Interim Results Presentation

MIDLAND HOLDINGS

2026 Interim Results

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Overview

Today's Agenda

01 • Financial Highlights

02 • Business Overview

03 • Prospects

04 • Q&A

Topics Covered

- Revenue & Operating Performance
- Cost Structure & Changes
- Lease Negotiations & Rental Expenses
- Net Cash Position

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Financial Highlights

2026 Interim Results Highlights

	1H 2025 (HK$'M)	1H 2026 (HK$'M)	YoY
Revenues	2,518	3,312	+32%
Operating Costs*	2,346	2,990	+27%
Operating Profit	172	321	+87%
Profit for the Period	151	282	+87%

* Excluded other losses, but included the interest on lease liabilities.
Source: Condensed Consolidated Income Statement

Reasons for the Increase in Profit

Revenues Change

+32%

1H 2026 vs 1H 2025

Profit for the Period

+87%

Profit increased more than revenues

Key Reasons for the Increase:

1 Strong financial performance of the two flagship brands

The significant increase in profit before tax of "Midland Realty 美聯物業" and "Hong Kong Property 香港置業" for the six months ended 30 June 2026 while all other the business units remained profitable.

2 Increase in Market Share

The Group's growth in market share in particular secondary residential sector.

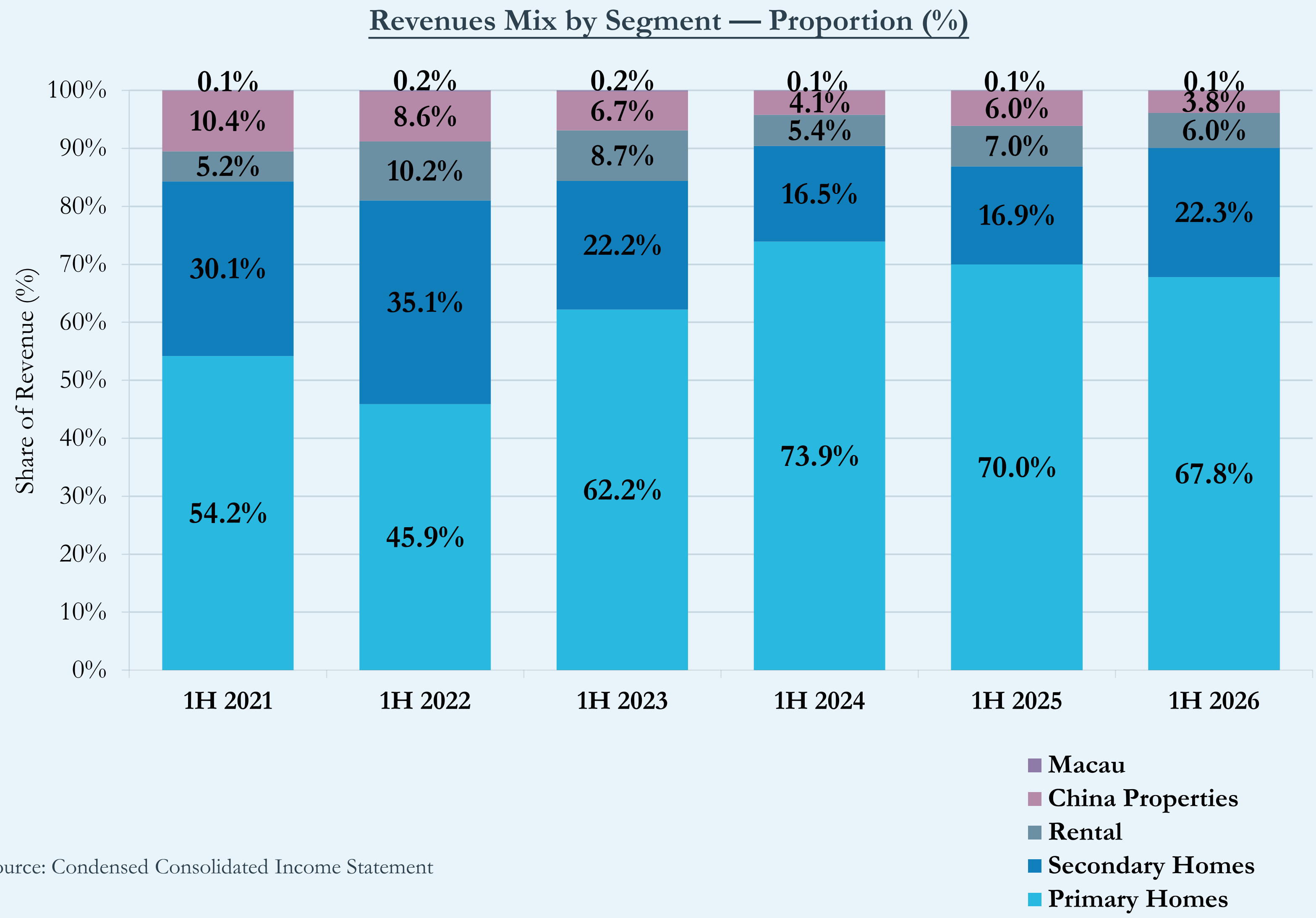
3 Controlling operating costs and Enhancing operating efficiency

The Group's persistent efforts on controlling operating costs and enhancing operating efficiency with a focus on retaining and attracting best talents to provide high quality services to our clients.

Key Financial Highlights – Revenues

Interim 2026 vs 2025

- Revenues from the **HK residential market increase** while that from Mainland operation decrease
- **New Home sector** continued to be the major driver of revenues mix while contribution from secondary home sector increased more



Source: Condensed Consolidated Income Statement

Changes in Costs

1H 2025 vs 1H 2026 — All figures in HK$'000

Staff Salaries

1H 2025		1H 2026
395,864	→	460,441
		+16.3%

1. More sales persons were hired because of an active market
2. Increase in Salary and Bonus increased to non-Sales

Staff Commissions

1H 2025		1H 2026
675,414	→	924,650
		+36.9%

1. Increase in revenues
2. As revenues increased, the progressive commission scale drove up the payout ratio, improvement of profitability also pushed up commission payout

Advertisements & Promotions

1H 2025		1H 2026
45,350	→	58,274
		+28.5%

Market expense increased under a robust market environment.

Rental Expenses*

1H 2025		1H 2026
145,840	→	144,228
		-1.1%

Rental expenses dropped 1.1%, much smaller than that in the first half of last year (-15.6%).

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

Source: Condensed Consolidated Income Statement

Changes in Costs (continued)

1H 2025 vs 1H 2026 — All figures in HK$'000

Commission Split*

1H 2025		1H 2026
966,748	→	1,290,118
		+33.4%

Commission split increased in line with revenues.

* Rebates to customers and co-operative estate agents have been renamed to Commission Split.

Impairment of Receivables

1H 2025		1H 2026
7,267	→	2,569
		-64.6%

Impairment fell despite increase in revenues.

Reason: Positive progress in recovering some receivables which provision was made in preceding years.

Depreciation & Other Operating Costs

1H 2025		1H 2026
109,165	→	109,025
		-0.1%

Depreciation and Other Operating Costs remain stable.

Source: Condensed Consolidated Income Statement

HK Operation: Negotiations on Leases

Negotiated favorable leasing terms

1H 2026 — Key Outcome

40.5%

Renewed with reduction — largest category

1H 2026 — Renewed + Increase

23.8%

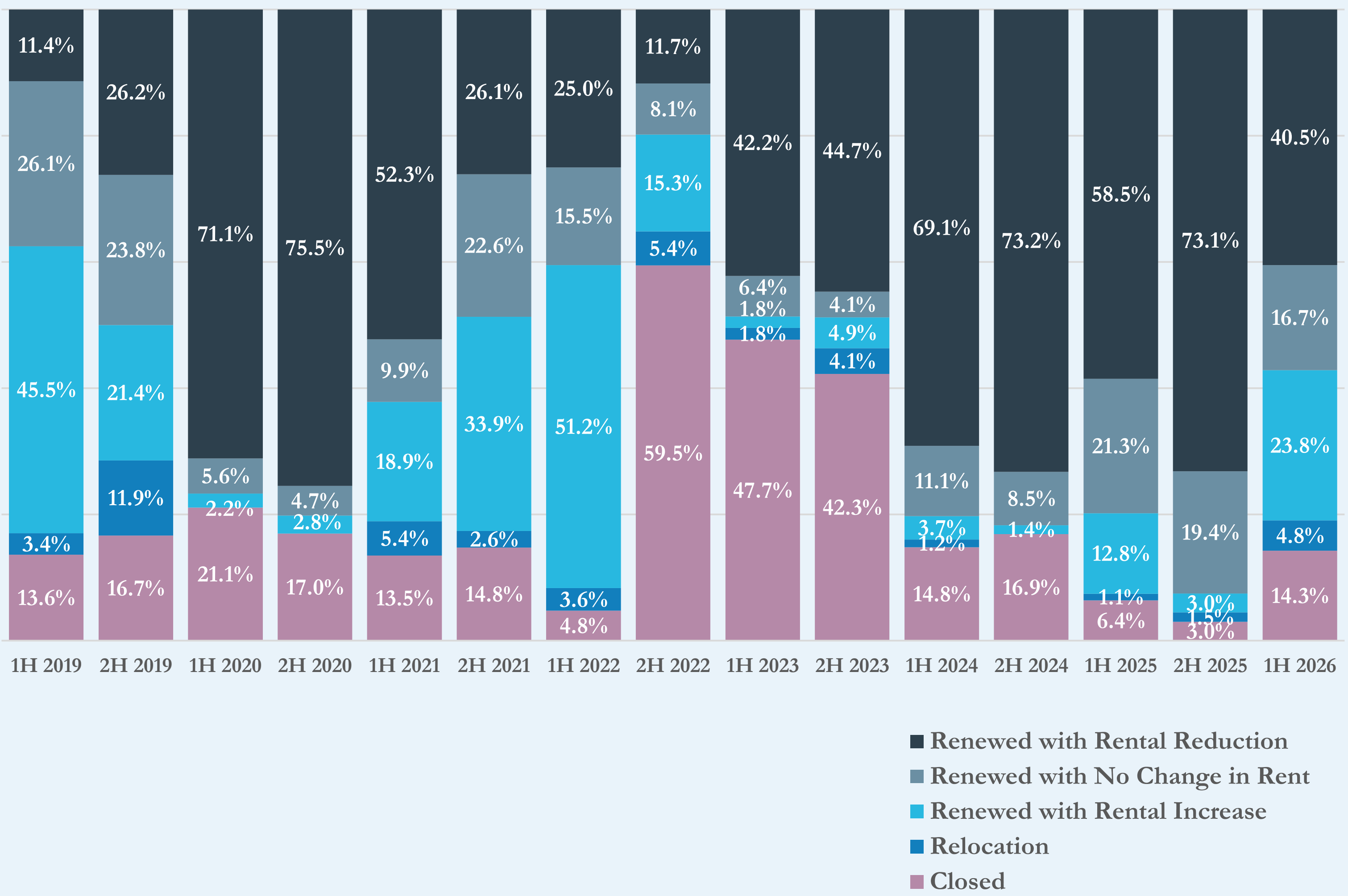
Up from 3.0% in 2H 2025

1H 2026 — Closed

14.3%

Significantly up from 3.0% in 2H 2025

Lease Negotiation Outcomes



Increased Net Cash

	Dec 2025 (HK$'M)		Jun 2026 (HK$'M)	
Cash	999	→	1,281	+28%
Bank Loans & Borrowings	-	→	-	-
Receipt From Customers	29	→	18	-38%
Net Cash and Bank Balance	971	→	1,264	+30%

