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**Dynamic Global Holdings Limited**  
**環球動力控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**CLARIFICATION OF PRESS REPORTS**  
**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**  
**DESPATCH OF 2002 INTERIM REPORT AND**  
**RESUMPTION OF TRADING**

This announcement is made by the Board of the Company to clarify certain press report, 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, despatch of its interim report and resumption of trading in the shares of the Company on the Stock Exchange. Certain press reports appeared on 15 November 2002 speculating that there was a change in the control of the Company. The Board clarify that although there has been some recent changes both in substantial shareholders with the emergence of a new single largest substantial shareholder and in the composition of the Board of the Company, there has not been a change of control within the definition of the Takeover Code or the Listing Rules.

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 extreme caution when dealing in the Company's securities.**

The trading in the shares in the Company has been suspended with effect from 9:35 a.m. on Friday, 15 November 2002 at the request of the Company pending announcement of price sensitive information and application has been made to the Stock Exchange for a resumption of trading with effect from 9:30 a.m. on Thursday, 21 November 2002.

### **Clarification of Press Reports**

Certain articles appeared on newspapers on 15 November 2002 speculating that, inter alia, following recent changes in respect of substantial shareholders and composition of the Board of Directors (the “Board”) of Dynamic Global Holdings Limited (the “Company”), Zhuhai Gree Group Corp. (“Zhuhai Gree”), a company incorporated under the Laws of The People’s Republic of China, has assumed control of the Company.

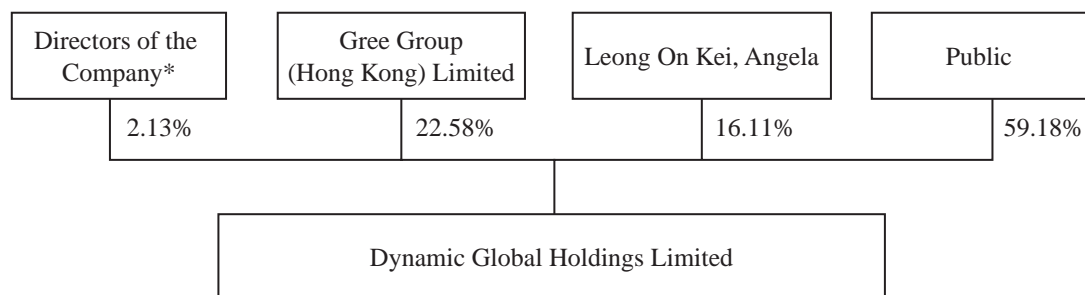
The Board hereby refers to the Company’s announcements of 24 October, 7 November and 13 November 2002 concerning the resignation of 7 directors in total, the appointment of 6 directors in total and the appointment of Mr. Xu Rong as the Chairman of the Company, bringing the current total to fourteen members of the Board. The Board further clarifies that the Company had received Securities (Disclosure of Interest) (“SDI”) notices from Messrs. Xu Rong and Liang Jianhua that for the period from 9 October 2002 to 16 October 2002, they have acquired on the behalf of Gree Group (Hong Kong) Limited (“Gree HK”) a total of 591,754,000 shares of HK\$0.10 each of the Company (“Shares”), representing approximately 22.58% of the issued capital of the Company and is currently the single largest shareholder of the Company. Gree HK is a company incorporated under the Laws of Hong Kong and is an indirect wholly owned subsidiary of Zhuhai Gree.

On 4 March 2002, Mr. Wong Siu Kay (“Mr. Wong”)’s wholly owned corporate vehicle, Dragon Future Investments Limited, entered into three separate conditional agreements with several existing shareholders of the Company to acquire a total of 290,033,000 shares of the Company, and Mr. Wong made SDI filing in respect of those Shares. On 2 September 2002, the Company announced that due to a failure to complete the Agreements, Mr. Wong did not have any existing shareholding in the Company. As a result, Mr. Wong will not have acquired any shareholding in the Company and will not become a substantial shareholder of the Company; Mr. Wong duly filed a SDI notice stating that he no longer had any share interest in the Company. Save for those SDI filings made by Mr. Wong, the Board has been advised by Mr. Wong that he had not dealt in any Share since 28 March 2002 up to the date of his resignation on 13 November 2002.

The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) reserves the right to take action against the Company and/or its directors should it consider any of Mr. Wong’s acts constitutes a breach of the Model Code for Securities Transactions by the Directors of Listed Companies in

Appendix 10 of The Rules Governing The Listings of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”).

