



# MIDLAND HOLDINGS

## 2025 Interim Results

Interim 2025  
**RESULTS**

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# Agenda

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*01*

**Financial Highlights**

*02*

**Business Overview**

*03*

**Prospects**

*04*

**Q&A**



# 2025 Interim Results Highlights

# 2025 Interim Results Highlights

	1H 2025 (HK\$' M)	1H 2024 (HK\$' M)	Y o Y
Revenues	2,518	3,319	-24%
Operating Costs*	2,346	3,111	-25%
Operating Profit	172	208	-17%
Profit for the Period	151	174	-13%

\* Excluded other income and gains on disposal of properties, but included the interest on lease liabilities.



# Reasons for the Profit Decline

## Drop in revenues and profit

- Revenues down 24%

### Reasons for the Decline

- 1 Lack of major property policy changes in the Interim Period
- 2 Volume Up, Value Down: Reduction in stamp duty to a flat rate of HK\$100 for properties valued at HK\$4 million or below, making low-end properties more attractive
- 3 Drop in commission rate for new home sales, in part due to change in transaction mix

\* Primary transaction value : Based on the information in Sales of First-hand Residential Properties Electronic Platform. Default Transactions are excluded.

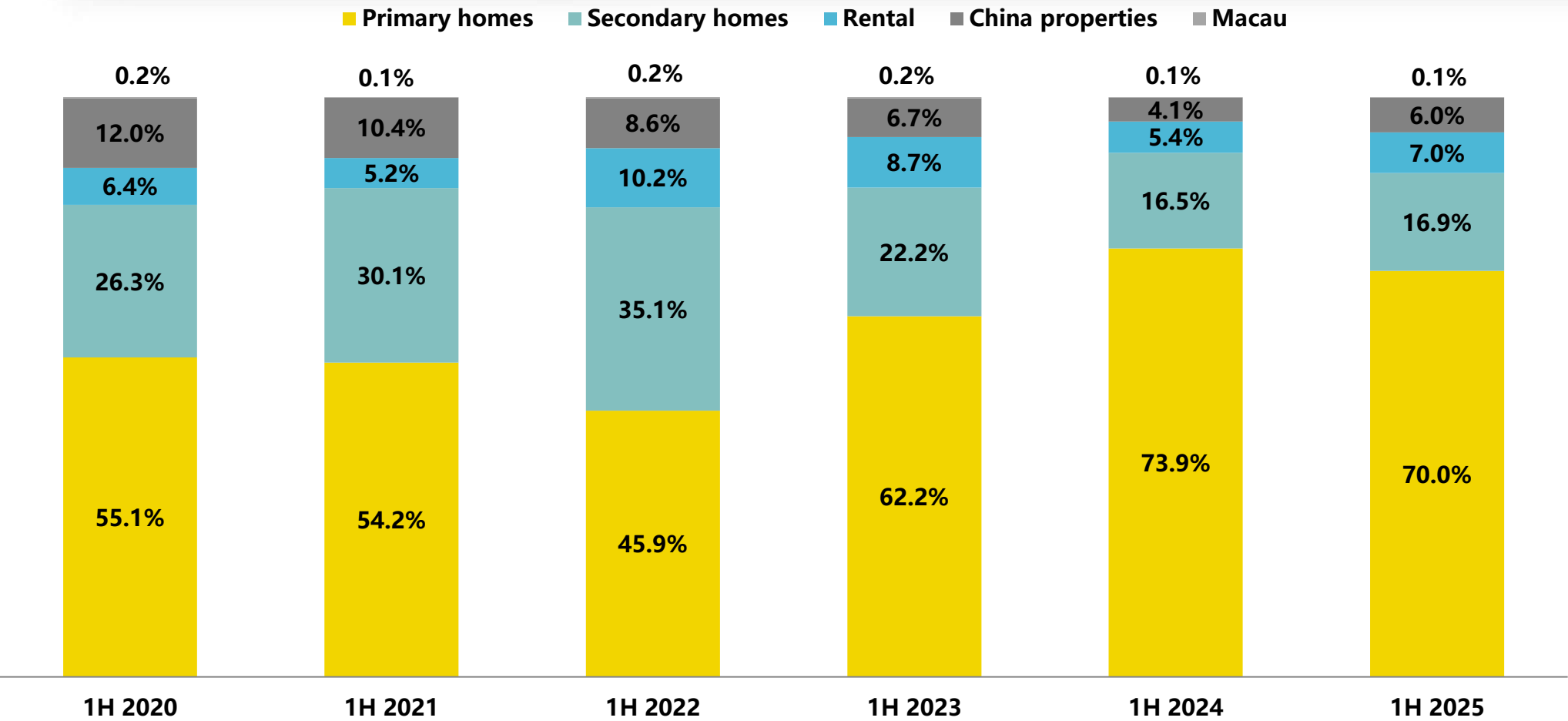
\* Secondary transaction value is from the Land Registry & Midland Research Centre. The statistics generally reflect land transactions executed last month, as it takes about 1 month between the execution of deeds and their lodgment for registration.



# Key Financial Highlights – Revenue

Interim 2025 vs 2024

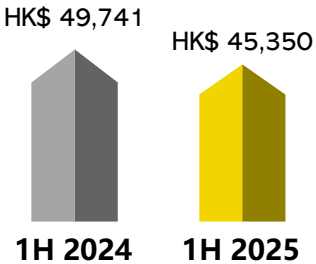
- Revenues from the HK residential market decreased while that from Mainland operation (agency fee only) increased
- New Home sector continued to be major driver



# Changes in Costs

## Advertisements & Promotions

(HK\$'000)

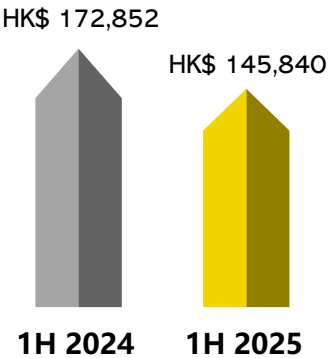


- 8.8 %  
YoY

Dropped in both digital and traditional spending

## Rental Expenses\*

(HK\$'000)

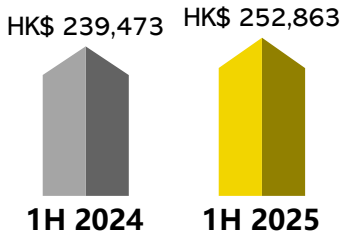


- 15.6 %  
YoY

Rental expenses continued to fall

## Frontline Staff Salaries

(HK\$'000)

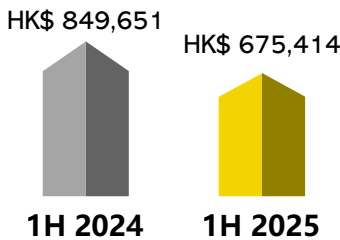


+ 5.6 %  
YoY

Increase in the average number of frontline staff in Hong Kong

## Staff Commissions

(HK\$'000)

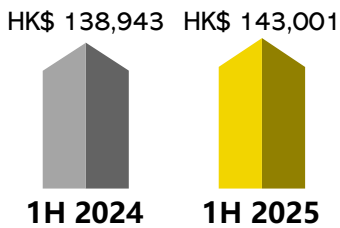


- 20.5 %  
YoY

Drop in revenue and profit led to drop in commission payout

## Non Sales Salaries

(HK\$'000)



+ 2.9 %  
YoY

Despite slight decline in number of staff, annual salary increase and bonus resulted in modest increase in non-sales salaries

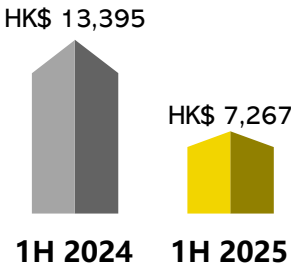
\* Rental expenses represented the operating lease charges, the depreciation of right-of-use assets and interest on lease liabilities.



# Changes in Costs

## Impairment of Receivables

(HK\$'000)

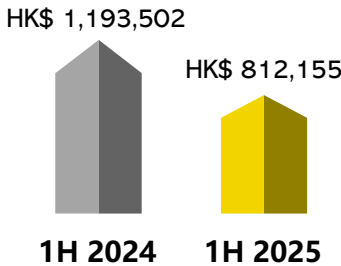


- 45.7 %  
YoY

- There was positive progress in the recovery of receivables which provision had been made in the previous years.

## Rebates: To Customers

(HK\$'000)

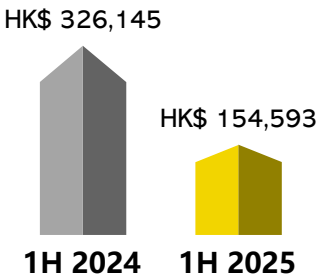


- 32.0 %  
YoY

- Drop in revenue from the primary home sector
- Drop in the primary sales commission rate

## Rebates: To Co-operative Estate Agents

(HK\$'000)

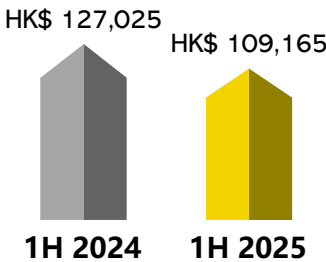


- 52.6 %  
YoY

- Drop in revenue from the primary home sector
- Drop in the primary sales commission rate

## Depreciation and Other Operating Costs

(HK\$'000)

