

INTERIM REPORT 2026



METROPOLIS

METROPOLIS CAPITAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
Stock code : 8621

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

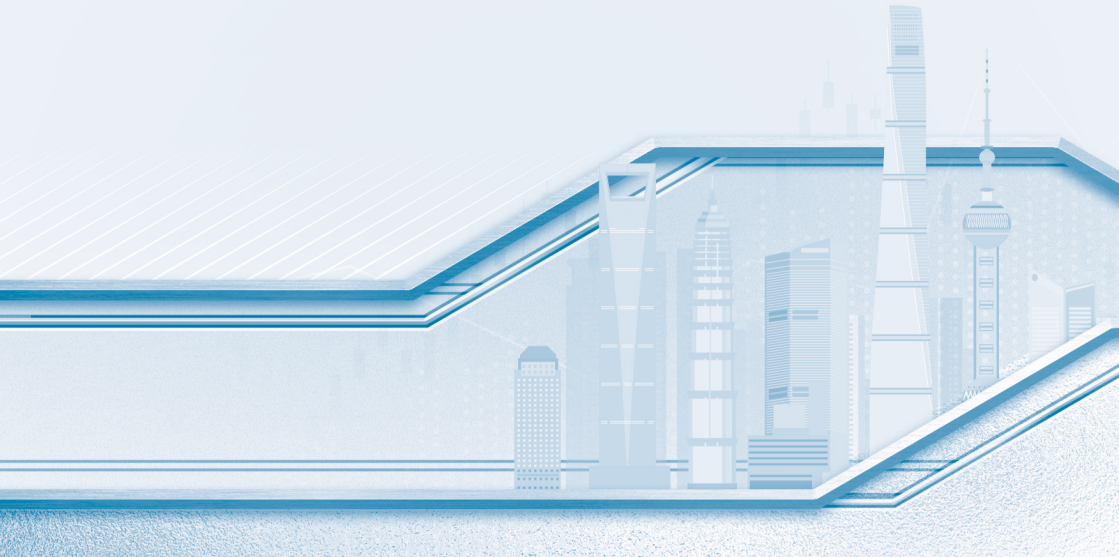
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This report, for which the directors (the "Director(s)") of Metropolis Capital Holdings Limited (the "Company", together with its subsidiaries, the "Group"), collectively and individually, accept full responsibility, includes particulars given in compliance 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. Ng Ting On Polly

REGISTERED OFFICE

P.O. Box 1350, Winward 3

Regatta Office Park

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 2026 (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 2026 grew by approximately 4.7% 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 RMB9.4 million or approximately 54.0% to approximately RMB8.0 million from approximately RMB17.5 million for the six months ended 30 June 2025 (the “Corresponding Period”). The decrease in revenue for the Reporting Period was mainly attributable to the significant decrease in the finance leasing advisory service income and interest income arising from sale and leaseback arrangements.

The loss before tax showed an improvement, decreasing from approximately RMB24.0 million for the Corresponding Period to approximately RMB15.2 million for the Reporting Period, representing a reduction of RMB8.8 million or approximately 36.6%. This improvement was primarily attributable to (i) the change from recognition of loss allowances on (a) other receivables and (b) financial guarantee contracts obligations for the Corresponding Period to reversal of loss allowances on the same for the Reporting Period; (ii) the decrease in other operating expenses and staff costs; and (iii) the decrease in recognition of loss allowances on finance lease receivables and receivables arising from sale and leaseback arrangements (collectively, the “Lease Receivables”). However, these positive factors were partially offset by the decrease in revenue and the increase in recognition of loss allowances on factoring receivables.

Despite the steady economic performance in the PRC, the Group 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 concluded, the recovery of overdue receivables will improve.



MANAGEMENT DISCUSSION AND ANALYSIS

In recent years, the PRC authorities have implemented 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 Group is considering to expand its business to offer more types of financing leases, such as various equipment and artworks to diversify the Group's existing business and broaden its source of income. The Group has established two associated companies in the PRC, one of which is principally engaged in the business of provision of cultural and art exchange activities in the PRC, the other is primarily engaged in supply chain management services in the PRC. The Group's management has experience in the cultural and artistic industries and supply chain management services, and in view of the highly competitive environment of the financing lease industry, the Group hopes to engage in other industries 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 RMB9.4 million or approximately 54.0% to approximately RMB8.0 million from approximately RMB17.5 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 arrangements business and finance leasing advisory services business. The finance leasing advisory service income of the Group was approximately RMB7.4 million, representing a decrease of approximately RMB7.9 million or approximately 51.4%, as compared to that of approximately RMB15.3 million for the Corresponding Period.