Source: Condensed Consolidated Income Statement

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Business Overview

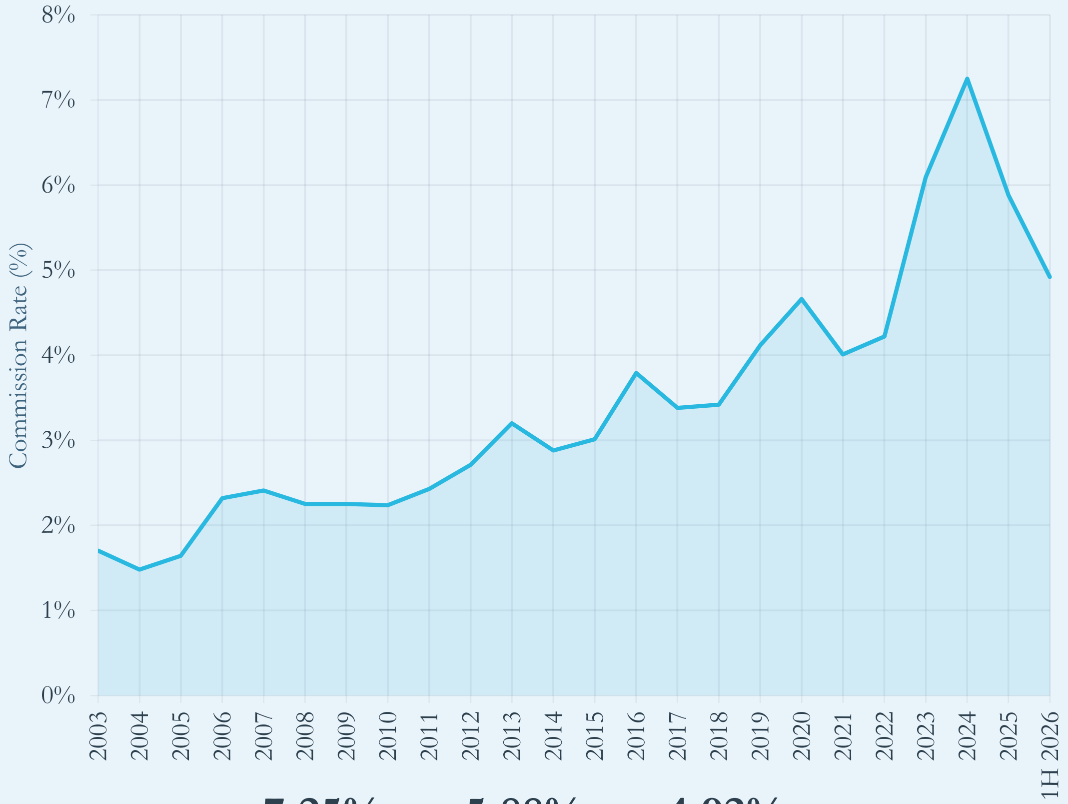
Topics Covered

- **Gross Commission Rate** — Primary & Secondary Markets
- **Scale of Operations** — Branches & Staff
- **Scale of Industry** — Licensed Agents and Outlets

Gross Commission Rate*

Primary Market Commission Rate (%)

As a % of New Property Price



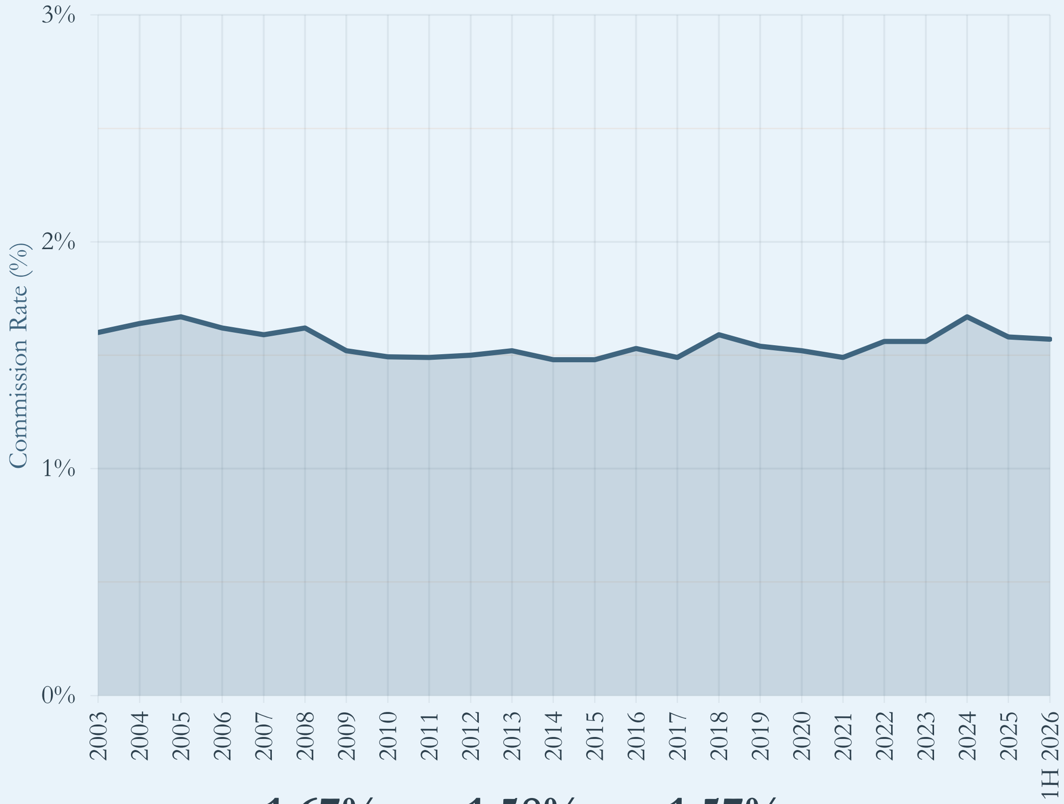
7.25% 2024

5.88% 2025

4.92% 1H 2026

Secondary Market Commission Rate (%)

As a % of Resale Property Price



1.67% 2024

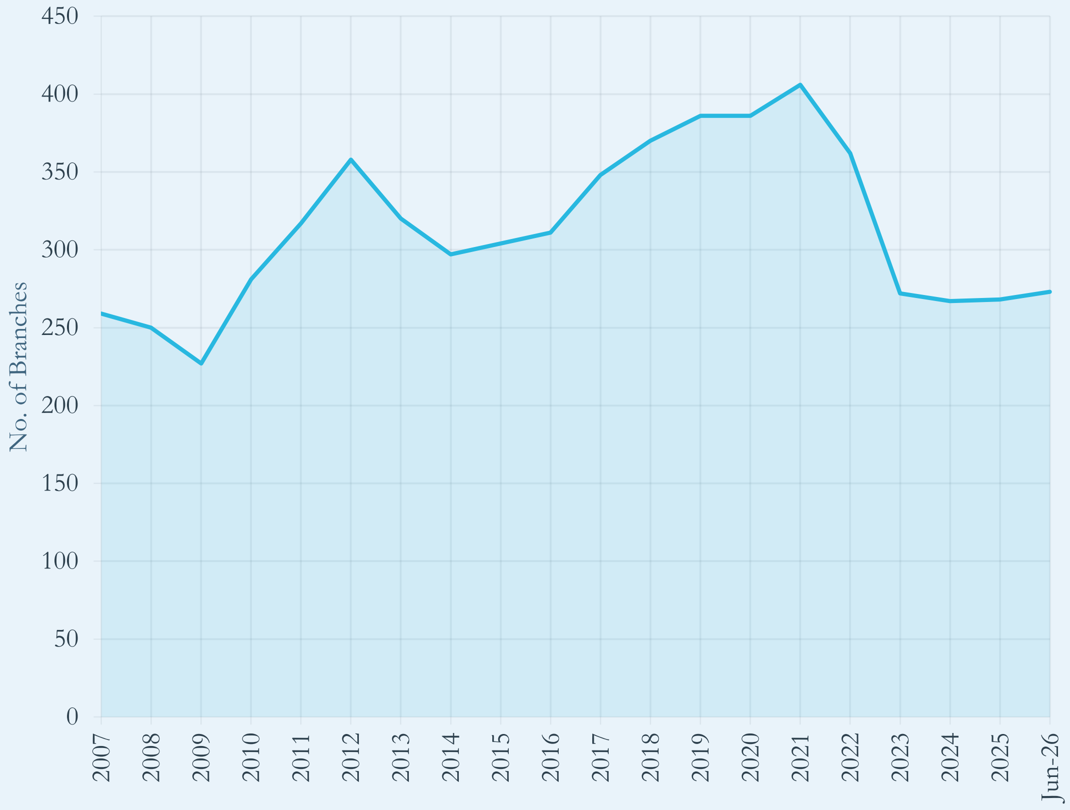
1.58% 2025

1.57% 1H 2026

*Local Market

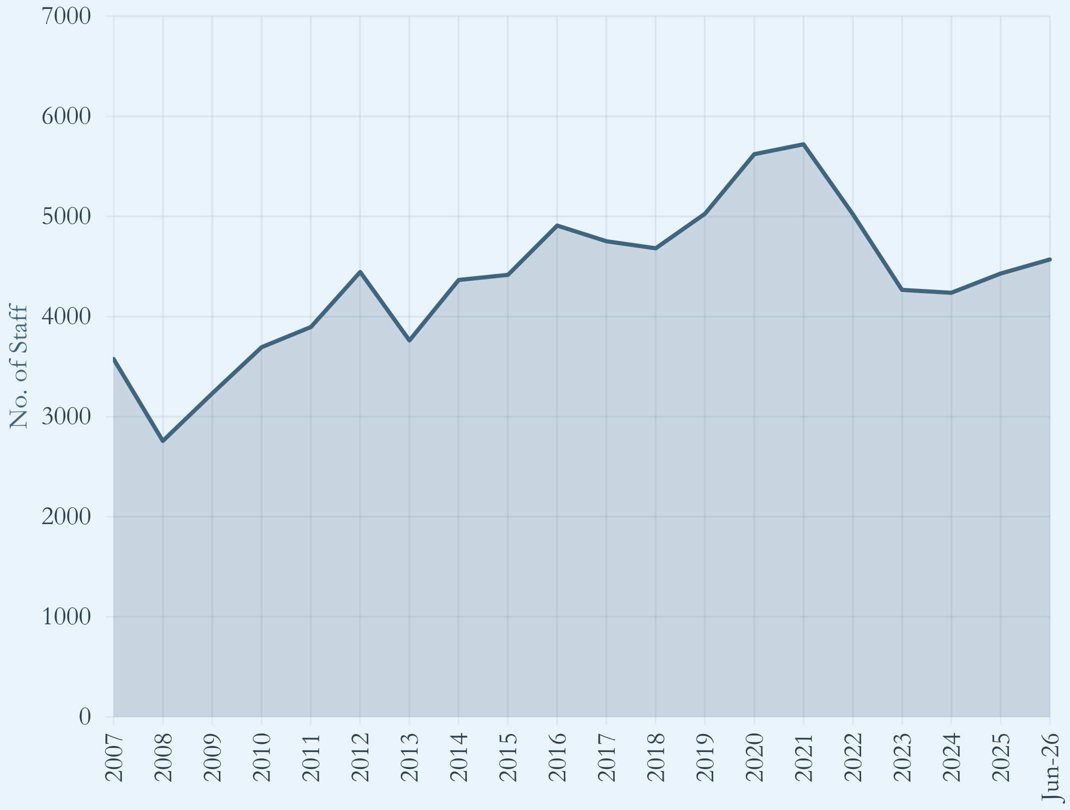
Slight increase in Scale (Hong Kong Operation)

