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Dynamic Global Holdings Limited

環球動力控股有限公司

(Incorporated in Bermuda with limited liabilities)

**DATE OF RELEASE OF ANNOUNCEMENT OF
AUDITED FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2002
AND DESPATCH OF 2002 ANNUAL REPORT
AND
ANNOUNCEMENT OF UNAUDITED FINAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

This announcement is made by the Board of the Company to declare the date of release of announcement of audited final results for the year ended 31 December 2002 and despatch of its 2002 annual report and to announce the unaudited final results for the year ended 31 December 2002.

The delay in publication of the audited final results of the Company constitutes a breach of paragraphs 8(1), 8(2), 11(1) and 11(2) of the Listing Agreement by the Company and 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 should note that the unaudited consolidated final accounts for the year ended 31 December 2002 are based on the management accounts prepared by the Company and subject to adjustments and upon finalization by the auditors.

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

Reference is made to the announcement of Dynamic Global Holdings Limited (the "Company") dated 29 April 2003 (the "29 April Announcement"). According to the 29 April Announcement, the deadline for the Company to announce the audited final results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2002 ("Final Results") is 31 July 2003 (the "Deadline"). The board (the "Board") of directors (the "Directors") of the Company is pleased

to announce that a meeting of the Board has been convened to be held on 11 July 2003 to approve and release the audited Final Results, ahead of the Deadline. Accordingly the audited Final Results will be published in the press on 14 July 2003 and the 2002 Annual Report will be despatched to shareholders by 23 July 2003.

The delay in publication of the audited Final Results constitutes a breach by the Company of paragraphs 8(1), 8(2), 11(1) and 11(2) of the listing agreement (the "Listing Agreement") signed between the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Stock Exchange reserves its right to take action against the Company and/or the Directors as a result of the aforesaid breach. The delay in publication of the audited Final 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 Directors confirmed that they have not been dealing in any securities of the Company since 30 April 2003, being the deadline for the Company to publish the audited Final Results under the Listing Agreement, and have undertaken that they will not deal in any securities of the Company until the audited Final 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 2002 together with the comparative audited figures for 2001 are as follows:

	<i>Note</i>	Year ended 31 December	
		Unaudited Figure 2002 <i>HK\$'000</i>	Audited Figure 2001 <i>HK\$'000</i>
Turnover		9,230	32,582
Cost of sales		<u>(17,310)</u>	<u>(48,034)</u>
Gross loss		(8,080)	(15,452)
Other revenue		76	310
Selling and distribution costs		(599)	(2,569)
Administrative expenses		(43,383)	(37,437)
Other operating expenses		<u>(25,440)</u>	<u>(298,072)</u>
Loss from operating activities		(77,426)	(353,220)
Finance costs		<u>(13,020)</u>	<u>(11,122)</u>
		(90,446)	(364,342)
Share of losses of associates		(733)	(2,209)
Share of losses of a jointly-controlled entity		<u>-</u>	<u>(6,592)</u>
Loss before taxation		(91,179)	(373,143)
Taxation	1	<u>(1,540)</u>	<u>(53)</u>
Loss before minority interests		(92,719)	(373,196)
Minority interests		<u>70</u>	<u>5,310</u>
Net loss from ordinary activities attributable to shareholders		<u><u>(92,649)</u></u>	<u><u>(367,886)</u></u>
Loss per share	2		
Basic		<u><u>(3.74 cents)</u></u>	<u><u>(21.64 cents)</u></u>

Notes:

1. TAXATION

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 (2001: Nil). Taxes on 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.

During the year, income tax arising from the Group's subsidiaries operating in Mainland China amounted to HK\$1,540,000 (2001: HK\$53,000).

No provision for tax is required for the Group's jointly-controlled entity and associates as no assessable profits were earned by the jointly-controlled entity and associates during the year (2001: Nil).

2. LOSS PER SHARE

The calculation of the basic loss per share is based on the net loss attributable to shareholders of HK\$92,649,000 (2001: HK\$367,886,000) and on the weighted average of 2,479,799,545 (2001: 1,699,766,135) ordinary shares in issue during the year.

Diluted loss per share for the year ended 31 December 2001 has not been disclosed as no diluting events existed in respect of the Company's warrants outstanding during 2001.

Shareholders and investors of the Company should note that the unaudited consolidated final accounts for the year ended 31 December 2002 are based on the management accounts prepared by the Company and subject to adjustments and upon finalization by the auditors.

Shareholders and investors should note that there might 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 released on 11 July 2003. 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, which now comprises Dr. Lu Jianhua (also chairman of the audit committee), independent non-executive director, and Mr. Cheng Chun Ping, *JP*, non-executive director.

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 Final Results of the Group.

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, 4 July 2003

Please also refer to the published version of this announcement in The Standard.