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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
DESPATCH OF 2002 INTERIM REPORT**

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.

Shareholders and investors of the Company are advised to exercise caution when dealing in the Company's securities.

Reference is made to the announcements of the Company dated 29 April 2002, 27 June 2002, 30 July 2002, 29 August 2002, 27 September 2002, 20 November 2002 and 9 January 2003. The board of directors (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 31 March 2003. Accordingly, it is expected that the audited final results will be announced in the newspaper on or before 1 April 2003 and the 2001 annual report is expected to be despatched on or before 8 April 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 (the “**4-month rule**”).

Despite the Board’s efforts in finalizing the 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, the process is still in progress with the auditors and the said financial statements have not yet been finalized. 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 31 December 2001 of HK\$389,489,000, against which no provision has been made of the Group’s investments in these associates. There has not been any contribution of profit or loss from these associates so far. If the audited financial statements of these associates are not completed, 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 Group has no commitment, contingent liabilities, guarantee or the like in relation to these associates. The Board has received advice from the auditors of the Group on processing that information of the Group and regrettably considers it necessary to request for more time to finalize the said financial statements and the audited final results of the Group. Upon confirmation from the auditors, the Board shall consider whether further provision should be made. The Company is demanding the accounts of these associates through its legal adviser and seeking legal advice as to other possible remedies to 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 6 May 2003. The postponement of announcement would affect the release of annual results for the year ended 31 December 2002 and might trigger a breach of the 4-month rule.

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 in the Company representing approximately 22.6% of the issued capital of the Company as corporate interests held on behalf of Gree Group (HK) Limited. Save as

disclosed the Directors 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 2001 final results and 2002 interim results are published.

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, shareholders and investors of the Company are advised to exercise caution when dealing in the Company's securities.

By Order of the Board
Dynamic Global Holdings Limited
Su Xixiong
Executive Director

Hong Kong, 17 February 2003

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