Number of Local Branches



267	268	273
Dec 2024	Dec 2025	Jun 2026

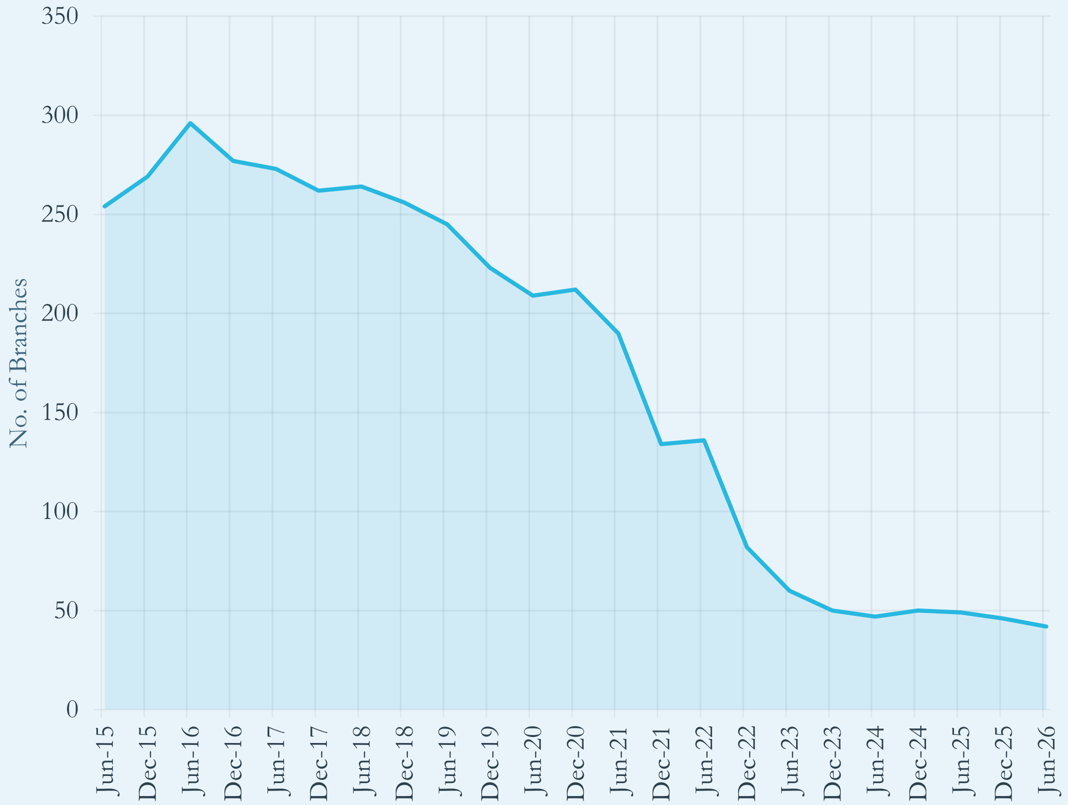
Number of Staff in HK



4,236	4,429	4,570
Dec 2024	Dec 2025	Jun 2026

Slight Reduction in Scale (China Operation)

Number of China Branches

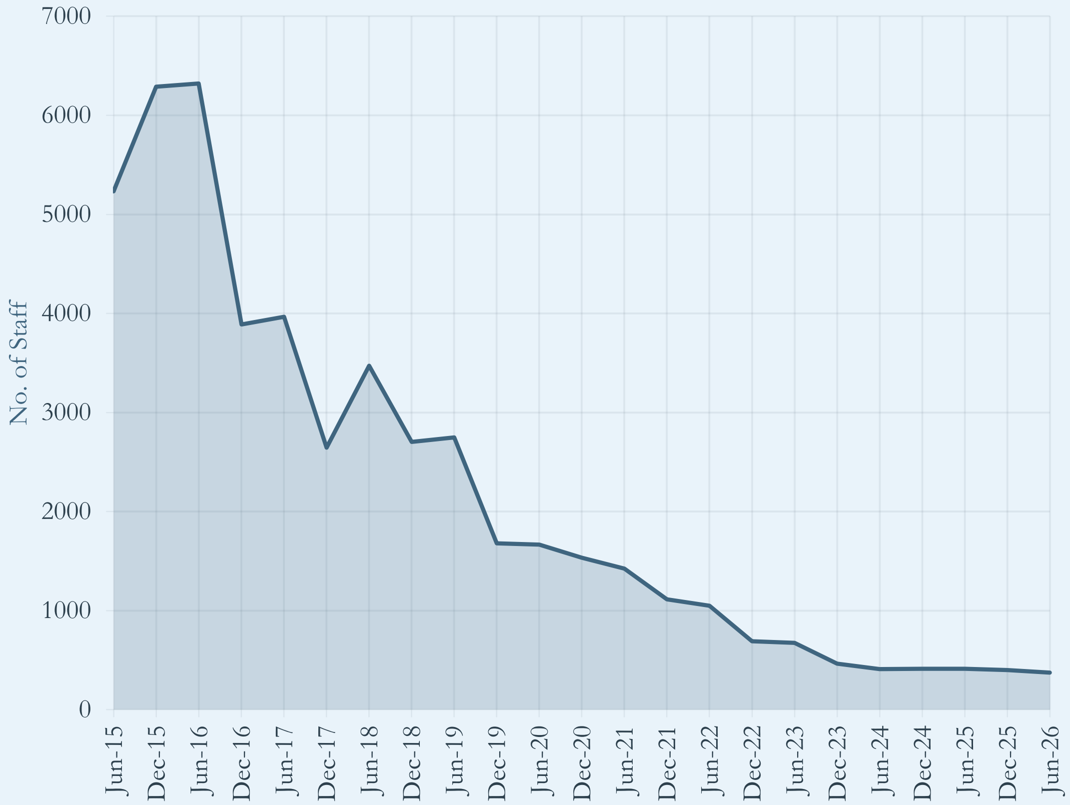


50 Dec 2024

46 Dec 2025

42 Jun 2026

Number of Staff in China



414 Dec 2024

401 Dec 2025

375 Jun 2026

Strategic Initiatives to Consolidate Market Leadership & Sharpen Edges

The Group has proactively executed key initiatives across leadership structure and operational capabilities to reinforce its market leadership position.

Strengthening Our Sales Platform

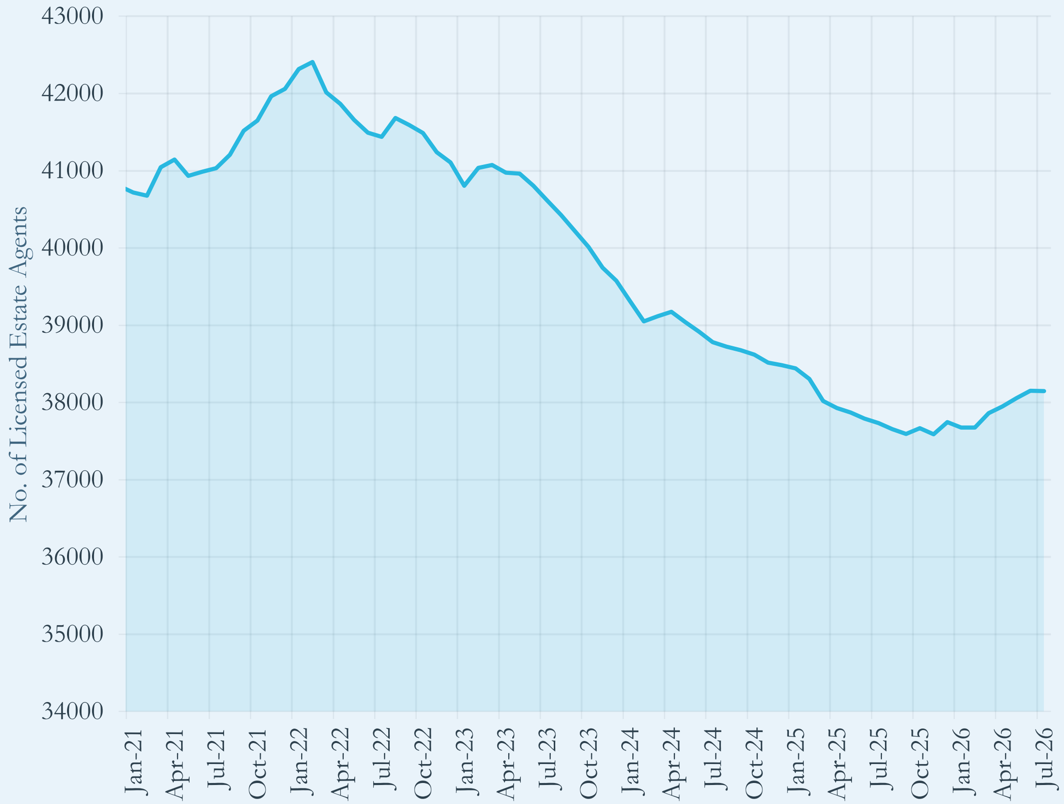
- The Group is confident the Northern Metropolis will serve as a key engine of Hong Kong's economic development — anticipating robust housing upgrading demand, local job creation, and enhanced Mainland China connectivity driving strong sales momentum
- Key sales management executives have been preemptively promoted to capture emerging opportunities in this high-growth region

Enhancing Operational Effectiveness and Efficiency

- Committed to building the industry's premier sales platform for frontline staff while delivering unparalleled professional services to clients
- To provide sales operations with robust professional support, and elevate overall competitiveness

