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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)

CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

The Board is pleased to announce that on 27 February 2017, Tianjin Expressway Maintenance, a non-wholly owned subsidiary of the Company and Tianjin Expressway Group and its wholly-owned subsidiaries and associates entered into certain services agreements in relation to the Continuing Connected Transactions conducted on a regular and continuing basis.

IMPLICATIONS UNDER THE LISTING RULES

Tianjin Expressway Maintenance is a non-wholly owned subsidiary of the Company. As at the date of this announcement, Tianjin Expressway Maintenance is owned as to 55% and 45% by Freetech Smart Road Recycling Engineering Investment Limited (a non-wholly owned subsidiary of the Company) and Tianjin Expressway Group respectively. As Tianjin Expressway Group is a substantial shareholder of Tianjin Expressway Maintenance, Tianjin Expressway Group and its subsidiaries and associates are connected persons of the Company at the subsidiary level. Therefore, the Continuing Connected Transactions between Tianjin Expressway Maintenance and Tianjin Expressway Group and its subsidiaries and associates constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As (i) Tianjin Expressway Group and its subsidiaries and associates are connected persons at the subsidiary level of the Company; (ii) the Continuing Connected Transactions are on normal commercial terms; (iii) the Board (including all the independent non-executive Directors) has approved the Continuing Connected Transactions and confirmed that the terms of the Continuing Connected Transactions are fair and reasonable and are on normal commercial terms and in the interests of the Company and its shareholders as a whole, according to Rule 14A.101 of the Listing Rules, the Continuing Connected Transactions are subject to the reporting, announcement and

annual review requirements but are exempt from the circular, independent financial advice and shareholders' approval requirements.

INTRODUCTION

Reference is made to the announcement of the Company dated 31 August 2015 in relation to, among others, the continuing connected transactions between the Group and Tianjin Expressway Group (as defined below). The board of directors (“**Board**”) of Freetech Road Recycling Technology (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that on 27 February 2017, Tianjin Expressway Maintenance Company Limited* (天津市高速公路養護有限公司) (“**Tianjin Expressway Maintenance**”), a non-wholly owned subsidiary of the Company, and Tianjin Expressway Group Company Limited* (天津高速公路集團有限公司) (“**Tianjin Expressway Group**”) and its wholly-owned subsidiaries and associates finalised and entered into certain services agreements in relation to the renewal of the ongoing transactions of the Group conducted on a regular and continuing basis (the “**Continuing Connected Transactions**”). The details of the Continuing Connected Transactions are as set out below:

No.	Transaction party	Services period	Consideration amount (RMB)	Basic for determining the consideration	Terms of the relevant service agreement
1.	Tianjin Expressway Group	1 January 2016 – 31 March 2017	112,748,906	With reference to market price and historical transaction amounts	Provision of daily damages maintenance by Tianjin Maintenance Company and the consideration shall be paid in the following manner: 20% prepayment upon starting services, thereafter quarterly settlement based on the actual volume.
2.	天津天朗高速公路有限公司 Tianjin Tianlang	1 January 2016 – 31 May 2016	644,507	With reference to market price and historical transaction amounts	Provision of daily maintenance by Tianjin Maintenance Company and the consideration shall be paid in the following manner: 30% prepayment upon starting services, thereafter

	Expressway Co. Ltd.* (a subsidiary of Tianjin Expressway Group)				monthly or quarterly settlement based on the actual volume.
3.	天津天昂高速公路有限公司 Tianjin Tian'ang Expressway Co. Ltd.* (an associate of Tianjin Expressway Group)	8 September 2016 – 25 October 2016	850,000	With reference to market price and historical transaction amounts	Provision of daily maintenance by Tianjin Maintenance Company and the consideration shall be paid upon completion of the services.
4.	天津新展高速公路有限公司 Tianjin Xinzan Expressway Co. Ltd.* (an associate of Tianjin Expressway Group)	15 March 2016 – 14 March 2017	1,739,147	With reference to market price and historical transaction amounts	Provision of daily maintenance by Tianjin Maintenance Company and the consideration shall be settled quarterly.

** for identification purpose only*

The above service agreements shall take retrospective effect from the first day of the respective service periods as stated above.

REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS

The Continuing Connected Transactions between Tianjin Expressway Maintenance and Tianjin Expressway Group and its subsidiaries and associates were entered into in the ordinary and usual course of business of the Group. Taking into account of the long term and stable business

relationship between Tianjin Expressway Maintenance and Tianjin Expressway Group and its subsidiaries and associates, the aforementioned transactions can provide a stable business environment and operating instruments for Tianjin Expressway Maintenance as a whole, so as to bring stable contributions to the Company and its shareholders.

The directors of the Company (including independent non-executive Directors) are of the view that the transactions under the aforesaid agreements are on normal commercial terms, and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

Tianjin Expressway Maintenance is a non-wholly owned subsidiary of the Company. As at the date of this announcement, Tianjin Expressway Maintenance is owned as to 55% and 45% by Freetech Smart Road Recycling Engineering Investment Limited (a non-wholly owned subsidiary of the Company) and Tianjin Expressway Group respectively. As Tianjin Expressway Group is a substantial shareholder of Tianjin Expressway Maintenance, Tianjin Expressway Group and its subsidiaries and associates are connected persons of the Company at the subsidiary level. Therefore, the Continuing Connected Transactions between Tianjin Expressway Maintenance and Tianjin Expressway Group and its subsidiaries and associates constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. .

As (i) Tianjin Expressway Group and its subsidiaries and associates are connected persons at the subsidiary level of the Company; (ii) the Continuing Connected Transactions are on normal commercial terms; (iii) the Board (including all the independent non-executive Directors) has approved the Continuing Connected Transactions and confirmed that the terms of the Continuing Connected Transactions are fair and reasonable and are on normal commercial terms and in the interests of the Company and its shareholders as a whole, according to Rule 14A.101 of the Listing Rules, the Continuing Connected Transactions are subject to the reporting, announcement and annual review requirements but are exempt from the circular, independent financial advice and shareholders' approval requirements.

None of the Directors has any material interest in any of the Continuing Connected Transactions and they are not required to abstain from voting on the Board resolutions to approve the same.

INFORMATION ABOUT THE PARTIES

The Company is principally engaged in manufacturing and sale of road maintenance equipment and provision of road maintenance services in the People's Republic of China.

Tianjin Expressway Maintenance is a company established in the People's Republic of China with limited liability on 1 September 2009 by Tianjin Expressway Group. On 31 August 2015, Tianjin Expressway Maintenance became a non-wholly owned subsidiary of the Company. As at the date of this announcement, its registered capital is RMB44,444,400. The principal activities of Tianjin Expressway Maintenance are provision of maintenance and repair services for expressways and

expressway facilities, road projects, highway plantation engineering and construction projects; machinery and equipment leasing, highway engineering and technical advisory services.

Tianjin Expressway Group, a State-owned enterprise, is a company established in the People's Republic of China with limited liability. Its principal business is roads and bridges construction and management of expressways.

Tianjin Tianlang Expressway Co. Ltd., a wholly-owned subsidiary of Tianjin Expressway Group, is principally engaged in investment and management of expressway.

Tianjin Tian'ang Expressway Co. Ltd., an associate of Tianjin Expressway Group, is principally engaged in investment and management of expressway.

Tianjin Xingzan Expressway Co. Ltd., an associate of Tianjin Expressway Group, is principally engaged in investment and management of expressway.

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

Hong Kong, 27 February 2017

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.

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