As at 8 November 2002, being the latest practicable date, the shareholding structure of the Company is as follows:–



\* Exclude the shares held by Mr. Liang Jianhua and Mr. Xu Rong on the behalf of Gree HK

Consequent to the receipt of the SDI notices from Gree HK, the Board invited Messrs Xu Rong, Liang Jianhua and Shi Xiaolei, all being representatives of Gree HK to the Board on 1 November 2002, 23 October 2002 and 1 November 2002 respectively. The Board considers that it would be beneficial to the interest of the Company as a whole to invite Messrs. Xu Rong, Liang Jianhua and Shi Xiaolei to join the Board based on their substantial business experience and possible financial support. Apart from the shareholding information disclosed above and standard directors’ indemnity insurance coverage, there is no other relationship between Messrs Xu Rong, Liang Jianhua and Shi Xiaolei and the Company. Save as disclosed in this announcement, Gree HK and its representatives appointed to the Board are all independent third parties not related to other current or former members of the Board or other current or former substantial shareholders of the Company.

The Board are advised by a registered financial adviser, Karl Thomson Financial Advisory Limited that the above circumstances do not constitute a change of control under The Codes on Takeover and Mergers (“Takeover Code”) and the Listing Rules.

The Board including Messrs Xu Rong, Liang Jianhua and Shi Xiaolei is reviewing the financial position and the current operation of the Company. The Directors presently do not have any specific plan to make any change to the current operation of the Company and in particular acquisition of new assets from any source. Pending the clarification of issues delaying the issue of audited financial statements by the Company specified under the section “Postponement of Release of Announcement of Audited Final Results for the Year ended 31 December 2001”, the Board would then have sufficient information to decide whether to continue with or modifying the operation of the two major associates.

Concurrently, the Board is also actively exploring opportunity to dispose the Company's interest in the said associates.

The Board is aware of its obligation to maintain a sufficient level of operation for the Company. The Stock Exchange will also monitor all acquisition and disposal of assets by the Company and its subsidiaries. Any acquisition or disposal of assets by the Company will be subject to the relevant provision of the Listing Rules. The Stock Exchange has the discretion to require the Company to issue a circular to its shareholders irrespective of the size of the proposed transaction, particularly when such proposed transaction represent a departure from the principal activities of the Company. The Stock Exchange has also the power to aggregate a series of transactions by the Company and its subsidiaries and any transaction may result in the Company being treated as a new listing applicant and/or subject to the requirements for new listing applicants as set out in the Listing Rules.

### **Postponement of Release of Announcement of Audited Final Results for the Year ended 31 December 2001**

Reference is made to the announcements of the Company dated 29 April 2002, 27 June 2002, 30 July 2002, 29 August 2002 and 27 September 2002. The Board of the Company announces that due to the continued 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 30 December 2002. Accordingly, it is expected that the audited final results will be announced in the newspaper on or before 31 December 2002 and the 2001 annual report is expected to be despatched on or before 8 January 2003. Pursuant to paragraphs 8(1), 11(1) and 11(2) of the Listing Agreement entered into between the Company and 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 the Board's efforts in obtaining financial information including the audited financial statements of two major associates of the Group through interviewing the relevant personnel both in Hong Kong and in the Mainland, there had been no 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 amounted 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 of HK\$390,696,000 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 is considering seeking legal advice on obtaining those information by the Group and regrettably 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. Upon receipt of the requisite information, the Board shall consider whether further provision should be made.

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 14 January 2003.

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.

Prior to joining the Board, from 9 October 2002 to 16 October 2002, Mr. Liang Jianhua and Mr. Xu Rong acquired 591,754,000 Shares representing approximately 22.58% of the issued capital of the Company as corporate interests held on behalf of Gree Group (HK) Limited, Mr. Shi Xiaolei acquired 2,092,000 shares of the Company representing approximately 0.08% of the issued capital of the Company, all being purchased between April 2002 to 15 October 2002. The Board has confirmed that save as disclosed for members of the Board in respect of dealings prior to joining the Board, 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.

### **Resumption of Trading**

The trading in the shares in the Company has been suspended with effect from 9:35 a.m. on Friday, 15 November 2002 at the request of the Company and application has been made to the Stock Exchange for a resumption of trading with effect from 9:30 a.m. on Thursday, 21 November 2002.

This announcement is made by the order of the Board, 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 extreme caution when dealing in the Company’s securities.

By Order of the Board  
**Dynamic Global Holdings Limited**  
**Chen Jung Hsin**  
*Executive Director*

Hong Kong, 20 November 2002

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