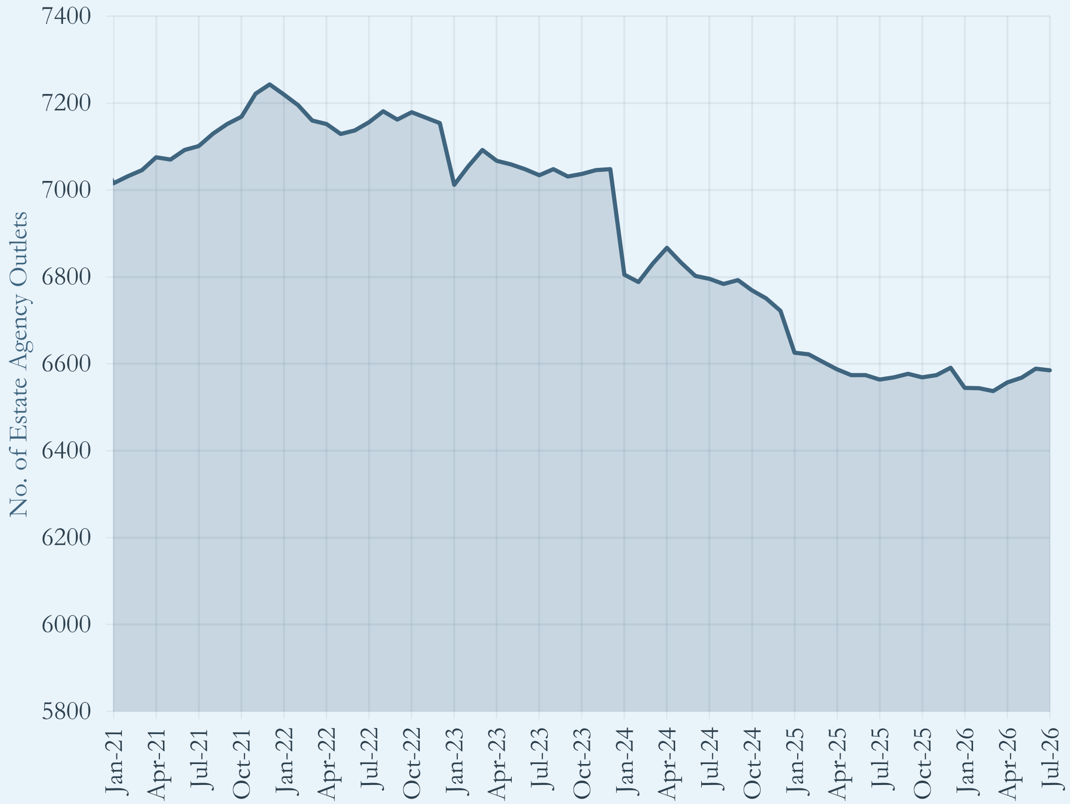
Estate Agency Industry: Contraction has stopped

No. of Licensed Estate Agents



38,482 Dec 2024 | **37,744** Dec 2025 | **38,147** Jul 2026

No. of Estate Agency Outlets



6,722 Dec 2024 | **6,591** Dec 2025 | **6,585** Jul 2026

Topics Covered

- **Market Activity** — Transaction Volumes & Price Trends
- **Demand Drivers** — Local & Mainland Buyer Trends
- **Talent & Student Inflow** — Visa & Admission Programmes
- **Supply & Rental Outlook** — Pipeline, Yields & Mortgage Rates

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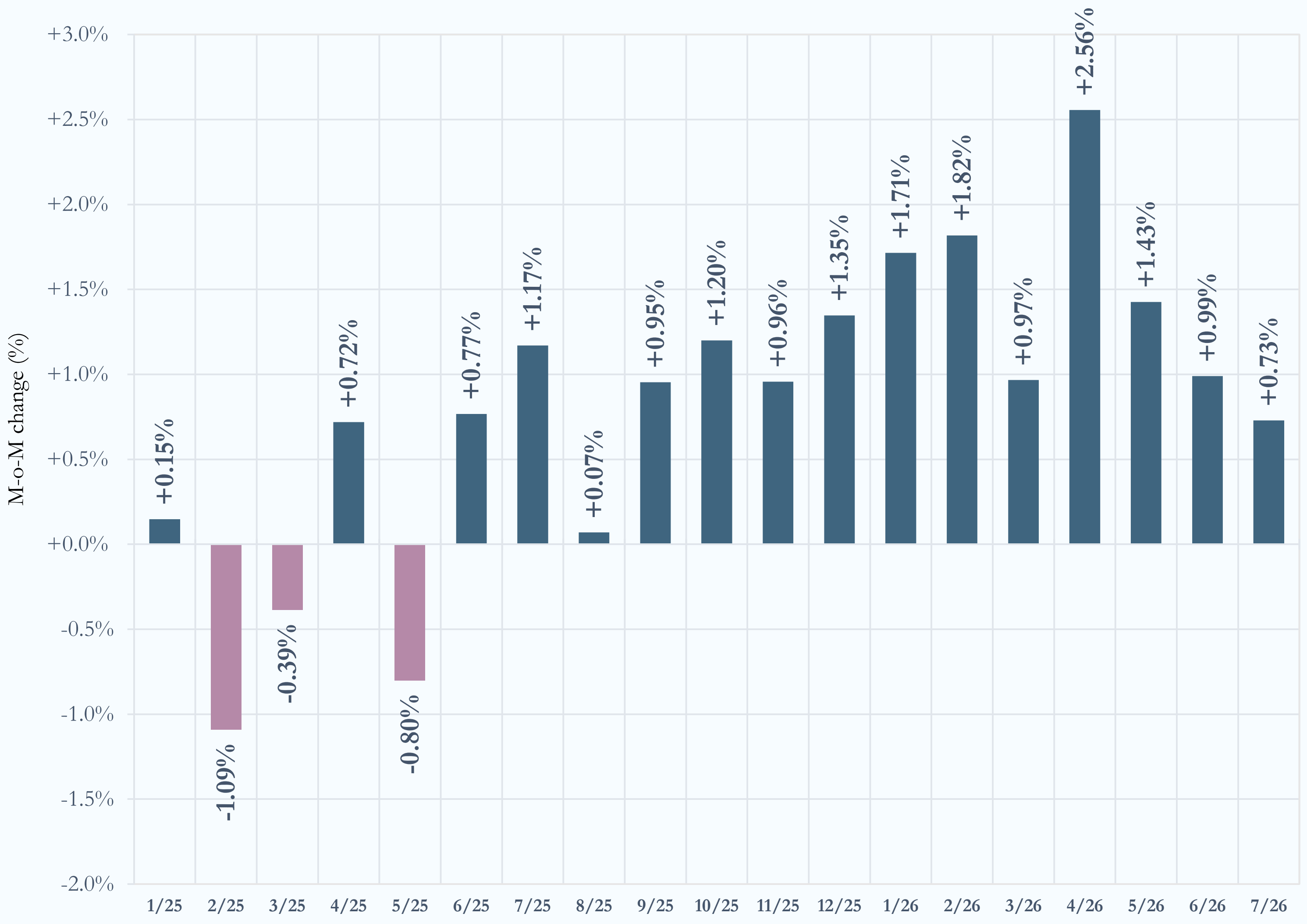
Prospects

Midland Property Price Index — Month-on-Month Change (%)



Source: Midland Research Centre

Prices Rose Through Geopolitical Turbulence

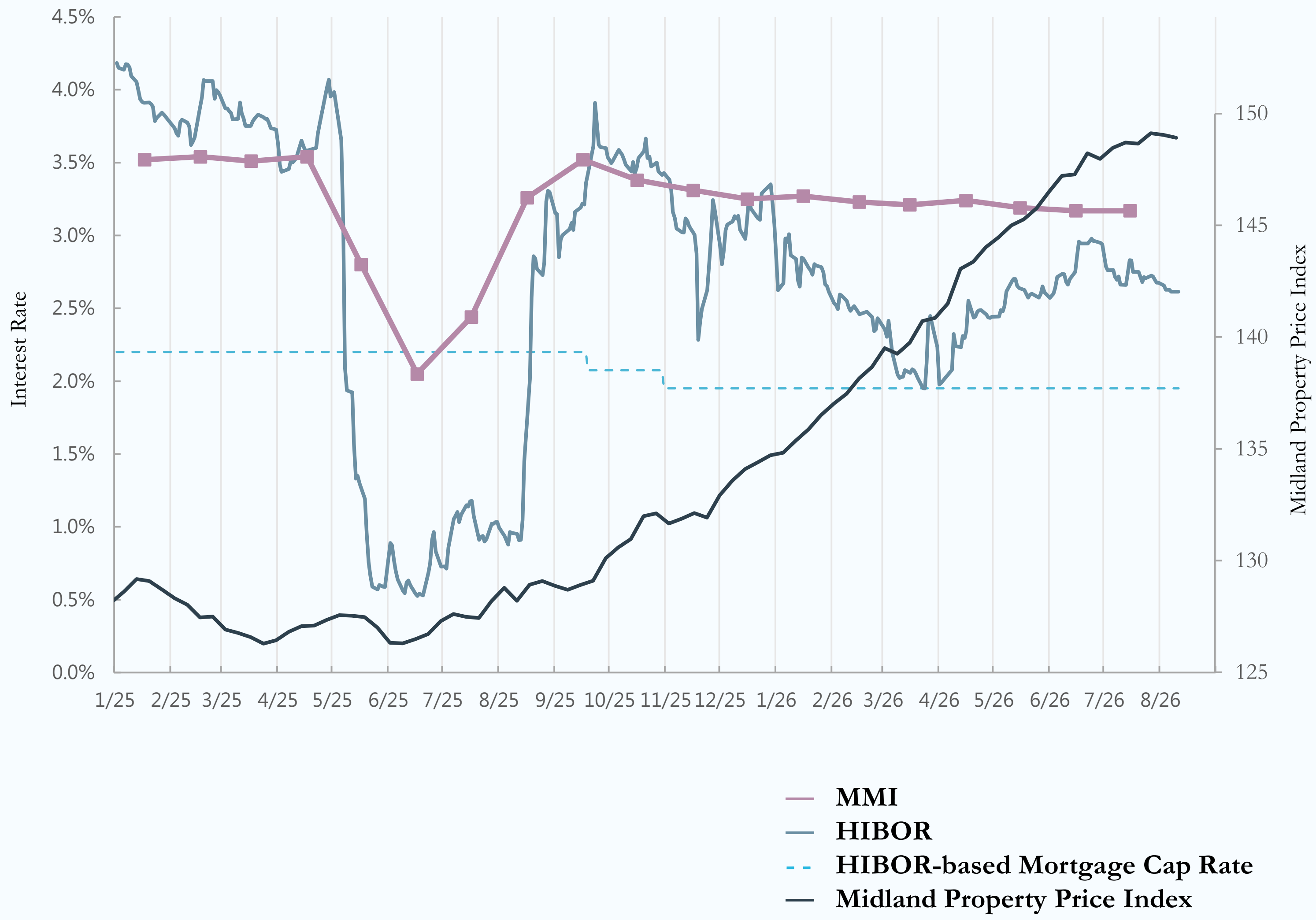
The Midland Property Price Index registered consecutive monthly gains through March, April, and May 2026 — proof the market absorbed macro shocks without derailing its recovery trajectory.

Midland Property Price Index

24 Aug 2026
148.87

YTD
+10.5%

Mortgage Rate vs. Midland Property Price Index



Source: The Hong Kong Association of Banks, mReferral, Midland Research Centre

Interest Rate Resilience — Prices Bottomed Despite HIBOR Rise

When HIBOR rebounded sharply in mid-2025, conventional wisdom expected further price falls — instead prices bottomed out and reversed, demonstrating the market's structural demand floor.