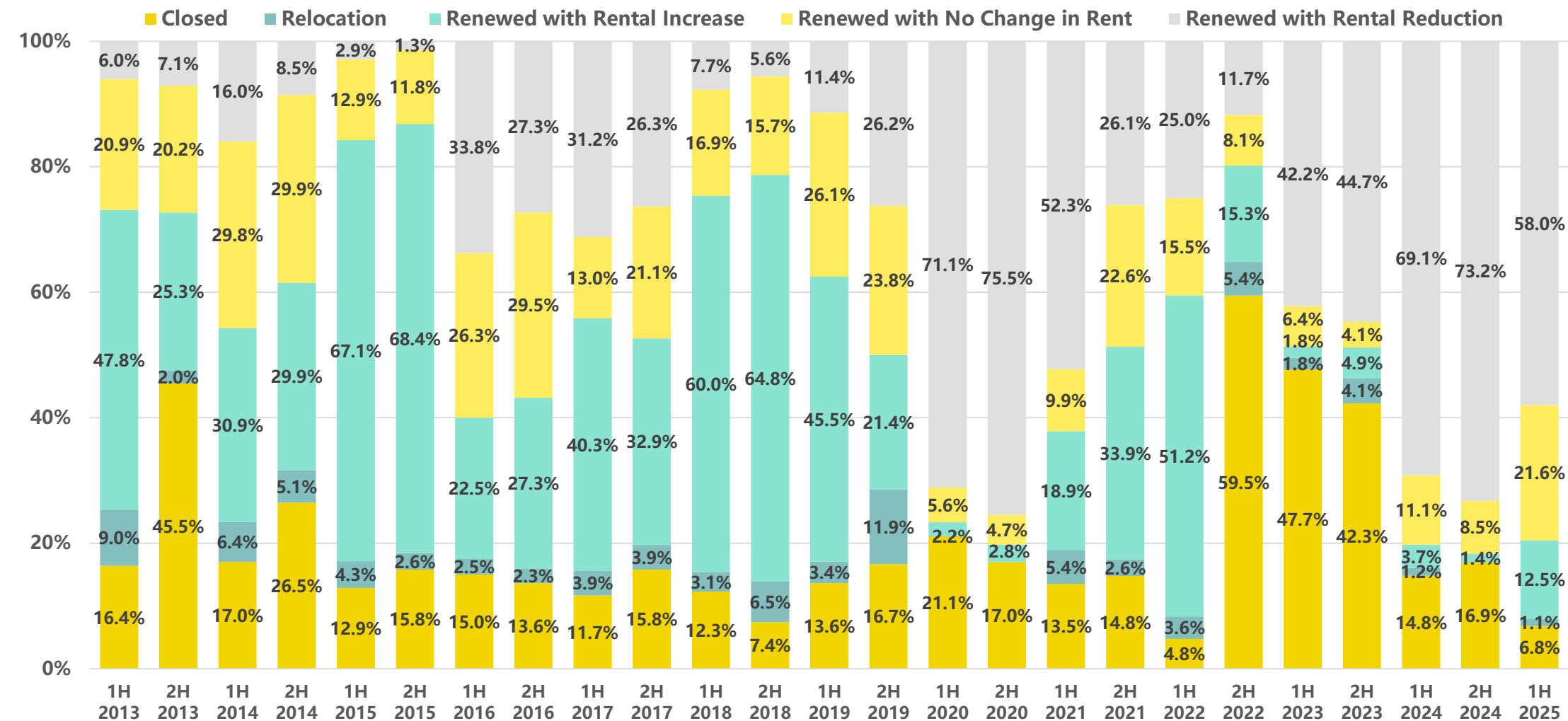


- 14.1 %  
YoY

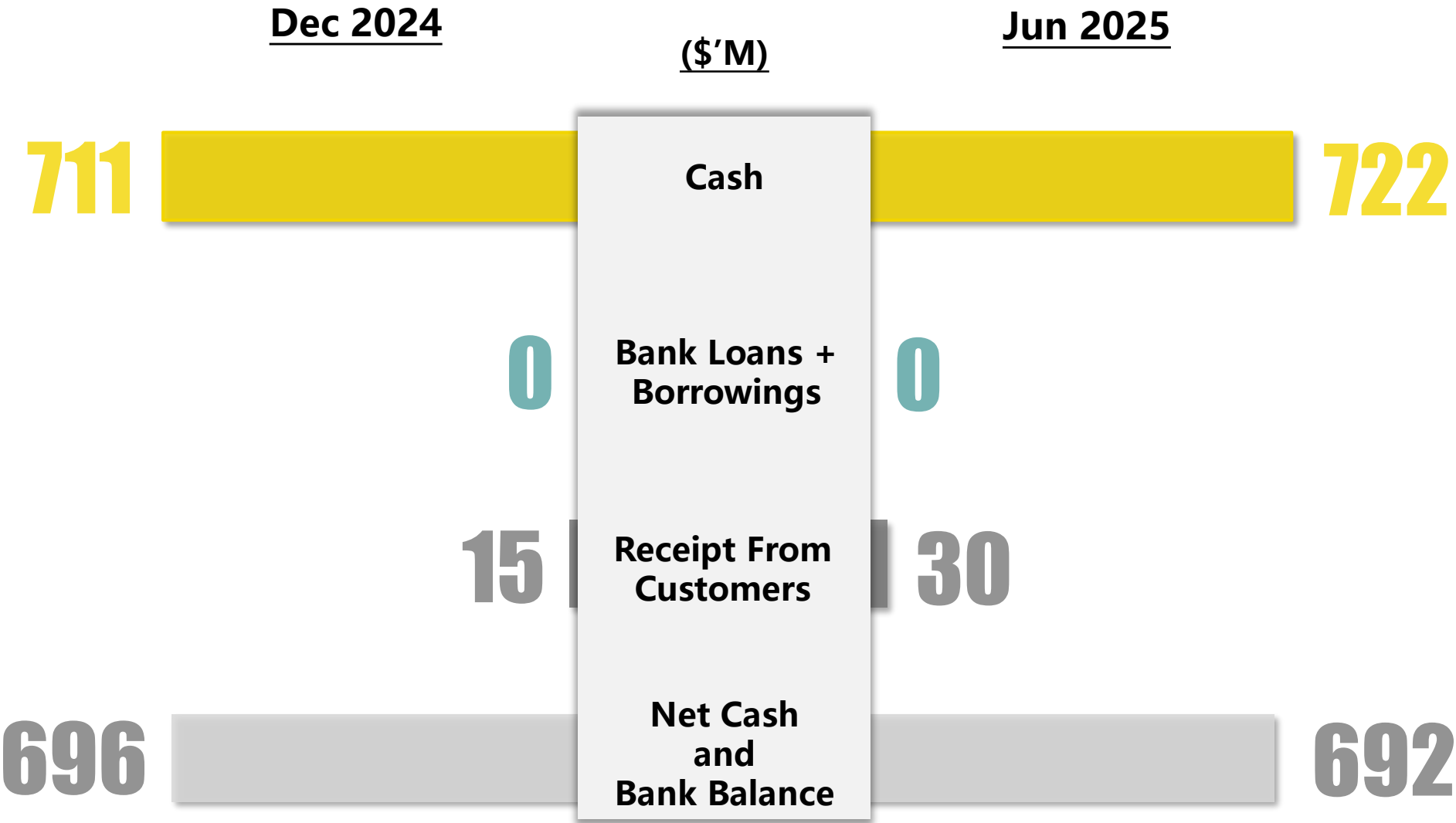
Depreciation and Other Operating Costs also dropped mildly during the interim period

# HK Operation : Negotiations on Leases

Negotiated favorable leasing terms



# Stable Net Cash

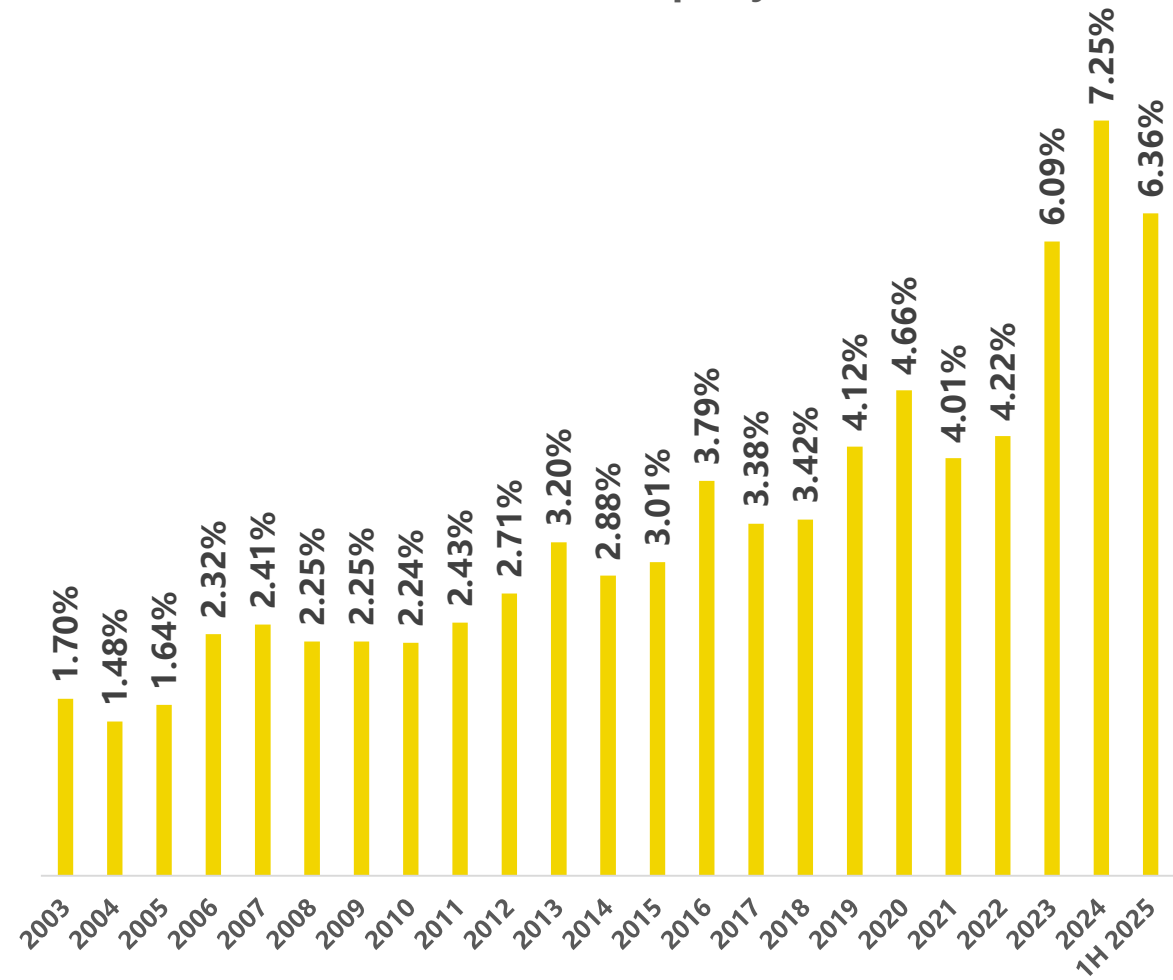




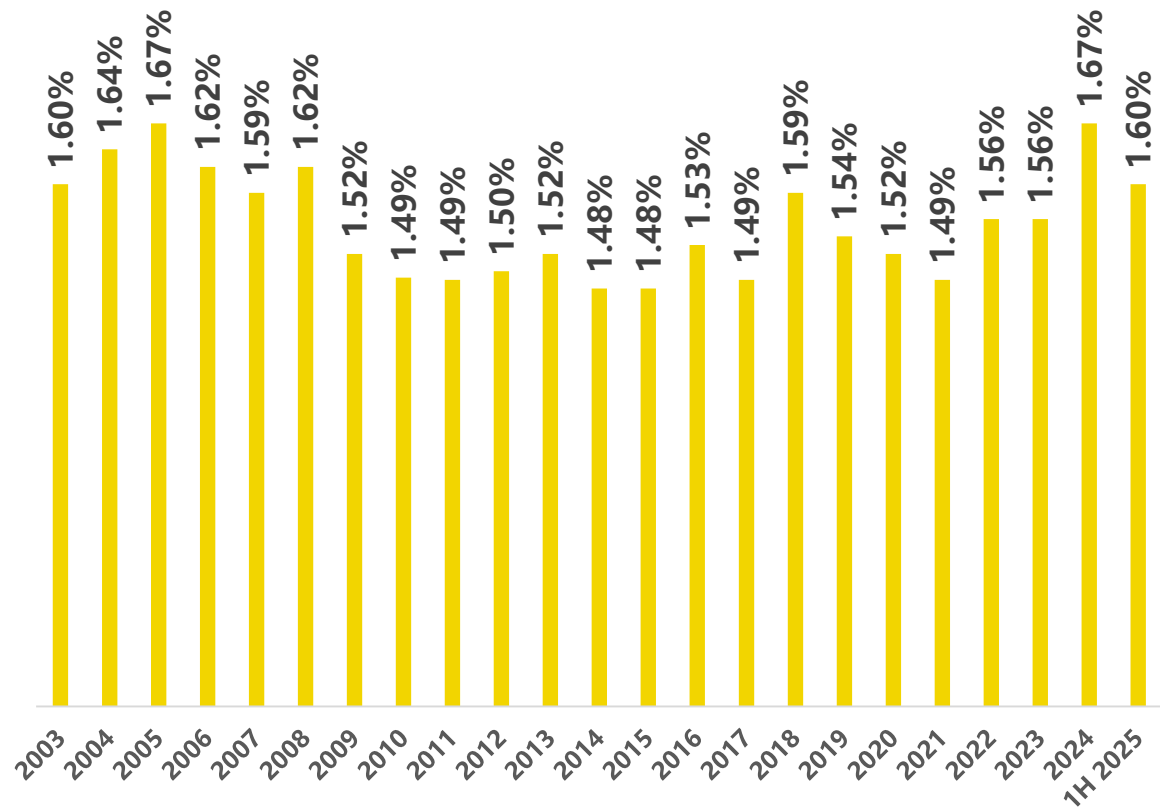
# **Business Overview**

# Gross Commission Rate\*

As a % of New Property Price



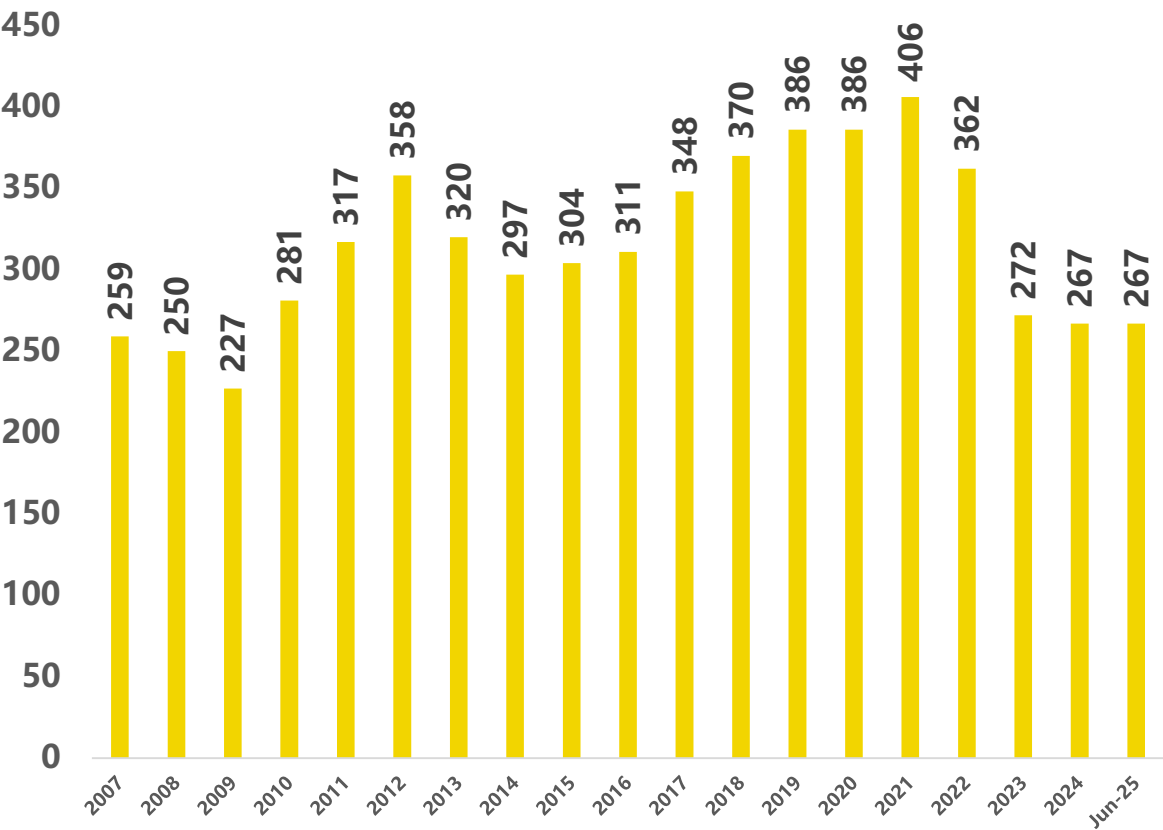
As a % of Resale Property Price



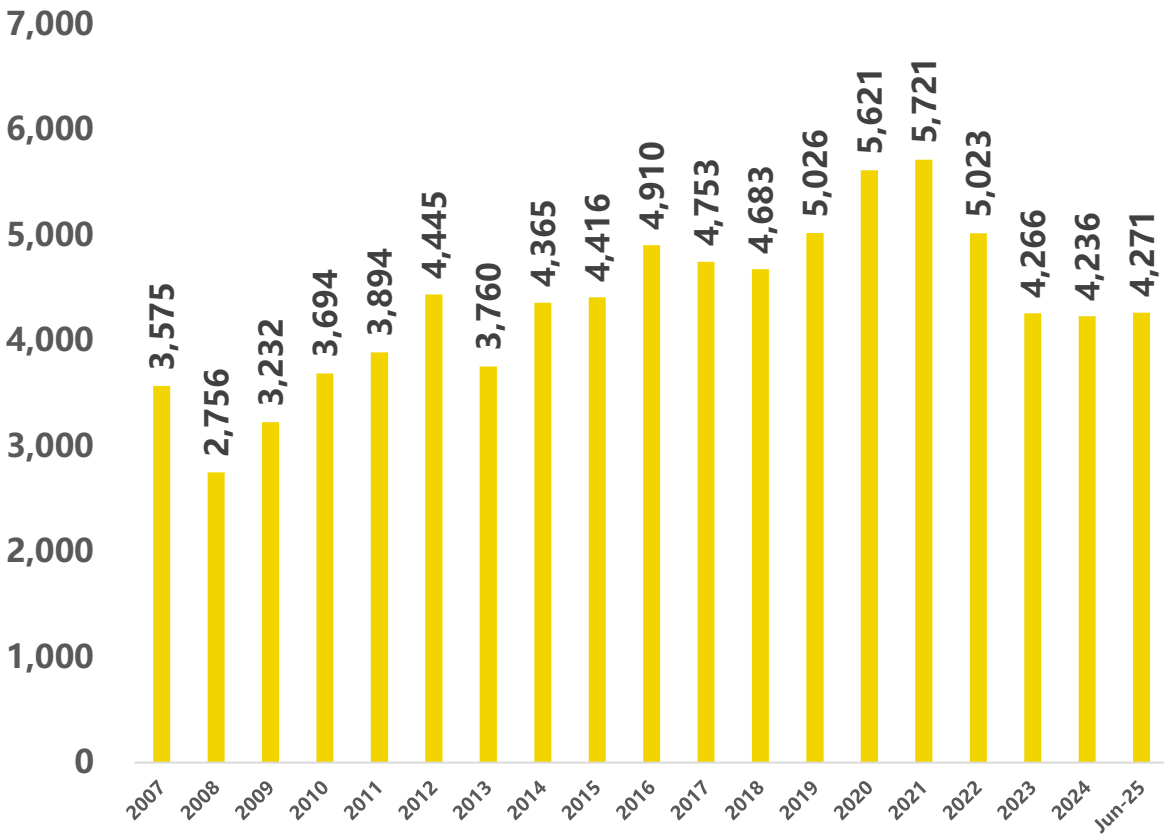
\*Local Market

# Stable in Scale

Number of Local Branches  
(Not including Midland ICI)



