



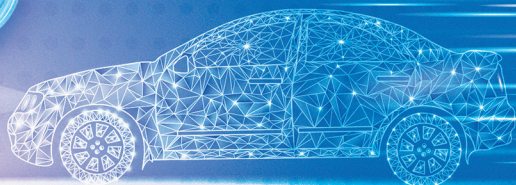
METROPOLIS

METROPOLIS CAPITAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock code : 8621

2025 INTERIM REPORT



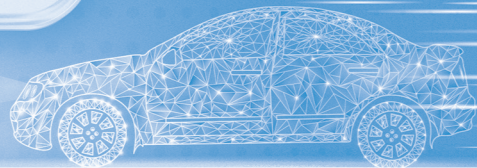
**CHARACTERISTICS OF GEM ("GEM")
OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")**

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the "Director(s)") of Metropolis Capital Holdings Limited (the "Company", together with its subsidiaries, the "Group"), collectively and individually, accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (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, the information contained in this report is accurate and complete in all material aspects and not misleading or deceptive; and there are no other matters the omission of which would make this report or any statement herein or this report misleading.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Chau David (周大為)

Ms. Zhou Hui (周卉)

Non-executive Director

Ms. Chau On (周安)

Independent non-executive Directors

Mr. Lau Chung Wai (劉仲緯)

Mr. Mo Luojiang (莫羅江)

Mr. Lin Peicong (林培聰)

AUDIT COMMITTEE

Mr. Lau Chung Wai (*Chairman*)

Mr. Mo Luojiang

Mr. Lin Peicong

REMUNERATION COMMITTEE

Mr. Mo Luojiang (*Chairman*)

Mr. Lau Chung Wai

Mr. Lin Peicong

NOMINATION COMMITTEE

Mr. Lin Peicong (*Chairman*)

Mr. Mo Luojiang

Mr. Lau Chung Wai

Ms. Zhou Hui

AUTHORISED REPRESENTATIVES

Mr. Chau David

Ms. Zhou Hui

COMPLIANCE OFFICER

Ms. Zhou Hui

COMPANY SECRETARY

Ms. Lo Lok Ting Teresa

REGISTERED OFFICE

PO Box 1350

Clifton House

75 Fort Street

Grand Cayman KY1-1108

Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Room 7003A

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Huangpu District

Shanghai

China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Jardine House

1 Connaught Place

Central

Hong Kong

LEGAL ADVISERS AS TO HONG KONG LAWS

Chiu & Partners

40th Floor, Jardine House

1 Connaught Place

Central

Hong Kong

AUDITORS

Forvis Mazars CPA Limited

Certified Public Accountants and Registered

Public Interest Entity Auditor

42/F., Central Plaza

18 Harbour Road, Wanchai

Hong Kong

CORPORATE INFORMATION

CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANKER

Agricultural Bank of China Limited
China Merchants Bank Co. Ltd.

STOCK CODE

8621

COMPANY WEBSITE

<http://www.metropolis-leasing.com/>



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECTS

For the six months ended 30 June 2025 (the “Reporting Period”), according to the National Bureau of Statistics (“NBS”) of the People’s Republic of China (the “PRC”), the gross domestic product (GDP) in the first half of 2025 grew by approximately 5.3% at a healthy growth rate. The overall performance of the domestic economy is stable.

The Group’s revenue was principally derived from provision of finance lease (including finance lease and sale and leaseback arrangements), finance leasing advisory and factoring services in the PRC. For the Reporting Period, the Group’s revenue decreased by approximately RMB13.1 million or approximately 42.8% to approximately RMB17.5 million from approximately RMB30.6 million for the six months ended 30 June 2024 (the “Corresponding Period”). The decrease in revenue for the Reporting Period was mainly attributable to the significant decrease in the finance leasing advisory services income and interest income arising from sale and leaseback arrangements.

The Group recorded 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 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 the 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.

Although steady economic performance in the PRC, the Group was encountered numerous challenges. On the one hand, intense competition in the vehicle finance leasing sector has led to a contraction in the Group’s business; on the other hand, the deterioration in the financial status of the Company’s customers has resulted in a further increase in overdue receivables. 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.

MANAGEMENT DISCUSSION AND ANALYSIS

In recent years, the PRC authorities issued measures to boost domestic consumption, including but not limited to support for expanding real estate and automobile sales, underscoring the country's intensifying efforts to ensure steady economic recovery and meet annual economic development goals amid internal and external downward pressures. At the same time, the central bank lowered the benchmark interest rate for bank loans. All these changes in the external environment demand more innovation and creativity from the Group, and the management must strengthen the competitiveness of the Group to cope with the external changes and competitions accordingly.

The management of the Group has been actively considering other business opportunities to bring a better return to its shareholders. The management of the Group is considering to diversify the Group's existing business and broaden its source of income. The Group may use its resources to invest in other industries in the future, so as to bring additional source of revenue to the Group and create value to the shareholders of the Company ("Shareholders").

FINANCIAL REVIEW

Revenue

The Group's revenue was principally derived from provision of finance lease (including finance lease and sale and leaseback arrangements), finance leasing advisory and factoring services in the PRC. For the Reporting Period, the Group's revenue decreased by approximately RMB13.1 million or approximately 42.8% to approximately RMB17.5 million from approximately RMB30.6 million for the Corresponding Period. The decrease in revenue for the Reporting Period was mainly attributable to the significant decrease in the finance leasing advisory services income and interest income arising from sale and leaseback arrangements.

During the Reporting Period, the Group experienced a significant reduction in second hand vehicle sale and leaseback business and finance leasing advisory services business. The finance leasing advisory services income of the Group was approximately RMB15.3 million, representing a decrease of approximately RMB8.2 million or approximately 34.9%, as compared to that of approximately RMB23.5 million for the Corresponding Period.

The interest income arising from sale and leaseback arrangements was approximately RMB1.3 million, representing a decrease of approximately RMB3.0 million or approximately 69.4%, as compared to that of approximately RMB4.3 million for the Corresponding Period. The interest income arising from factoring arrangements was approximately RMB0.8 million, representing a decrease of approximately RMB1.9 million or approximately 71.6%, as compared to that of approximately RMB2.7 million for the Corresponding Period.



MANAGEMENT DISCUSSION AND ANALYSIS

Other income

During the Reporting Period, other income of the Group was approximately RMB0.2 million, representing a decrease of approximately RMB0.5 million or approximately 73.1%, as compared to that of approximately RMB0.7 million for the Corresponding Period. The decrease was mainly due to: (i) decrease in received from leasing customers for the Group's expenses incurred for collection of their outstanding leasing balances; and (ii) decrease in bank interest income.

Other gains and losses, net

During the Reporting Period, the Group recorded other losses of approximately RMB0.4 million, representing a decrease of approximately 434.7%, as compared with other gains of approximately RMB0.1 million for the Corresponding Period. The turnaround from other gains to other losses was mainly attributable to the decrease in (i) net exchange losses; and (ii) losses on disposal of intangible assets (vehicle licenses).

Staff costs

During the Reporting Period, the staff cost of the Group was approximately RMB3.1million, representing a decrease of approximately 49.4%, as compared with that of approximately RMB6.1 million for the Corresponding Period. Due to the Group's business downsizing, the Group streamlined internal structure and laid off staff. There were no staff costs of the manpower services provided by external manpower services agencies for the Reporting Period.

Other operating expenses

During the Reporting Period, the Group's other operating expenses was approximately RMB14.7million, representing a decrease of approximately RMB5.9 million or approximately 28.7%, as compared with that of approximately RMB20.6 million for the Corresponding Period. The decrease was mainly due to: (i) the decrease in finance leasing advisory services costs of approximately RMB5.9 million or approximately 37.8% from approximately RMB15.7 million for the Corresponding Period to approximately RMB9.8 million for the Reporting Period; and (ii) the decrease in expenses recognised under short-term leases of approximately RMB1.3 million, which was partially off-set by the increase in other professional fees such as litigation costs and expenses for disposing of leased properties.