MPPI (24 Aug 2026)

148.87

+17.9% from 2025 low

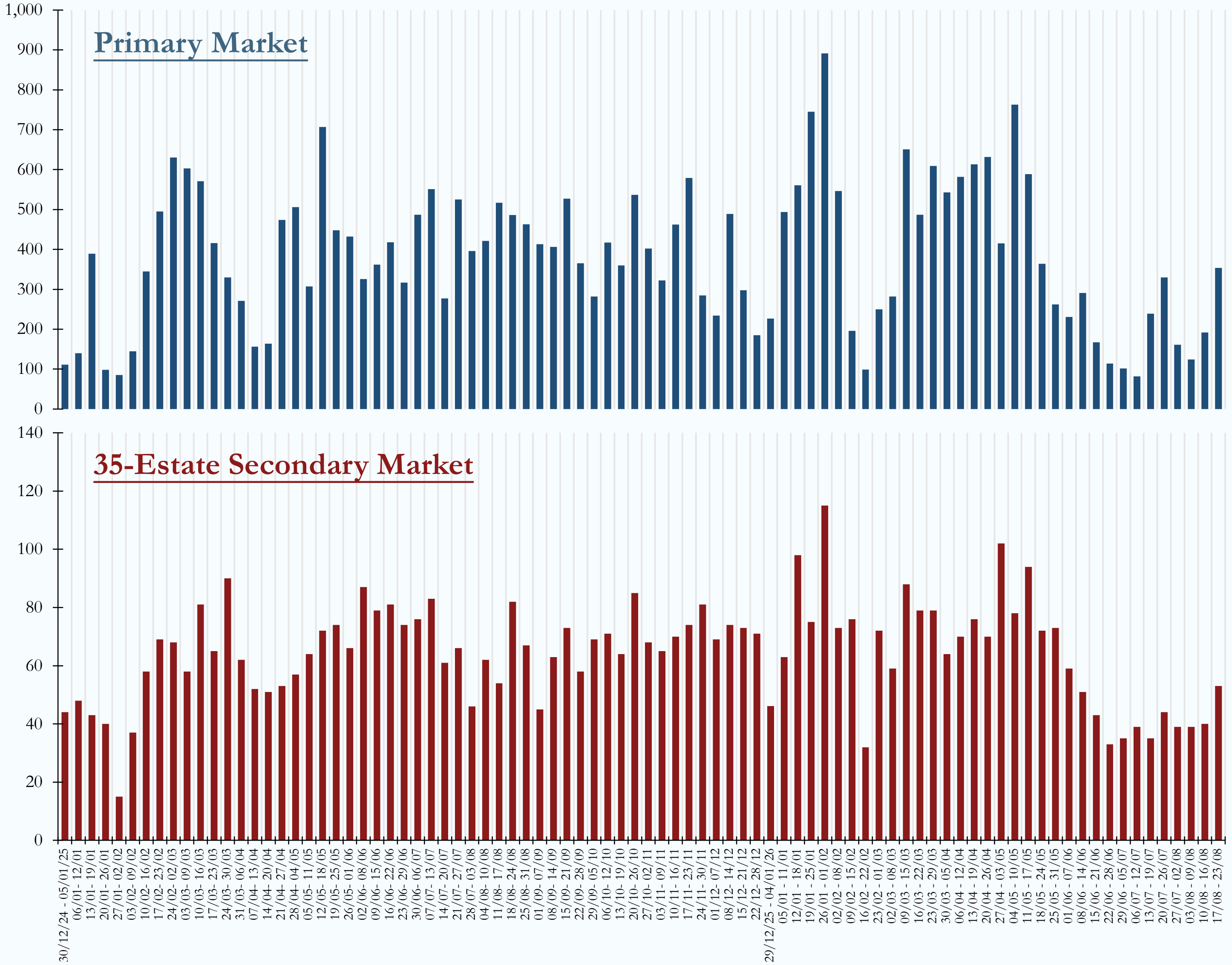
MMI Rate (Jul 2026)

~3.17%

mReferral Mortgage Index

- **May 2025: HIBOR-based mortgage rate fell below cap — price rebound began**
- **Aug 2025: HIBOR rebounded; mortgage rate back to cap — prices held, then resumed climb**
- **Prices dropped 28.8% from 2021 peak to 2025 bottom; rebounded 17.9% from 2025 low as of Aug 2026**

Weekly Transaction Volume



Market has weakened since June

Reasons for slowdown:

- **Demand Absorption**
- **Prices have grown too fast**

A sharp property prices rise of 18% over the past 16 months.

Lots of demand has been absorbed since the beginning of the upturn (June 2025).

Poor performance of the stock market also hurts.

Destocking Progress — Primary Market Clearing

Inventory at Kai Tak Runway has fallen from 12,665 to 6,736 units since 2020, and Wong Chuk Hang Station from 4,842 to just 834 — the primary overhang is clearing, which will shift latent demand toward the secondary market.

Kai Tak Runway

Total inventory **12,665 units**

Remaining inventory as of Aug 2026 **6,736 units**

Inventory reduced: **47%**

2026 YTD sales
1,780 units

No. of Sales in 2025
1,810 units

Wong Chuk Hang Station

Total inventory **4,842 units**

Remaining inventory as of Aug 2026 **834 units**

Inventory reduced: **83%**

2026 YTD sales
525 units

No. of Sales in 2025
1,274 units

Shrinking new inventory **supports developer pricing power** and reduces discount pressure — latent demand redirects toward the secondary market as primary supply narrows.

Slight Premium in Primary Market

No. of Units which are available in the coming 3-4 years

96,000
Q2 2026

vs 112,000
Q1 2024

Completed Unsold Units

19,000
Q2 2026

vs 28,000
Q1 2025

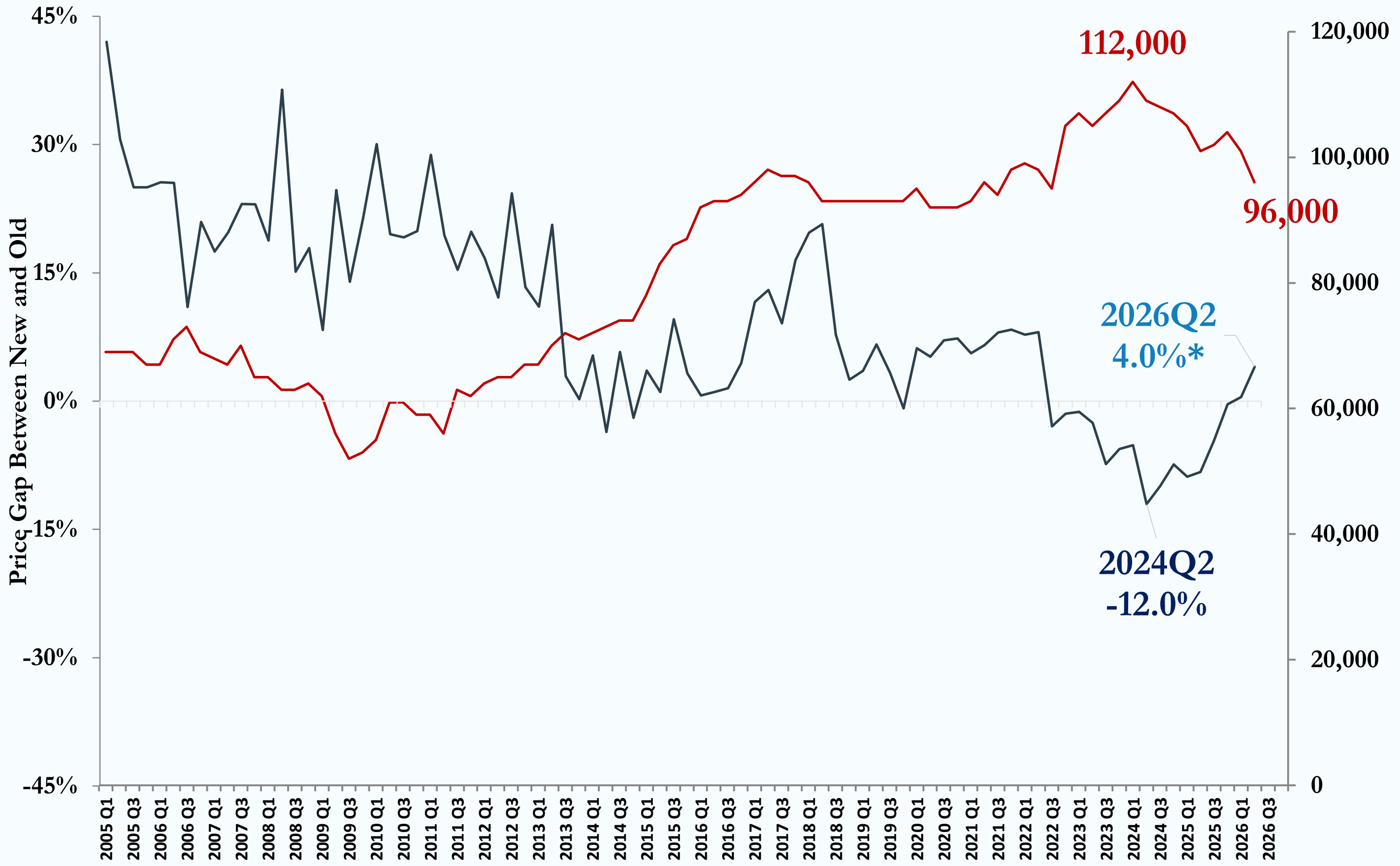
Price Gap between New and Old Units

+4.0%
Q2 2026

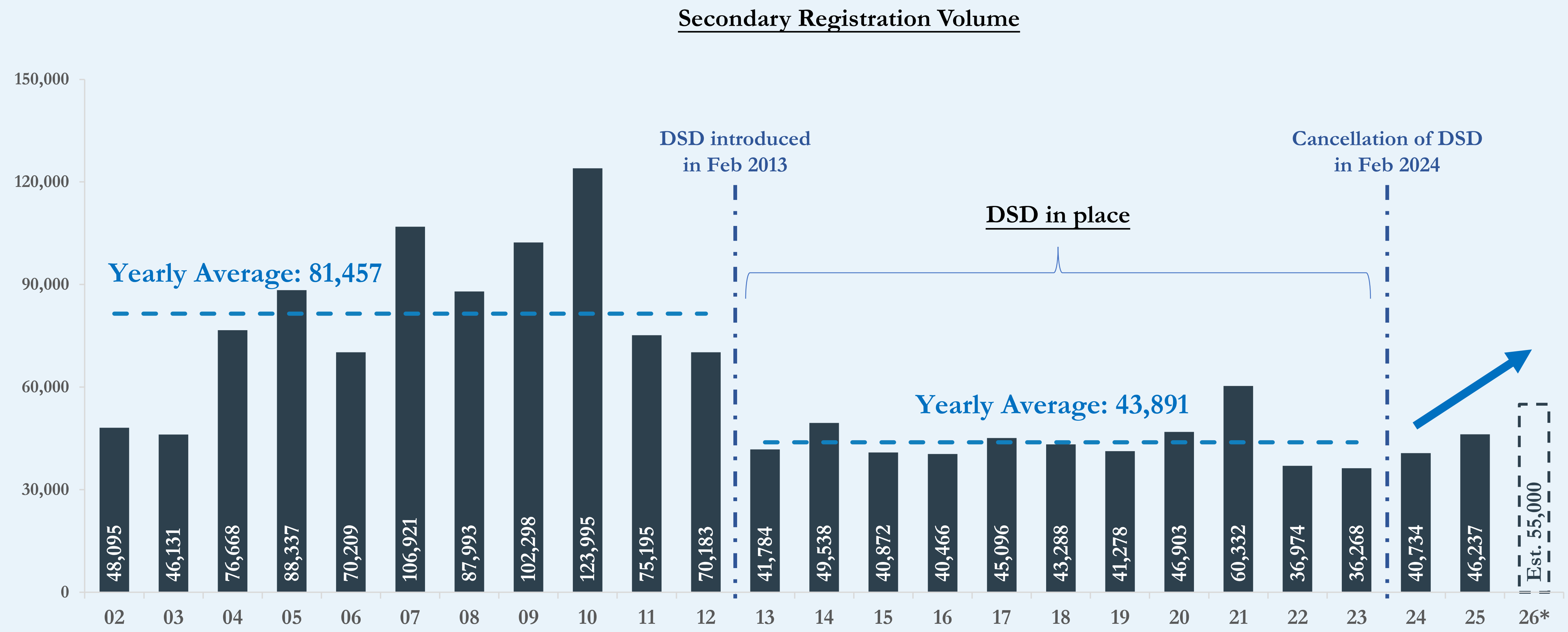
vs -12.0%
Q2 2024

Source: Housing Bureau, Midland Research Centre

Price Gap Between New and Old vs Underlying Supply



Secondary Market: The Next Bright Spot



The statistics generally reflect land transactions executed last month, as it takes about 1 month between the execution of deeds and their lodgement for registration.