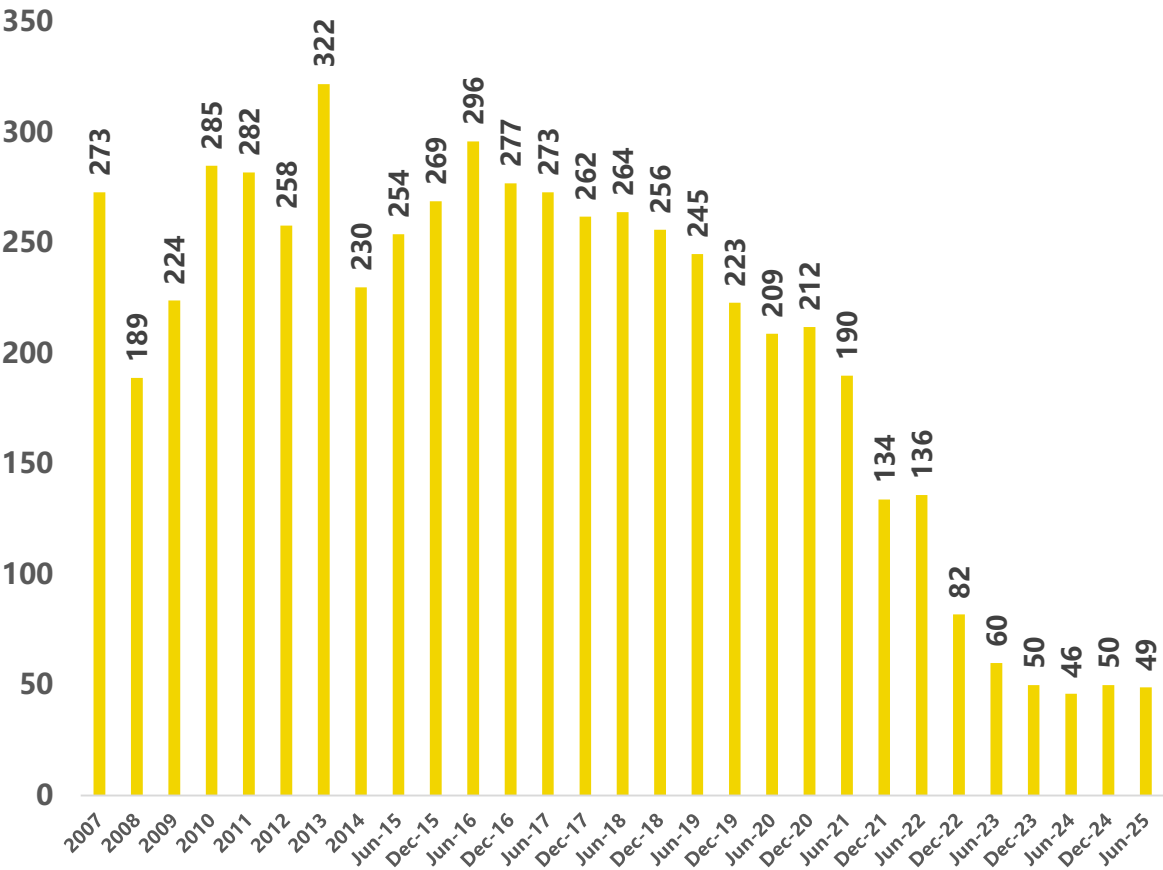
Number of Staff in HK  
(Not including Midland ICI)



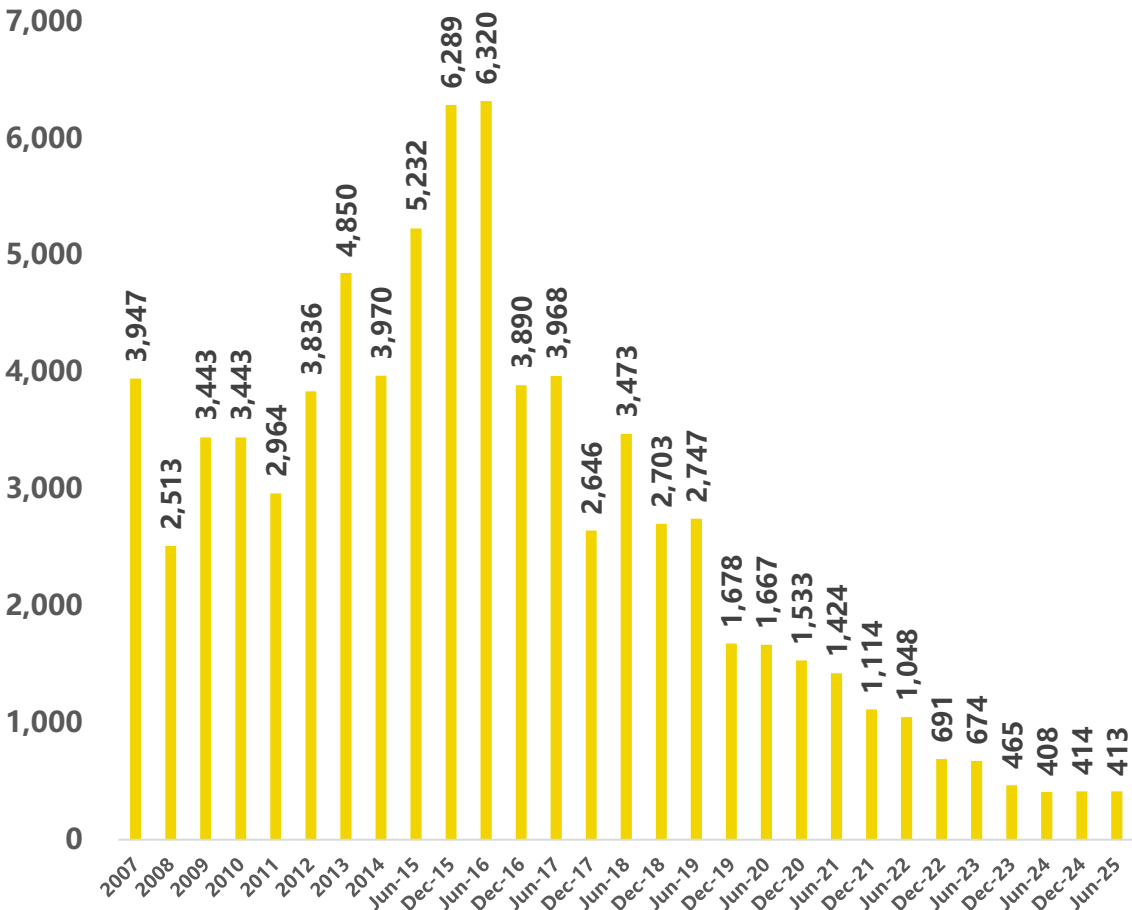


# Virtually, no change in size

Number of Branches in China



Number of Staff in China

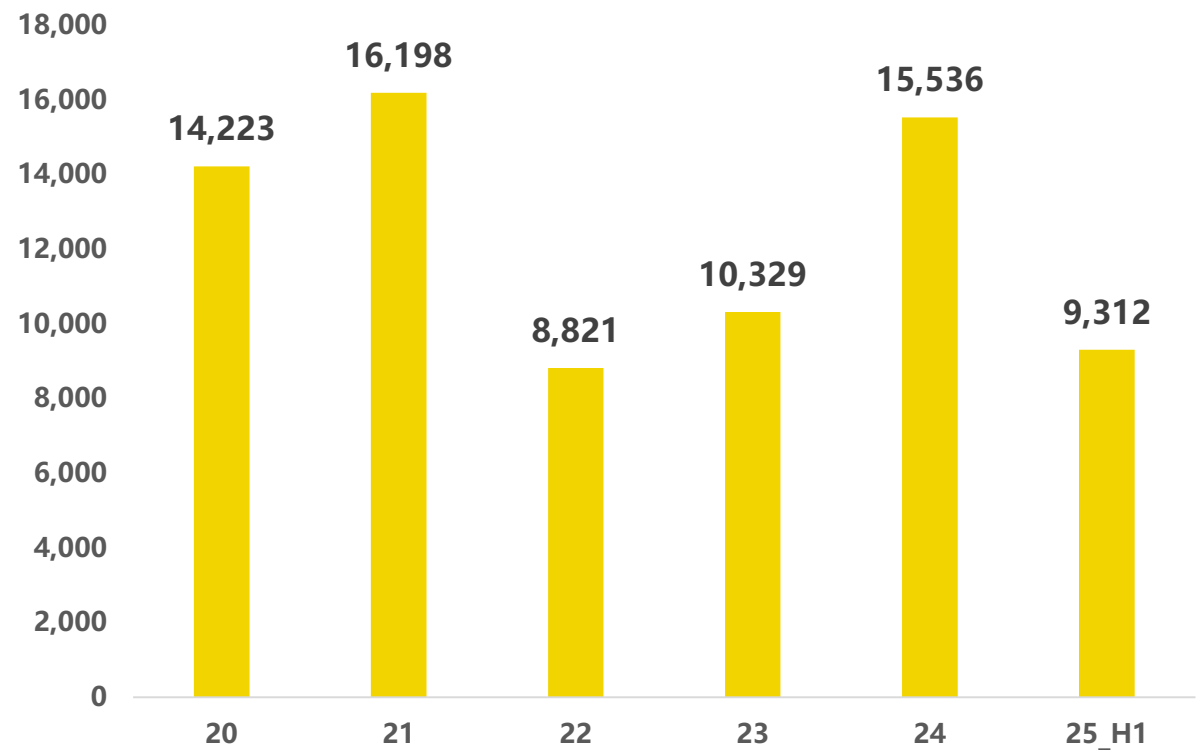


The image features a white background with decorative geometric shapes in the corners. The top-right corner is composed of overlapping triangles in shades of teal, olive green, and yellow. The bottom-left corner features similar overlapping triangles in teal and olive green.

