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**INSIDE INFORMATION ANNOUNCEMENT
IN RELATION TO
COMPETITION TRIBUNAL PROCEEDINGS, BUSINESS UPDATE
AND RESUMPTION OF TRADING**

This announcement is made by Midland Holdings Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Reference is made to the Competition Tribunal proceedings (the “**Proceedings**”) brought forth by the Competition Commission specifically targeted against the Company and certain of its subsidiaries and officers of the Group alleging their contravention and/or involvement in contravention of the first conduct rule under section 6 of the Competition Ordinance (Chapter 619 of the Laws of Hong Kong). The Company notes that the Competition Commission has also alleged other property agencies have participated in the alleged contravention, but have exempted such parties from the Proceedings.

The Company places high importance on the matter and has always attached great importance to regulatory compliance in all aspects of its operations and will vigorously defend its position. The Company reserves the right to challenge different aspects of the Proceedings if and as appropriate.

The Company is in the course of seeking legal advice on the Proceedings. The Company will closely monitor and assess the potential impact of the Proceedings on the Group as the matter progresses and will continue to explore all avenues of action that would best protect the value of the Company for its stakeholders and preserve the livelihood of its workforce. The Company will make further announcement as and when appropriate. At present, the business operations and financial positions of the Group remain normal in every respect.

During these challenging times, the Group fought tirelessly to protect our business, our industry and their dependent livelihoods. Immense sacrifices including stringent measures for costs control and streamlining manpower were made while striving to provide quality service.

Despite our strenuous efforts, the unprecedented difficulties facing our industry remain. The number of property registrations in 2022 already fell to a new low since 1991. The border reopening only brought a mild recovery in the first few months of the year. Home sales registrations have been in sharp decline. In October 2023 alone, sales transactions dropped below 3,000, leaving many agents struggling to make ends meet. The crumbled market activity has also threatened many agents' career.

Property market, generating significant GDP, is a pillar of Hong Kong's economy. The prevailing issues in the industry should be properly addressed failing which a prolonged downturn with broader risks would be anticipated. To navigate these challenges, our Group has advocated strongly for easing the demand-suppressing measures which were originally imposed under starkly different market circumstances.

Our priority is to persevere through the current challenging times with strength and ensure our dedicated teams have positions to return to when conditions improve, and we will continue to strive for stable long-term growth.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company (the "**Shares**") on the Stock Exchange was halted with effect from 2:10 p.m. on Tuesday, 14 November 2023 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on Wednesday, 15 November 2023.

Nonetheless, shareholders of the Company and potential investors are advised to exercise caution when dealing in the Shares.

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

Hong Kong, 14 November 2023

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.