MANAGEMENT DISCUSSION AND ANALYSIS

The interest income arising from sale and leaseback arrangements was approximately RMB0.5 million, representing a decrease of approximately RMB0.9 million or approximately 65.0%, as compared to that of approximately RMB1.3 million for the Corresponding Period. The interest income arising from factoring arrangements was approximately RMB0.2 million for the Reporting Period, representing a decrease of approximately RMB0.6 million or approximately 79.4%, as compared to that of approximately RMB0.8 million for the Corresponding Period.

Other income

During the Reporting Period, other income of the Group was approximately RMB0.1 million, representing a decrease of approximately RMB0.1 million or approximately 63.6%, as compared to that of approximately RMB0.2 million for the Corresponding Period. The main reason for the decrease is the reduction in bank interest income, which is primarily due to the general decline in bank interest rates, especially the significant drop in fixed deposit rates, and the Group had also reduced its fixed deposits.

Other gains and losses, net

During the Reporting Period, the Group recorded other gains of approximately RMB0.3 million, instead of other losses of approximately RMB0.4 million for the Corresponding Period. The turnaround was mainly attributable to the turnaround from other losses to other gains on disposal of intangible assets (vehicle licences).

Staff costs

During the Reporting Period, the staff cost of the Group was approximately RMB2.6 million, representing a decrease of approximately 17.1%, as compared with that of approximately RMB3.1 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 for the manpower services provided by external manpower services agencies for the Reporting Period.



MANAGEMENT DISCUSSION AND ANALYSIS

Other operating expenses

During the Reporting Period, the Group's other operating expenses was approximately RMB8.2 million, representing a decrease of approximately RMB6.5 million or approximately 44.5%, as compared with that of approximately RMB14.7 million for the Corresponding Period. The decrease was mainly due to: (i) the decrease in finance leasing advisory service costs of approximately RMB5.0 million or approximately 50.6% from approximately RMB9.8 million for the Corresponding Period to approximately RMB4.8 million for the Reporting Period; (ii) the decrease in other professional fees; and (iii) the decrease in expenses recognised under short-term leases.

Finance costs

There was no interest on bank and other borrowings for the Reporting Period and the Corresponding Period.

Recognition/reversal of net loss allowances on Lease Receivables, 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 RMB0.5 million for the Reporting Period. The recognition of loss allowances on the Lease Receivables for the Reporting Period was due to the further increase in overdue period of some customers.

The Group recognised loss allowances on factoring receivables of approximately RMB14.9 million for the Reporting Period and of approximately RMB9.7 million for the Corresponding Period. Due to the prolonged litigation process, the overdue period of factoring receivables has been extended.

MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, there was a reversal of loss allowances on other receivables of approximately RMB1.0 million due to the decrease in the balance of other receivables, while it recognised loss allowances on other receivables of approximately RMB10.7 million 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 Corresponding Period. The Group is actively addressing this issue through measures like selling leased property (vehicles) and pursuing legal actions against defaulting customers.

During the Reporting Period, there was a reversal of loss allowances of approximately RMB1.7 million on financial guarantee contracts obligations due to the decrease in financial guarantees. The Group considered the risk of default by the finance leasing advisory customers and the auxiliary service providers increased and recognised loss allowances of approximately RMB2.1 million on financial guarantee contracts obligations for the Corresponding Period.

Profit before tax

The loss before tax showed an improvement, decreasing from approximately RMB24.0 million for the Corresponding Period to approximately RMB15.2 million for the Reporting Period, representing a reduction of RMB8.8 million or approximately 36.6%. This improvement was primarily attributable to (i) the change from recognition of loss allowances on (a) other receivables and (b) financial guarantee contracts obligations for the Corresponding Period to reversal of loss allowances on the same for the Reporting Period; (ii) the decrease in other operating expenses and staff costs; and (iii) the decrease in recognition of loss allowances on finance lease receivables and receivables arising from sale and leaseback arrangements. However, these positive factors were partially off-set by the decrease in revenue and the increase in recognition of loss allowances on factoring receivables.



MANAGEMENT DISCUSSION AND ANALYSIS

Income tax expenses

During the Reporting Period, the Group recorded income tax expenses of approximately RMB0.7 million. There was PRC enterprise income tax ("EIT") of approximately RMB0.4 million for the Reporting Period, while EIT has not been provided for the Corresponding Period, as the estimated assessable profits of the Group's subsidiary in the PRC for the Corresponding Period are wholly absorbed by unrelieved tax losses brought forward from prior year. The Group reversed deductible temporary differences as deferred tax assets of approximately RMB0.3 million for the Reporting Period, while no such temporary difference was reversed for the Corresponding Period.