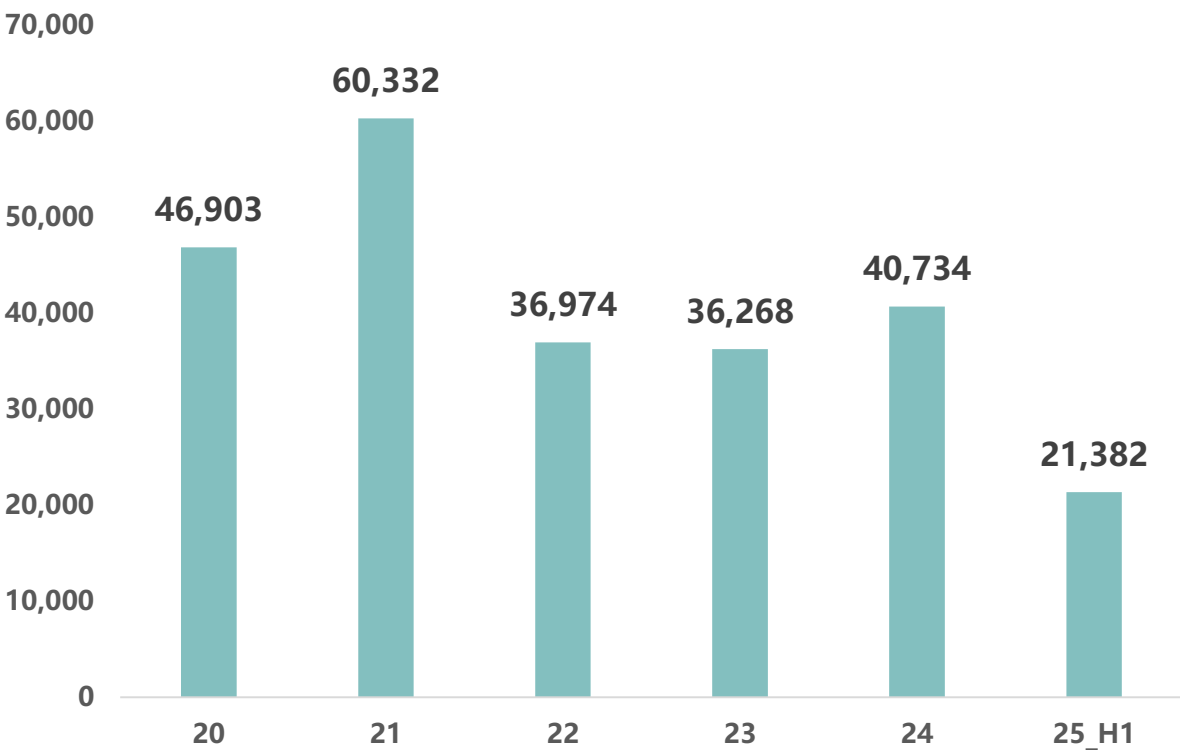
# Prospects

# Market Stayed active even without big policy change

No. of Primary\* Transactions



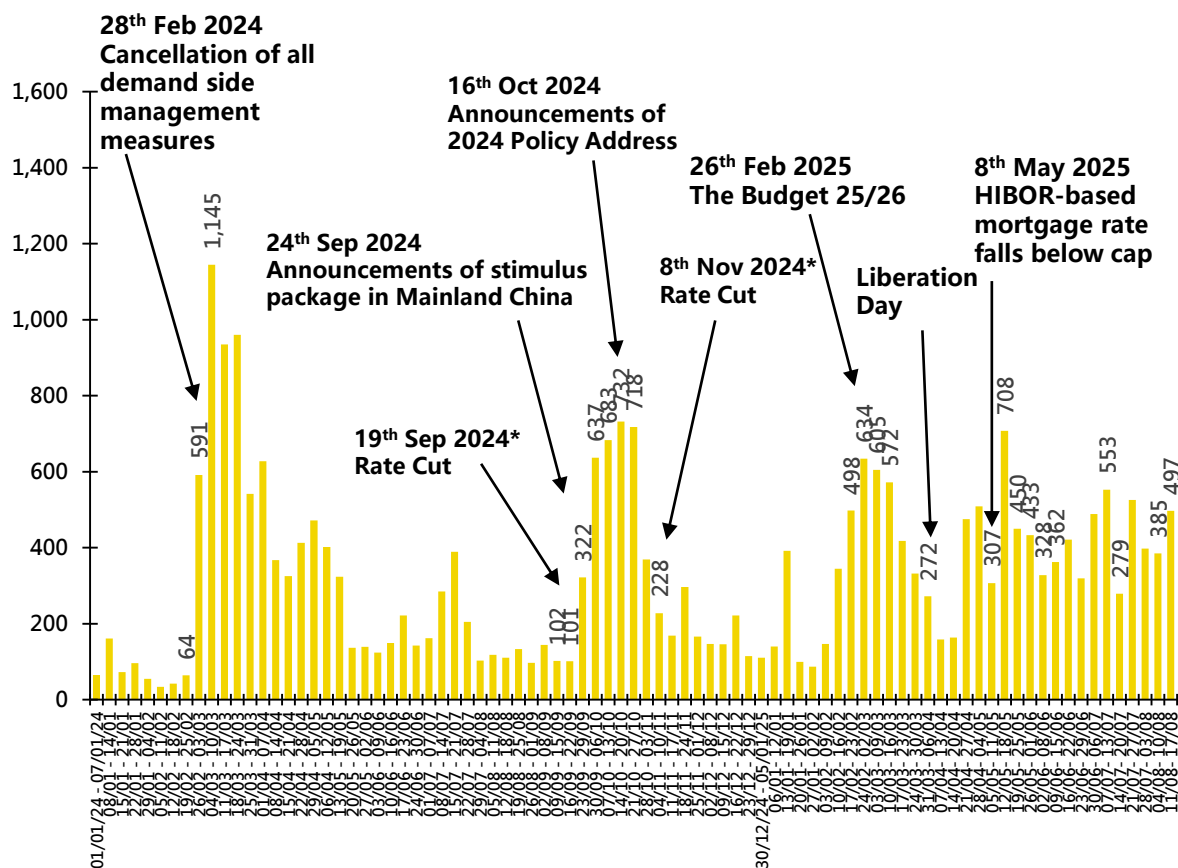
No. of Secondary\*\* Transactions



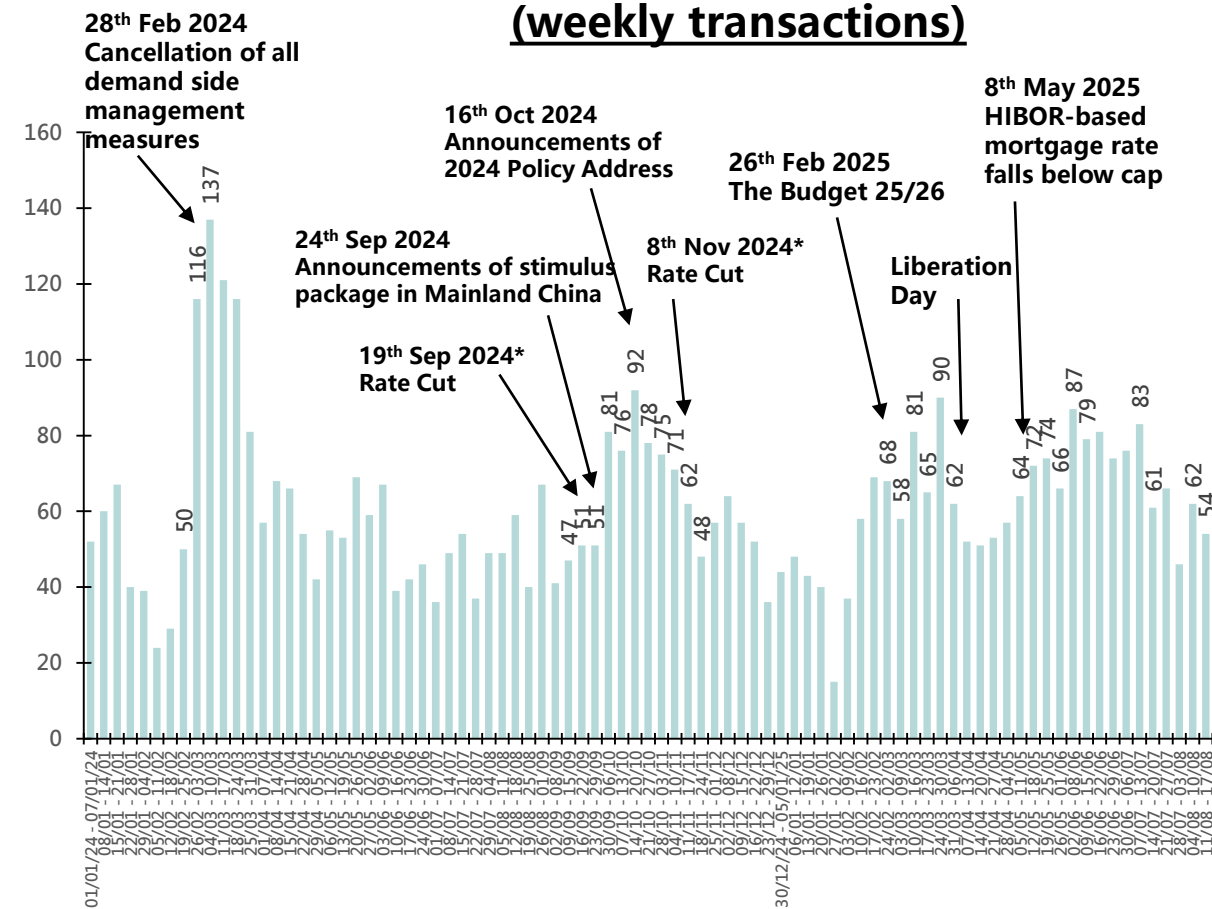
\* Primary transaction volume based on the information in Sales of First-hand Residential Properties Electronic Platform. Default Transactions are excluded.  
\*\* Secondary transaction volume is from the Land Registry & Midland Research Centre. The statistics generally reflect land transactions executed last month, as it takes about 1 month between the execution of deeds and their lodgment for registration.  
Source: Midland Research Centre

# Market Remained Volatile

## Primary market (weekly transactions)



## Secondary market of 35 estates (weekly transactions)



\* Announcement date  
Source: Midland Research Centre

## Home Sector : Volume up, Value down

	First half of 2024	First half of 2025	Change
<b>Primary Sales Volume</b>	<b>8,608</b>	<b>9,312</b>	<b>+8.2%</b>
<b>Primary Sales Value</b>	<b>\$105.0b</b>	<b>\$84.2b</b>	<b>-19.8%</b>
<b>Secondary Sales Volume*</b>	<b>20,927</b>	<b>21,382</b>	<b>+2.2%</b>
<b>Secondary Sales Value*</b>	<b>\$138.2b</b>	<b>\$138.6b</b>	<b>+0.3%</b>

Primary transaction volume & value based on the information in Sales of First-hand Residential Properties Electronic Platform. Default Transactions are excluded.

\* Secondary transaction volume & value is from the Land Registry & Midland Research Centre. The statistics generally reflect land transactions executed last month, as it takes about 1 month between the execution of deeds and their lodgment for registration.

Source: Midland Research Centre

## Change in primary sales transaction mix in 2025

	First half of 2024	First half of 2025	Change
<b>&lt;= \$4 Million</b>	<b>331</b>	<b>1,345</b>	<b>+306.3%</b>
<b>&gt; \$4 Million</b>	<b>8,273</b>	<b>7,961</b>	<b>-3.8%</b>

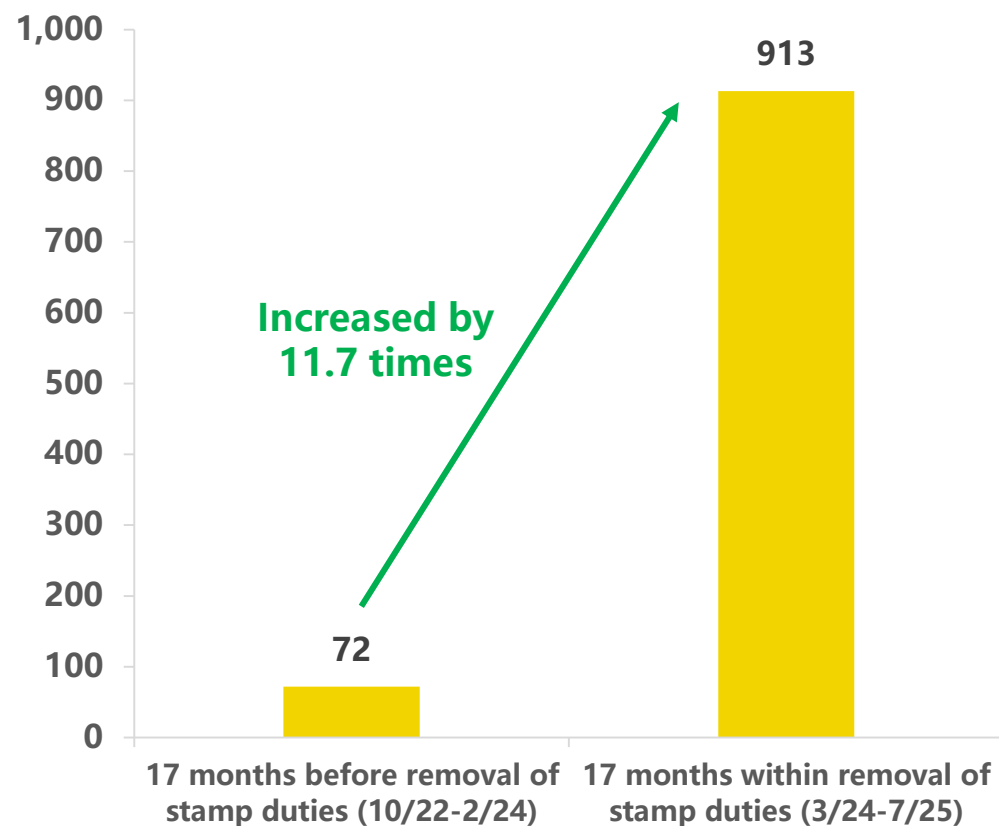
**The Budget 25/26:  
Stamp duty for properties that  
cost HK\$4 million or below is  
lowered to HK\$100**

Primary transaction volume based on the information in Sales of First-hand Residential Properties Electronic Platform. Default Transactions are excluded.  
Source: Midland Research Centre