MANAGEMENT DISCUSSION AND ANALYSIS

Finance costs

There was no interests on bank and other borrowings during the Reporting Period, as compared to approximately RMB1.1 million for the Corresponding Period. The decrease was mainly due to the Group paid off other borrowings around August 2024.

Recognition/Reversal of net loss allowances on finance lease receivables and receivables arising from sale and leaseback arrangements (collectively, “Lease Receivables”) and factoring receivables and other receivables (collectively, “Receivables”) and the financial guarantee contracts

The application of IFRS 9 requires the management to assess the Receivables and financial guaranteed contracts on the basis of future expected credit losses incidents.

The Group recognised loss allowances on the Lease Receivables of approximately RMB1.0 million during both the Reporting Period and the Corresponding Period. The recognition of loss allowances on the Lease Receivables for the Reporting Period was due to: (i) the price of leased property (vehicles) had fallen, leading to an increase in the expected loss rate of the Lease Receivables; and (ii) the overdue time of some customers had further increased as a result of the prolonged litigation process.

During the Reporting Period, the Group recognised loss allowances on the factoring receivables of approximately RMB9.7million. Due to the prolonged litigation process, the overdue factoring receivables have been overdue for a longer period of time. On the contrary, there was a reversal of loss allowances on the factoring receivables of approximately RMB2.4 million for the Corresponding Period primarily due to large amount of repayment.

During the Reporting Period, the Group recognised loss allowances on other receivables of approximately RMB10.7 million due to the increase in the balance of other receivables, while there was no loss allowances on other receivables for the Corresponding Period. The Group acts as an intermediary between individual clients with financing need and independent financial institutions (as finance leasing funders) who provide vehicles finance lease services to individual clients. The Group provides clients with finance leasing advisory services and financial guarantees to the finance leasing funders. Auxiliary service providers provide the counter guarantees to the Group’s financial guarantees. During the Reporting Period, some clients defaulted payment of vehicles finance lease, and the Group paid the overdue payments on behalf of the auxiliary service providers to the independent financial institutions and accounted for under the item of other receivables. This is the reason for the significant increase in other receivables for the Reporting Period. The Group is actively addressing this issue through measures like selling leased property (vehicles) and pursuing legal actions against defaulting customers.



MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, the Group has recognised loss allowances of approximately RMB2.1 million on the financial guarantee contracts obligations having considered the risk of default by the finance leasing advisory customers and 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.

Profit before tax

The Group recorded 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 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 the 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.

Income tax expenses

During the Reporting Period, the Group's income tax expenses decreased by approximately RMB0.5 million or approximately 99.9% for the Corresponding Period. The decrease in income tax expenses was mainly due to reversal of deductible temporary differences as deferred tax assets of approximately RMB 0.5 million in the Corresponding Period, while no such temporary differences was reversed in the Reporting Period. There was no taxable income for the Reporting Period or the Corresponding Period, mainly due to taxable income offset by tax loss formed from prior year.

MANAGEMENT DISCUSSION AND ANALYSIS

Liquidity and capital resources

	Six months ended 30 June	
	2025 RMB (Unaudited)	2024 RMB (Unaudited)
Cash at bank and in hand (as at 30 June)	50,240,338	59,874,229
Net cash used in (from) operating activities	(14,892,462)	69,854,622
Net cash from (used in) investing activities	2,310,169	(8,403,996)
Net cash used in financing activities	(290,993)	(24,053,860)

As at 30 June 2025, cash at bank and in hand of the Group was approximately RMB50.2 million, as compared with that of approximately RMB59.9 million as at 30 June 2024.

For the Reporting Period, net cash used in operating activities was approximately RMB14.9 million, as compared with net cash from operating activities of approximately RMB69.9 million for the Corresponding Period. For the Reporting Period, net cash from investing activities was approximately RMB2.3 million, as compared with net cash used in investing activities of approximately RMB8.4 million for the Corresponding Period. For the Reporting Period, net cash used in financing activities was approximately RMB0.3 million, as compared with net cash used in financing activities of approximately RMB24.1 million for the Corresponding Period.

Capital management

The Group regularly reviews and manages its capital structure to ensure that the Group will be able to continue as a going concern while maximising the return to its Shareholders through optimisation of the debt and equity balance. The Group's overall capital management strategy remained unchanged throughout the Reporting Period.

For the Reporting Period, the Group had no borrowings. Hence, the gearing ratio (calculated by dividing total liabilities by total equity) was zero.



MANAGEMENT DISCUSSION AND ANALYSIS

Foreign exchange risk

The Group's primary business operations are exposed to limited foreign exchange risk because its finance leasing business, factoring business and finance leasing advisory services business are mainly domestic businesses funded in Renminbi. The Group's exposure to the risk of changes in foreign exchange is primarily due to some of the bank deposits and loans to related parties of the Group were denominated in Hong Kong dollar and USD. The Group currently does not have a foreign currency hedging policy. However, the management of the Group will monitor foreign exchange exposure closely and consider the usage of hedging instruments when the need arises.

Employment and remuneration policy

As at 30 June 2025, the Group had 22 full-time employees as compared with 46 full-time employees as at 31 December 2024. Total staff cost (including Directors' remuneration) was approximately RMB3.1 million for the Reporting Period, as compared with that of approximately RMB6.1 million for the Corresponding Period. The decrease in staff costs was mainly due to the Group laid off staff as a result of business contraction. There were no staff costs of the manpower services provided by external manpower services agencies for the Reporting Period. The Group believes that employees are one of its most important assets and the Group strives to offer competitive remuneration to its employees. The Group has been recruiting and promoting individuals based on merit and their development potentials. Remuneration package offered to all employees is determined with reference to their performance, qualifications, experience and the prevailing salary levels in the market. The remuneration of the Directors is determined based on, among others, the prevailing market conditions and his/her roles and responsibilities. The Group has been providing training opportunities for its employees in order to enhance their qualifications and equip them with necessary skills. The Group has adopted the share option scheme to recognise and reward the contribution of selected participants to the Group, including the employees of the Group.

Contingent liabilities

As at 30 June 2025, the Group had no significant contingent liabilities (as at 31 December 2024: nil). The exposure of the Group's financial guarantee contracts is set out in Note 14 to the condensed consolidated financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

Pledge of assets

As at 30 June 2025 and 31 December 2024, the Group had no pledge of assets.

Material acquisitions or disposals

During the Reporting Period, there were no material mergers and acquisitions or disposal of subsidiaries, associated companies and joint ventures by the Group.

Significant investment

During the Reporting Period, the Company did not have any significant investment.

Future plans for material investments or capital assets

There was no specific plan for material investments or capital assets as at the date of this interim report.

Capital commitments

As at 30 June 2025, the Company had no capital commitments.

Events after the reporting period

As at 30 June 2025, there are no significant events affecting the Group after the Reporting Period.

Dividend

The Company has not paid out and the Directors do not recommend the payment of any dividend for the Reporting Period.



CORPORATE GOVERNANCE AND OTHER INFORMATION

A. COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company recognises the importance of good corporate governance in maintaining its corporate transparency and accountability. The Board sets appropriate policies and implements corporate governance practices appropriate to the conduct and growth of the Group's business.

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the GEM Listing Rules, and the Company has adopted the CG Code as its own code of corporate governance.

During the Reporting Period, the Group had complied with all the code provisions as set out in the CG Code, except for the deviation from code provision C.2.1. Mr. Chau David is the Chairman and also the chief executive officer of the Company and he has been managing the Group's business and supervising the overall operations of the Group since its establishment. Having considered the nature and extent of the Group's operations, and Mr. Chau David's in-depth knowledge and experience in the leasing services, in particular vehicle finance leasing market and familiarity with the operations of the Group which is beneficial to the management and business development of the Group, and all major decisions are made in consultation with members of the Board and relevant Board committees, and there are three independent non-executive Directors on the Board offering independent perspectives, the Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers and authorities between the Board and the management of the Company and that it is in the best interest of the Group to have Mr. Chau David taking up both roles. The Board will continue to review and consider splitting the roles of the chairman of the Board and the chief executive officer at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

CORPORATE GOVERNANCE AND OTHER INFORMATION

B. SHARE OPTION SCHEME

The share option scheme (the “Share Option Scheme”) was conditionally adopted by resolutions in writing passed by the sole shareholder of the Company on 23 November 2018. As at 30 June 2025, no share option was granted, exercised, cancelled or lapsed pursuant to the Share Option Scheme. As at 1 January 2025 and 30 June 2025, the number of options available for grant under the Share Option Scheme was 80,000,000 Shares.

