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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)**

### **DISCLOSEABLE TRANSACTION IN RELATION TO THE ACQUISITION OF THE EQUIPMENT**

#### **THE ACQUISITION**

On 1 March 2022, the Purchaser, a wholly-owned subsidiary of the Company, and the Vendor entered into the Amended and Restated Basic Sale and Purchase Agreement, which (i) allows the Purchaser to purchase Equipment from the Vendor and the aggregate outstanding amount of the purchase price and any other amount due to the Vendor under all Individual Sale Contracts shall not at any time exceed JPY300,000,000; and (ii) sets forth, inter alia, the terms and conditions which shall be applied to all Individual Sale Contracts to be entered into between the Purchaser and the Vendor.

On 1 March 2022, pursuant to the Amended and Restated Basic Sale and Purchase Agreement, the Purchaser entered into the JAML Sale Agreement with the Vendor for the acquisition of 3 units of the Equipment at the total consideration of EUR2,114,684.10 (equivalent to approximately HK\$18,501,582.66).

#### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) for the Acquisition are more than 5% but all of the applicable percentage ratios are less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Since the Purchaser has no obligation to purchase the Equipment up to the amount of JPY300,000,000 under the Amended and Restated Basic Sale and Purchase Agreement, the entering into of the Amended and Restated Basic Sale and Purchase Agreement and the transactions contemplated thereunder does not constitute a notifiable transaction under Chapter 14 of the Listing Rules.

\* For identification purpose only

## THE ACQUISITION

On 1 March 2022, the Purchaser, a wholly-owned subsidiary of the Company, and the Vendor entered into the Amended and Restated Basic Sale and Purchase Agreement, which (i) allows the Purchaser to purchase Equipment from the Vendor and the aggregate outstanding amount of purchase price and any other amount due to the Vendor under all Individual Sale Contracts shall not at any time exceed JPY300,000,000; and (ii) sets forth, inter alia, the terms and conditions which shall be applied to all Individual Sale Contracts to be entered into between the Purchaser and the Vendor.

The principal terms of the Amended and Restated Basic Sale and Purchase Agreement are as follow:

|                            |   |
|----------------------------|---|
| Date:                      | 1 March 2022  |
| Parties involved:          | (i) the Purchaser; and<br>(ii) the Vendor   |
| Scope:                     | The Amended and Restated Basic Sale and Purchase Agreement sets forth, inter alia, the terms and conditions which shall be applied to all individual contracts to be entered into between the Purchaser and the Vendor during the Term for the sale by the Vendor to the Purchaser of the Equipment.  |
| Individual Sale Contracts: | The terms and conditions of an Individual Sale Contract shall be substantially the same as those of the corresponding JAML Purchase Agreement, except for the Price.  |
| Term:                      | From 1 March 2022 until 31 March 2022   |
| Price:                     | The price of each Equipment (“ <b>Price</b> ”) under each Individual Sale Contract shall be agreed by both parties from time to time.<br><br>The aggregate outstanding amount of the Price and any other amount due to the Vendor under all Individual Sale Contracts shall not at any time exceed JPY300,000,000. The Vendor may refuse the execution of a new Individual Sale Contract in case of excess of the above amount.<br><br>For the avoidance of doubt, the Amended and Restated Basic Sale and Purchase Agreement does not intend (a) to obligate the Purchaser to commit any purchasing of the Equipment from the Vendor and (b) to restrict the Purchaser from purchasing Equipment in Japan from any manufacturers or vendors other than the Vendor. |

Payment terms: The Purchaser shall pay to the Vendor the Price in JPY or EUR on the 180th day from the date of the bill of lading by way of telegraphic transfer remittance to the bank account of the Vendor (as notified to the Purchaser from time to time).

The Purchaser may not prepay all or any part of the Price without prior written consent of the Vendor.

Delivery and shipment arrangements:

- (a) Delivery of the Equipment shall be made on a CIF basis, unless otherwise agreed in the Individual Sale Contract.
- (b) Shipment shall be by ocean vessel unless otherwise specifically provided in any Individual Sale Contract. The date of the bill of lading shall be deemed as the date of shipment in the absence of contrary evidence.
- (c) Except as otherwise specifically provided in the Amended and Restated Basic Sale and Purchase Agreement or in any Individual Sale Contract, trade or shipping terms shall have the meanings contained in Incoterms 2020 (as amended).

