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METROPOLIS CAPITAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8621)

INSIDE INFORMATION — PROFIT WARNING

This announcement is made by Metropolis Capital Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 17.10 of the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2025 (the “**Reporting Period**”) and the information currently available to the Board, the Group is expected to record a loss before tax of approximately RMB24.0 million for the Reporting Period, instead of a profit before tax of approximately RMB4.8 million for the six months ended 30 June 2024 (the “**Corresponding Period**”), representing a decrease of approximately 595.0%. The decrease was primarily attributable to (i) the decrease in revenue, especially in finance leasing advisory services income due to related business scale contraction; (ii) the change from reversal of loss allowances on factoring receivables for the Corresponding Period to recognition of loss allowances on factoring receivables for the Reporting Period; and (iii) the increase in recognition of loss allowances on (a) other receivables; and (b) financial guarantee contracts obligation, which was partially off-set by the decrease in other operating expenses and staff costs.

During the Reporting Period, the Group recognised loss allowances on factoring receivables of approximately RMB9.7 million since overdue factoring receivables have been overdue for a longer period of time as a result of prolonged litigation process. On the contrary, there was a reversal of loss allowances on factoring receivables of approximately RMB2.4 million for the Corresponding Period primarily due to large amount of repayment. During the Reporting Period, the Group has also recognised loss allowances of approximately RMB10.7 million on other receivables and approximately RMB2.1 million on financial guarantee contracts

obligations having considered the risk of default by (i) the finance leasing advisory customers; and (ii) the auxiliary service providers, whom provide counter guarantees to the Group's financial guarantees, as of 30 June 2025 increased significantly as compared to when these financial guarantee contracts obligations were initially recognised. The management of the Group considered that there is no material loss exposure on the Group's financial guarantees at 30 June 2024. The Group is actively addressing this issue through measures like selling leased property (vehicles) and pursuing legal actions against defaulting customers. The prolonged litigation process has extended the overdue period of certain receivables, including factoring receivables. Management of the Group anticipates that once the litigations have been resolved, the recovery of overdue receivables will improve.

The Company is still in the process of finalising the unaudited consolidated results of the Group for the Reporting Period. The information contained in this announcement is based on the Board's preliminary assessment of the Company's latest unaudited consolidated management accounts for the Reporting Period, which are subject to adjustments and finalisation and have not been reviewed by the Company's auditors. The Shareholders and potential investors should refer to the interim results announcement of the Company for the Reporting Period, which is expected to be published in late August 2025, for details of the performance of the Group.

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

By order of the Board
Metropolis Capital Holdings Limited
Chau David
Chairman, chief executive officer and executive Director

Shanghai, 14 August 2025

As at the date of this announcement, the executive Directors are Mr. Chau David and Ms. Zhou Hui, the non-executive Director is Ms. Chau On; and the independent non-executive Directors are Mr. Lau Chung Wai, Mr. Mo Luojiang and Mr. Lin Peicong.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the GEM website of the Stock Exchange (www.hkgem.com) for at least 7 days from its date of publication. This announcement will also be published on the website of the Company at www.metropolis-leasing.com.