Liquidity and capital resources

	Six months ended 30 June	
	2026 RMB (Unaudited)	2025 RMB (Unaudited)
Cash at bank and in hand (as at 30 June)	69,802,622	50,240,338
Net cash from (used in) operating activities	11,059,673	(14,892,462)
Net cash from investing activities	270,106	2,310,169
Net cash used in financing activities	(4,024,038)	(290,993)

As at 30 June 2026, cash at bank and in hand of the Group was approximately RMB69.8 million, as compared with that of approximately RMB50.2 million as at 30 June 2025.

For the Reporting Period, net cash from operating activities was approximately RMB11.1 million, as compared with net cash used in operating activities of approximately RMB14.9 million for the Corresponding Period. For the Reporting Period, net cash from investing activities was approximately RMB0.3 million, as compared with net cash from investing activities of approximately RMB2.3 million for the Corresponding Period. For the Reporting Period, net cash used in financing activities was approximately RMB4.0 million, as compared with net cash used in financing activities of approximately RMB0.3 million for the Corresponding Period.

MANAGEMENT DISCUSSION AND ANALYSIS

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.

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 the fact that 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 2026, the Group had 17 full-time employees as compared with 18 full-time employees as at 31 December 2025. Total staff cost (including Directors' remuneration) was approximately RMB2.6 million for the Reporting Period, as compared with that of approximately RMB3.1 million for the Corresponding Period. The decrease in staff costs was mainly due to the fact that the Group laid off staff as a result of business contraction. There were no staff costs for 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.



MANAGEMENT DISCUSSION AND ANALYSIS

Contingent liabilities

As at 30 June 2026, the Group had no significant contingent liabilities (as at 31 December 2025: nil). The exposure of the Group's financial guarantee contracts is set out in Note 14 to the condensed consolidated financial statements.

Pledge of assets

As at 30 June 2026 and 31 December 2025, 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 2026, the Company had no capital commitments.

Events after the reporting period

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 provisions C.2.1 and C.6.2.

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.

Pursuant to the note to code provision C.6.2, a board meeting should be held to discuss the appointment of the company secretary and the matter should be dealt with by a physical board meeting rather than a written resolution. The resignation of Ms. Lo Lok Ting Teresa and appointment of Ms. Ng Ting On Polly as the company secretary of the Company (the "**Company Secretary**") was dealt with by a written resolution of the Board in June 2026. Prior to the execution of the written resolution, the Directors were informed of the proposed change of Company Secretary and were satisfied that the Ms. Ng Ting On Polly possessed the required qualification and expertise for the position. All Directors agreed that the matter would be dealt with by way of a written resolution and that a physical meeting was not necessary.



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 2026, no share option was granted, exercised, cancelled or lapsed pursuant to the Share Option Scheme. As at 1 January 2026 and 30 June 2026, 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 2026, 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 2026, 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 2026, 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 2026, 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' 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.

The Company did not hold any treasury shares during the Reporting Period.

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

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 2025 annual report.

I. AUDIT COMMITTEE

The audit committee of the Board consists of three independent non-executive Directors, namely Mr. Lau Chung Wai (the chairman of the audit committee who possesses appropriate professional qualifications or accounting or related financial management expertise), 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 2026

	Notes	Six months ended 30 June	
		2026 RMB (Unaudited)	2025 RMB (Unaudited)
Revenue			
— Finance lease income		—	99,233
— Interest income arising from sale and leaseback arrangements		464,039	1,327,701
— Finance leasing advisory service income		7,426,065	15,293,692
— Interest income arising from factoring arrangements		155,327	754,361
Total Revenue	4	8,045,431	17,474,987
Other income	5a	70,666	194,145
Other gains (losses), net	5b	274,155	(384,651)
Staff costs	7	(2,574,370)	(3,105,598)
Recognition of loss allowances on finance lease receivables and receivables arising from sale and leaseback arrangements (collectively, the “Lease Receivables”), net	7	(505,215)	(974,257)
Recognition of loss allowances on factoring receivables, net	7	(14,907,965)	(9,691,292)
Reversal (Recognition) of loss allowances on other receivables, net	7	1,027,424	(10,676,119)
Reversal (Recognition) of loss allowances on financial guarantee contracts obligations, net	7	1,698,317	(2,140,388)
Other operating expenses	7	(8,154,156)	(14,685,095)
Finance costs	6	—	(2,444)
Share of (loss) profit of an associate		(171,945)	21,499
Loss before tax	7	(15,197,658)	(23,969,213)
Income tax expenses	8	(704,792)	(456)
Loss and total comprehensive loss for the period		(15,902,450)	(23,969,669)



