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AP RENTALS HOLDINGS LIMITED

亞積邦租賃控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1496)

POSITIVE PROFIT ALERT

This announcement is made by AP Rentals Holdings Limited (the “**Company**“and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2021 (the “**September 2021 Management Accounts**”), the Group expects to record an unaudited consolidated profit for the six months ended 30 September 2021 (“**1H2022**”) of approximately HK\$0.4 million as compared to the unaudited consolidated loss for the six months ended 30 September 2020 (“**1H2021**”) of approximately HK\$5.9 million.

Based on the information currently available to the Board, the expected turnaround from an unaudited consolidated loss to an unaudited consolidated profit for 1H2022 as compared to that of 1H2021 is mainly attributable to the net effect of:

1. reduction of impairment loss recognised on plant and equipment in the Group from the equivalence of approximately HK\$6.2 million in 1H2021 to nil in 1H2022 due to improvement in the market price of the construction equipment globally;
2. increase in gross profit from approximately HK\$7.5 million in 1H2021 to approximately HK\$9.9 million in 1H2022 mainly due to the decrease in depreciation of machines for leasing;
3. no government subsidies from the governments of Hong Kong and Macau related to the COVID-19 pandemic in 1H2022 (1H2021: the equivalence of approximately HK\$3.8 million, which represent the wage subsidies provided by the governments of Hong Kong and Macau) for supporting the employment and helping business tide over financial difficulties due to the COVID-19 pandemic were received; and
4. increase in gain on disposal of property, plant and equipment from approximately HK\$3.4 million in 1H2021 to approximately HK\$6.4 million in 1H2022.

* *For identification purpose only*

The Company is still in the process of preparing the interim results of the Group for 1H2022. The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the information currently available to the Company, including the September 2021 Management Accounts, which has not been audited or reviewed by the Company's auditors. Further details of the Group's performance for 1H2022 will be disclosed in the interim results announcement of the Company for the six months ended 30 September 2021, which is expected to be published before the end of November 2021.

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

By order of the Board
AP Rentals Holdings Limited
Lau Pong Sing
Chairman and Executive Director

Hong Kong, 17 November 2021

As at the date of this announcement, the Board comprises: (1) Mr. Lau Pong Sing and Ms. Chan Kit Mui, Lina, as the executive directors of the Company; (2) Mr. Nakazawa Tomokatsu as the non-executive director of the Company; and (3) Mr. Li Ping Chi, Mr. Siu Chak Yu and Mr. Ho Chung Tai, Raymond as the independent non-executive directors of the Company.