

*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.*



## 英達公路再生科技(集團)有限公司

Freetech Road Recycling Technology ( Holdings ) Limited

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

*(Stock Code: 6888)*

### POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

Following a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2019 and the information currently available to the Board, the Board wishes to inform the Shareholders and potential investors that the Group is anticipated to record a Net Profit of approximately HK\$5 million for the year ended 31 December 2019, as compared with a Net Loss of approximately HK\$139 million for the year ended 31 December 2018.

The annual results announcement of the Group for the year ended 31 December 2019 is expected to be released in the end of March 2020.

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

This announcement is made by Freetech Road Recycling Technology (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 "**SFO**").

Following a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2019 and the information currently available to the board of directors of the Company (the "**Board**"), the Board wishes to inform shareholders of the Company (the "**Shareholders**") and potential investors that the Group is anticipated to record a profit attributable to owners of the Company (the "**Net Profit**") of approximately HK\$5 million for the year ended 31 December 2019, as compared to a loss attributable to owners of the Company (the "**Net Loss**") of approximately HK\$139 million for the year ended 31 December 2018.

The expected Net Profit for the year ended 31 December 2019 is mainly attributable to the following factors:

- the increase in the revenue of asphalt pavement maintenance (the “APM”) equipment segment in 2019 due to the more revenue contributed from the new product range of the Group;
- the decrease in the revenue of the “Hot-in-Place” projects of the APM services segment due to the decrease in the total area serviced of the “Hot-in-Place” projects in 2019 as the Group has delayed some of the road maintenance projects until the customers’ funds for these projects are officially in place in order to reduce the operational cash flow risk of the Group; and
- the Group is anticipated to record a reversal of impairment of trade receivables and contract assets for the year ended 31 December 2019 due to collection of these outstanding balances had improved in 2019 after President Li Kejiang has emphasized the settlement of overdue debts of local government to private enterprises during the State Council Executive Meeting of the People’s Republic of China on 30 January 2019.

The Company is still in the process of finalising the Group’s audited consolidated results for the year ended 31 December 2019. The information contained in this announcement is only a preliminary assessment by the Board based on the unaudited consolidated management accounts of the Group for the year ended 31 December 2019 and the information currently available to the Board, which have not yet been audited or reviewed by the auditor of the Company or the audit committee of the Board and therefore, may be subject to adjustments following further review by the Board and the auditors of the Company. The annual results announcement of the Group for the year ended 31 December 2019 is expected to be released in the end of March 2020.

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

By order of the Board  
**Freetech Road Recycling Technology  
(Holdings) Limited**  
**Sze Wai Pan**  
Chairman

Hong Kong, 3 March 2020

*As at the date of this announcement, the executive Directors are Mr. Sze Wai Pan, Ms. Sze Wan Nga and Mr. Chan Kai King; the non-executive Directors are Prof. Tong Wai Cheung Timothy, Dr. Chan Yan Chong and Mr. Wang Lei; and the independent non-executive Directors are Ms. Yeung Sum, Mr. Tang Koon Yiu Thomas and Dr. Lau Ching Kwong.*