The Company is aware that amendments were made to Chapter 23 of the GEM Listing Rules, which has come into effect on 1 January 2023, which include, among others, revising the scope of eligible participants of share option schemes and setting out the minimum vesting period requirements. The Company will only grant the share options in compliance with the amended Chapter 23 of the GEM Listing Rules and pursuant to the transitional arrangements for share schemes existing as at 1 January 2023 as specified by the Stock Exchange. Going forward, the Company will also consider to amend the Share Option Scheme so as to comply with the new requirements under Chapter 23 of the GEM Listing Rules, in any event not later than the refreshment or expiry of the scheme mandate; or to adopt a new share option scheme that complies with the requirements under the amended Chapter 23 of the GEM Listing Rules.

C. COMPLIANCE WITH THE MODEL CODE AND SECURITIES DEALING CODE

The Company has adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the “Model Code”) as its code of conduct for dealing in securities of the Company by the Directors and the relevant employees of the Group who are likely to be in possession of unpublished inside information of the Company (the “Securities Dealing Code”). Having made specific enquiries with all Directors and relevant employees, all Directors and relevant employees have confirmed that they have complied with the Securities Dealing Code and therefore, complied with the Model Code during the Reporting Period.



CORPORATE GOVERNANCE AND OTHER INFORMATION

D. DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong (the "SFO")) which were notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register as referred to therein, or pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors required to be notified to the Company and the Stock Exchange, were as follows:

1. Interest in shares or underlying shares of the Company

Name of Director	Nature of interest and capacity	Number of Shares (Note 1)	Approximate percentage of shareholding
Mr. Chau David (Note 2)	Interest in controlled corporation	600,000,000 (L)	62.5%

Notes:

1. The letter "L" denotes long position in the Shares.
2. Mr. Chau David beneficially and wholly owns View Art Investment Limited, which in turn holds approximately 62.5% of the issued share capital of the Company. Therefore, Mr. Chau David is deemed, or taken to be, interested in all the Shares held by View Art Investment Limited for the purpose of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

2. Interest in shares of associated corporations of the Company

Name of Director	Name of associated corporation	Nature of interest and capacity	Number of shares in the associated corporation (Note 1)	Approximate percentage of shareholding
Mr. Chau David (Note 2)	View Art Investment Limited	Beneficial owner	10 (L)	100%

Notes:

1. The letter “L” denotes long position in the Shares.
2. Mr. Chau David beneficially and wholly owns View Art Investment Limited, which in turn holds approximately 62.5% of the issued share capital of the Company.

Save as disclosed above, as at 30 June 2025, none of the Directors or the chief executives of the Company had any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which they are taken or deemed to have taken under such provision of the SFO), or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required, pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to the Company and the Stock Exchange.



CORPORATE GOVERNANCE AND OTHER INFORMATION

E. SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSON'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

So far as the Directors are aware, as at 30 June 2025, the following persons (other than Directors or chief executives of the Company) were interested in 5% or more of the issued share capital of the Company which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the GEM Listing Rules on the Stock Exchange:

Name of shareholder	Nature of interest and capacity	Number of Shares (Note 1)	Approximate percentage of shareholding
View Art Investment Limited (Note 2)	Beneficial owner	600,000,000 (L)	62.5%

Notes:

1. The letter "L" denotes long position in the Shares.
2. Mr. Chau David beneficially and wholly owns View Art Investment Limited, which in turn holds approximately 62.5% of the issued share capital of the Company. Therefore, Mr. Chau David is deemed, or taken to be interested in all the Shares held by View Art Investment Limited for the purpose of the SFO.

Save as disclosed above, as at 30 June 2025, the Directors were not aware of any other persons who had any interests or short positions in the Shares or underlying Shares and debentures which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

F. DIRECTORS'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in Directors' interests and/or short positions under the section "Directors' and chief executives' interests and short positions in the shares, underlying shares and debentures" of this report, at no time during the Reporting Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

G. PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company during the Reporting Period.

H. DISCLOSURE OF INFORMATION OF DIRECTORS UNDER RULE 17.50A(1) OF THE GEM LISTING RULES

Ms. Zhou Hui was appointed as a member of the nomination committee of the Board with effect from 27 June 2025.

Save as disclosed above, the Company is not aware of any change in the Directors' information which are required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules since the date of the Company's 2024 annual report.

I. AUDIT COMMITTEE

The audit committee of the Company consists of three independent non-executive Directors, namely Mr. Lau Chung Wai (the chairman of the audit committee), Mr. Mo Luojiang and Mr. Lin Peicong. The audit committee, together with the management of the Company, has reviewed the accounting principles and policies adopted by the Group and unaudited condensed consolidated interim financial statements for the Reporting Period, together with this report.



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Notes	Six months ended 30 June	
		2025 RMB (Unaudited)	2024 RMB (Unaudited)
Revenue			
— Finance lease income		99,233	87,003
— Interest income arising from sale and leaseback arrangements		1,327,701	4,338,501
— Finance leasing advisory service income		15,293,692	23,481,044
— Interest income arising from factoring arrangements		754,361	2,660,074
Total Revenue	4	17,474,987	30,566,622
Other income	5a	194,145	721,448
Other (losses) gains, net	5b	(384,651)	114,939
Staff costs	7	(3,105,598)	(6,137,607)
Recognition of loss allowances on finance lease receivables and receivables arising from sale and leaseback arrangements (collectively, the “Lease Receivables”), net	7	(974,257)	(971,864)
(Recognition) Reversal of loss allowances on factoring receivables, net	7	(9,691,292)	2,417,460
Recognition of loss allowances on finance leasing advisory service receivables, net	7	—	(148,541)
Recognition of loss allowances on other receivables, net	7	(10,676,119)	—
Recognition of loss allowances on financial guarantee contracts obligations, net	7	(2,140,388)	—
Other operating expenses	7	(14,685,095)	(20,591,207)
Finance costs	6	(2,444)	(1,129,209)
Share of profit of an associate		21,499	—
(Loss) Profit before tax	7	(23,969,213)	4,842,041
Income tax expenses	8	(456)	(473,213)
(Loss) Profit and total comprehensive (loss) income for the period		(23,969,669)	4,368,828

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
	Note	2025 RMB (Unaudited)	2024 RMB (Unaudited)
(Loss) Profit and total comprehensive (loss) income for the period attributable to:			
— Owners of the Company		(23,966,386)	4,396,787
— Non-controlling interests		(3,283)	(27,959)
		(23,969,669)	4,368,828
(Losses) Earnings per share attributable to owners of the Company		RMB cent	RMB cent
— Basic and diluted	9	(2.50)	0.46



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

		At 30 June 2025 RMB (Unaudited)	At 31 December 2024 RMB (Audited)
	Notes		
NON-CURRENT ASSETS			
Property and equipment		2,132,308	2,559,746
Intangible assets		817,423	3,220,117
Investment in an associate		620,440	598,941
Finance lease receivables	12	586,674	–
Receivables arising from sale and leaseback arrangements	13	2,175,801	6,502,267
Factoring receivables	15	59,796	–
Deferred tax assets	21	4,876,684	4,877,140
		11,269,126	17,758,211
CURRENT ASSETS			
Amount due from a director	22(a)	2,422,113	2,131,120
Financial assets at fair value through profit or loss	17	6,605,940	6,560,537
Prepayments, deposits and other receivables	11	33,791,236	20,028,410
Finance lease receivables	12	2,112,232	1,678,772
Receivables arising from sale and leaseback arrangements	13	9,082,826	12,414,101
Finance leasing advisory service receivables	16	–	313,681
Factoring receivables	15	28,887,884	43,344,661
Account receivables	14	22,436,742	40,316,241
Deferred expenses	14	14,043,744	25,019,563
Security deposits		30,000,000	30,000,000
Bank balances and cash		50,240,338	63,136,427
		199,623,055	244,943,513