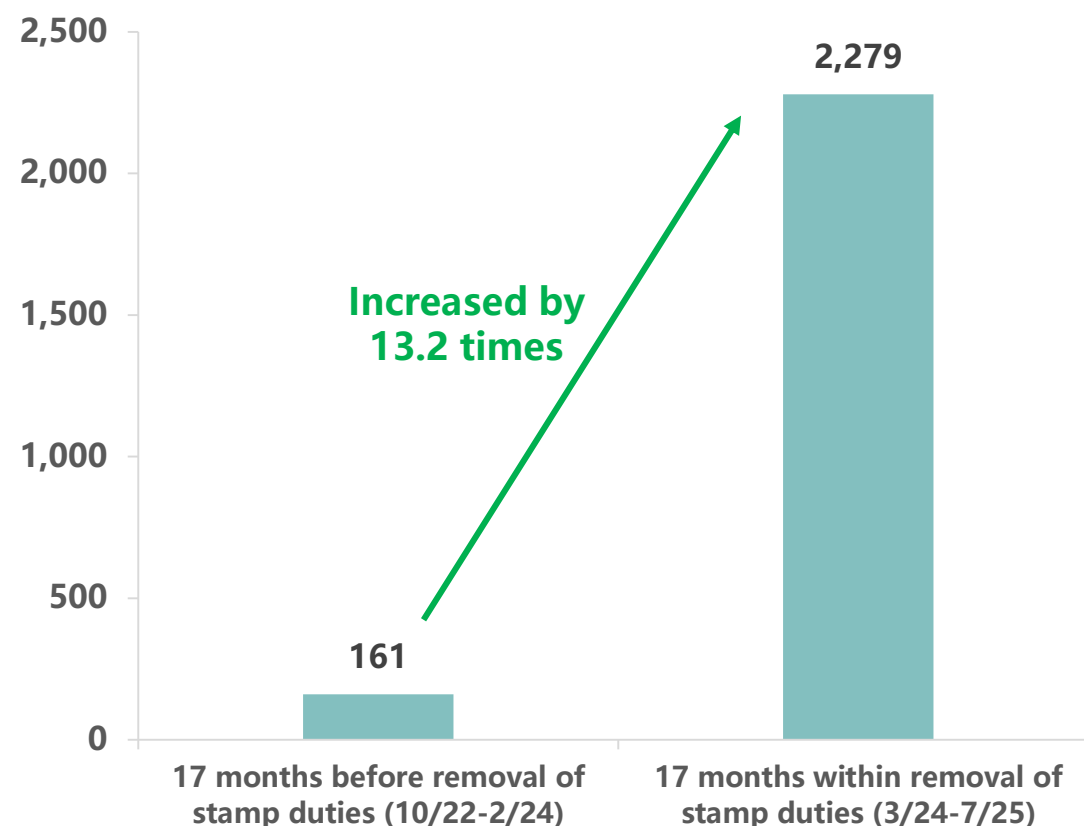


# Multiple Properties Buyers

## Number of Multiple Properties Buyers



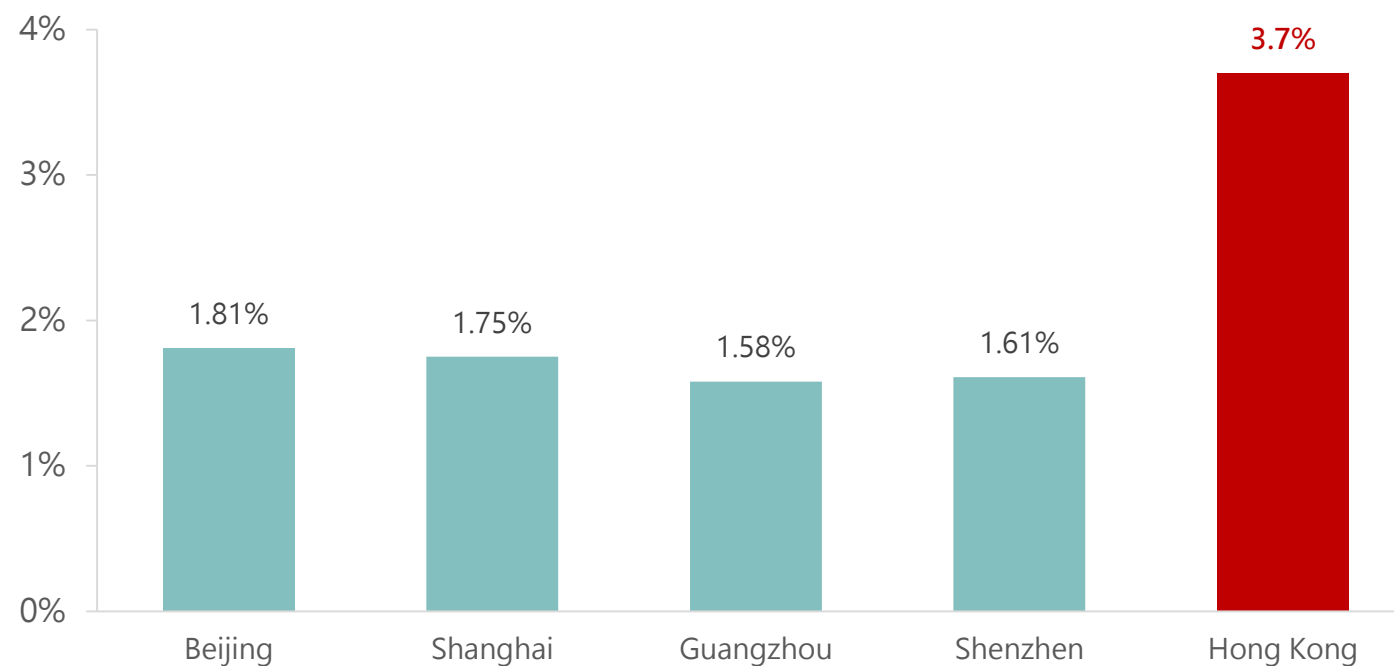
## Number of Units bought by Multiple Properties Buyers



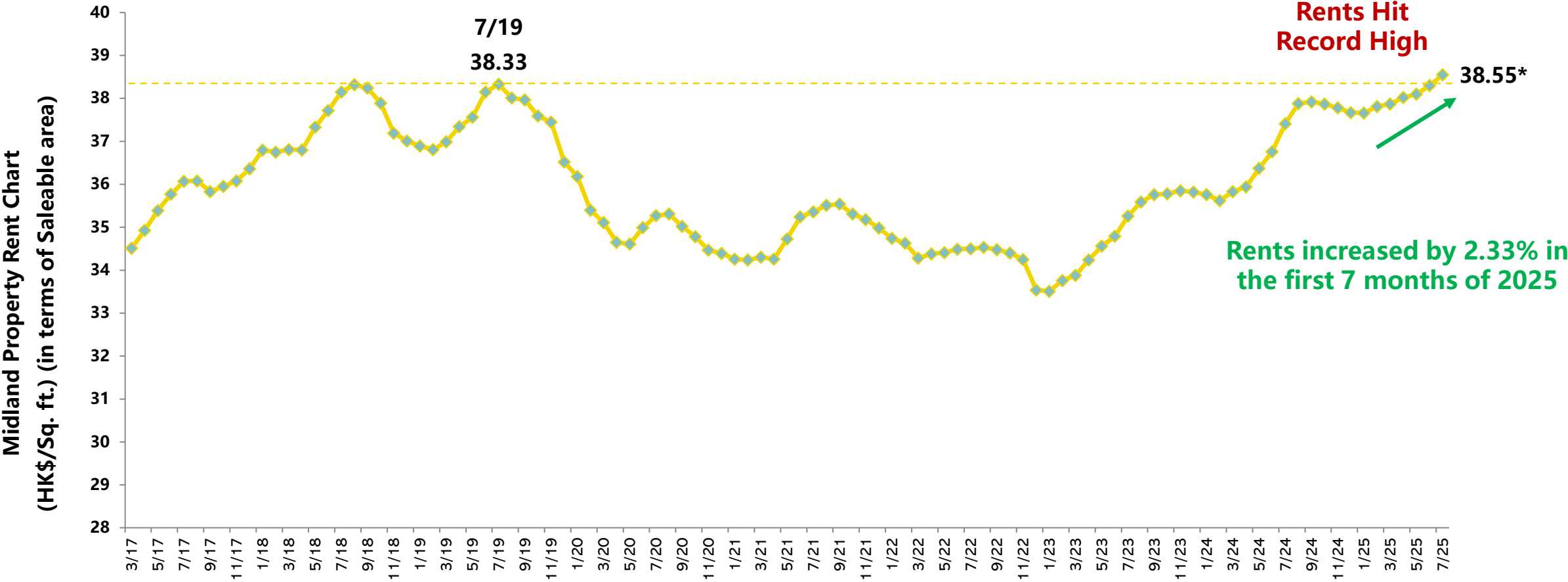
Multiple properties buyers cases are calculated based on first-hand private residential registration cases with the same buyer (buyer name/company name known), registered in the same month, and with 2 or more units in the same estate. Because of the time needed in registration, figures generally represent the market one month prior; Figures are preliminary and subject to change Source: Land Registry and Midland Research Centre

# Buy to Let

## Rental Yields of the tier one Cities



# Strong Rental Market

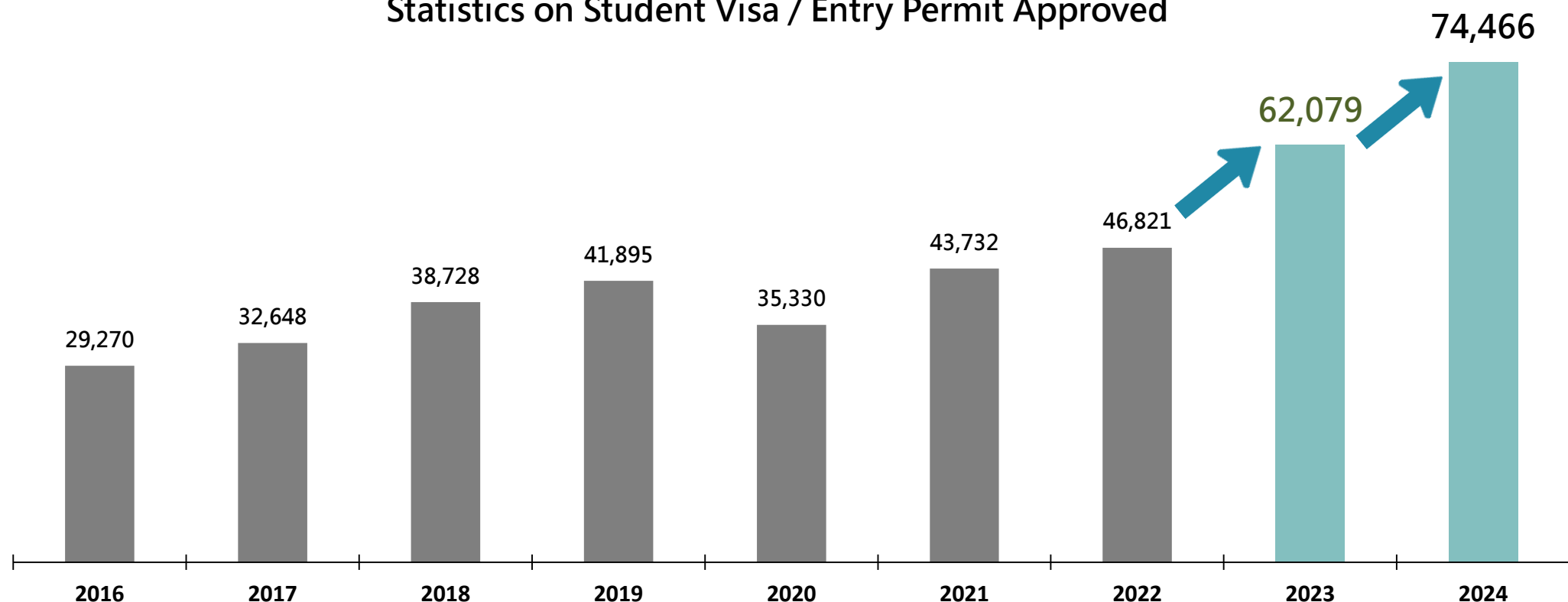


\*Provisional Figures  
Source: Midland Research Centre



# Number of Student Visas

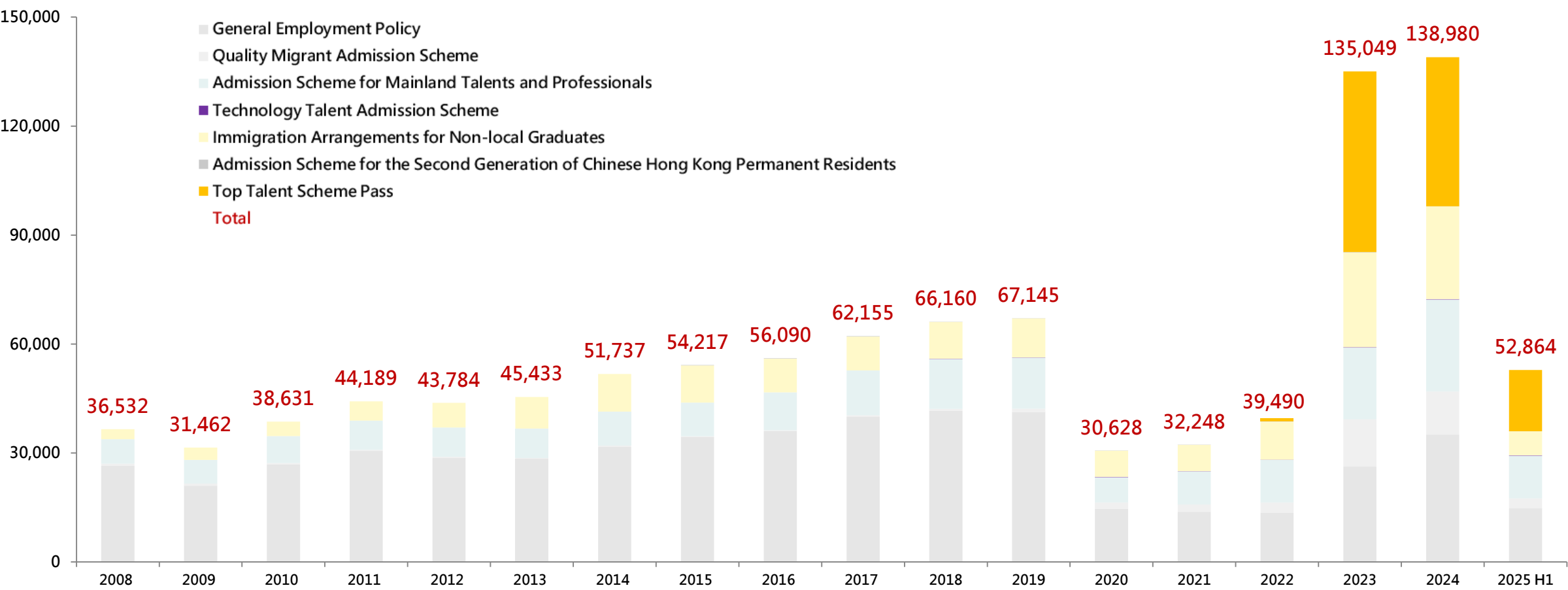
Statistics on Student Visa / Entry Permit Approved



The quota for non-local students studying in the eight subsidized Universities is doubled in 2024