Source: Land Registry & Midland Research Centre

Strong IPO Market

Hong Kong's IPO market continued to surge in 2026, reinforcing financial ecosystem vitality

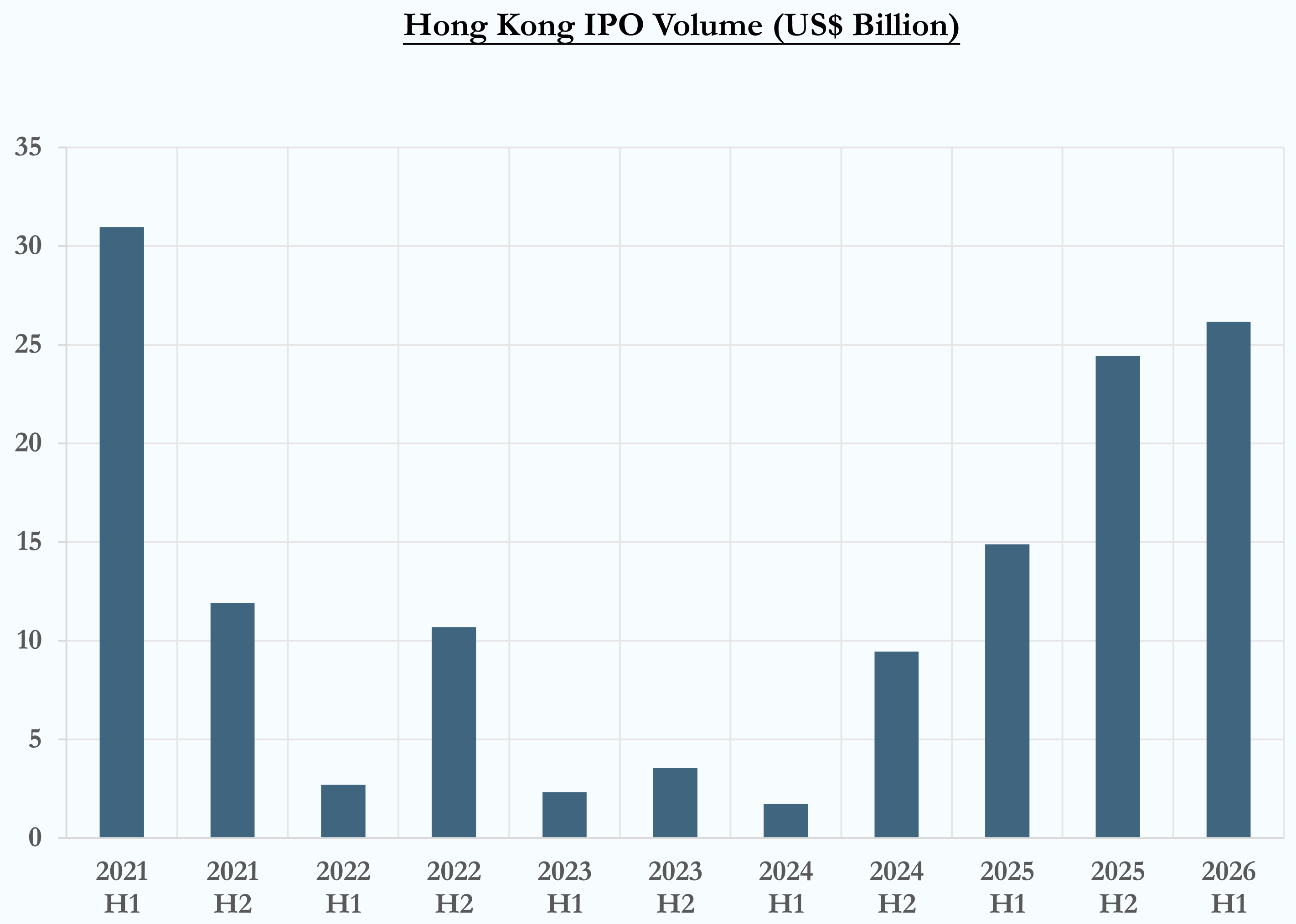
HK IPO Volume 2026 First Half

US$26.2B

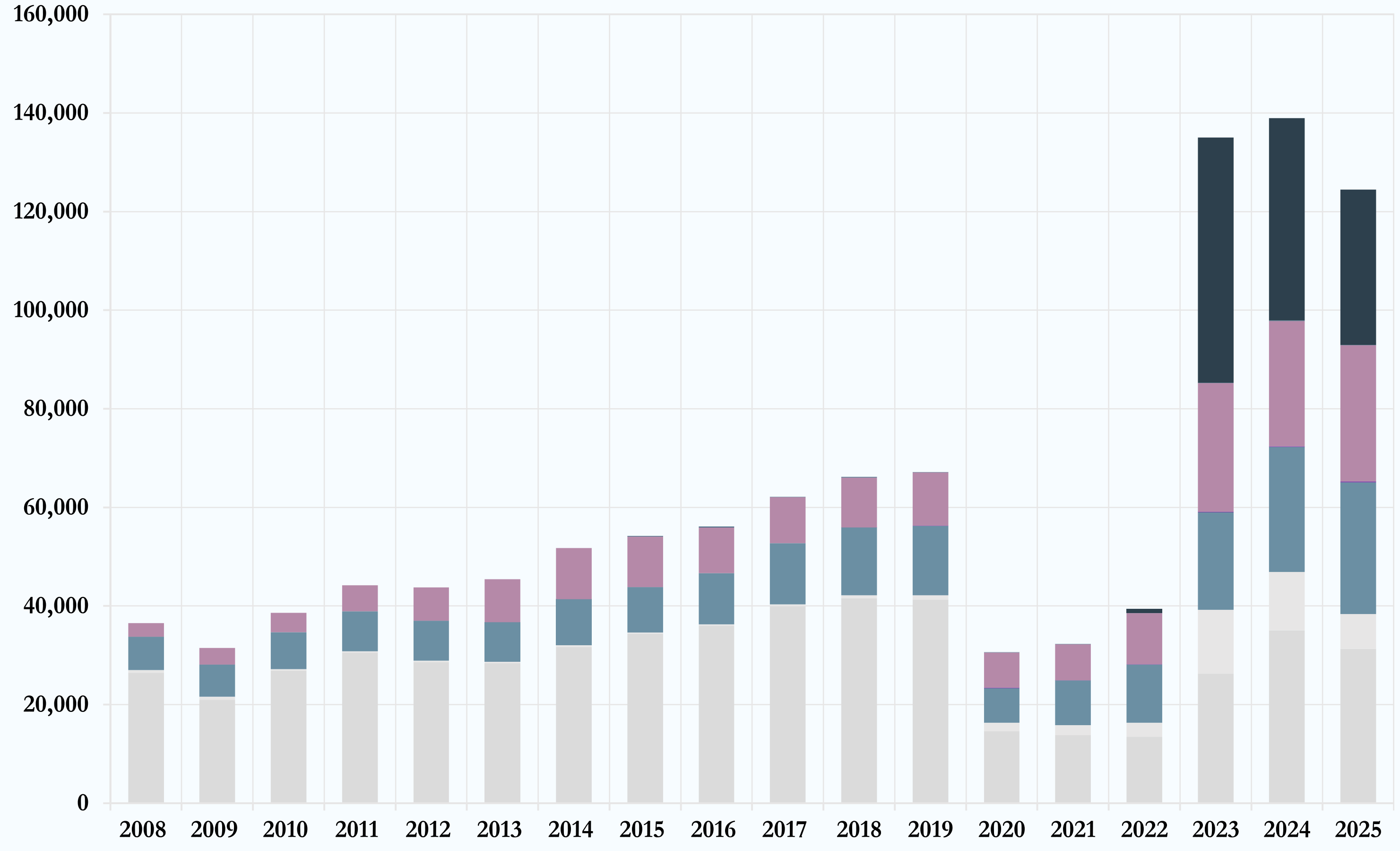
highest since 2021

Bloomberg: HK ranked first globally in IPO fundraising in 2025 — a signal of sustained capital market confidence in Hong Kong's financial ecosystem.

Source: Bloomberg



Talents Recruitment Programs — Annual Approvals by Category



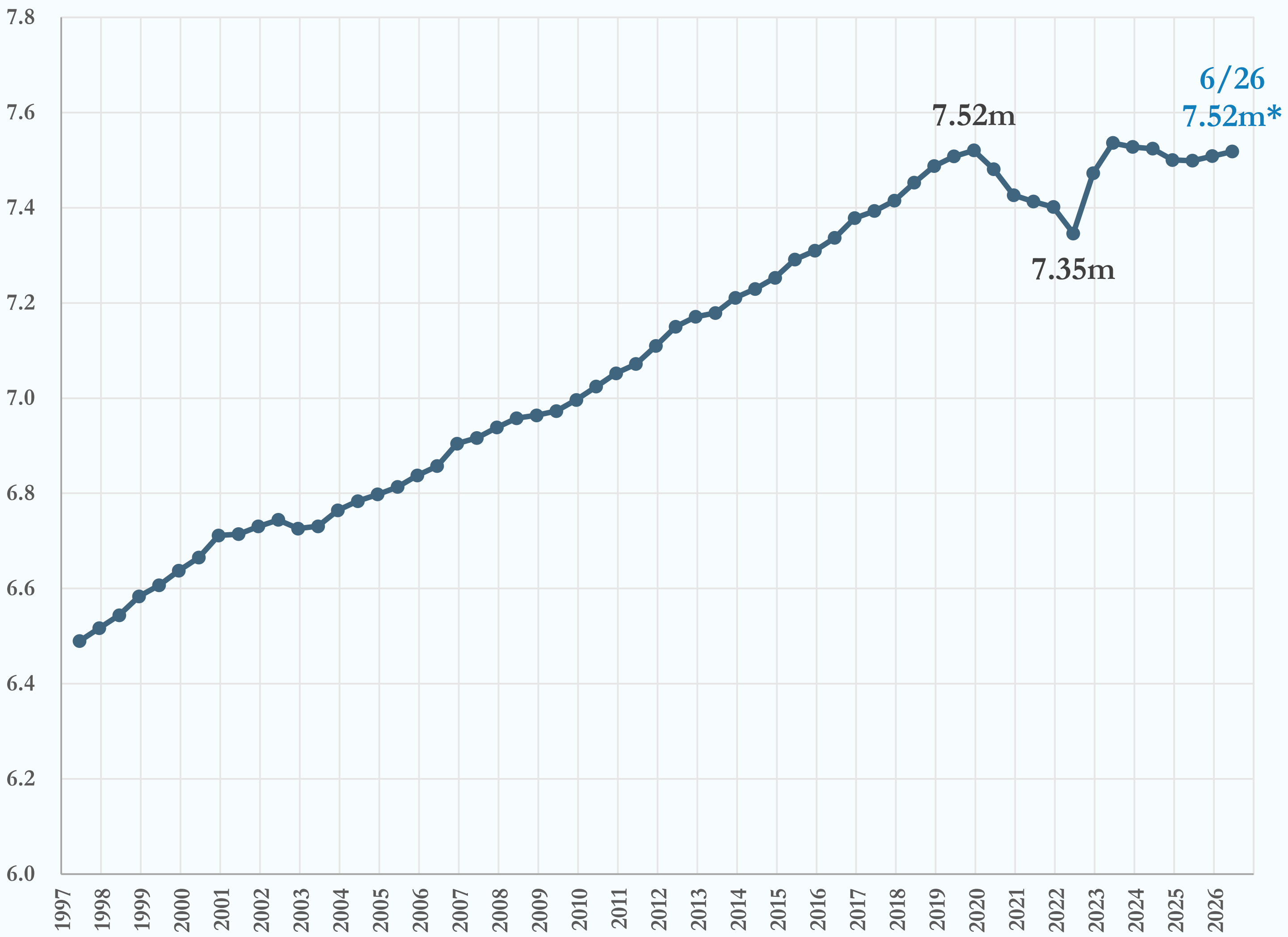
Talent Inflows — Structural Demand Driver