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
	Note	2026 RMB (Unaudited)	2025 RMB (Unaudited)
Loss and total comprehensive loss for the period attributable to:			
— Owners of the Company		(15,769,945)	(23,966,386)
— Non-controlling interests		(132,505)	(3,283)
		(15,902,450)	(23,969,669)
		RMB cent	RMB cent
Losses per share attributable to owners of the Company			
— Basic and diluted	9	(1.64)	(2.50)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

		At 30 June 2026 RMB (Unaudited)	At 31 December 2025 RMB (Audited)
	Notes		
NON-CURRENT ASSETS			
Property and equipment		1,597,414	1,927,380
Intangible assets		383,920	817,423
Investments in associates		1,508,345	672,290
Receivables arising from sale and leaseback arrangements	13	6,596,393	1,393,016
Deferred tax assets	20	1,393,025	1,651,275
		11,479,097	6,461,384
CURRENT ASSETS			
Amount due from a director	21(a)	4,024,038	–
Financial assets at fair value through profit or loss	16	6,691,321	6,643,512
Prepayments, deposits and other receivables	11	14,632,345	21,620,709
Finance lease receivables	12	595,798	595,798
Receivables arising from sale and leaseback arrangements	13	11,564,636	7,671,922
Factoring receivables	15	3,648,732	34,792,051
Account receivables	14	3,548,522	10,411,834
Deferred expenses	14	2,253,334	6,570,490
Security deposits		30,000,000	30,000,000
Bank balances and cash		69,802,623	62,552,137
		146,761,349	180,858,453



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

		At 30 June 2026 RMB (Unaudited)	At 31 December 2025 RMB (Audited)
	Notes		
CURRENT LIABILITIES			
Account payables	14	2,253,334	6,570,490
Other payables and accrued expenses	18	5,789,851	6,497,463
Financial guarantee contracts obligations	14	175,771	1,874,088
Deposits received from leasing customers	17	597,798	597,798
Deferred income	14	3,548,522	10,411,834
Income tax payables		409,456	–
		12,774,732	25,951,673
NET CURRENT ASSETS		133,986,617	154,906,780
TOTAL ASSETS LESS CURRENT LIABILITIES		145,465,714	161,368,164
CAPITAL AND RESERVES			
Share capital	19	8,503,450	8,503,450
Reserves		137,487,553	153,257,498
Equity attributable to owners of the Company		145,991,003	161,760,948
Non-controlling interests		(525,289)	(392,784)
TOTAL EQUITY		145,465,714	161,368,164

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the Company							Non-controlling interests	Total equity
	Reserves								
	Share capital	Share premium	Merger reserve	Other reserve	Statutory surplus reserve	Accumulated losses	Sub-total		
	RMB	RMB	RMB	RMB	RMB	RMB	RMB		
	(Note 19)	(Note (iii))		(Note (i))	(Note (ii))			RMB	RMB
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
At 1 January 2026 (Audited)	8,503,450	208,490,971	(138,043,162)	121,889,064	3,702,320	(42,781,695)	161,760,948	(392,784)	161,368,164
Loss and total comprehensive loss for the period	–	–	–	–	–	(15,769,945)	(15,769,945)	(132,505)	(15,902,450)
At 30 June 2026 (Unaudited)	8,503,450	208,490,971	(138,043,162)	121,889,064	3,702,320	(58,551,640)	145,991,003	(525,289)	145,465,714

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 2026

	Six months ended 30 June	
	2026 RMB (Unaudited)	2025 RMB (Unaudited)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	11,059,673	(14,892,462)
INVESTING ACTIVITIES		
Proceeds from disposal of property and equipment	142,832	229,458
Proceeds from disposal of intangible assets	791,384	2,080,711
Investment in an associate	(664,110)	–
NET CASH FROM INVESTING ACTIVITIES	270,106	2,310,169
FINANCING ACTIVITIES		
Advance to a director	(4,024,038)	(2,506,470)
Repayment from a director	–	2,215,477
NET CASH USED IN FINANCING ACTIVITIES	(4,024,038)	(290,993)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	7,305,741	(12,873,286)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE REPORTING PERIOD	62,552,137	63,136,427
EFFECT OF EXCHANGE RATE CHANGES, NET	(55,256)	(22,803)
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD, REPRESENTED BY BANK BALANCES AND CASH	69,802,622	50,240,338

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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 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 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 2026 (the “Interim Financial Statements”) have been prepared in accordance with IAS Standard (“IAS”) 34 “Interim Financial Reporting” as 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 2026

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 2025, 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 (the "IFRS"), IAS 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 2025 (the "2025 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 16.