Source: Hong Kong Immigration department

# TALENTS RECRUITMENT PROGRAMS (Statistics on applications approved)

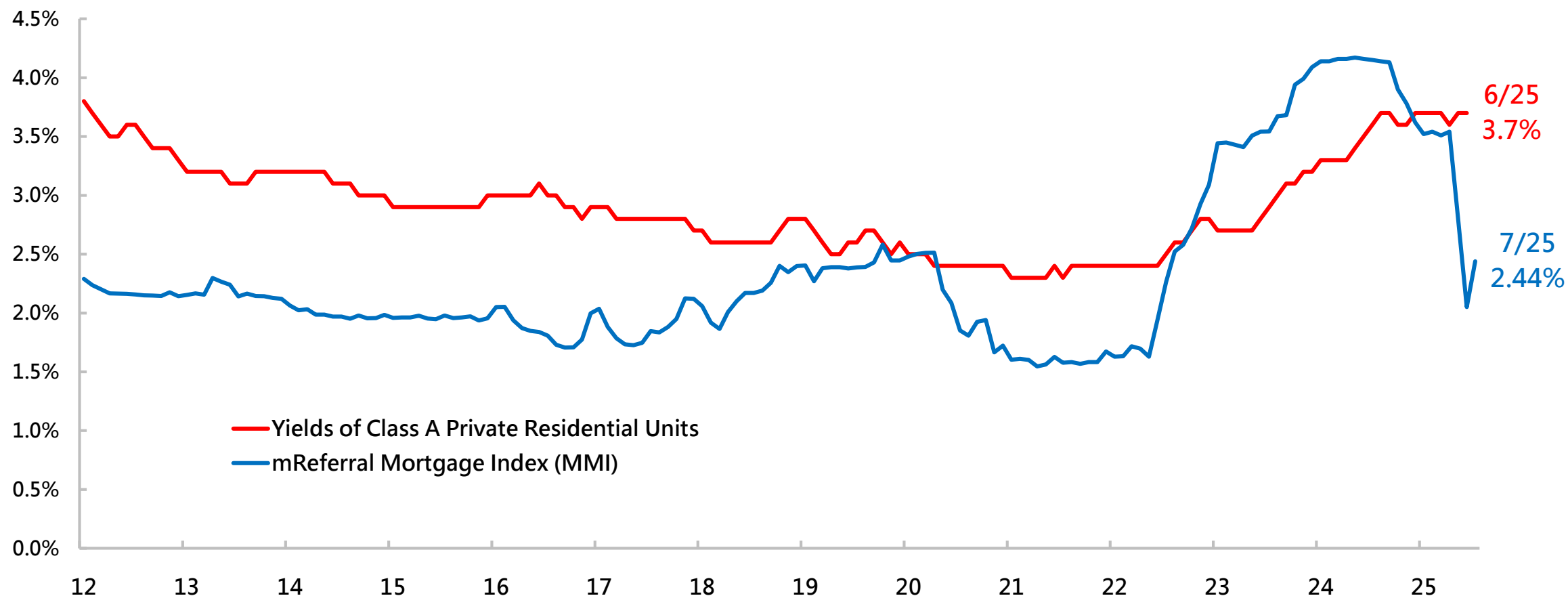


Source: Hong Kong Immigration Department



# Rental yield has significantly improved

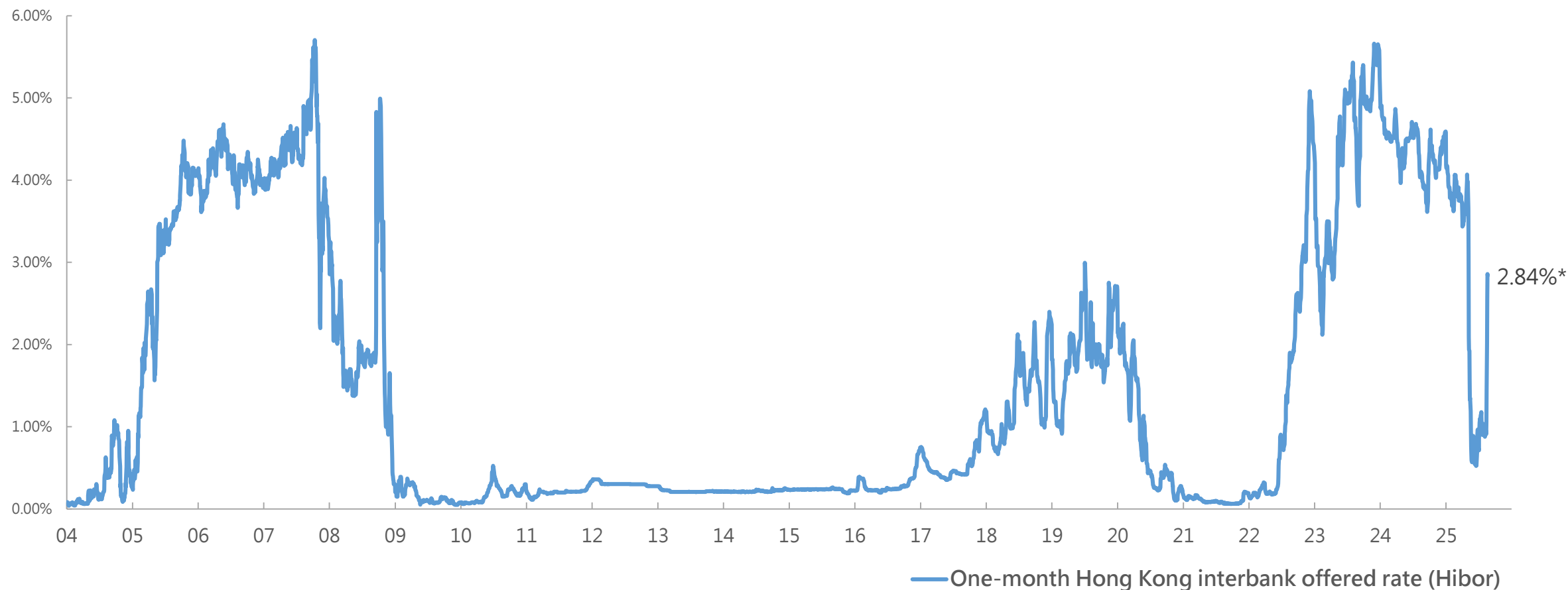
Mortgage rates vs Yields of Class A Private Residential Units (saleable area less than 40 m<sup>2</sup>)



Source: Rating and Valuation Department, mReferral



# If Hibor resumes downward trend, local demand may strengthen

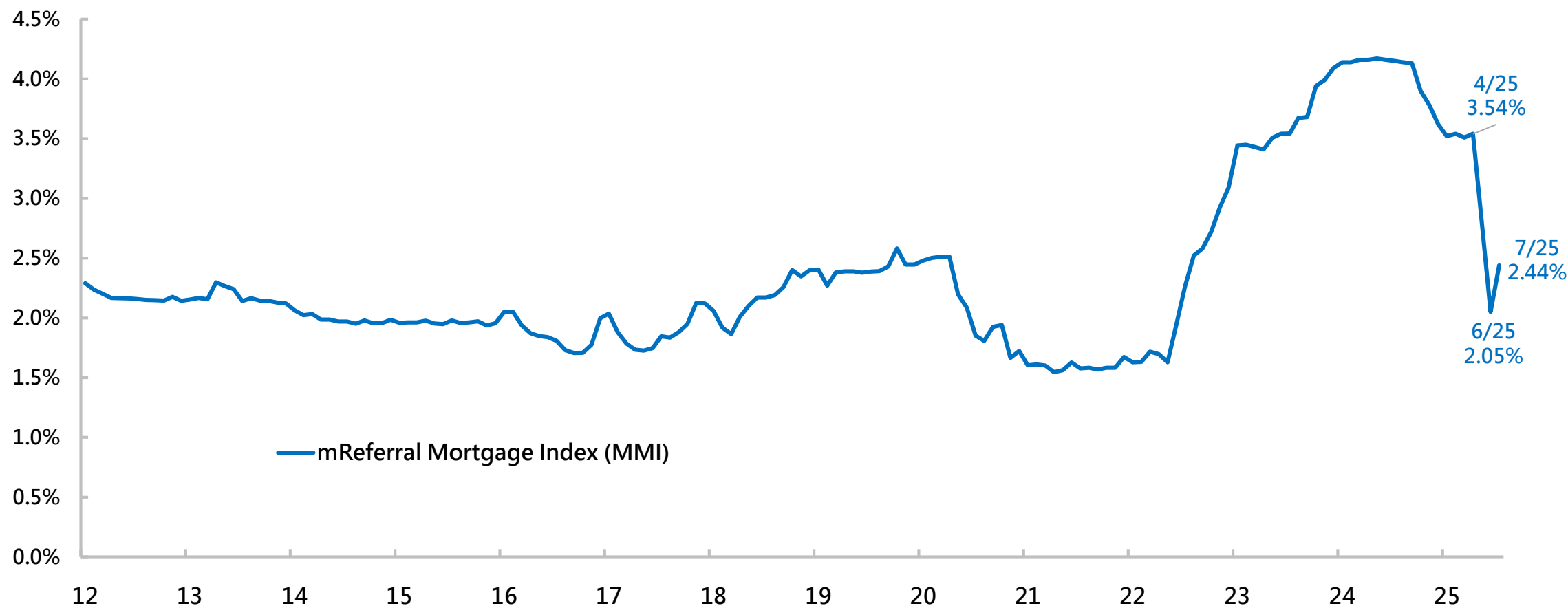


\* As of 21.8.2025

Source: The Hong Kong Association of Banks

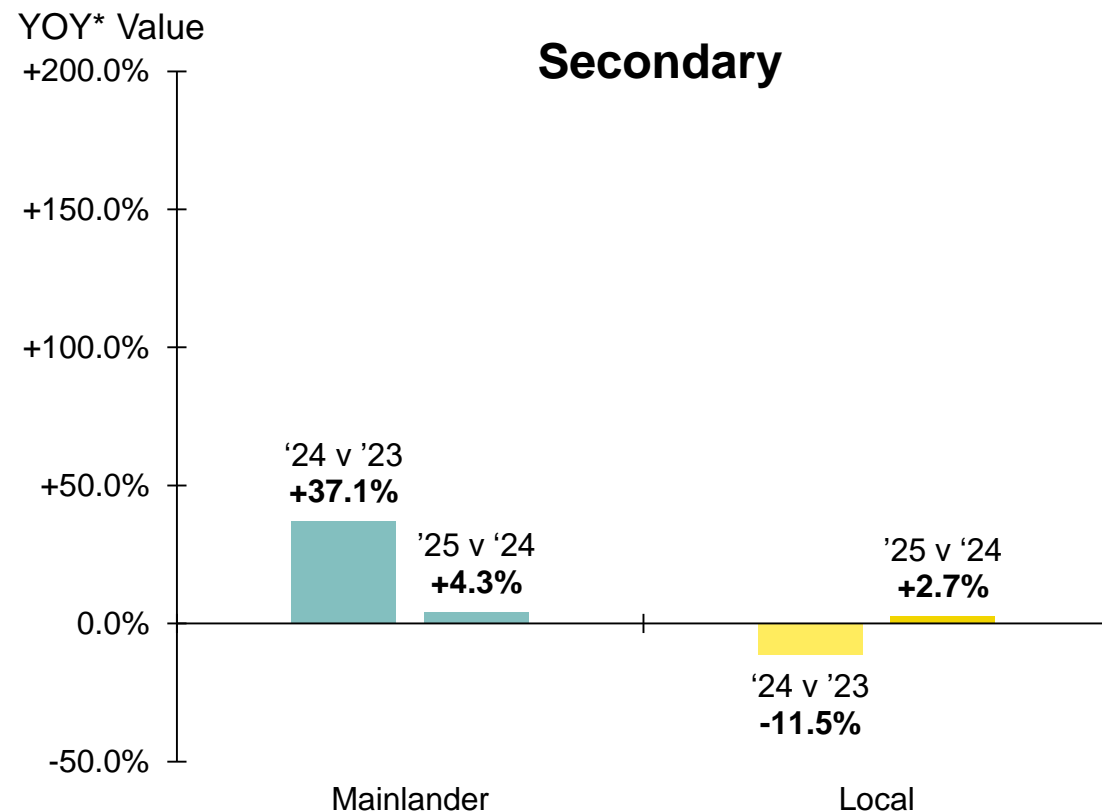
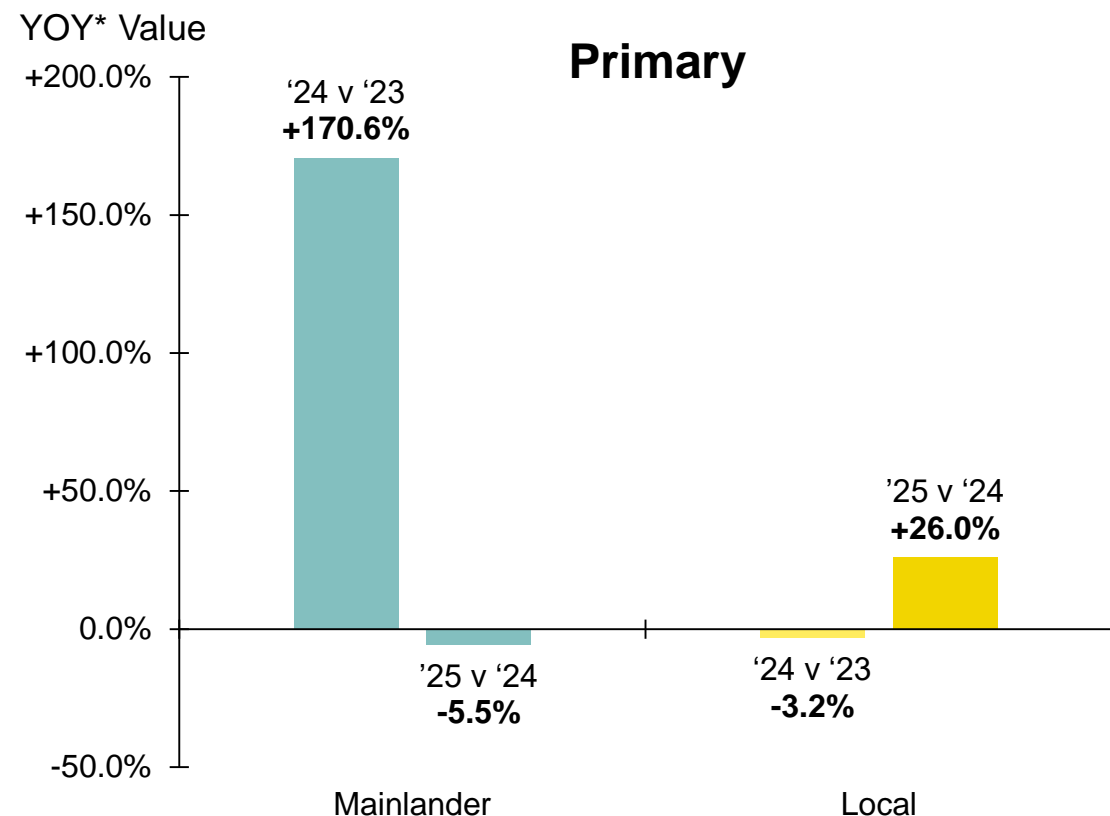
# Mortgage rates still lower than the recent peak

