

*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**

Freotech Road Recycling Technology ( Holdings ) Limited

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

*(Stock Code: 6888)*

### **CONTRACT IN RESPECT OF ASPHALT PAVEMENT MAINTENANCE SERVICE ON A ROAD EXPANSION AND RECONSTRUCTION PROJECT IN THE INNER MONGOLIA AUTONOMOUS REGION IN THE PEOPLE'S REPUBLIC OF CHINA**

The Board is pleased to announce that recently Freotech Ordos and Dongfang Ordos entered into a contract, pursuant to which Freotech Ordos has agreed to provide asphalt pavement maintenance services using "Hot-in-Place" technology on a road expansion and reconstruction project at Dongkang expressway\* (東康線快速路), Ordos, in the Inner Mongolia Autonomous Region of the PRC. The Contract represents another significant breakthrough for the application of our "Hot-in-Place" technology with its use in a road expansion and reconstruction project. Previously road expansion and reconstruction project was categorised as "new road construction", it is seldom to use "road maintenance" technology. Our Group has successfully further expanded the application of our "Hot-in-Place" technology from "road maintenance" category into the "road expansion and reconstruction" category, whilst still maintaining relatively high gross profit margin of asphalt pavement maintenance services. This development represents a wider recognition and acceptance of our Group's technology by the industry. The Board believes that such application expansion could further widen the market size for the Group's technology.

The board of directors (the "Board") of Freotech Road Recycling Technology (Holdings) Limited (the "Company") is pleased to announce that recently Inner Mongolia Freotech Dongfang Road Recycling Engineering Co., Ltd\* (內蒙古英達東方道路再生工程有限公司) ("Freotech Ordos"), a subsidiary of the Company, and Ordos Dongfang Road & Bridge Group Co., Ltd\* (鄂爾多斯市東方路橋集團股份有限公司) ("Dongfang Ordos") entered into a contract (the "Contract"), pursuant to which Freotech Ordos has agreed to provide asphalt pavement maintenance services by using "Hot-in-Place" technology on a road expansion and reconstruction project at Dongkang expressway\* (東康線快速路), Ordos, in the Inner Mongolia Autonomous Region of the People's Republic of China ("PRC").



Reference is made to the prospectus of the Company dated 14 June 2013 (the "Prospectus"). To the best knowledge, information and belief of the Board, Dongfang Ordos is a holding company of a connected person (as defined in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules")) of the Company, Ordos Lutong Road Maintenance Co., Ltd.\* (鄂爾多斯市路通公路養護有限責任公司) ("Lutong Ordos"), Dongfang Ordos is also considered a connected person of the Company. Lutong Ordos is interested in 47% of the equity interest of Freetech Ordos, a non-wholly owned subsidiary of the Company and therefore a substantial shareholder of a subsidiary of our Company and a connected person of our Company under rule 14A.11 of the Listing Rules. The Board therefore considered it appropriate to treat Dongfang Ordos as an associate of Lutong Ordos and hence a connected person of the Company.

The Contract was entered into pursuant to the master asphalt pavement maintenance servicing agreement dated 7 June 2013 between the Company and Dongfang Ordos as disclosed in the Prospectus and falls within the terms of waiver granted by the Stock Exchange of Hong Kong Limited from the requirement to comply with the announcement and independent shareholders' approval requirements as set out in Chapter 14A of the Listing Rules.

The Contract, which was negotiated in the ordinary and usual course of business of Freetech Ordos and is on arm's length and normal commercial terms also contains other typical representations and undertakings generally provided in contracts for asphalt pavement maintenance services.

The Company believes that the Contract will enhance the Company and its subsidiaries' market share, competitiveness and reputation in asphalt pavement maintenance services, whilst still maintaining relatively high gross profit margin of asphalt pavement maintenance services. The Contract further expands the application of "Hot-in-Place" technology from road maintenance projects into a new area of road expansion and reconstruction projects. The Company believes that this breakthrough could potentially lead to more business opportunities for the Company and its subsidiaries (the "Group") in the future.

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

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

Hong Kong, 16 September 2013

*As at the date of this announcement, the executive Directors are Mr. Sze Wai Pan, Ms. Sze Wan Nga, Mr. Zhang Yifu and Mr. Chan Kai King; the non-executive Directors are Mr. Yeung Chin Chiu and Ms. Chen Shirley Shiyau; and the independent non-executive Directors are Ms. Yeung Sum, Mr. Tang Koon Yiu Thomas and Mr. Lau Ching Kwong.*

*\* For identification purposes only*