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 2025 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 2026.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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 2026 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. Except for the IFRS 18 *"Presentation and Disclosure in Financial Statements"*, the Directors anticipate that the application of these new/revised IFRS Accounting Standards will have no material impact on the Group's financial position and financial performance.

The Directors are in the process of assessing the possible impact on the future adoption of the IFRS 18 *"Presentation and Disclosure in Financial Statements"*, but are not yet in a position to reasonably estimate their impact on the Group's consolidated financial statements.

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 2026 and 2025, 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 2026

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Revenue by nature

The following is an analysis of revenue by nature:

	Six months ended 30 June	
	2026 RMB (Unaudited)	2025 RMB (Unaudited)
Finance lease income		
Vehicle finance leasing	–	38,742
Equipment finance leasing	–	60,491
	–	99,233
Interest income arising from sale and leaseback arrangements	464,039	1,327,701
Finance leasing advisory service income (Note)	7,426,065	15,293,692
Interest income arising from factoring arrangements	155,327	754,361
Total revenue	8,045,431	17,474,987

Note: Provision of finance leasing advisory services represent 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”).

Revenue from provision of finance leasing advisory services was recognised overtime in accordance with “Revenue from Contracts with Customers” with IFRS 15.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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

	Six months ended 30 June	
	2026 RMB (Unaudited)	2025 RMB (Unaudited)
(a) Other income		
Bank interest income	16,407	96,268
Government subsidies (Note i)	–	43,773
Others (Note ii)	54,259	54,104
	70,666	194,145
(b) Other gains (losses), net		
Gains on disposal of property and equipment, net	11,477	1,545
Gains (Losses) on disposal of intangible assets (Note iii)	357,881	(321,983)
Exchange losses, net	(16,290)	(137,757)
Net fair value gain on financial assets at fair value through profit or loss (“FVTPL”) (Note 16)	47,809	45,403
Recovery of bad debts previously written off	–	28,141
Losses on write-off of property and equipment	(1,549)	–
Others	(125,173)	–
	274,155	(384,651)
	344,821	(190,506)

Notes:

- (i) During the six months ended 30 June 2026, 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 gains (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 2026

6. FINANCE COSTS

	Six months ended 30 June	
	2026 RMB (Unaudited)	2025 RMB (Unaudited)
Imputed interest expenses arising from deposits received from leasing customers	–	2,444
Total finance costs	–	2,444

7. LOSS BEFORE TAX

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

	Six months ended 30 June	
	2026 RMB (Unaudited)	2025 RMB (Unaudited)
Staff costs		
Directors' emoluments	1,124,646	940,918
Salaries, bonus and other benefits (excluding directors)	1,047,614	1,675,830
Retirement benefit scheme contributions (excluding directors)	402,110	488,850
Total staff costs	2,574,370	3,105,598

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

7. LOSS BEFORE TAX (CONTINUED)

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

		Six months ended 30 June	
	Notes	2026 RMB (Unaudited)	2025 RMB (Unaudited)
Loss allowances include:			
Recognition of loss allowances on the Lease Receivables, net	12/13	505,215	974,257
Recognition of loss allowances on factoring receivables, net	15	14,907,965	9,691,292
(Reversal) Recognition of loss allowances on other receivables, net	11	(1,027,424)	10,676,119
(Reversal) Recognition of loss allowances on financial guarantee contracts obligations, net	14	(1,698,317)	2,140,388
		12,687,439	23,482,056
Other operating expenses			
Auditors' remuneration		609,040	655,000
Depreciation of property and equipment		206,802	199,525
Finance leasing advisory services cost	7(i)	4,826,569	9,778,402
Professional fees	7(ii)	278,431	318,927
Other professional fees	7(iii)	1,017,962	2,314,556
Travelling and entertainment expenses		181,871	131,681
Office expenses		365,595	438,388
Expenses recognised under short-term leases	7(iv)	667,886	848,616
Total other operating expenses		8,154,156	14,685,095



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

7. LOSS BEFORE TAX (CONTINUED)

Notes:

- (i) 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.
- (ii) The amounts mainly represent the professional fees paid/payable for the Company’s listing compliance.
- (iii) The other professional fees primarily represent the Group’s expenses incurred for collection of outstanding balances from leasing customers.
- (iv) 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 RMB667,886 for the six months ended 30 June 2026 (for the six months ended 30 June 2025: RMB848,616). During the six months ended 30 June 2026 and 2025, all of the Group’s lease contracts are recognised as short-term leases.