On 1 March 2022, pursuant to the Amended and Restated Basic Sale and Purchase Agreement, the Purchaser entered into the JAML Sale Agreement with the Vendor for the acquisition of 3 units of the Equipment at the total consideration of EUR2,114,684.10 (equivalent to approximately HK\$18,501,582.66).

The principal terms of the JAML Sale Agreement are as follow:

|                               |  |
|-------------------------------|--|
| Date:                         | 1 March 2022   |
| Parties involved:             | (i) the Purchaser; and<br>(ii) the Vendor  |
| Assets to be acquired:        | 3 units of Tadano hydraulic all terrain cranes with model number ATF100G-4 EM4   |
| Manufacturer:                 | Tadano Limited   |
| Payment Date:                 | 180th day from the date of the bill of lading  |
| Estimated Shipment Dates:     | 1 unit on or before 20 April 2022; and<br>2 units on or before 20 May 2022.  |
| Transportation/Freight Terms: | CIF Hong Kong  |
| Packing:                      | Bare unit, partial shipment is prohibited;   |
| Price:                        | The total price shall be EUR2,114,684.10 (equivalent to approximately HK\$18,501,582.66) with the price of 1 unit being EUR736,649.5 and the price of each of the other 2 units being EUR689,017.3.<br><br>The total price will be funded by the Group's internal resources and banking facilities.<br><br>The total price were determined after arm's length negotiations between the parties based on the purchase price of the 3 units of Equipment agreed between the Vendor and the Manufacturer in the corresponding JAML Purchase Agreement plus a markup of a few percent. |
| Payment:                      | By way of telegraphic transfer remittance to the bank account of the Vendor (as notified in invoice to the Purchaser from time to time)  |

The value of each unit of Equipment as at 24 February 2022 was approximately HK\$6,860,000 based on the independent valuation obtained by the Group.

## **INFORMATION ON THE VENDOR**

The Vendor is a company incorporated in Japan. To the best of the knowledge, information and belief of the Directors having made all reasonable enquires, the Vendor is held (i) as to 42.84% by The Norinchukin Bank, which is the central financial institution for Japan's agricultural, fishery and forest owners' cooperative system and holds 33.40% of voting rights at general meeting of the Vendor; (ii) as to 41.70% by Mitsui & Co., Ltd., which is a company listed on the Tokyo Stock Exchange (stock code: 8031) and holds 31.40% of voting rights at general meeting of the Vendor; and (iii) as to 15.46% by other shareholders. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are third parties independent of the Company and its connected person.

The principal business activity of the Vendor is sourcing of machinery via its networks, providing finance and relevant services for domestic and oversea companies.

## **INFORMATION ON THE GROUP**

The principal business activity of the Company is investment holding. The Group is principally engaged in the provision of a wide range of construction, electrical and mechanical engineering and event and entertainment equipment, equipment rental-related solutions and value-added services in Hong Kong, Macau, Singapore and the PRC.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Acquisition will enable the Group to expand its equipment fleet to satisfy the increasing demand for cranes in the market.

The Amended and Restated Basic Sale and Purchase Agreement does not intend (a) to obligate the Purchaser to commit any purchasing of the Equipment from the Vendor; and (b) to restrict the Purchaser from purchasing Equipment in Japan from any manufacturers other than the Vendor. As such, the Purchaser has no obligation to purchase the Equipment up to the amount of JPY300,000,000.

