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PROFIT WARNING

This announcement is made by Midland Holdings Limited (the “**Company**”, and together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 13.09 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that based on a preliminary review of the unaudited consolidated management accounts of the Group for the five months ended 31 May 2022 which recorded a consolidated net loss attributable to equity holders of approximately HK\$190 million, and information currently available to the Group, it is expected that the Group will record a consolidated net loss attributable to equity holders for the six months ending 30 June 2022 as compared to the consolidated net profit attributable to equity holders of approximately HK\$176 million for the six months ended 30 June 2021, and such loss was mainly from the first quarter of 2022.

Such expected net loss was mainly attributable to:

- (1) a significant decline in transaction value and volume of residential property sales in Hong Kong following the outbreak of the fifth wave of the COVID-19 pandemic from January 2022 onwards, with the most pronounced decline concentrated in the first quarter of 2022 against the backdrop of widespread adverse market conditions and potent social distancing measures, quarantines and travel restrictions dampening buyers’ sentiment and demand; and
- (2) despite our best efforts, limited rental concessions granted by landlords during the fifth wave of the pandemic.

The information contained in this announcement is only based on a preliminary review of the unaudited consolidated management accounts of the Group for the five months ended 31 May 2022 and information currently available to the Group. The financial results of the Group for the six months ending 30 June 2022 will be set out in the interim results announcement of the Company to be published by the end of August 2022.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Midland Holdings Limited
MUI Ngar May, Joel
Company Secretary

Hong Kong, 30 June 2022

As at the date of this announcement, the Board comprises seven Directors, of which four are Executive Directors, namely Mr. WONG Kin Yip, Freddie, Ms. WONG Ching Yi, Angela, Mr. WONG Tsz Wa, Pierre and Mr. CHEUNG Kam Shing; and three are Independent Non-Executive Directors, namely Mr. HO Kwan Tat, Ted, Mr. SUN Tak Chiu and Mr. WONG San.