Mortgage rates



Source: Rating and Valuation Department, mReferral

# Local Demand picked up while Mainlanders' Demand remained stable

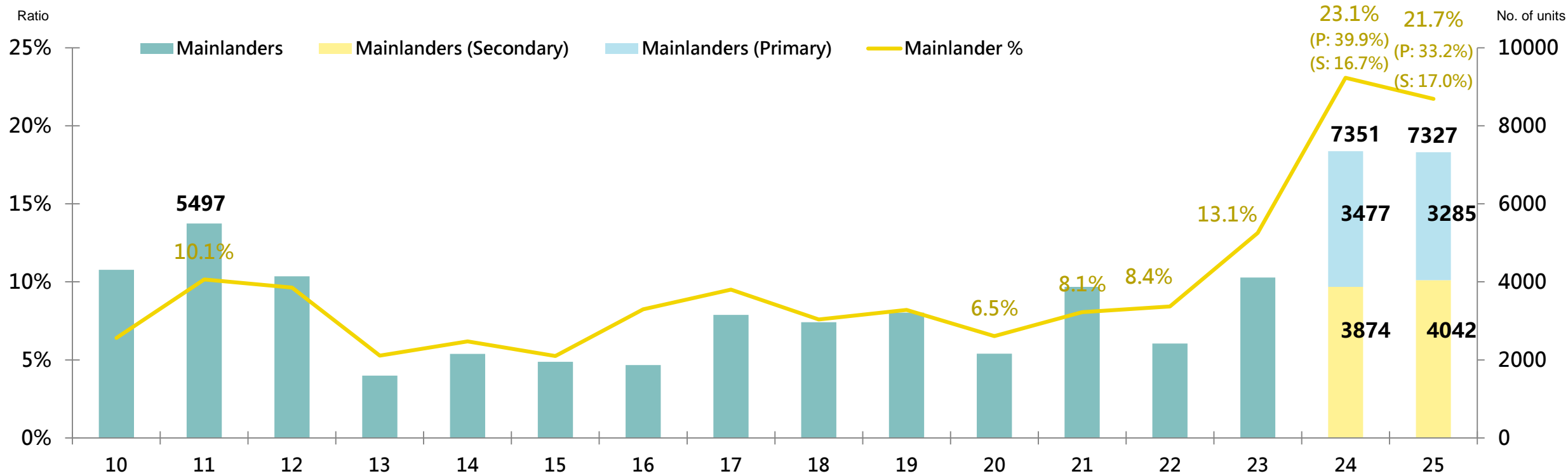


Note:

\*Comparison between the first 7 months in 2025 and the first 7 months in 2024  
 English and Romanized names are the subject in determining if a buyer is mainlander;  
 Only known cases are considered in calculation, and company cases are excluded;  
 Figures in secondary market include public housing;  
 Because of the time needed in registration, figures generally represent the market one month prior;  
 Figures are preliminary and subject to change Source: Land Registry and Midland Research Centre

# Mainland Buyers Remained Stable (Volume)

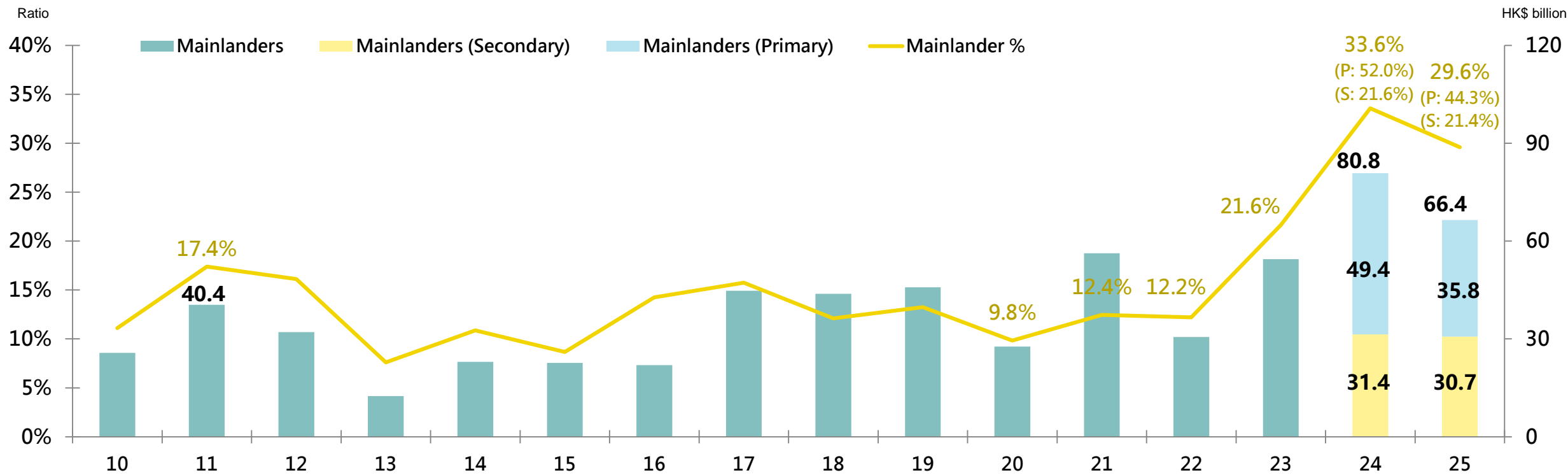
Volume of properties bought by Mainlander Buyers and their share in the first 7 months of each year



Note:  
1) English and Romanized names are the subject in determining if a buyer is mainlander;  
2) Only known cases are considered in calculation, and company cases are excluded;  
3) Figures in secondary market include public housing;  
4) Because of the time needed in registration, figures generally represent the market one month prior;  
Figures are preliminary and subject to change Source: Land Registry and Midland Research Centre

# Mainland Buyers Remained Stable (Value)

Value of the properties bought by Mainlander Buyers and their share in the first 7 months of each year



Note:  
1) English and Romanized names are the subject in determining if a buyer is mainlander;  
2) Only known cases are considered in calculation, and company cases are excluded;  
3) Figures in secondary market include public housing;  
4) Because of the time needed in registration, figures generally represent the market one month prior;  
Figures are preliminary and subject to change      Source: Land Registry and Midland Research Centre

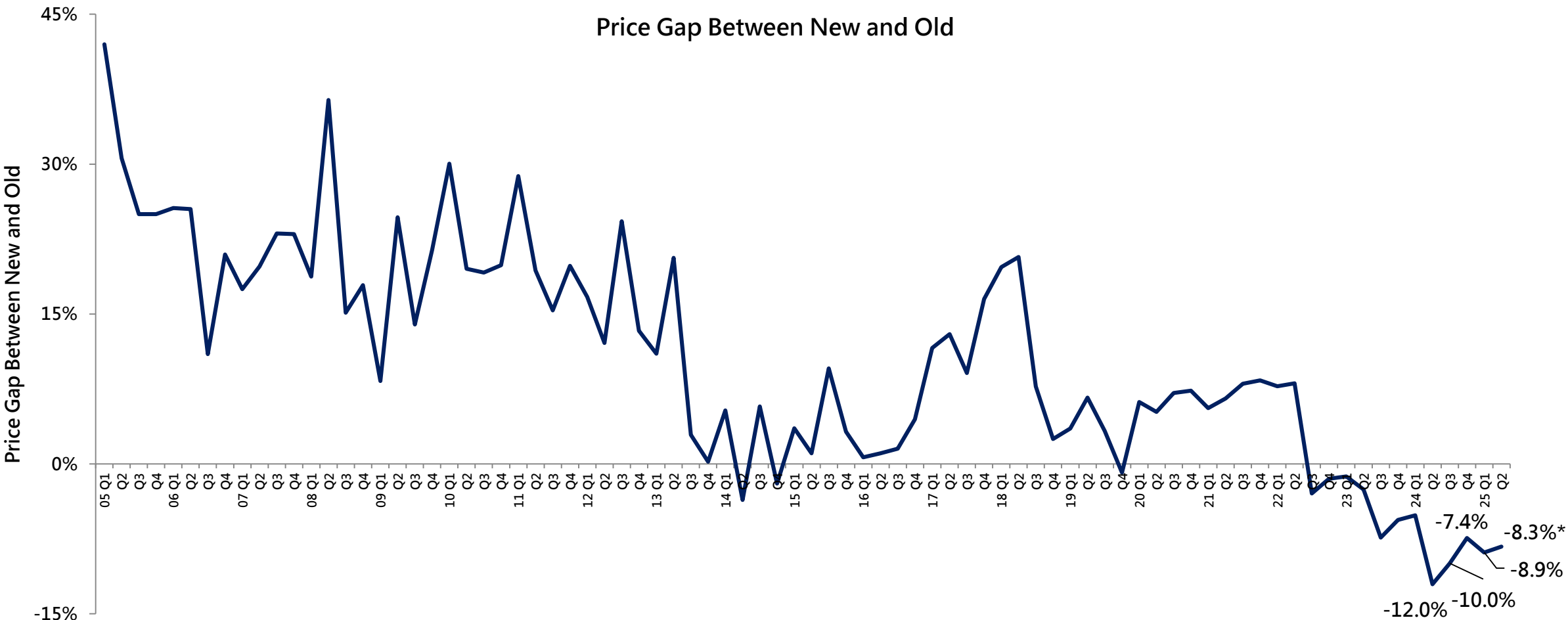
# Cutting Supply

Financial Year	Potential Land Supply	Actual
2021-22	16,530	18,930
2022-23	17,940	16,050
2023-24	20,550	15,410
2024-25	15,150	10,030
2025-26	13,700	6,000 (First Half)

Source: Development Bureau



# Volume-driven Not Price



\*Provisional Figures  
Source: Midland Research Centre

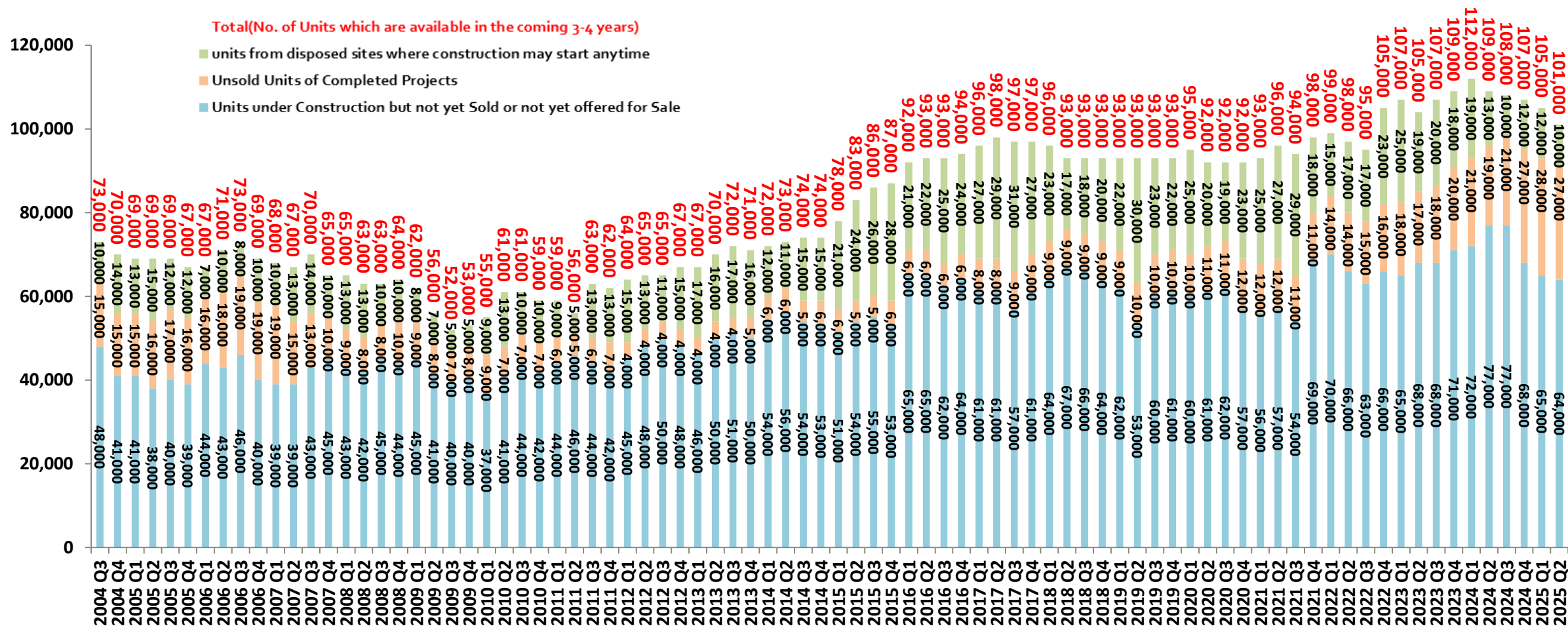
# Property Prices have finally Stabilized