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

		At 30 June 2025 RMB (Unaudited)	At 31 December 2024 RMB (Audited)
	Notes		
CURRENT LIABILITIES			
Account payables	14	14,043,744	25,019,563
Other payables and accrued expenses	19	5,846,924	6,923,307
Financial guarantee contracts obligations	14	5,256,614	3,116,226
Deposits received from leasing customers	18	1,062,175	1,110,736
Deferred income	14	22,436,742	40,316,241
		48,646,199	76,486,073
NET CURRENT ASSETS		150,976,856	168,457,440
TOTAL ASSETS LESS CURRENT LIABILITIES		162,245,982	186,215,651
CAPITAL AND RESERVES			
Share capital	20	8,503,450	8,503,450
Reserves		154,135,327	178,101,713
Equity attributable to owners of the Company		162,638,777	186,605,163
Non-controlling interests		(392,795)	(389,512)
TOTAL EQUITY		162,245,982	186,215,651



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the Company								Non-controlling interests	Total equity
	Reserves						Sub-total			
	Share capital	Share premium	Merger reserve	Other reserve	Statutory surplus reserve	Accumulated losses				
								RMB		
	(Note 20)	(Note (iii))		(Note (i))	(Note (iii))		RMB	RMB		
At 1 January 2024 (Audited)	8,503,450	208,490,971	(138,043,162)	121,889,064	3,702,320	(7,597,263)	196,945,380	(338,302)	196,607,078	
Profit (loss) and total comprehensive income (loss) for the period	–	–	–	–	–	4,396,787	4,396,787	(27,959)	4,368,828	
At 30 June 2024 (Unaudited)	8,503,450	208,490,971	(138,043,162)	121,889,064	3,702,320	(3,200,476)	201,342,167	(366,261)	200,975,906	
At 1 January 2025 (Audited)	8,503,450	208,490,971	(138,043,162)	121,889,064	3,702,320	(17,937,480)	186,605,163	(389,512)	186,215,651	
Loss and total comprehensive loss for the period	–	–	–	–	–	(23,966,386)	(23,966,386)	(3,283)	(23,969,669)	
At 30 June 2025 (Unaudited)	8,503,450	208,490,971	(138,043,162)	121,889,064	3,702,320	(41,903,866)	162,638,777	(392,795)	162,245,982	

Notes:

- (i) The other reserves represented the net effect of the following:
 - (a) the deemed capital contribution of shareholder's loans advanced from View Art (as defined in Note 1 to the condensed consolidated financial statements) to the Group totalling RMB131,831,735, which were not required to repay to View Art pursuant to the agreements entered into on 31 December 2014; and
 - (b) net of the fair value adjustments on non-current interest-free loans previously advanced to Mr. Chau (as defined in Note 1 to the condensed consolidated financial statements) and related parties as deemed distribution in the total amount of RMB9,942,671 recognised in previous years.
- (ii) Pursuant to the articles of association of the subsidiaries established in the People's Republic of China ("PRC"), it is required to appropriate at least 10% of their profit after tax in accordance with the relevant accounting rules and financial regulations of the PRC before any distribution of dividends to owner each year to the statutory surplus reserve until the balance reaches 50% of its registered capital.
- (iii) Share premium mainly represents the excess of the net proceeds from the issuance of the Company's shares over its par value.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	(Unaudited) RMB	(Unaudited) RMB
NET CASH (USED IN) FROM OPERATING ACTIVITIES	(14,892,462)	69,854,622
INVESTING ACTIVITIES		
Proceeds from disposal of property and equipment	229,458	–
Proceeds from disposal of intangible assets	2,080,711	–
Purchase of financial assets at fair value through profit or loss	–	(6,500,000)
Loans to related parties	–	(1,903,996)
NET CASH FROM (USED IN) INVESTING ACTIVITIES	2,310,169	(8,403,996)
FINANCING ACTIVITIES		
Repayments of bank and other borrowings	–	(24,053,860)
Advance to a director	(2,506,470)	–
Repayment from a director	2,215,477	–
NET CASH USED IN FINANCING ACTIVITIES	(290,993)	(24,053,860)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(12,873,286)	37,396,766
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE REPORTING PERIOD	63,136,427	22,443,332
EFFECT OF EXCHANGE RATE CHANGES, NET	(22,803)	34,131
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD, REPRESENTED BY BANK BALANCES AND CASH	50,240,338	59,874,229



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. CORPORATE INFORMATION

Metropolis Capital Holdings Limited (the “Company”), which acts as an investment holding company, was incorporated as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law of the Cayman Islands on 29 June 2017. The Company’s registered office in the Cayman Islands is located at PO Box 1350, Clifton House, 75 Fort Street, Grand Cayman, KY1-1108, Cayman Islands. The Company’s principal place of business in Hong Kong is located at 40th Floor, Jardine House, 1 Connaught Place, Central, Hong Kong. The Group’s headquarter is situated at Room 7003A, 887 Huai Hai Zhong Road, Huangpu District, Shanghai, the People’s Republic of China (the “PRC”). The issued shares of the Company have been listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 12 December 2018.

The principal activity of the Company is investment holding and the principal activities of its subsidiaries (together with the Company are collectively referred to as the “Group”) are provision of finance lease (including finance lease and sale and leaseback arrangements), finance leasing advisory and factoring services in the PRC.

The immediate and ultimate holding company of the Company is View Art Investment Limited (“View Art”), a limited liability company incorporated in the British Virgin Islands on 28 September 2007 which is 100% held and controlled by Mr. Chau David (“Mr. Chau” or the “Controlling Shareholder”).

The condensed consolidated financial statements are presented in Renminbi (“RMB”), which is the same as the functional currency of the Group’s major operating entities.

2. BASIS OF PREPARATION

The condensed consolidated financial statements of the Group for the six months ended 30 June 2025 (the “Interim Financial Statements”) have been prepared in accordance with IAS Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (the “IASB”) as well as with the applicable disclosure requirements of Chapter 18 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

3. PRINCIPAL ACCOUNTING POLICIES

The preparation of the Interim Financial Statements in conformity with IAS 34 requires the Group's management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a period to date basis. Actual results may differ from these estimates.

The Interim Financial Statements include an explanation of events and transactions that are significant to an understanding of the changes in financial position and financial performance of the Group since 31 December 2024, and therefore, do not include all of the information required for full set of financial statements prepared in accordance with the IFRS Accounting Standards issued by the IASB, which collective term includes all applicable individual IFRS Accounting Standards, IAS Standards and IFRIC Interpretations issued by the IASB. They shall be read in conjunction with the Group's audited consolidated financial statements for the year ended 31 December 2024 (the "2024 Consolidated Financial Statements").

The Interim Financial Statements have been prepared on the historical costs basis, except for certain financial instruments that are measured at fair values as disclosed in Note 17.

The accounting policies and methods of computation applied in the preparation of the Interim Financial Statements are consistent with those applied in the preparation of the 2024 Consolidated Financial Statements except for the adoption of the new/revised IFRS Accounting Standards further described in the "Adoption of new/revised IFRS Accounting Standards" section which are relevant to the Group and effective for the Group's financial period beginning on 1 January 2025.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Adoption of new/revised IFRS Accounting Standards

In the current interim period, the Group has applied, for the first time, certain new/revised IFRS Accounting Standards which are mandatory effective for the annual period beginning on or after 1 January 2025 for the preparation of the Interim Financial Statements.

The adoption of the new/revised IFRS Accounting Standards has no significant impact on the Interim Financial Statements. At the date of authorisation of the Interim Financial Statements, the Group has not early adopted the new/revised IFRS Accounting Standards that have been issued but are not yet effective. The management of the Group does not anticipate that the adoption of the new/revised IFRS Accounting Standards in future periods will have any material impact on the financial position, financial performance and cash flows of the Group.

