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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)*

### 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 2020 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 an increase in a Net Profit by approximately HK\$25.9 million or 631.7% to approximately HK\$30.0 million for the year ended 31 December 2020 as compared to a Net Profit of approximately HK\$4.1 million for the year ended 31 December 2019.

The annual results announcement of the Group for the year ended 31 December 2020 is expected to be released in the end of March 2021.

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

This announcement is made by Freotech 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 2020 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 an increase in a profit attributable to owners of the Company (the “**Net Profit**”) by approximately HK\$25.9 million or 631.7% to approximately HK\$30.0 million for the year ended 31 December 2020 as compared to a Net Profit of approximately HK\$4.1 million for the year ended 31 December 2019.

The increase in Net Profit for the year ended 31 December 2020 is mainly attributable to the following factors:

- the increase in the revenue of asphalt pavement maintenance (the “**APM**”) services segment due to the revenue contributed by the new road maintenance technology of the Group and increase in the total area serviced of the “Hot-in-Place” projects in 2020 as the Ministry of Transport had performed road inspections on highway in the second half of 2020;
- the decrease in the revenue of the APM equipment segment in 2020 was due to the outbreak of COVID-19, the local government and highway company had delayed their capital investment to 2021 ;and
- the Group is anticipated to record a reversal of impairment of trade receivables and contract assets for the year ended 31 December 2020 due to collection of these outstanding balances had continued to improve in 2020 after President Li Keqiang has reiterated that the local government shall settle their overdue debts to private enterprises during the State Council Executive Meeting of the People’s Republic of China convened on 8 January 2020.

The Company is still in the process of finalising the Group’s audited consolidated results for the year ended 31 December 2020. 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 2020 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 2020 is expected to be released in the end of March 2021.

**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, 16 February 2021

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