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## **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)

### **DISCLOSEABLE TRANSACTION ACQUISITION OF LAND USE RIGHTS OF A PARCEL OF LAND IN NANJING, PRC**

#### **INTRODUCTION**

The Board is pleased to announce that, on 30 December 2016, Freotech Nanjing, an indirect wholly-owned subsidiary of the Company, and the Land Bureau entered into the Contract, pursuant to which Freotech Nanjing has agreed to purchase and the Land Bureau has agreed to sell the land use rights of a parcel of land in Nanjing, the PRC, at a consideration of approximately RMB140,050,000, which shall be payable by Freotech Nanjing to the Land Bureau in cash.

The Acquisition will be considered completed upon full payment of the Consideration before 28 March 2017, which is also the date of the second and final payment of the Consideration.

#### **LISTING RULES IMPLICATIONS**

As the applicable percentage ratios of the Acquisition is more than 5% but less than 25% for the purpose of Rule 14.07 of the Listing Rules, the Acquisition constitutes a discloseable transaction of the Company and therefore is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## INTRODUCTION

The Board is pleased to announce that, on 30 December 2016, Freetech Nanjing, an indirect wholly-owned subsidiary of the Company, and the Land Bureau entered into the Contract, pursuant to which Freetech Nanjing has agreed to purchase and the Land Bureau has agreed to sell the land use rights of a parcel of land in Nanjing, the PRC, at a consideration of approximately RMB140,050,000, which shall be payable by Freetech Nanjing to the Land Bureau in cash.

The Acquisition will be considered completed upon full payment of the Consideration before 28 March 2017, which is also the date of the second and final payment of the Consideration.

## DETAILS OF THE CONTRACT

### (1) Date of the Contract

30 December 2016

### (2) Parties

- (i) Freetech Nanjing, the purchaser of the Land; and
- (ii) the Land Bureau, the vendor of the Land

### (3) Information of the Land

Location : The Land is located at lot 04-05 and 04-06 of Jiangxinzhou, Jianye District, Nanjing, the PRC\* (中國南京市建鄴區江心洲).

Site area : Approximately 35,673 square meters

Term of the Land use rights : The lease term of the Land is 50 years

Use and development of the Land : The Land shall be developed for research and development use, with the plot ratio not more than 1.2, the green coverage ratio of at least 30% and the building density and height of no more than 40% and 24 meters. Gross floor area permissible for sale is no more than 40% of the total gross floor area on the land.

### (4) Consideration

The Board considers that the amount of the Consideration is fair and reasonable having taking into account the current market conditions, the location and development potential of the Land. The Consideration in the amount of approximately RMB140,050,000 will be settled by the debt financing and/or internal resources of the Group. The Company will make further announcement(s) in compliance with the Listing Rules as and when appropriate.

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

The Group is principally engaged in manufacturing and sale of road maintenance equipment, provision of road maintenance services and research and development of road maintenance technology in the PRC. In order to further enhance the Group's strength in technology research and development, the Group has selected Jiangxinzhou (江心洲) as the base of the global technology research and development centre after its detailed analysis and careful consideration.

Jiangxinzhou is an Eco Hi-Tech island in Nanjing city, which is set to be an island showcasing the future of Nanjing and its aspirations to be a centre for development and practice of high-tech innovation in areas such as IT services industry, eco-environmental service and modern service industry.

The Company considers that the Group, through the global technology research and development centre and its "Road Doctor Training Institute" in Jiangxinzhou, would be able to attract more technology and enterprise management talents and would have positive impact in the Group's research, development and application of new technology in a long run. As such, the Company believes that the Acquisition will not only enable the Group to enhance its research and development capability, but also has good long term investment potential.

In view of the above, the Directors consider that the Acquisition was entered into in the ordinary and usual course of business of the Group and on normal commercial terms, which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ON THE LAND BUREAU**

The Land Bureau is a governmental body of the PRC and is responsible for, among other things, administering and managing the land planning, assignment and transfer of land use rights of the state-owned land in Nanjing, the PRC. The Company confirms, to the best knowledge, information, and belief of the Directors after making all reasonable enquiries, the Land Bureau and its ultimate beneficial owners (where applicable) are all third parties independent of the Company and its connected persons (as defined in the Listing Rules).

## **INFORMATION ON COMPANY AND FREETECH NANJING**

The Company is principally engaged in manufacturing and sale of road maintenance equipment and provision of road maintenance services in the PRC.

Freotech Nanjing is principally engaged in property development, sale of road maintenance equipment and provision of road maintenance services.

## **LISTING RULES IMPLICATIONS**

As the applicable percentage ratios of the Acquisition is more than 5% but less than 25% for the purpose of Rule 14.07 of the Listing Rules, the Acquisition constitutes a discloseable transaction of the Company and therefore is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

Unless otherwise stated or the context requires otherwise, the terms in this announcement have the following meanings:

“Acquisition”	the acquisition of the land use rights of the Land;
“Board”	the board of Directors;
“Company”	Freotech Road Recycling Technology (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange;
“Contract”	the contract for the assignment of the rights to use of state-owned land entered into between Freotech Nanjing and the Land Bureau in relation to the Acquisition on 30 December 2016;
“Consideration”	The total consideration of approximately RMB140,050,000 for the acquisition of land use rights of the Land to be paid by the Group to the Land Bureau in cash pursuant to the Contract;
“Director(s)”	director(s) of the Company;
“Freotech Nanjing”	Freotech Real Estate (Nanjing) Co. Ltd., a limited liability company established in the PRC, an indirect wholly-owned subsidiary of the Company;

“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Land”	the land located at lot 04-05 and 04-06 of Jiangxinzhou, Jianye District, Nanjing, the PRC* (中國南京市建鄴區江心洲);
“Land Bureau”	Nanjing Municipal Land Resources Bureau* (南京市國土資源局)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, Taiwan and the Macau Special Administrative Region of the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholder(s)”	holder(s) of Shares;
“Stock Exchange”	the Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	has the same meaning ascribed to it under the Listing Rules; and
“%”	per cent.

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

Hong Kong, 30 December 2016

*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 Dr. Chan Yan Chong and Mr. Wang Lei; and the independent non-executive Directors are Ms. Yeung Sum, Mr. Tang Koon Yiu Thomas and Mr. Lau Ching Kwong.*

*\* For identification purposes only*