For the six months ended 30 June 2026, total cash outflow for leases was RMB667,886 (for the six months ended 30 June 2025: RMB848,616).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

8. INCOME TAX EXPENSES

	Six months ended 30 June	
	2026 RMB (Unaudited)	2025 RMB (Unaudited)
PRC enterprise income tax ("EIT")	446,542	—
Deferred tax charged (Note 20)	258,250	456
Total income tax expenses	704,792	456

Under the Law of the PRC on EIT (the "EIT Law") and implementation regulation of the EIT Law, the EIT rate applicable to the Group's entities established in the PRC was 25% for the period ended 30 June 2026.

EIT has not been provided for the six months ended 30 June 2025, 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 2026

9. LOSSES PER SHARE

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

	Six months ended 30 June	
	2026 RMB (Unaudited)	2025 RMB (Unaudited)
Losses:		
Losses for the period attributable to owners of the Company	(15,769,945)	(23,966,386)

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

The Group has no potential ordinary share in issue during the six months ended 30 June 2026 and 2025.

10. DIVIDENDS

The Directors 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 2026

11. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	At 30 June 2026 RMB (Unaudited)	At 31 December 2025 RMB (Audited)
Advance to the Auxiliary Service Providers (Note i)	24,254,365	32,389,773
Less: loss allowances (Note ii)	(11,584,707)	(13,507,234)
	12,669,658	18,882,539
Other receivables	284,633	329,101
Prepayments	123,053	114,067
Deposits (Note iii)	1,555,001	2,295,002
	14,632,345	21,620,709

Notes:

- (i) The Group expects such receivables will be received within 12 months.
- (ii) Movements of loss allowances on the advance to the Auxiliary Service Providers:

	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 2026 (Audited)	90	336,536	13,170,608	13,507,234
Changes in loss allowances, net:				
— Credited to profit or loss	(74)	(273,318)	(754,032)	(1,027,424)
Written-off	—	—	(895,103)	(895,103)
At 30 June 2026 (Unaudited)	16	63,218	11,521,473	11,584,707



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

11. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (CONTINUED)

Notes: (Continued)

(ii) Movements of loss allowances on the advance to the Auxiliary Service Providers: (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 2025 (Audited)	—	—	1,356,094	1,356,094
Changes in loss allowances, net:				
— Charged to profit or loss	17	20,885	10,655,217	10,676,119
At 30 June 2025 (Unaudited)	17	20,885	12,011,311	12,032,213

(iii) The balance mainly represents the deposits paid in relation to the finance leasing advisory services of the Group.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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 6 months to 3 years at 30 June 2026 (At 31 December 2025: 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 2026	
	Minimum lease payments RMB (Unaudited)	Present value of minimum lease payments RMB (Unaudited)
<i>Finance lease receivables comprise:</i>		
Within one year	17,880,784	14,999,789
Gross investment in the lease	17,880,784	N/A
Less: Unearned finance income	(2,880,995)	N/A
Present value of minimum lease payment receivables	14,999,789	14,999,789
Less: Loss allowances	(14,403,991)	(14,403,991)
	595,798	595,798
Analysed as:		
Current	595,798	595,798



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

12. FINANCE LEASE RECEIVABLES (CONTINUED)

	At 31 December 2025	
	Minimum	Present
	lease payments	value of minimum lease payments
	RMB (Audited)	RMB (Audited)
<i>Finance lease receivables comprise:</i>		
Within one year	17,897,783	15,016,790
Gross investment in the lease	17,897,783	N/A
Less: Unearned finance income	(2,880,993)	N/A
Present value of minimum lease payment receivables	15,016,790	15,016,790
Less: Loss allowances	(14,420,992)	(14,420,992)
	595,798	595,798
Analysed as:		
Current	595,798	595,798

The effective interest rates of the above finance leases ranged from approximately 11.91% per annum to 15.02% per annum at 30 June 2026 (At 31 December 2025: approximately 11.91% per annum to 15.02% per annum).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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 2026 (Audited)	–	–	14,420,992	14,420,992
Changes in loss allowances, net:				
— Credited to profit or loss	–	–	(17,001)	(17,001)
At 30 June 2026 (Unaudited)	–	–	14,403,991	14,403,991

	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)	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

The finance lease receivables are secured by the leased assets and deposits (if available) as set out in Note 17. 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 2026