Over 398,000 talent approvals were granted across 2023–2025, adding a sustained pipeline of housing demand that is independent of local economic cycles.

Total Approvals 2023–2025	398,489
Top Talent Scheme Pass	122,302
Quality Migrant Admission Scheme	31,918
Non-local Graduates (IANG)	79,194
Mainland Talents and Professional	71,815
Technology Talent Admission Scheme	409

Source: Hong Kong Immigration Department

Hong Kong Population (million)



Population Growth Has Resumed

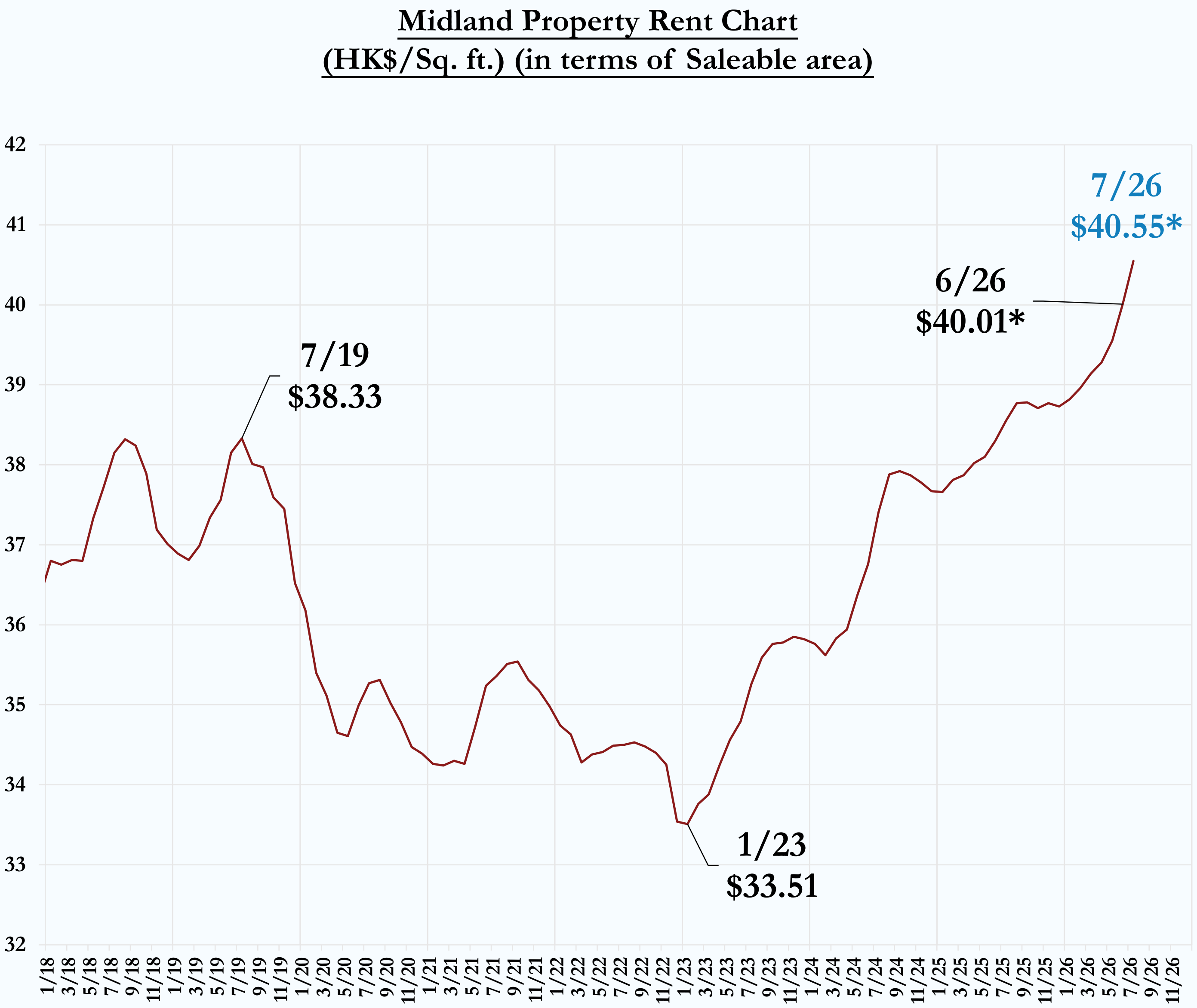
7.52M
Population in Jun 2026

+170K
Net gain since 2022 trough

After the emigration trough of 2021–2022, Hong Kong's population has returned to growth — directly underpinning medium-term housing demand.

- 2022 low: ~7.35 million — a trough driven by net emigration
- Talent schemes and non-local graduates are key contributors to the reversal
- Population growth correlates directly with private rental and purchase demand

Source: Census and Statistics Department



Rents Expected to Set Further New Highs

+4.7%

2026 YTD Increase

+21.0%

Since early 2023

Rents rebounded since introduction of talent schemes in early 2023 and continued to set new highs in 2026.

Demand continues to expand from multiple sources:

- professionals on talent schemes, students, returning Hong Kongers, and expatriates

*Provisional Figures

Source: Midland Research Centre

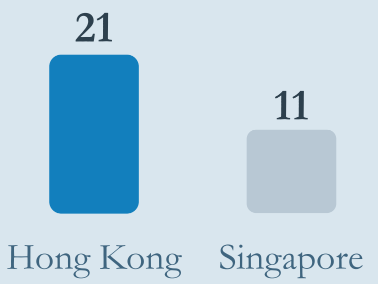
Hong Kong as Asia's Education Hub

Hong Kong's emergence as Asia's leading education destination — surpassing Singapore across both university rankings and international school count — is drawing a growing cohort of students and families who become renters and eventual buyers.

No. of Top-100 Universities (QS 2027)

Hong Kong	5
Seoul	3
Singapore	2
Shanghai	2
Beijing	2
Tokyo	2

2024 Top 100 IB Schools (Exam Scores)



Student Visas Approved

74,466

2024

Student Visas Approved

94,517

2025

+27% YoY

Non-Local Student Quota at Subsidized Universities: 40% → 50% in 2026

Rising quota drives sustained demand for rental accommodation and purchase among incoming students and their families

Source: Hong Kong Immigration department, QS

Institutions Are Buying — Education Property Acquisitions

Seven acquisitions totaling approximately HK$7.4 billion by universities and international schools in 2024–2025 signal institutional conviction in Hong Kong's sustained education-driven demand.

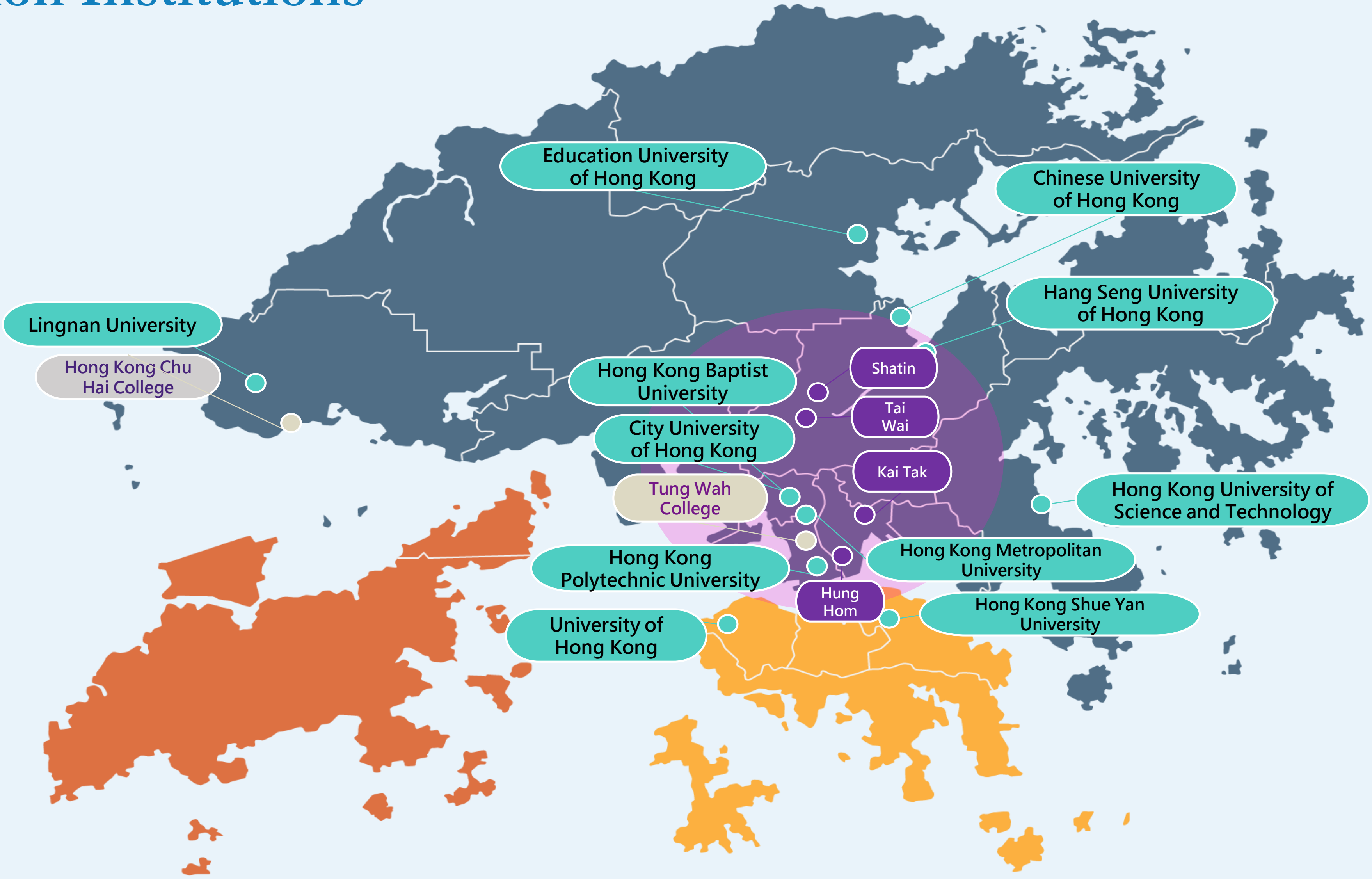
Total Deal Value **~HK$7.4 Billion** | 7 transactions | 2024–2025

institutions · universities

Institution	Property / Location	Type	Consideration	Date
Metropolitan University	84–102 Wuhu Street, Hung Hom	Hotel	HK$1.00B	Jun 2024
Metropolitan University	One HarbourGate, Hung Hom	Office	HK$2.65B	Nov 2024
City University	94 Granville Road, TST East	Shop	HK$880M	Dec 2024
ESF	510 King's Road, North Point	Office	HK$440M	Jan 2025
HKUST	United Centre, Admiralty	Shop	HK$354.4M	Jul 2025
Lingnan University	T-Plus, Tuen Mun	Shop	HK$120M	Jul 2025
City University	Festival Walk, Kowloon Tong	Office	HK$1.96B	Dec 2025