\* As of 18.8.2025  
Source: Midland Research Centre

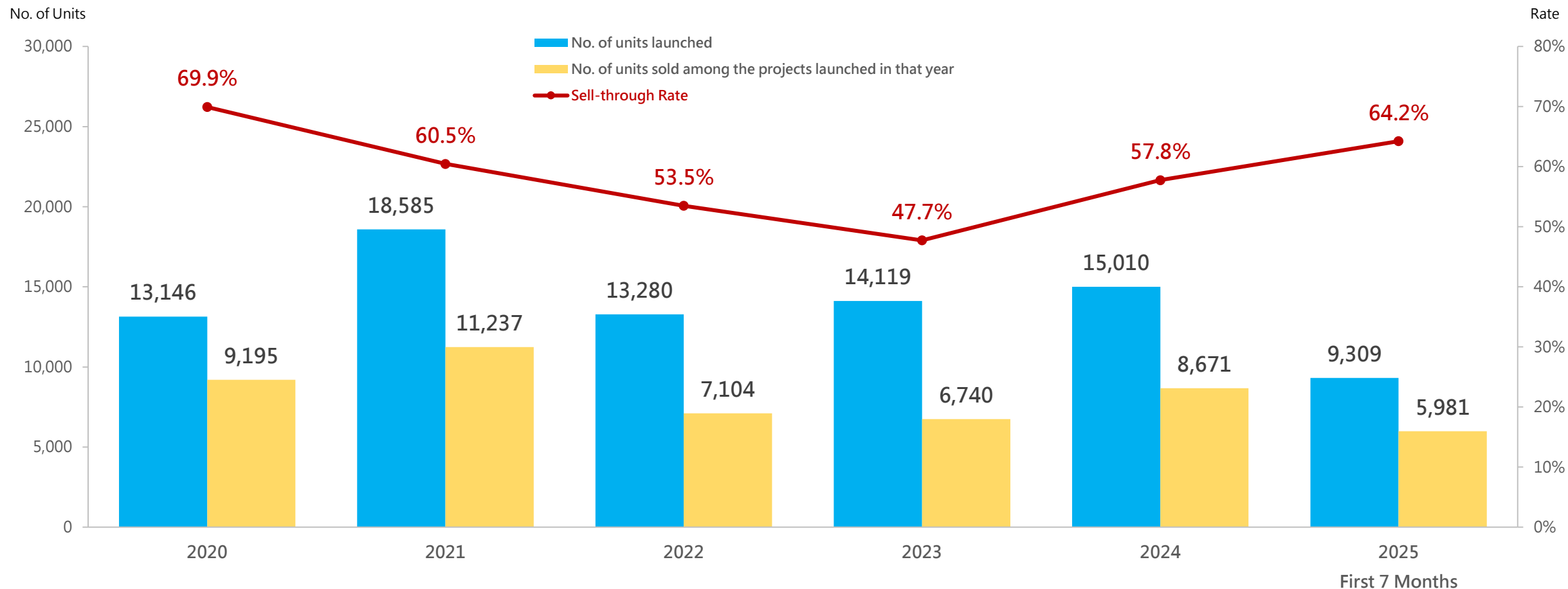


## Underlying supply may have peaked off



Source: Housing Bureau

# Improving Sale-through Rate



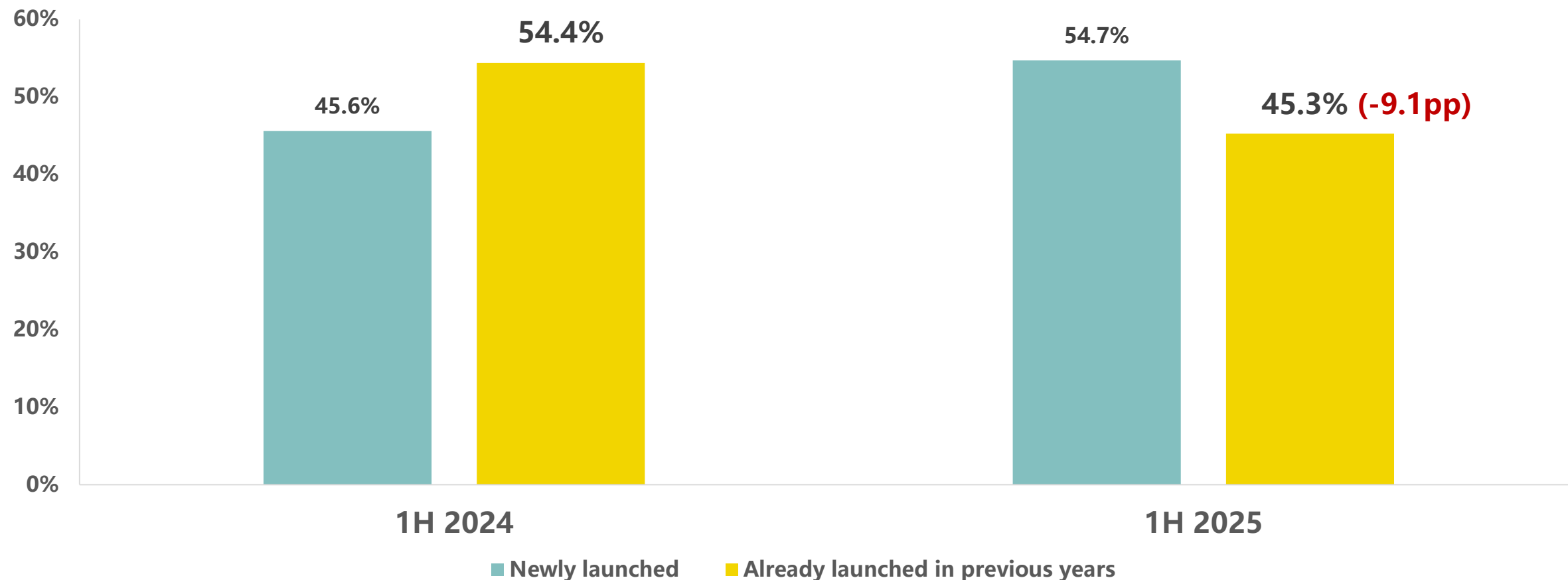
The above sale-through rate among newly launched project is calculated based on the percentage of number of units sold out of the total number of units in the projects that are launched in that year.

Default Transactions in the following year or thereafter are not deducted from the number of units sold each year.

Primary transaction volume based on the information in Sales of First-hand Residential Properties Electronic Platform.

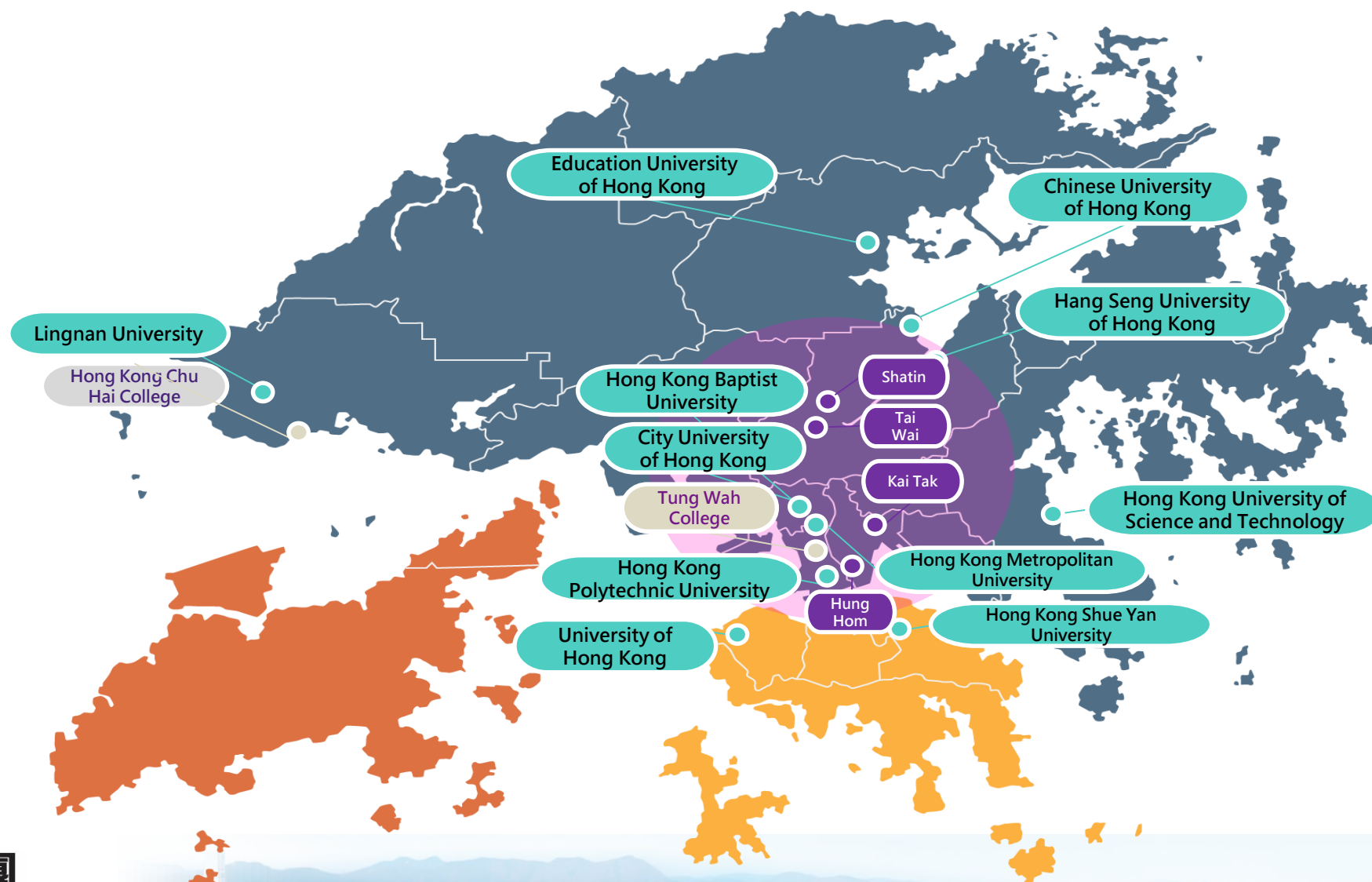
Source: Midland Research Centre

# A Change in Mix of First-Hand Sales



Primary transaction volume based on the information in Sales of First-hand Residential Properties Electronic Platform. Default Transactions are excluded.  
Source: Midland Research Centre

# Locations of the Tertiary Education Institutions



# Reasons for mainlanders coming to Hong Kong

**Power of Hong Kong Passports – Visa free access to 173 countries and territories**

**Freedom of Capital**

**Low Tax Regime**

**World Class Infrastructure**

**Education**





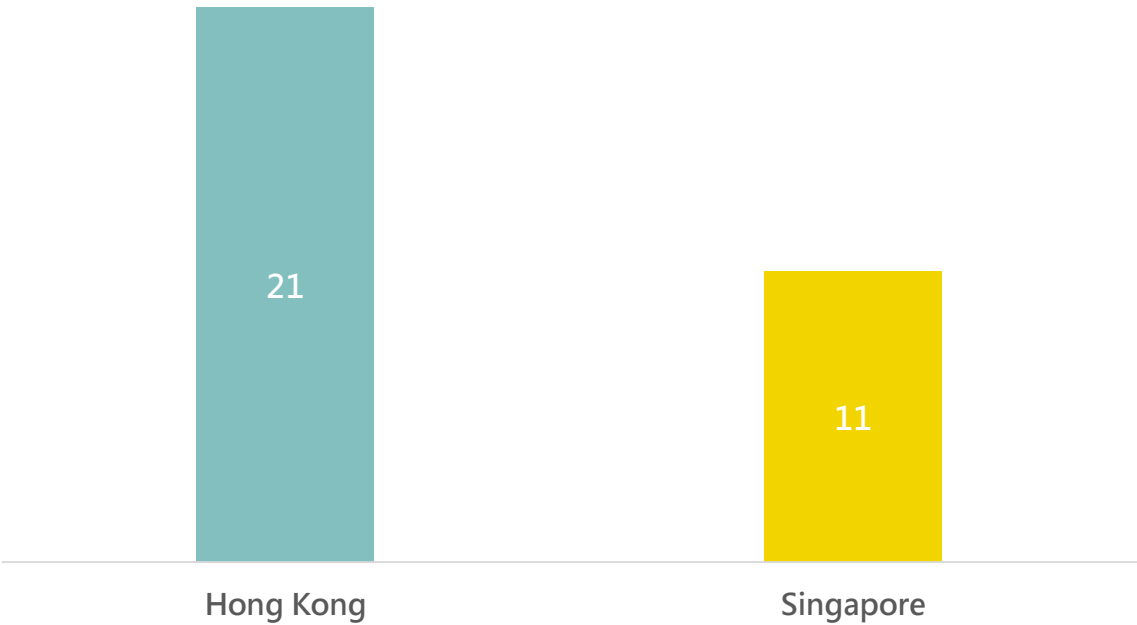
# Education Hub

## World's Top 100 Universities

■ Top 100 (2025) ■ Top 100 (2015)



## 2024 Top 100 IB Schools (Exam Scores)





# Number of talents & dependents admitted to Hong Kong under various talent admission schemes from 1/2023 to 6/2024

	Number of talents admitted to HK	Number of dependents admitted to HK	Total
Top Talent Pass Scheme	56,952	61,561	118,513
Quality Migrant Admission Scheme	17,147	30,556	47,703
Immigration Arrangements for Non-local Graduates	29,108	6,322	35,430
Admission Scheme for Mainland Talents and Professionals	17,253	14,633	31,886
General Employment Policy	11,744	7,891	19,635
Technology Talent Admission Scheme	173	162	335
Admission Scheme for the Second Generation of Chinese Hong Kong Permanent Residents	112	11	123
<b>Total</b>	<b>132,489</b>	<b>121,136</b>	<b>253,625</b>

Source: Hong Kong Immigration department

The image features a white background with decorative geometric shapes in the corners. The top-right corner is composed of overlapping triangles in shades of teal, olive green, and yellow. The bottom-left corner features similar overlapping triangles in teal and olive green.

**Thank You**