

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **METROPOLIS CAPITAL HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8621)**

### **INSIDE INFORMATION — PROFIT WARNING**

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

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the Group’s unaudited consolidated management accounts for the year ended 31 December 2024 (the “**FY2024**”) and the information currently available, the Group expects to record an increase in loss before tax by approximately 400% for FY2024, as compared to the same of approximately RMB2.0 million for the year ended 31 December 2023 (the “**FY2023**”).

The increase of loss before tax was mainly due to (i) the recognition of loss allowance on the finance lease receivables and receivables arising from sale and leaseback arrangements (the “**Lease Receivables**”) of approximately RMB7.1 million for FY2024, instead of reversal of loss allowance on the Lease Receivables of approximately RMB10.4 million for FY2023; (ii) the recognition of loss allowances on financial guarantee contract obligations of approximately RMB3.1 million; (iii) the recognition of loss allowances on other receivables (advance to the auxiliary service providers) of approximately RMB1.4 million; and (iv) the increase in other operating expense, partially offset by the (a) decrease in recognition of loss allowance on factoring receivables; (b) increase in revenue; and (c) decrease in staff costs and financial costs.

The recognition on loss allowances on the Lease Receivables was due to the increase in loss given default used to calculate the loss allowance on expect credit loss in FY2024. The increase in loss given default was mainly due to the decrease in the collection rate of accounts receivable that the Group expects to receive from customers, which was primarily resulting from the decrease in the price of the lease asset (vehicle). On the other hand, there was a reversal of loss allowances on the Lease Receivables of approximately RMB10.4 million for FY2023 primarily due to large amount of repayment during the same period. Similar to the reasons that the Group recognised loss allowances on the Lease Receivables for FY2024, the Group recognised loss allowance on other receivables (advance to the auxiliary service providers) and financial guarantee contracts obligations in respect of vehicle finance leasing for FY2024. Despite the decrease in factoring receivables in FY2024, there was a recognition of loss allowances on factoring receivables of approximately RMB5.3 million in FY2024 as certain factoring receivables were overdue for a longer period. As the Group recognised large amounts of loss allowances on the factoring receivables of approximately RMB12.2 million in FY2023 as a result of the increase in factoring receivables and the overdue of certain factoring receivables, there was a decrease in recognition of loss allowances on factoring receivables in FY2024 compared to that of FY2023.

There has been a slow down in the Group's expansion of its finance leasing business related to the motor vehicles and finance leasing advisory service which involves financial guarantee for FY2024. The Group's current focus is to take proactive measures to recover receivables, such as selling collateral vehicles and suing defaulting clients.

The Company is still in the process of finalising the audited consolidated results of the Group for FY2024. The information contained in this announcement is based on the Board's preliminary assessment of the Company's latest unaudited consolidated management accounts for FY2024, which are subject to adjustments and finalisation and have not been reviewed or audited by the Company's auditors. The Shareholders and potential investors should refer to the annual results announcement of the Company for FY2024, which is expected to be published by the end of March 2025, for details of the performance of the Group.

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

By order of the Board  
**Metropolis Capital Holdings Limited**  
**Chau David**

*Chairman, chief executive officer and executive Director*

Shanghai, 20 March 2025

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

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

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