4. REVENUE AND SEGMENT INFORMATION

Entity-wide disclosures

Geographical information

The Group's operation is in the PRC and its specified non-current assets, i.e. property and equipment and intangible assets are situated in the PRC.

Major customers

Information about major customers

During the six months ended 30 June 2025 and 2024, no single customer of the Group amounted to 10% or more of the Group's total revenue.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Revenue by nature

The following is an analysis of revenue by nature:

	Six months ended 30 June	
	2025 RMB (Unaudited)	2024 RMB (Unaudited)
Finance lease income		
Vehicle finance leasing	38,742	87,003
Equipment finance leasing	60,491	—
	99,233	87,003
Interest income arising from sale and leaseback arrangements	1,327,701	4,338,501
Finance leasing advisory service income (Note)	15,293,692	23,481,044
Interest income arising from factoring arrangements	754,361	2,660,074
Total revenue	17,474,987	30,566,622

Note: Provision of finance leasing advisory services include (1) granting a right to the Auxiliary Service Providers (as defined in Note 7(ii)) to access the Group's credit assessment platform for performing credit assessments on the Group's/Finance Leasing Funders' (defined below) lessees and (2) provision of series of finance leasing advisory services which is a bundle service consists of (i) intermediary services between individual clients with financing needs (the "Finance Leasing Advisory Customers") and financial institutions who provide sale and leaseback arrangement services (the "Finance Leasing Funders") and (ii) guarantee services to the Finance Leasing Advisory Customers in support to their applications for certain leasing arrangements provided by the Finance Leasing Funders (the "Group's Financial Guarantees").

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Revenue by nature (Continued)

Note: (Continued)

Set forth below are the breakdown of finance leasing advisory service income by nature:

	Six months ended 30 June	
	2025 RMB (Unaudited)	2024 RMB (Unaudited)
Revenue from contracts with customers within IFRS 15		
<i>At a point in time</i>		
— Provision of credit assessment platform	—	2,162,940
<i>Overtime</i>		
— Provision of finance leasing advisory services	15,293,692	21,318,104
	15,293,692	23,481,044

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

5. OTHER INCOME AND OTHER (LOSSES) GAINS, NET

	Six months ended 30 June	
	2025 RMB (Unaudited)	2024 RMB (Unaudited)
(a) Other income		
Bank interest income	96,268	153,015
Government subsidies (Note i)	43,773	35,191
Others (Note ii)	54,104	533,242
	194,145	721,448
(b) Other (losses) gains, net		
Gains on disposal of property and equipment, net	1,545	–
Losses on disposal of intangible assets (Note iii)	(321,983)	–
Exchange (losses) gains, net	(137,757)	105,891
Net fair value gain on financial assets at fair value through profit or loss (“FVTPL”) (Note 17)	45,403	7,796
Recovery of bad debts previously written off	28,141	1,252
	(384,651)	114,939
	(190,506)	836,387

Notes:

- (i) During the six months ended 30 June 2025, government subsidies primarily consist of the fiscal supports that the relevant government authorities offered to the Group’s entities engaged in the leasing business in the PRC. There was no unfulfilled condition or contingency relating to the government grants.
- (ii) Others primarily represented reimbursements received from leasing customers for the Group’s expenses incurred for collection of their outstanding leasing balances.
- (iii) The losses on disposal on intangible assets was arising from disposal of vehicle licenses through (1) disposal of motor vehicles under the sales and leaseback arrangements for which the vehicle licenses embedded in the motor vehicles or (2) disposal of the vehicle licenses independently.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

6. FINANCE COSTS

	Six months ended 30 June	
	2025 RMB (Unaudited)	2024 RMB (Unaudited)
Interests on bank and other borrowings	–	1,110,559
Imputed interest expenses arising from deposits received from leasing customers	2,444	18,650
Total finance costs	2,444	1,129,209

7. (LOSS) PROFIT BEFORE TAX

(Loss) Profit before tax for the period is arrived at after charging (crediting):

	Note	Six months ended 30 June	
		2025 RMB (Unaudited)	2024 RMB (Unaudited)
Staff costs			
Directors' emoluments		940,918	838,688
Salaries, bonus and other benefits (excluding directors)		1,675,830	2,963,587
Retirement benefit scheme contributions (excluding directors)		488,850	805,131
Sub-total		3,105,598	4,607,406
Manpower service expenses	7(i)	–	1,530,201
Total staff costs		3,105,598	6,137,607

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

7. (LOSS) PROFIT BEFORE TAX (CONTINUED)

(Loss) Profit before tax for the period is arrived at after charging (crediting): (Continued)

		Six months ended 30 June	
	Notes	2025 RMB (Unaudited)	2024 RMB (Unaudited)
Loss allowances include:			
Recognition of loss allowances on the Lease Receivables, net	12/13	974,257	971,864
Recognition (Reversal) of loss allowances on factoring receivables, net	15	9,691,292	(2,417,460)
Recognition of loss allowances on finance leasing advisory service receivables, net	16	–	148,541
Recognition of loss allowances on other receivables, net	11	10,676,119	–
Recognition of loss allowances on financial guarantee contracts obligations, net	14	2,140,388	–
		23,482,056	(1,297,055)
Other operating expenses			
Auditors' remuneration		655,000	687,500
Depreciation of property and equipment		199,525	203,505
Finance leasing advisory services cost	7(ii)	9,778,402	15,710,096
Professional fees	7(iii)	318,927	406,565
Other professional fees	7(iv)	2,314,556	999,172
Travelling and entertainment expenses		131,681	189,276
Office expenses		438,388	251,408
Expenses recognised under short-term leases	7(v)	848,616	2,143,685
Total other operating expenses		14,685,095	20,591,207



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

7. (LOSS) PROFIT BEFORE TAX (CONTINUED)

Notes:

- (i) The Group entered into a manpower service arrangement with an external manpower service organisation in the PRC to cope with the human resources needs arising from the provision of finance leasing advisory services. Under the arrangement, certain of the Group's manpower requirements were fulfilled by the organisation at agreed service fees whereas the human resources provided were directly employed by the external manpower service organisation. The individuals providing services to the Group did not have any employment relationship with the Group.
- (ii) The amount represents the costs for (i) requesting guarantees from other service providers (the "Auxiliary Service Providers") as a condition in providing counter guarantees to the Finance Leasing Advisory Customers for which the Group or the Finance Leasing Funders is acting as the funder (the "Counter Guarantees") (Note 14) and (ii) receiving certain financial advisory services from service providers in order to support the Group's financial advisory services to its customers.
- (iii) The amounts mainly represent the professional fees paid/payable for the Company's listing compliance.
- (iv) The other professional fees primarily represent the Group's expenses incurred for collection of outstanding balances from leasing customers.
- (v) The Group applies the short-term lease recognition exemption to lease of properties that have lease term of 12 months or less from the commencement date which do not contain a purchase option. Expense relating to short-term leases with lease terms end within 12 months were RMB848,616 for the six months ended 30 June 2025 (for the six months ended 30 June 2024: RMB2,143,685). During the six months ended 30 June 2025 and 2024, all of the Group's lease contracts are recognised as short-term leases.

For the six months ended 30 June 2025, total cash outflow for leases was RMB848,616 (for the six months ended 30 June 2024: RMB2,143,685).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

8. INCOME TAX EXPENSES

	Six months ended 30 June	
	2025 RMB (Unaudited)	2024 RMB (Unaudited)
PRC enterprise income tax ("EIT")	–	–
Deferred tax charged (Note 21)	456	473,213
Total income tax expenses	456	473,213

EIT has not been provided for the six months ended 30 June 2025 and 2024, as the estimated assessable profits of the Group’s subsidiary in the PRC for the period are wholly absorbed by unrelieved tax losses brought forward from prior year.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

9. (LOSSES) EARNINGS PER SHARE

The calculation of basic and diluted (losses) earnings per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2025 RMB (Unaudited)	2024 RMB (Unaudited)
(Losses) Earnings:		
(Losses) Profit for the period attributable to owners of the Company	(23,966,386)	4,396,787

	Number of shares	Number of shares
Weighted average number of ordinary shares for the purpose of basic and diluted (losses) earnings per share	960,000,000	960,000,000

The Group has no potential ordinary share in issue during the six months ended 30 June 2025 and 2024.

