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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)

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 year ended 31 March 2023 (the “**FY2023 Management Accounts**”) and information currently available to the Group, the Group expects to record a profit in the range of approximately HK\$12.3 million to approximately HK\$12.8 million for the year ended 31 March 2023 (the “**FY2023**”) as compared to the loss of approximately HK\$4.5 million for the year ended 31 March 2022 (“**FY2022**”). The expected turnaround from loss for FY2022 to profit for FY2023 is mainly attributable to the net effect of:

1. significant increase in revenues in FY2023 due to the fading out of the effects of the Covid-19 pandemic, which led to increase in demands for leasing equipment and related services of the Group in Hong Kong;
2. the receiving of government subsidies from the governments of Hong Kong and Macau related to the Covid-19 pandemic in FY2023, which represented 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;
3. increase in impairment losses under expected credit loss model recognised on lease receivables and trade receivables, net due to increase in expected global default risk, which might be caused by higher inflation rates, then may be followed by higher interest rates and expected slower economic growth globally;
4. increase in impairment losses recognised on property, plant and equipment for those equipment with low utilization rate; and

* *For identification purposes only*

5. increase in wage for operators and increase in directors' remuneration and salary of staff in FY2023 as compared to FY2022 due to increase in income from equipment operating services and higher annual salary increment rate for the staff so as to keep abreast of the human resources market in Hong Kong.

The information contained in this announcement is only based on a preliminary assessment by the Board with reference to the FY2023 Management Accounts and the information currently available to the Company. Such information has not been audited or reviewed by the Company's auditors. Further details of the Group's performance for FY2023 will be disclosed in the annual results announcement of the Company for the year ended 31 March 2023, which is expected to be published on 28 June 2023.

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, 19 June 2023

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.