13. RECEIVABLES ARISING FROM SALE AND LEASEBACK ARRANGEMENTS

The Group entered into sale and leaseback arrangements as a lessor for vehicles, equipment and artworks. The average terms of sale and leaseback arrangements entered into are usually ranged from 1 year to 3 years at 30 June 2026 (At 31 December 2025: 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 2026	
	Gross amount	Present value
	RMB (Unaudited)	RMB (Unaudited)
<i>Receivables from sale and leaseback arrangements comprise:</i>		
Within one year	25,009,235	22,333,593
In the second year	7,212,814	6,931,838
In the third year	221,330	215,858
	32,443,379	29,481,289
Less: Unearned finance income	(2,962,090)	N/A
Present value of receivables arising from sale and leaseback arrangements	29,481,289	29,481,289
Less: Loss allowances	(11,320,260)	(11,320,260)
	18,161,029	18,161,029
Analysed as:		
Current	11,564,636	11,564,636
Non-current	6,596,393	6,596,393
	18,161,029	18,161,029

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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

	At 31 December 2025	
	Gross amount	Present value
	RMB (Audited)	RMB (Audited)
<i>Receivables from sale and leaseback arrangements comprise:</i>		
Within one year	20,799,750	18,652,933
In the second year	1,526,040	1,327,204
In the third year	799,227	761,330
	23,125,017	20,741,467
Less: Unearned finance income	(2,383,550)	N/A
Present value of receivables arising from sale and leaseback arrangements	20,741,467	20,741,467
Less: Loss allowances	(11,676,529)	(11,676,529)
	9,064,938	9,064,938
Analysed as:		
Current	7,671,922	7,671,922
Non-current	1,393,016	1,393,016
	9,064,938	9,064,938

The effective interest rates of the above sale and leaseback arrangements ranged from approximately 8.03% per annum to 27.80% per annum at 30 June 2026 (At 31 December 2025: approximately 8.30% per annum to 27.80% per annum).



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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 2026 (Audited)	5,055	310,760	11,360,714	11,676,529
Changes in loss allowances, net:				
— Transfer to Stage 3	(20)	(310,760)	310,780	—
— Charged to profit or loss	142,515	—	379,701	522,216
Written-off	—	—	(878,485)	(878,485)
At 30 June 2026 (Unaudited)	147,550	—	11,172,710	11,320,260

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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 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

The receivables arising from sale and leaseback arrangements are secured by the leased assets and deposit (if any) as set out in Note 17. The Group might require extra assurance as extra mortgages.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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 *Financial Instruments*. 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 2026

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 2026, the Group has recognised loss allowances of RMB175,771 (At 31 December 2025: RMB1,874,088) 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 2026, 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 RMB21,468,467 (At 31 December 2025: RMB62,885,398) and RMB21,908,892 (At 31 December 2025: RMB63,824,655), respectively.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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

Movements of loss allowances on financial guarantee contracts obligations:

	Six months ended 30 June	
	2026 RMB (Unaudited)	2025 RMB (Unaudited)
At the beginning of the reporting period	1,874,088	3,116,226
(Decrease) Increase in allowances, net (Note 7)	(1,698,317)	2,140,388
At the end of the reporting period	175,771	5,256,614

15. FACTORING RECEIVABLES

The factoring receivables are measured at amortised cost and generally with maturity ranging from 6 months to 12 months at 30 June 2026 (At 31 December 2025: 6 months to 18 months) from the respective inception date. The effective interest rates of the factoring receivables at 30 June 2026 ranged from approximately 8.00% per annum to 26.82% per annum (At 31 December 2025: approximately 8.00% per annum to 26.82% per annum).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

15. FACTORING RECEIVABLES (CONTINUED)

	At 30 June 2026 RMB (Unaudited)	At 31 December 2025 RMB (Audited)
<i>Factoring receivables comprise:</i>		
Within one year	40,972,604	57,372,604
Gross amount of factoring receivables	40,972,604	57,372,604
Less: Interest adjustment	–	(164,646)
Present value of factoring receivables (Note i)	40,972,604	57,207,958
Less: Loss allowances	(37,323,872)	(22,415,907)
	3,648,732	34,792,051
Analysed as:		
Current	3,648,732	34,792,051

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

	At 30 June 2026 RMB (Unaudited)	At 31 December 2025 RMB (Audited)
Within one year	40,972,604	57,207,958



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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 2026 (Audited)	352,375	–	22,063,532	22,415,907
Changes in loss allowances, net:				
— Transfer to Stage 3	(352,375)	–	352,375	–
— Charged to profit or loss (Note 7)	–	–	14,907,965	14,907,965
At 30 June 2026 (Unaudited)	–	–	37,323,872	37,323,872