10. DIVIDENDS

The directors of the Company have determined that no dividend will be declared and paid in respect of the interim period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

11. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	At 30 June 2025 RMB (Unaudited)	At 31 December 2024 RMB (Audited)
Advance to the Auxiliary Service Providers (Note i)	36,275,410	7,836,707
Less: loss allowances (Note ii)	(12,032,213)	(1,356,094)
	24,243,197	6,480,613
Other receivables	320,732	403,873
Prepayments	147,306	48,276
Deposits (Note iii)	9,080,001	13,095,648
	33,791,236	20,028,410

Notes:

- (i) The balances at 30 June 2025 included payments of RMB36,275,410 (At 31 December 2024: RMB7,836,707) made on behalf of the Auxiliary Service Providers. The Group expects such receivables will be received within 12 months.
- (ii) Movements of loss allowances on the advance to the Auxiliary Service Providers:

	Six months ended 30 June 2025 RMB (Unaudited)
At the beginning of the reporting period	1,356,094
Increase in allowances (Note 7)	10,676,119
At the end of the reporting period	12,032,213

- (iii) The balance mainly represents the deposits paid in relation to the Group's Financial Guarantees.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

12. FINANCE LEASE RECEIVABLES

The Group entered into finance lease arrangements as lessor for vehicles. The average terms of finance leases entered into usually ranged from 1 month to 3 years at 30 June 2025 (At 31 December 2024: 3 months to 4 years) from inception. All interest rates inherent in the leases are fixed at the contract date over the lease terms.

	At 30 June 2025	
	Minimum lease payments RMB (Unaudited)	Present value of minimum lease payments RMB (Unaudited)
<i>Finance lease receivables comprise:</i>		
Within one year	21,466,841	18,367,532
In the second year	590,076	520,344
In the third year	442,557	427,514
Gross investment in the lease	22,499,474	N/A
Less: Unearned finance income	(3,184,084)	N/A
Present value of minimum lease payment receivables	19,315,390	19,315,390
Less: Loss allowances	(16,616,484)	(16,616,484)
	2,698,906	2,698,906
Analysed as:		
Current	2,112,232	2,112,232
Non-current	586,674	586,674
	2,698,906	2,698,906

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

12. FINANCE LEASE RECEIVABLES (CONTINUED)

	At 31 December 2024	
	Minimum lease payments	Present value of minimum lease payments
	RMB	RMB
	(Audited)	(Audited)
<i>Finance lease receivables comprise:</i>		
Within one year	20,753,964	17,739,004
Gross investment in the lease	20,753,964	N/A
Less: Unearned finance income	(3,014,960)	N/A
Present value of minimum lease payment receivables	17,739,004	17,739,004
Less: Loss allowances	(16,060,232)	(16,060,232)
	1,678,772	1,678,772
Analysed as:		
Current	1,678,772	1,678,772

The effective interest rates of the above finance leases ranged from approximately 8.00% per annum to 23.09% per annum at 30 June 2025 (At 31 December 2024: approximately 11.62% per annum to 23.09% per annum).



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

12. FINANCE LEASE RECEIVABLES (CONTINUED)

Movements of loss allowances on finance lease receivables

	Stage 1 12m expected credit loss ("ECL") RMB	Stage 2 Lifetime ECL not credit- impaired RMB	Stage 3 Lifetime ECL credit- impaired RMB	Total RMB
At 1 January 2025 (Audited)	2,912	–	16,057,320	16,060,232
Changes in loss allowances, net:				
— Charged (Credited) to profit or loss	1,180	596,012	(40,940)	556,252
At 30 June 2025 (Unaudited)	4,092	596,012	16,016,380	16,616,484

	Stage 1 12m ECL RMB	Stage 2 Lifetime ECL not credit- impaired RMB	Stage 3 Lifetime ECL credit- impaired RMB	Total RMB
At 1 January 2024 (Audited)	9,768	–	15,757,981	15,767,749
Changes in loss allowances, net:				
— (Credited) Charged to profit or loss	(8,862)	–	300,715	291,853
At 30 June 2024 (Unaudited)	906	–	16,058,696	16,059,602

The finance lease receivables are secured by the leased assets and deposits (if available) as set out in Note 18. The Group might require extra assurance, e.g. land use rights, houses, vehicles, as extra mortgages. There was no contingent lease arrangement that needed to be recognised during both periods.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

13. RECEIVABLES ARISING FROM SALE AND LEASEBACK ARRANGEMENTS

The Group entered into sale and leaseback arrangements as a lessor for vehicles. The average terms of sale and leaseback arrangements entered into are usually ranged from 1 year to 3 years at 30 June 2025 (At 31 December 2024: 6 months to 3 years) from inception. All interest rates inherent in the leases are fixed at the contract date over the lease terms.

	At 30 June 2025	
	Gross amount RMB (Unaudited)	Present value RMB (Unaudited)
<i>Receivables from sale and leaseback arrangements comprise:</i>		
Within one year	25,140,021	22,271,747
In the second year	2,636,170	2,516,600
	27,776,191	N/A
Less: Unearned finance income	(2,987,844)	N/A
Present value of receivables arising from sale and leaseback arrangements	24,788,347	24,788,347
Less: Loss allowances	(13,529,720)	(13,529,720)
	11,258,627	11,258,627
Analysed as:		
Current	9,082,826	9,082,826
Non-current	2,175,801	2,175,801
	11,258,627	11,258,627



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

13. RECEIVABLES ARISING FROM SALE AND LEASEBACK ARRANGEMENTS (CONTINUED)

	31 December 2024	
	Gross amount	Present value
	RMB (Audited)	RMB (Audited)
<i>Receivables from sale and leaseback arrangements comprise:</i>		
Within one year	28,949,152	24,997,571
In the second year	7,779,031	7,034,147
	36,728,183	N/A
Less: Unearned finance income	(4,696,465)	N/A
Present value of receivables arising from sale and leaseback arrangements	32,031,718	32,031,718
Less: Loss allowances	(13,115,350)	(13,115,350)
	18,916,368	18,916,368
Analysed as:		
Current	12,414,101	12,414,101
Non-current	6,502,267	6,502,267
	18,916,368	18,916,368

The effective interest rates of the above sale and leaseback arrangements ranged from approximately 12.00% per annum to 27.80% per annum at 30 June 2025 (At 31 December 2024: approximately 12.00% per annum to 27.80% per annum).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

13. RECEIVABLES ARISING FROM SALE AND LEASEBACK ARRANGEMENTS (CONTINUED)

Movements of loss allowances on receivables arising from sale and leaseback arrangements

	Stage 1 12m ECL RMB	Stage 2 Lifetime ECL not credit- impaired RMB	Stage 3 Lifetime ECL credit- impaired RMB	Total RMB
At 1 January 2025 (Audited)	24,048	80,312	13,010,990	13,115,350
Changes in loss allowances, net:				
— Transfer to Stage 2	(604)	604	—	—
— Transfer to Stage 3	(828)	(34,043)	34,871	—
— (Credited) Charged to profit or loss	(14,456)	(27,777)	460,238	418,005
Written-off	—	—	(3,635)	(3,635)
At 30 June 2025 (Unaudited)	8,160	19,096	13,502,464	13,529,720



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

13. RECEIVABLES ARISING FROM SALE AND LEASEBACK ARRANGEMENTS (CONTINUED)

Movements of loss allowances on receivables arising from sale and leaseback arrangements (Continued)

	Stage 1 12m ECL RMB	Stage 2 Lifetime ECL not credit- impaired RMB	Stage 3 Lifetime ECL credit- impaired RMB	Total RMB
At 1 January 2024 (Audited)	462,352	417,522	5,869,535	6,749,409
Changes in loss allowances, net:				
— Transfer to Stage 1	45,337	(45,337)	—	—
— Transfer to Stage 2	(18,458)	59,073	(40,615)	—
— Transfer to Stage 3	(15,573)	(181,180)	196,753	—
— (Credited) Charged to profit or loss	(262,463)	125,750	816,724	680,011
Written-off	—	—	(474,337)	(474,337)
At 30 June 2024 (Unaudited)	211,195	375,828	6,368,060	6,955,083

The receivables arising from sale and leaseback arrangements are secured by the leased assets and deposit (if any) as set out in Note 18. The Group might require extra assurance as extra mortgages.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

14. ACCOUNT RECEIVABLES/PAYABLES, DEFERRED EXPENSES/INCOME

The Group's account receivables/payables and deferred expenses/income are arising from the Group's finance leasing advisory business. Under the Group's finance leasing advisory arrangement, the finance leasing advisory services income was payable by the Finance Leasing Funders to the Group on equal monthly installments over the agreed period of services.