Source: Market Information

Locations of
Tertiary Education Institutions



Rental Yield Now Exceeds Mortgage Cost

Class A rental yields (~3.4%) exceed the MMI mortgage rate (~3.17%), meaning property is gross cash-flow positive — a powerful trigger for incremental buy-to-let investment.

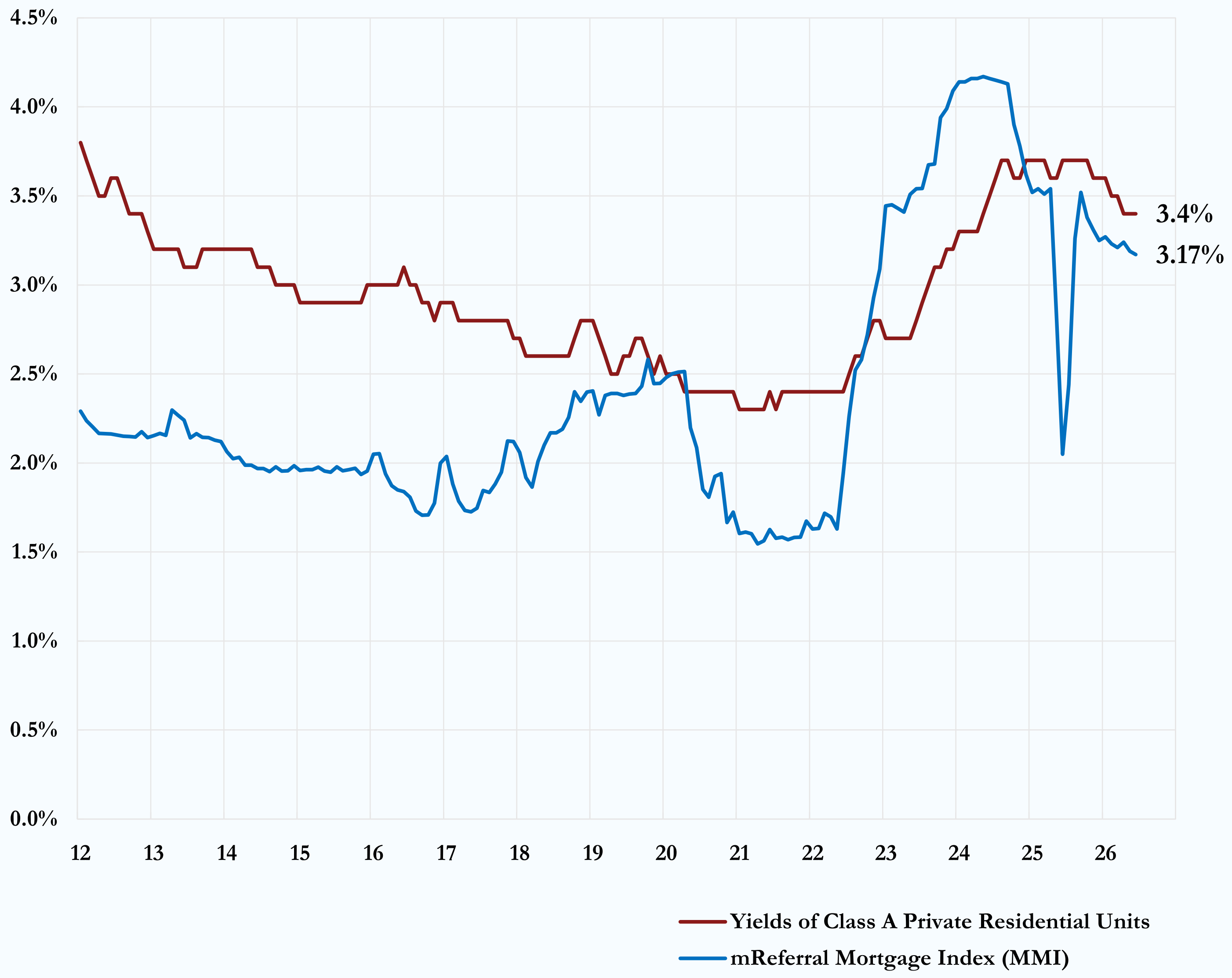
Class A Rental Yield	MMI Mortgage Rate	Yield Spread
3.4%	**3.17%**	**+23 bps**
Jun 2026 saleable <40m²	Jun 2026	Gross positive carry

Yield crossed above MMI in late 2024

Positive yield-mortgage spread justifies leveraged property investment

Source: Rating and Valuation Department, mReferral

Class A Rental Yield vs MMI Mortgage Rate



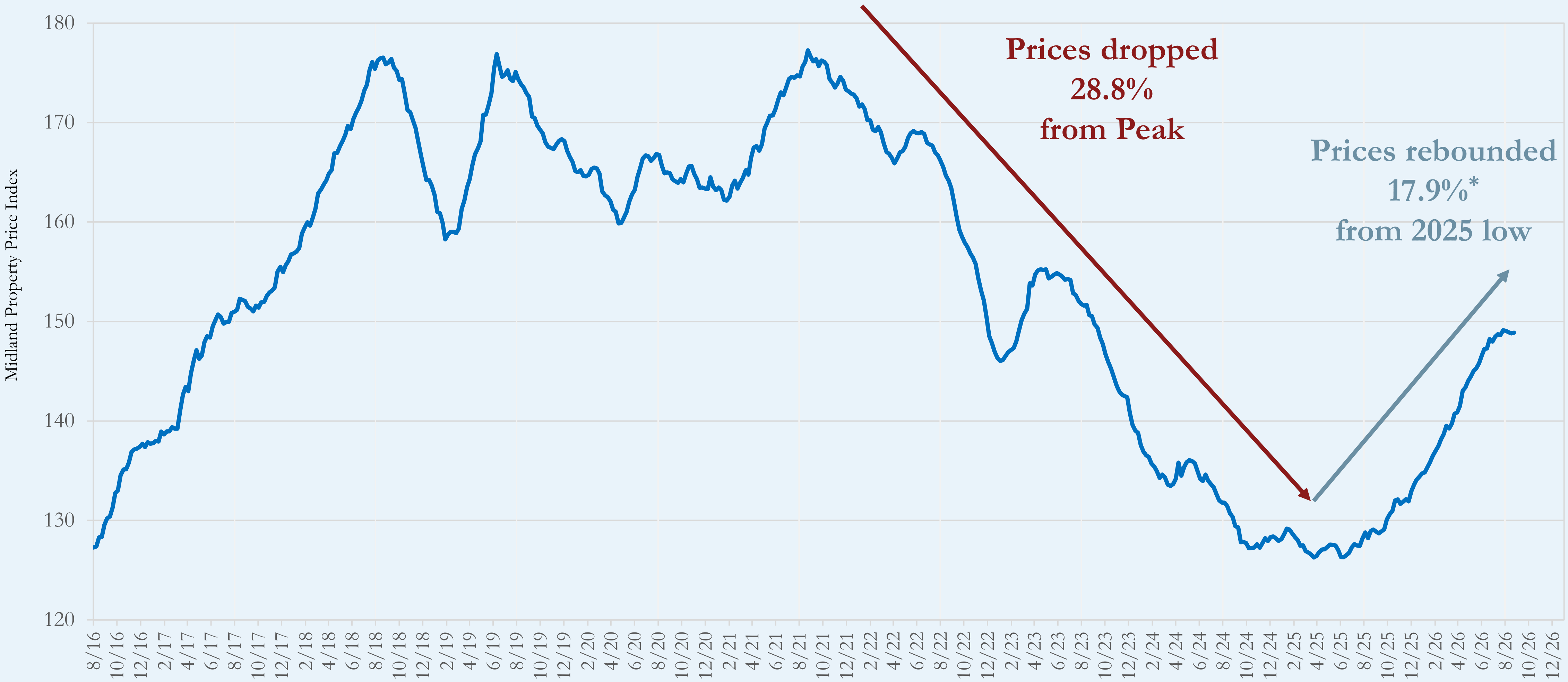
Secondary Market Transaction Volume vs. Midland Property Price Index

Source: Land Registry, Midland Research Centre

Transaction volume could rebound after consolidation

- Market had absorbed a huge amount of buying power after the market correction ended in mid-2025.
- And market needs time to adapt new price levels after a rapid rise in home prices.
- Similar patterns of consolidation in secondary market transactions have been observed during the period of property price increase in 2003-08 and 2016-18.

Property Prices are expected to rise further



* As of 24.8.2026

Source: Midland Research Centre

2026 Market Forecast — Convergence of Catalysts

Midland Research Centre projects secondary volume +15% to a 5-year high, primary volume to match last year's record high, and home prices +15% in 2026 — driven by the simultaneous convergence of easing supply, rising rents, talent inflows, and renewed investor confidence.

Primary Volume

20,000

Units forecast (2026)

±0% YoY; matching 2025's record high

Secondary Volume

55,000

Units forecast (2026)

+15% YoY — 5-year high

Home Prices

+15%

Forecast price growth (2026)

Converging Catalysts

- Economic upswing
- Financial market strength
- Rising rents
- Talent inflows & population recovery
- Education hub demand
- Yield inversion vs. mortgage cost
- Falling new supply pipeline

New Communities — New Market Engine

The "New 10 Communities" — >70 estates and >92,000 units completed post-2001 — are outperforming traditional estates decisively, with secondary volume growth of +23% and value growth of +20% YoY in 2025.

New 10 Communities

92,237 units

Median resident age 34.3–41.2 yrs

Average building age ~8.3 yrs

+23%
Secondary volume YoY
(3,091 units)

+20%
Secondary value YoY
(HK$ 27.46 billion)

Traditional 10 Estates

99,394 units

Median resident age 40.4–47.9 yrs

Average building age ~40.3 yrs

+5%
Secondary volume YoY
(2,791 units)

+4%
Secondary value YoY
(HK$ 18.3 billion)

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Q&A

Thank You

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Midland Holdings Limited

August 2026