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## **Geotech Holdings Ltd.**

## **致浩達控股有限公司**

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

**(Stock code: 1707)**

### **SUPPLEMENTAL ANNOUNCEMENT ON RESULT OF COURT HEARING OF THE SUMMONSES**

Reference is made to the announcement published by the Company on 22 December 2020 (the “**Announcement**”) in relation to the result of Court hearing of the Summonses. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

In addition to the information provided in the Announcement, the Board would like to provide further information as follows:

As disclosed in the Announcement, Geotech Engineering was convicted of three charges under sections 6A(1), 6A(2)(c), 6A(3) and 13(1) of the Factories and Industrial Undertakings Ordinance (Chapter 59 of the Laws of Hong Kong) and regulations 38A(2), 38A(3), 68(1)(a) and 68(2)(g) of Construction and Sites (Safety) Regulations (Chapter 59I of the Laws of Hong Kong), for failures to (i) ensure that suitable and adequate safe access to and egress from a place of work at concrete part of slope on the site was provided and properly maintained; (ii) take suitable and adequate steps to ensure that no person gained access to the place at concrete part of the slope on the site where hazardous conditions were present; and (iii) provide such information, instruction, training and supervision as was necessary to ensure the health and safety at work of the person who was employed by Geotech Engineering’s subcontractor. The Court imposed a total fine of HK\$42,000 for such offences.

The Board does not expect the Accident to result in any material adverse impact on the operation and financial position of the Group for the following reasons:

- (i) in light of the conviction being recorded with the Labour Department and to the best knowledge and judgement of the management of Geotech Engineering having considered to the guidelines issued by the Development Bureau, Geotech Engineering, as an approved contractor under the Development Bureau may potentially and temporarily be suspended from tendering for public works. In the

event of a suspension, the Group would still be able (1) to carry on with projects on hand; and (2) to undertake further construction and engineering projects as a subcontractor for which we have the requisite licenses and qualifications during the suspension period. Hence, the Board is of the view that the potential suspension will not materially affect the operation of the Group;

- (ii) barring any unforeseeable circumstances, the Board believes that Geotech Engineering was properly insured under valid insurance policies at the material time of the Accident and any potential claims incidental to the Accident are sufficiently covered;
- (iii) despite the delay resulting from the Accident, the Work was completed in late September 2020 and resulted in a small financial loss; and
- (iv) total fines imposed by the Court and other actual and expected costs/expenses associated with the Accident including among others, legal fees, independent safety consultancy expenses and gratuity payment are estimated to be less than HK\$0.8 million.

The Board considers that the Accident was an isolated incident and the Labour Department was satisfied with the safety improvement plan submitted by Geotech Engineering. Hence, based on (i) to (iv) above, the Board is of the view that the Accident did not and will not cause any material adverse impact on the operation and financial position of the Group.

Further disclosures on the material developments of the Accident will be announced as and when appropriate.

**Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.**

By order of the Board  
**Geotech Holdings Ltd.**

**Chen Zhi**

*Chairman and executive Director*

Hong Kong, 28 December 2020

*As at the date of this announcement, the Board comprises Mr. Chen Zhi as chairman and executive Director, Mr. Qiu Dong as executive Director, Mr. Kung Ho Man as executive Director and chief executive officer, and Mr. Chan Tsang Mo, Mr. Shen Zejing and Mr. So Wai Man as independent non-executive Directors.*