On the other hand, the Group was required to pay to the Auxiliary Service Providers in connection with their Counter Guarantees services by equal monthly installments over the agreed period of services.

Account receivables/payables at the end of the reporting period represented total outstanding monthly installments to be received from the Finance Leasing Funders or paid to the Auxiliary Service Providers, after considering the effects for the time value of money, if significant. The account receivables and payables were not overdue at the end of the reporting period.

Deferred expenses/income at the end of the reporting period represented unamortised value for the services of the Auxiliary Service Providers/the Group.

At the end of each reporting period, the Group would measure the exposure on the Group's Financial Guarantees at the higher of (1) the carrying value of the deferred income; and (2) the amount of loss allowance on the guaranteed amount determined in accordance with IFRS 9. Should there is any loss to be recognised on the Group's Financial Guarantees, the Group would only recognise a receivable under the Counter Guarantees to the extent that it is recoverable.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

14. ACCOUNT RECEIVABLES/PAYABLES, DEFERRED EXPENSES/INCOME (CONTINUED)

To assess the loss exposures in respect of the Group's Financial Guarantees, the Group monitors the risk that (1) the Finance Leasing Advisory Customers for which the Group provides financial guarantees to the Finance Leasing Funders and (2) the Auxiliary Service Providers who provide the Counter Guarantees to the Group's Financial Guarantees will default on the corresponding financial guarantee contracts. For the risk assessment, the Group has taken into accounts, the past due status of the Finance Leasing Advisory Customers for their lease arrangements with the Finance Leasing Funders which are supported by the Group's Financial Guarantees, the financial position of the Finance Leasing Advisory Customers and the Auxiliary Service Providers by reference to, among others, the economic environment of the industries in which the Finance Leasing Advisory Customers and the Auxiliary Service Providers operate in estimating the probability of default of the financial guarantee contracts by the Finance Leasing Advisory Customers and the expected drawn down by the Finance Leasing Funders and the capabilities of the Auxiliary Service Providers to make good of any losses incurred by the Group for the relevant financial guarantee contracts. At 30 June 2025, the Group has recognised loss allowances of RMB5,256,614 (At 31 December 2024: RMB3,116,226) on the financial guarantee contracts obligations having considered the risk of default by the Finance Leasing Advisory Customers and the Auxiliary Service Providers increased significantly since the initial recognition of these financial guarantee contracts obligations.

At 30 June 2025, the gross amounts of underlying guaranteed values of the Group's Financial Guarantees and the Counter Guarantees which included in finance leasing advisory services and certain sale and leaseback arrangements, were RMB149,185,239 (At 31 December 2024: RMB277,838,919) and RMB150,124,497 (At 31 December 2024: RMB278,778,176), respectively.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

14. ACCOUNT RECEIVABLES/PAYABLES, DEFERRED EXPENSES/INCOME (CONTINUED)

Movements of loss allowances on financial guarantee contracts obligations:

	Six months ended 30 June
	2025 RMB (Unaudited)
At the beginning of the reporting period	3,116,226
Increase in allowances, net (Note 7)	2,140,388
At the end of the reporting period	5,256,614

15. FACTORING RECEIVABLES

The factoring receivables are measured at amortised cost and generally with maturity ranging from 6 to 18 months at 30 June 2025 (At 31 December 2024: 6 to 36 months) from the respective inception date. The effective interest rates of the factoring receivables at 30 June 2025 ranged from approximately 7.72% per annum to 24.00% per annum (At 31 December 2024: approximately 12.00% per annum to 26.82% per annum).



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

15. FACTORING RECEIVABLES (CONTINUED)

	At 30 June 2025 RMB (Unaudited)	At 31 December 2024 RMB (Audited)
<i>Factoring receivables comprise:</i>		
Within one year	57,499,869	62,407,915
In the second year	63,632	–
Gross amount of factoring receivables	57,563,501	62,407,915
Less: Interest adjustment	(724,492)	(863,217)
Present value of factoring receivables (Note i)	56,839,009	61,544,698
Less: Loss allowances	(27,891,329)	(18,200,037)
	28,947,680	43,344,661
Analysed as:		
Current	28,887,884	43,344,661
Non-current	59,796	–
	28,947,680	43,344,661

Note i: Set forth below are the details of the present value of factoring receivables (before loss allowances):

	At 30 June 2025 RMB (Unaudited)	At 31 December 2024 RMB (Audited)
Within one year	56,778,070	61,544,698
In the second year	60,939	–
	56,839,009	61,544,698

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

15. FACTORING RECEIVABLES (CONTINUED)

Movements of loss allowances on factoring receivables

	Stage 1 12m ECL RMB	Stage 2 Lifetime ECL not credit- impaired RMB	Stage 3 Lifetime ECL credit- impaired RMB	Total RMB
At 1 January 2025 (Audited)	325,994	8,298,043	9,576,000	18,200,037
Changes in loss allowances, net:				
— Transfer to Stage 3	(181,261)	(8,283,194)	8,464,455	—
— Charged (Credited) to profit or loss (Note 7)	154,370	(14,849)	9,551,771	9,691,292
At 30 June 2025 (Unaudited)	299,103	—	27,592,226	27,891,329



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

15. FACTORING RECEIVABLES (CONTINUED)

Movements of loss allowances on factoring receivables (Continued)

	Stage 1 12m ECL RMB	Stage 2 Lifetime ECL not credit- impaired RMB	Stage 3 Lifetime ECL credit- impaired RMB	Total RMB
At 1 January 2024 (Audited)	1,472,131	7,873,573	3,544,552	12,890,256
Changes in loss allowances, net:				
— Transfer to Stage 1	14,784	(14,784)	—	—
— Transfer to Stage 2	(80,111)	80,111	—	—
— Transfer to Stage 3	(152,718)	(6,512,994)	6,665,712	—
— Charged (Credited) to profit or loss	790,317	10,439	(3,218,216)	(2,417,460)
At 30 June 2024 (Unaudited)	2,044,403	1,436,345	6,992,048	10,472,796

The factoring receivables are secured by trade receivables of the counterparties and the Group has recourse right on the debts in events of default.

As 30 June 2025, included in factoring receivables balances, there was a gross balance amounted to RMB1,168,000 (net of loss allowance is approximately RMB379,894) (inception amount: RMB2,000,000) due from a related party, Niwana Plan (Shanghai) Enterprise Management Planning Co., Ltd* ("Niwana Plan") (尼瓦納計劃(上海)企業管理策劃有限公司), which is indirectly wholly-owned by Mr. Chau through View Art (Note 22(a)). Such factoring receivables was secured by trade receivables pledged by Niwana Plan, bearing interest at 12% per annum and repayable within one year.

