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This announcement, for which the directors (the “Directors”) of Soluteck Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading; there are no other matters the omission of which would make any statement in this announcement misleading; and all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.



**DISCLOSURE OF SALES TRANSACTIONS CONDUCTED BY
THE GROUP IN ITS ORDINARY COURSE OF BUSINESS**

This announcement is made pursuant to Rules 17.15 and 17.17 of the GEM Listing Rules.

As at 15 November, 2001, Shanghai SITICO, a customer of the Group and an Independent Third Party, has a trading balance with the Group of approximately US\$1.50 million (equivalent to approximately HK\$11.67 million). Such trading balance is resulted from sales to Shanghai SITICO by the Group in its ordinary course of business and on normal commercial terms.

As at 15 November, 2001, another customer of the Group, Bank of Communications, which is an Independent Third Party, has a trading balance with the Group of approximately RMB12.93 million (equivalent to approximately HK\$12.20 million). Such trading balance is resulted from sales to Bank of Communications by the Group in its ordinary course of business and on normal commercial terms.

The trading balance with each of the above customers of the Group represents more than 25 per cent. of the net tangible assets (within the meaning of note 2 to Rule 17.14 of the GEM Listing Rules) of the Group of approximately HK\$37.41 million as at 31 March, 2001.

Pursuant to Rules 17.15 and 17.17 of the GEM Listing Rules, such trading balances are required to be disclosed by way of announcement.

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As at 15 November, 2001, Shanghai SITICO International Trading Co., Pudong Inc. (“Shanghai SITICO”), a customer of the Group and a third party independent of any of the Directors, the chief executive of the Group, the substantial shareholders (within the meaning of the GEM Listing Rules) of the Company, the management shareholders (within the meaning of the GEM Listing Rules) of the Company and their respective associates (within the meaning of the GEM Listing Rules) (the “Independent Third Party”), has a trading balance with a subsidiary of the Company (together with the Company, the “Group”) of approximately US\$1.50 million (equivalent to approximately HK\$11.67 million). Such trading balance is resulted from sales to Shanghai SITICO by the Group in its ordinary course of business and on normal commercial terms.

As at 15 November, 2001, another customer of the Group, Bank of Communications, which is an Independent Third Party, has a trading balance with the Group of approximately RMB12.93 million (equivalent to approximately HK\$12.20 million). Such trading balance is resulted from sales to Bank of Communications by the Group in its ordinary course of business and on normal commercial terms.

The above-mentioned trading balances are unsecured and repayable in accordance with the credit terms as agreed with the relevant customers. No collateral is required to be made by any of the customers of the Group and no interest is charged on any of such balances.

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By order of the Board
Soluteck Holdings Limited
Chung Lok Fai
Chairman

Hong Kong, 16 November, 2001

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* *For identification purpose only*