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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 2021 (the “**FY2021 Management Accounts**”) and information currently available to the Group, the Group is expected to record a loss in the range of approximately HK\$5.5 million to approximately HK\$6.5 million for the year ended 31 March 2021 (the “**FY2021**”) as compared to the loss of approximately HK\$19.7 million for the year ended 31 March 2020 (“**FY2020**”). The decrease in loss of the Group is mainly attributable to the net effect of:

1. impairment loss recognised on plant and equipment in the wholly-owned subsidiary of the Company, 亞積邦建設工程機械(上海)有限公司 (AP Rentals (Shanghai) Limited*), since the leasing prices of rental machines in the People’s Republic of China (excluding Hong Kong, the Macao Special Administrative Region of the PRC (“**Macau**”) and Taiwan for the purpose of this announcement) declined due to the outbreak of the COVID-19;
2. reversal of impairment losses recognised on receivables for the Group in FY2021 when comparing to the addition of impairment losses recognised on receivables for the Group in FY2020 because the expected credit loss of the Group decreased;
3. reduction in administrative expenses in FY2021 due to stringent control on expenses within the Group;
4. an increase in gross profit in FY2021 was recorded when comparing with the gross profit in FY2020, which was mainly due to the significant decrease in machinery hiring expenses in FY2021; and

* For identification purposes only

5. the receiving of government subsidies, which represent the wage subsidies provided by the governments of Hong Kong, Macau and Singapore, for supporting the employment and helping business tide over financial difficulties due to the COVID-19 pandemic.

The information contained in this announcement is only based on a preliminary assessment by the Board with reference to the FY2021 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 FY2021 will be disclosed in the annual results announcement of the Company for the year ended 31 March 2021, which is expected to be published before the end of June 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, 24 June 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.