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**Dynamic Global Holdings Limited**

**環球動力控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**FURTHER POSTPONEMENT OF RELEASE OF ANNOUNCEMENT OF  
AUDITED FINAL RESULTS  
FOR THE YEAR ENDED 31 DECEMBER 2001  
AND DESPATCH OF 2001 ANNUAL REPORT AND ACCOUNTS  
AND POSTPONEMENT OF RELEASE OF ANNOUNCEMENT OF  
INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2002  
AND DESPATCH OF 2002 INTERIM REPORT  
AND ANNOUNCEMENT OF UNAUDITED FINAL RESULTS  
FOR THE YEAR ENDED 31 DECEMBER 2001**

This announcement is made by the Board of the Company to explain the further postponement of release of announcement of audited final results for the year ended 31 December 2001 and despatch of its 2001 annual report and also the postponement of release of announcement of interim results for the six months ended 30 June 2002 and despatch of its interim report.

The delay in publication of the audited final results and interim results of the Company constitutes a breach of paragraphs 8(1), 8(2), 10(1), 11(1), 11(2) and 11(6) of the Listing Agreement by the Company and that the Stock Exchange reserves its right to take action against the Company and/or its directors as a result of such breach.

The Company advises its shareholders and investors to exercise caution when dealing in the Company's securities.

Reference is made to the announcements of Dynamic Global Holdings Limited (the "Company") dated 29 April 2002, 27 June 2002, 30 July 2002 and 29 August 2002. The board of directors (the "Board") of the Company announces that due to delay in finalizing the audited final results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2001 ("audited final results"), a meeting of the Board for approving and releasing the audited final results is further postponed to be held on or before 18 November 2002. Accordingly, it is expected that the audited

final results will be announced in the newspaper on or before 19 November 2002 and the 2001 annual report is expected to be despatched on or before 26 November 2002. Pursuant to paragraphs 8(1), 11(1) and 11(2) of the Listing Agreement entered into between the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the Company should release the audited final results and despatch the 2001 annual report not later than four months after the financial year end.

Despite our efforts in chasing the audited financial statements of two major associates of the Group, there is no further concrete feedback received from these two associates for the past month and the said financial statements are not yet provided to the Company. The Group’s investments in these associates which amount to HK\$65,000,000 (unaudited) as at 31 December 2001 are significant as compared to the unaudited net assets of the Group as at 30 June 2001 and if their audited financial statements are not available, the Group will not be able to account for their operating results and to assess their carrying values so as to determine if impairment in values is needed to be made. The Board considers it is necessary to request for more time to obtain the said financial statements and to finalize the audited final results of the Group.

Due to the above postponement of announcement of audited final results, it is anticipated that the interim results for the six months ended 30 June 2002 (“interim results”) will be announced and the interim report will be dispatched on or before 31 December 2002.

The delay in publication of the audited final results and interim results constitutes a breach of paragraphs 8(1), 8(2), 10(1), 11(1), 11(2) and 11(6) of the Listing Agreement by the Company. The Stock Exchange reserves its right to take action against the Company and/or its directors as a result of the aforesaid breach. The delay in publication of the audited final results and the interim results would not constitute a breach of the constitutional documents of the Company and the rules and regulations in Bermuda, the place of incorporation of the Company.

The Board has confirmed that they have not been dealing in any securities of the Company since 28 March 2002 and has undertaken that they will not deal in any securities of the Company until the audited final results and interim results are published.

## **UNAUDITED FINAL RESULTS**

Pursuant to paragraph 11(3)(i)(c) of the Listing Agreement, the Board announces that the unaudited final results of the Group for the year ended 31 December 2001 together with the comparative audited figures for 2000 are as follows:–

	<b>Year ended</b>	
	<b>31 December</b>	
	<b>Unaudited</b>	Audited
	<b>Figure</b>	Figure
	<b>2001</b>	2000
<i>Notes</i>	<b>HK\$'000</b>	HK\$'000
TURNOVER	<b>33,786</b>	119,537
COST OF SALES	<b>(35,662)</b>	(92,284)
GROSS (LOSS) PROFIT	<b>(1,876)</b>	27,253
Other revenue	<b>6,074</b>	29,441
Selling and distribution costs	<b>(2,569)</b>	(3,452)
Administrative expenses	<b>(37,185)</b>	(34,855)
Other operating expenses, net	<b>(44,250)</b>	(65,197)
	<b>(77,930)</b>	(74,063)
LOSS FROM OPERATING ACTIVITIES	<b>(79,806)</b>	(46,810)
Finance costs	<b>(10,018)</b>	(8,516)
Share of losses of associates	<b>(1,823)*</b>	(115)
Share of loss of a jointly controlled entity	<b>(5,368)</b>	(14)
LOSS BEFORE TAX	<b>(97,015)</b>	(55,455)
Tax	<b>(3,550)</b>	(646)
LOSS BEFORE MINORITY INTERESTS	<b>(100,565)</b>	(56,101)
Minority interests	<b>(17)</b>	(272)
NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS	<b>(100,582)</b>	(56,373)

LOSS PER SHARE	2		
Basic		<u>(5.91 cents)</u>	<u>(4.59 cents)</u>
Diluted		<u>N/A</u>	<u>N/A</u>

Notes:–

**1. Tax**

	Year ended	
	31 December	
	Unaudited	Audited
	Figure	Figure
	2001	2000
	HK\$'000	HK\$'000
Group:		
United States of America	3,497	–
Mainland China	53	646
Associates:		
Mainland China	–	–
Tax charge for the year	<u>3,550</u>	<u>646</u>

No provision for Hong Kong Profits Tax has been made for the year as the Group did not generate any assessable profits arising in Hong Kong during the year (2000 : Nil). Tax on the profits assessable elsewhere have been calculated at the rates of tax prevailing in the respective jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof. There was no material unprovided deferred tax during the year.

**2. Loss per share**

The calculation of the basic loss per share is based on the net loss attributable to shareholders of HK\$100,582,000 (2000: HK\$56,373,000) and on the weighted average of 1,700,629,988 (2000: 1,227,760,517) ordinary shares in issue during the year.

The diluted loss per share for the two years ended 31 December 2001 has not been shown as the warrants and options outstanding during these years had an anti-dilutive effect on the basic loss per share.

**Remarks:-**

- \* **Share of losses of associates does not include the operating results of the two major associates as mentioned above in this announcement. The Group's investment in these two associates amount to HK\$65,000,000 (unaudited) as at 31 December 2001.**

Shareholders and investors should note that there may be significant difference in the net loss attributable to shareholders in the unaudited final results announced herein and the audited final results of the Group which are expected to be announced on or before 19 November 2002. The Board confirms that where the audited final results differ materially from the unaudited final results herein, full particulars of, and reasons for, the difference will be set out in the preliminary announcement of the audited final results of the Group. The unaudited final results herein have not been reviewed by the audit committee of the Company.

**Shareholders and investors are therefore reminded to exercise caution in interpreting the unaudited final results which may be subject to changes and differ from the audited results of the Group.**

This announcement is made by the order of the Board, by the directors of which individually and jointly accept full responsibility for the accuracy of the information contained in this announcement.

In the meantime, the Company advises its shareholders and investors to exercise caution when dealing in the Company's securities.

By Order of the Board  
**Dynamic Global Holdings Limited**  
**Tsao Ke Wen, Calvin**  
*Executive Director*

Hong Kong, 27 September 2002

Please also refer to the published version of this announcement in the The Standard (English) and Hong Kong Economic Journal (Chinese).