* For identification purpose only.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

16. FINANCE LEASING ADVISORY SERVICE RECEIVABLES

	At 30 June 2025 RMB (Unaudited)	At 31 December 2024 RMB (Audited)
Finance leasing advisory service receivables	–	313,681

The ageing analysis of finance leasing advisory services receivables, net of loss allowances (if any), based on invoice date at the end of each reporting period was as follows:

	At 30 June 2025 RMB (Unaudited)	At 31 December 2024 RMB (Audited)
Over 90 days	–	313,681

At the end of the reporting period, the ageing analysis of finance leasing advisory services receivables, net of loss allowances (if any), by due date was as follows:

	At 30 June 2025 RMB (Unaudited)	At 31 December 2024 RMB (Audited)
Over 90 days	–	313,681

The Group normally grants credit terms up to 30 days from the date of issuance of invoices.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

16. FINANCE LEASING ADVISORY SERVICE RECEIVABLES (CONTINUED)

Movements of loss allowances on finance leasing advisory service receivables

	Stage 1 12m ECL RMB	Stage 2 Lifetime ECL not credit- impaired RMB	Stage 3 Lifetime ECL credit- impaired RMB	Total RMB
At 1 January 2024 (Audited)	124,036	260,059	472,352	856,447
Changes in loss allowances, net:				
— (Credited) Charged to profit or loss	(88,471)	(25,893)	262,905	148,541
At 30 June 2024 (Unaudited)	35,565	234,166	735,257	1,004,988

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

17. FINANCIAL ASSETS AT FVTPL

	At 30 June 2025 RMB (Unaudited)	At 31 December 2024 RMB (Audited)
Financial assets at FVTPL		
— Wealth management product, at fair value	6,605,940	6,560,537

Notes:

- (i) An indirect wholly-owned subsidiary of the Company subscribed for a wealth management product issued by a licensed bank in the PRC with a principal amount in total of RMB6,500,000 in May 2024. This wealth management product is redeemable on the Group's demand. They were classified as financial assets at FVTPL as their contractual cash flows are not solely payments of principal and interest.
- (ii) The movement of the wealth management product is analysed as follow:

	Six months ended 30 June	
	2025 RMB (Unaudited)	2024 RMB (Unaudited)
At the beginning of the reporting period	6,560,537	—
Additions	—	6,500,000
Net fair value changes recognised in profit or loss	45,403	7,796
At the end of the reporting period	6,605,940	6,507,796



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

18. DEPOSITS RECEIVED FROM LEASING CUSTOMERS

The deposit is required and calculated as a certain percentage of the contract value and paid back throughout or by the end of the contract as stipulated in certain leasing contracts. The deposit could be either paid back once the lessee fully carried out all obligations under the contract, or be used to settle the outstanding debts. At 30 June 2025, the outstanding deposits from leasing customers were RMB1,062,175 (At 31 December 2024: RMB1,110,736).

Analysis for the amount of deposits received from leasing customers for reporting purpose as:

	At 30 June 2025 RMB (Unaudited)	At 31 December 2024 RMB (Audited)
Current	1,062,175	1,110,736

The deposits received are interest-free and measured at amortised cost using the effective interest method. The weighted average effective interest rate adopted is approximately 9.92% per annum at 30 June 2025 (At 31 December 2024: approximately 12.83% per annum).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

19. OTHER PAYABLES AND ACCRUED EXPENSES

	At 30 June 2025 RMB (Unaudited)	At 31 December 2024 RMB (Audited)
Other payables (Note i)	4,999,160	5,877,525
Payroll payables	433,529	628,108
Other tax payables	414,235	417,674
	5,846,924	6,923,307

Note (i): Other payables include advanced payments received from the Auxiliary Service Providers as deposits for their Counter Guarantees services.

20. SHARE CAPITAL

	Number of shares	Amount HK\$
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Ordinary share of HK\$0.01 each

Authorised:

On 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025	4,000,000,000	40,000,000
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Issued and fully paid:

On 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025	960,000,000	9,600,000
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RMB

Shown in the condensed consolidated
statement of financial position

8,503,450



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

21. DEFERRED TAX ASSETS

	At 30 June 2025 RMB (Unaudited)	At 31 December 2024 RMB (Audited)
Deferred tax assets	4,876,684	4,877,140

The movements in deferred tax assets were as follows:

	Loss allowances on the Lease Receivables, factoring receivables and finance leasing advisory services receivables RMB	Amortisation of intangible assets RMB	Total RMB
At 1 January 2024 (Audited)	5,090,796	22,778	5,113,574
Charged to profit or loss	(214,112)	(22,322)	(236,434)
At 31 December 2024 and 1 January 2025 (Audited)	4,876,684	456	4,877,140
Charged to profit or loss	–	(456)	(456)
At 30 June 2025 (Unaudited)	4,876,684	–	4,876,684

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

21. DEFERRED TAX ASSETS (CONTINUED)

Notes:

- (i) At the end of the reporting period, the Group has deductible temporary differences of RMB75,305,341 (At 31 December 2024: RMB51,647,892).

At 30 June 2025, deferred tax assets of RMB4,876,684 (At 31 December 2024: RMB4,877,140) has been recognised in respect of deductible temporary differences of RMB19,506,735 (At 31 December 2024: RMB19,508,559) as it is forecasted that taxable profit will be available against which the deductible temporary differences can be utilised. The remaining deductible temporary differences of RMB55,798,606 (At 31 December 2024: RMB32,139,333) has not been recognised as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

- (ii) Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. At 30 June 2025, the Group's operating subsidiaries in the PRC suffered accumulated losses amounting to RMB58,481,557 (At 31 December 2024: RMB35,822,661).

- (iii) The Group has not been recognised deferred tax assets in respect of the tax losses of approximately RMB10,603,340 at 30 June 2025 (At 31 December 2024: RMB11,536,469) as it is not probable that sufficient future taxable profits will be available for the respective subsidiaries against which the Group can utilise the benefits therefrom. At 30 June 2025, the Group's tax losses arising in the PRC can be offset against future taxable profits of the respective subsidiaries for a maximum of 5 years from the year in which the tax loss was incurred and will be expired on or before the year ending 31 December 2030 (for the year ended 31 December 2024: on or before the year ending 31 December 2029).



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

22. RELATED PARTY DISCLOSURES

(a) Related party transactions

Apart from details of the balances with related parties disclosed elsewhere in the condensed consolidated financial statements, the Group had the following significant related party transactions in accordance to the relevant IAS during the reporting period.

Name of related parties	Relationship	Nature of transactions	Six months ended 30 June	
			2025 RMB (Unaudited)	2024 RMB (Unaudited)
Mr. Chau (Note i)	Controlling shareholder	New loan made	2,506,470	1,903,996
		Repayments of loan	2,215,477	–
Mr. Chow Chuen Chung (Note ii)	Related party	Expenses under short-term leases	592,469	592,469
Niwana Plan (Note 15)	Related party	Factoring facility	–	2,000,000
		Interest income arising from factoring arrangement	59,032	54,221

Notes:

- (i) The amount was non-trade in nature, unsecured, interest-free and repayable on demand.
- (ii) Mr. Chow Chuen Chung is a close family member of Mr. Chau.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

22. RELATED PARTY DISCLOSURES (CONTINUED)

(b) Compensation of key management personnel

	Six months ended 30 June	
	2025 RMB (Unaudited)	2024 RMB (Unaudited)
Salaries, bonus and other benefits	1,144,092	1,041,402
Retirement benefits scheme contributions	240,283	240,652
	1,384,375	1,282,054

23. FAIR VALUE MEASUREMENTS

The following presents the assets and liabilities measured at fair value or required to disclose their fair value on a recurring basis across the three levels of the fair value hierarchy defined in IFRS 13 “Fair Value Measurement” with the fair value measurement categorised in its entirety based on the lowest level input that is significant to the entire measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 (lowest level): unobservable inputs for the asset or liability.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

23. FAIR VALUE MEASUREMENTS (CONTINUED)

(a) Assets measured at fair value

	Fair value hierarchy	Valuation techniques and key inputs	At 30 June 2025 RMB (Unaudited)	At 31 December 2024 RMB (Audited)
Financial assets at FVTPL				
— Wealth management product (Note 17)	Level 2	The redemption value (which is approximated to the fair value) as stated in the daily statement available in a licensed bank	6,605,940	6,560,537

During the six months ended 30 June 2025 and year ended 31 December 2024, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

(b) Assets and liabilities with fair value disclosure, but not measured at fair value

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost were approximate to their fair value at 30 June 2025 and 31 December 2024.