The Directors are of the view that the terms of the Amended and Restated Basic Sale and Purchase Agreement and the JAML Sale Agreement are fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined in accordance with Rule 14.07 of the Listing Rules) for the Acquisition are more than 5% but all of the applicable percentage ratios are less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Since the Purchaser has no obligation to purchase the Equipment up to the amount of JPY300,000,000 under the Amended and Restated Basic Sale and Purchase Agreement, the entering into of the Amended and Restated Basic Sale and Purchase Agreement and the transactions contemplated thereunder does not constitute a notifiable transaction under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms shall have the following meanings:

|  |   |
|--|---|
| “Acquisition”  | the acquisition of 3 units of the Equipment by the Purchaser pursuant to the terms of the JAML Sale Agreement   |
| “Amended and Restated Basic Sale and Purchase Agreement” | the agreement entered into between the Vendor and the Purchaser on 1 March 2022, which (i) sets forth, inter alia, the terms and conditions which shall be applied to all Individual Sale Contracts to be entered into between the Purchaser and the Vendor; (ii) supersedes the original basic sale and purchase agreement dated 25 October 2021 and entered into between the Vendor and the Purchaser |
| “Board”  | the board of Directors of the Company   |
| “CIF”  | the cost, insurance and freight   |
| “Company”  | AP Rentals Holdings Limited (亞積邦租賃控股有限公司*), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1496)   |
| “connected person(s)”                                    | has the meaning ascribed to it under the Listing Rules  |
| “Director(s)”  | the director(s) of the Company  |
| “Equipment”  | certain heavy equipment manufactured by the Manufacturer, which in the case of the JAML Sale Agreement, refers to each unit of Tadano hydraulic all terrain crane with model number ATF100G-4 EM4   |
| “EUR”  | Euro, the lawful currency of the European Union   |
| “Group”  | the Company and its subsidiaries  |

\* For identification purpose only

|                              |   |
|------------------------------|---|
| “HK\$”                       | Hong Kong dollars, the lawful currency of Hong Kong   |
| “Hong Kong”                  | the Hong Kong Special Administrative Region of the PRC  |
| “Individual Sale Contract”   | all individual contracts to be entered into between the Vendor and the Purchaser during the Term for the sale by the Vendor to the Purchaser of the Equipment   |
| “JAML Purchase Agreement(s)” | the individual contract(s) to be entered into between the Vendor and the Manufacturer for the supply of Equipment by the Manufacturer to the Vendor   |
| “JAML Sale Agreement”        | the agreement entered into between the Vendor and the Purchaser on 1 March 2022 for the sale and purchase of the Equipment, which is an Individual Sale Contract  |
| “JPY”                        | Japanese Yen, the lawful currency of Japan  |
| “Listing Rules”              | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited  |
| “Macau”                      | the Macao Special Administrative Region of the PRC  |
| “Manufacturer(s)”            | certain heavy equipment manufacturer(s) designated by the Purchaser from time to time in accordance with the Amended and Restated Basic Sale and Purchase Agreement, each of which is, to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, a third party independent of the Company and its connected persons |
| “PRC”                        | the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau and the Republic of Taiwan)  |
| “Price”                      | has the meaning ascribed to it under the section headed “The Acquisition” in this announcement  |
| “Purchaser”                  | AP Rentals Limited (亞積邦租賃有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company   |
| “Share(s)”                   | ordinary share(s) of the Company  |
| “Shareholder(s)”             | the holder(s) of Share(s)   |
| “Stock Exchange”             | The Stock Exchange of Hong Kong Limited   |
| “subsidiary(ies)”            | has the meaning ascribed to it under the Listing Rules  |
| “Term”                       | the period from 1 March 2022 to 31 March 2022   |

“Vendor” JA Mitsui Leasing, Ltd., a company incorporated under the laws of Japan

“%” per cent

*For illustration purposes in the announcement, the amounts in EUR and JPY were translated into HK\$ at the rate of EUR1 = HK\$8.7491 and JPY1 = HK\$0.0677, respectively. No representation is made that any amount in EUR, JPY or HK\$ could have been or could be converted at the above rate or at any other rates or at all.*

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

Hong Kong, 1 March 2022

*As at the date of this announcement, the Board comprises two Executive Directors, namely Mr. Lau Pong Sing and Ms. Chan Kit Mui, Lina, one Non-executive Director, namely Mr. Nakazawa Tomokatsu and three Independent Non-executive Directors, namely Mr. Ho Chung Tai, Raymond, Mr. Siu Chak Yu and Mr. Li Ping Chi.*