Mainland market**

Support to brownfield operations

- DEVB and LandsD may lease out part of the sites of the Industry Park to selected brownfield operations affected by Government development

Attract investments and enterprises

- **Negotiate direct with target enterprises** and offer tailor-made **preferential policy packages** as appropriate which may include land premium concessions, financial subsidies, tax incentives, etc.
- Provide **one-stop support** to best **meet enterprise-specific needs** with a view to facilitating them to establish foothold and develop in the Industry Park

Provide value-added services to enterprises

- Provide value-added services to support the **development/ business needs of enterprises** in the Industry Park, and facilitate the **development of industry chains** and **sustaining of the industry ecosystem** in the long run
- Services to be provided may cover -
 - Testing and certification
 - Talent scouting and staff training
 - Equipment rental
 - Business matching (including for financing) and networking
 - Collecting market feedback for the Government to formulate park-specific/ industry-specific facilitation policies and measures

HSK Industry Park – Development Strategy

Operating model

- The Park Company may adopt **diversified public-private partnership (PPP) models**, including –
 - (a) self-developing (design and construction) industry building facilities and then leasing out the floor space to enterprises (similar to the approach of the Hong Kong Science & Technology Parks);
 - (b) disposal of industry site(s) within the Industry Park by the Park Company through tender or direct land grant as appropriate; and
 - (c) forming joint ventures with enterprises to co-develop and co-invest in individual projects by equity shareholding or provision of land as a form of capital participation, etc.
- The Park Company should operate the Industry Park in a financially sustainable manner. Initially, the Park Company may build some industry facilities on its own to build clustering, then gradually scale up private investment by expanding the adoption of diverse PPP models and widen the revenue sources, with a view to **achieving financial sustainability in the long term** (in terms of meeting operating expenses on on-going basis through rental, management fees and other revenue) and retain surplus to support the Park Company's development.

HSK Park Company – Major Upcoming Tasks

Q1 2026

Submit the proposal for rezoning the 23 hectares of industry sites to the Town Planning Board

Seek approval of the Chief Executive in Council for direct land grant to the Park Company

Appoint the BoD

Commence the recruitment exercise for the CEO

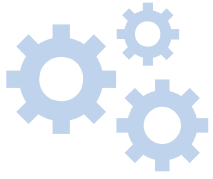
Q2 2026

Seek LegCo's approval for capital injection to the Park Company

Appoint the CEO and recruit other key staff

Mid-2026

Park Company to commence operation



Thank you