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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 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	154,370	(14,849)	9,551,771	9,691,292
At 30 June 2025 (Unaudited)	299,103	—	27,592,226	27,891,329

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 2026, included in factoring receivables balances, there was a gross balance amounted to RMB968,000 (while the carrying amount net of loss allowance is nil) (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 21(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 2026

16. FINANCIAL ASSETS AT FVTPL

	At 30 June 2026 RMB (Unaudited)	At 31 December 2025 RMB (Audited)
Financial assets at FVTPL		
— Wealth management product, at fair value	6,691,321	6,643,512

Notes:

- (i) 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 2026 RMB (Unaudited)	2025 RMB (Unaudited)
At the beginning of the reporting period	6,643,512	6,560,537
Net fair value changes recognised in profit or loss	47,809	45,403
At the end of the reporting period	6,691,321	6,605,940

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

17. 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 2026, the outstanding deposits from leasing customers were RMB597,798 (At 31 December 2025: RMB597,798).

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 8.83% per annum at 30 June 2026 (At 31 December 2025: approximately 8.83% per annum).



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

18. OTHER PAYABLES AND ACCRUED EXPENSES

	At 30 June 2026 RMB (Unaudited)	At 31 December 2025 RMB (Audited)
Other payables	5,217,386	5,723,646
Payroll payables	378,904	521,968
Other tax payables	193,561	251,849
	5,789,851	6,497,463

19. SHARE CAPITAL

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

Authorised:

On 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026	4,000,000,000	40,000,000
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Issued and fully paid:

On 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026	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 2026

20. DEFERRED TAX ASSETS

	At 30 June 2026 RMB (Unaudited)	At 31 December 2025 RMB (Audited)
Deferred tax assets	1,393,025	1,651,275

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 2025 (Audited)	4,876,684	456	4,877,140
Charged to profit or loss	(3,225,409)	(456)	(3,225,865)
At 31 December 2025 and 1 January 2026 (Audited)	1,651,275	–	1,651,275
Charged to profit or loss	(258,250)	–	(258,250)
At 30 June 2026 (Unaudited)	1,393,025	–	1,393,025



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

20. DEFERRED TAX ASSETS (CONTINUED)

Notes:

- (i) At the end of the reporting period, the Group has deductible temporary differences of RMB74,808,600 (At 31 December 2025: RMB63,694,702).

Deferred tax assets were recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. At 30 June 2026, deferred tax assets of RMB1,393,025 (At 31 December 2025: RMB1,651,275) have been recognised in respect of deductible temporary differences of RMB5,572,098 (At 31 December 2025: RMB6,605,100) as it is forecasted that taxable profit will be available against which the deductible temporary differences can be utilised. The remaining deductible temporary difference of RMB69,236,502 (At 31 December 2025: RMB57,089,602) 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 2026, the Group's operating subsidiaries in the PRC suffered accumulated losses amounting to RMB71,003,592 (At 31 December 2025: RMB58,100,364).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

21. 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 during the reporting period.

Name of related parties	Relationship	Nature of transactions	Six months ended 30 June	
			2026 RMB (Unaudited)	2025 RMB (Unaudited)
Mr. Chau (Note i)	Controlling shareholder	New loan made	4,024,038	2,506,470
		Repayment of loan	—	2,215,477
Mr. Chow Chuen Chung (Note ii)	Related party	Expenses under short-term leases	448,980	592,469
Niwana Plan (Note 15)	Related party	Repayments of factoring receivables	200,000	—
		Interest income arising from factoring arrangement	—	59,032

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 2026

21. RELATED PARTY DISCLOSURES (CONTINUED)

(b) Compensation of key management personnel

	Six months ended 30 June	
	2026 RMB (Unaudited)	2025 RMB (Unaudited)
Salaries, bonus and other benefits	1,348,063	1,144,092
Retirement benefits scheme contributions	206,536	240,283
	1,554,599	1,384,375

22. 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 2026

22. FAIR VALUE MEASUREMENTS (CONTINUED)

(a) Assets measured at fair value

	Fair value hierarchy	Valuation techniques and key inputs	At 30 June 2026 RMB (Unaudited)	At 31 December 2025 RMB (Audited)
Financial assets at FVTPL				
— Wealth management product (Note 16)	Level 2	The redemption value (which is approximated to the fair value) as stated in the daily statement available in a licensed bank	6,691,321	6,643,512

During the six months ended 30 June 2026 and year ended 31 December 2025, 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 consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost were approximate to their fair value at 30 June 2026 and 31 December 2025.

