



DYNAMIC HOLDINGS LIMITED

達力集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 029)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of DYNAMIC HOLDINGS LIMITED (the “Company”) will be held at Unicorn Room, Basement 2, The Charterhouse, 209–219 Wanchai Road, Wanchai, Hong Kong on Thursday, 29th December, 2005 at 11:00 a.m. for the purpose of transacting the following business:

As ordinary business:

1. To receive and consider the audited financial statements and the reports of the Directors and Auditors for the year ended 30th June, 2005.
2. To declare a final dividend for the year ended 30th June, 2005.
3. To re-elect retiring Directors and fix their remuneration.
4. To re-appoint Auditors and authorise the Directors to fix their remuneration.

And as special business, to consider and, if thought fit, to pass with or without modification the following resolutions of which resolutions numbers 5 to 7 will be proposed as ordinary resolutions and resolution number 8 will be proposed as a special resolution:

ORDINARY RESOLUTIONS

5. “**THAT:**

- a. subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase its own securities, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) as amended from time to time, be and is hereby generally and unconditionally approved;
- b. the aggregate nominal amount of shares which the Company is authorised to purchase pursuant to paragraph (a) above during the Relevant Period shall not exceed 10 percent of the aggregate nominal amount of the issued share capital of the Company at the date of passing this resolution, and the said approval shall be limited accordingly; and
- c. for the purpose of this resolution, ‘Relevant Period’ means the period from the passing of this resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Company’s Bye-Laws to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the members of the Company in general meeting.”

6. **“THAT:**

- a. subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or grant shares of the Company or securities convertible into such shares, options, warrants or similar rights to subscribe for any shares of the Company or such convertible securities, and to make or grant offers, agreements or options which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- b. the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements or options which would or might require the exercise of such powers after the end of the Relevant Period;
- c. the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval given in paragraph (a) above, otherwise than pursuant to the exercise of any options granted under any share option scheme adopted by the Company or any offer of any class of securities of the Company made pro rata (apart from fractional entitlements) by the Company to holders of such class of securities (excluding any holder who is resident in a place where such offer is not permitted under the law of that place) or any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-Laws of the Company, shall not exceed 20 percent of the aggregate nominal amount of the issued share capital of the Company at the date of passing this resolution, plus (if the Directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 percent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution) and the said approval shall be limited accordingly; and
- d. for the purpose of this resolution, ‘Relevant Period’ means the period from the passing of this resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Company’s Bye-Laws to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the members of the Company in general meeting.”

7. **“THAT** the general mandate granted to the Directors of the Company to exercise the powers of the Company to allot, issue and deal with any additional shares of the Company pursuant to ordinary resolution 6 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution 5 set out in the notice convening this meeting, provided that such extended amount shall not exceed 10 percent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution.”

SPECIAL RESOLUTION

8. “**THAT** the Bye-Laws of the Company be amended as follows:
- a. Delete the existing definition of “writing” or “printing” of Bye-Law 1 and substitute therefor the following new definition:

“writing” or “printing” shall, unless the contrary intention appears, be construed as including writing, printing, lithography, photography, typewriting and every other mode of representing words or figures in a legible and non-transitory form, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the member’s election comply with all applicable Statute, rules and regulations;’
 - b. Delete the existing definition of “Statutes” in Bye-Law 1 and substitute therefor the following new definition:

“Statutes” shall mean the Companies Act, the Electronic Transactions Act 1999 of Bermuda, and every other act (as amended from time to time) for the time being in force of the Legislature of Bermuda applying to or affecting the Company, the Memorandum of Association and/or these presents;’
 - c. Insert the following new definitions into Bye-Law 1:

“address” shall have the ordinary meaning given to it and shall include any facsimile number, electronic number or address or website used for the purposes of any communication pursuant to these Bye-Laws;

“electronic” shall mean relating to technology having electrical, digital, magnetic, wireless, optical electromagnetic or similar capabilities and such other meanings as given to it in the Electronic Transactions Act 1999 of Bermuda as may be amended from time to time;

“full financial statements” shall mean the financial statements that are required under section 87(1) of the Companies Act as may be amended from time to time;

“summarized financial statements” shall have the meaning ascribed to them in the section 87A(3) of the Companies Act as may be amended from time to time;’
 - d. Insert the following paragraph as the last paragraph of Bye-Law 1:

‘References to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having a physical substance or not.’
 - e. Insert the following words after the words ‘Subject to the Statutes’ of Bye-Laws 6(B) and 6(C):

‘and the rules prescribed by the stock exchange of the Relevant Territory’
 - f. Delete the existing sentence ‘The Directors shall, as regards any offer or allotment of shares, comply with the provision of the Companies Act, if and so far as such provisions may be applicable thereto’ of Bye-Law 11 and substitute therefor the following new sentence:

‘The Directors shall, as regards any offer or allotment of shares, comply with the provisions of the Companies Act, these Bye-Laws and any directions that may be given by the Company in general meeting, if and so far such provisions, Bye-Laws or directions may be applicable thereto’
 - g. Insert the following words after the words ‘usual or common form’ of Bye-Law 36:

‘or in a form prescribed by the stock exchange of the Relevant Territory’

- h. Insert the following words after the words ‘in the Newspapers’ of Bye-Law 44:
‘or by any means and in such manner as may be accepted by the stock exchange of the Relevant Territory’
- i. Insert the following words before the words ‘any share premium account’ in paragraph (B) of Bye-Law 59:
‘, save for the use of share premium as expressly permitted by the Companies Act,’
- j. Insert the following words after the words ‘on a show of hands every member who is in person (or where a corporate representative is allowed, by a duly authorised corporate representative)’ of Bye-Law 76:
‘or by proxy’
- k. Delete the existing paragraph (B) of Bye-Law 87 and substitute therefor the following new paragraph:
‘Where a member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-Law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including the rights to vote individually on a show of hands.’
- l. Delete the existing paragraphs (I) to (K) of Bye-Law 98 and substitute therefor the following new paragraphs:
(I) A company shall be deemed to be a company in which a Director and/or his associate(s) owns 5 per cent. or more of the issued shares of any class of the equity share capital of such company or of the voting rights of any class of shares of such company if and so long as (but only if and so long as) he and/or his associate(s) is (either directly or indirectly) the holder of or beneficially interested in 5 per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest or that of his associate(s) is derived) or of the voting rights of any class of shares available to members of the company. For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or his associate(s) has no beneficial interests, any shares comprised in a trust in which the Director’s interests or that of his associate(s) are in reversion or remainder if and so long as some other person is entitled to received the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is interested only as a unit holder.
(J) Where a company in which a Director and/or his associate(s) holds 5 per cent. or more of any class of the equity share capital of such company or of the voting rights of any class of shares available to members of the company is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.
(K) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director or his associate(s) (other than the Chairman of the meeting) or as to the entitlement of any Director (other than such Chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to

be counted in the quorum, such question shall be referred to the Chairman of the meeting and his ruling in relation to such other Director or his associate(s) shall be final and conclusive except in a case where the nature or extent of the interest of the Director or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the Chairman of the meeting or his associate(s), such question shall be decided by a resolution of the Board (for which purpose such Chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interests of such Chairman or his associate(s) as known to such Chairman has not been fairly disclosed to the Board.’

- m. Delete the existing paragraph (A) of Bye-Law 99 and paragraph (F) of Bye-Law 182 and substitute the following new (A) for the existing paragraph (A) of Bye-Law 99:

‘(A) At each annual general meeting, Directors for the time shall retire by rotation as follows:

- (i) at least one-third of the Directors, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation. In this connection, the Directors to retire by rotation shall include (so far as necessary to ascertain the number of Directors to retire by rotation under this paragraph) any Director who wishes to retire and not to offer himself for re-election. Any further Director so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed pursuant to Bye-Law 102 shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation under this paragraph; and
- (ii) any Director (not already obliged to retire by rotation under paragraph (i) above) who at such annual general meeting, shall have been a Director at each of the preceding two general meetings of the Company and who was not elected or re-elected at such annual general meeting, and who has not otherwise ceased to be a Director (whether by resignation, retirement, removal or otherwise) and been re-elected at a general meeting of the Company at or since any of the preceding two annual general meetings of the Company aforementioned.’

- n. Insert the following words before the words ‘a copy of every balance sheet’ of paragraph (B) of Bye-Law 162:

‘, subject to paragraph (C) of Bye-Law 162,’

- o. Insert the following new paragraphs (C) and (D) after existing paragraph (B) of Bye-Law 162:

‘(C) The Company may send summarized financial statements to members of the Company who has, in accordance with the Statutes and any applicable rules of the stock exchange of the Relevant Territory, consented and elected to receive summarized financial statements instead of the full financial statements. The summarized financial statements must be accompanied by an auditor’s report and notice informing the member how to notify the Company that he elects to receive the full financial statements. The summarized financial statements, notice and auditor’s report must be sent not less than twenty-one days before the general meeting to those members that consented and elected to receive the summarized financial statements. Subject to Section 88 of the Companies Act, the Company shall send the full financial statements to a member within seven days of receipt of the member’s election to receive the full financial statements.

- (D) The requirement to send to a person referred to in paragraph (B) of this Bye-Law the documents referred to in that paragraph or summarized financial statements in accordance with paragraph (C) of this Bye-Law shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the stock exchange of the Relevant Territory, the Company publishes copies of the documents referred to in paragraph (B) of this Bye-Law and, if applicable, summarized financial statements complying with paragraph (C) of this Bye-Law, on the Company's computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.'
- p. Delete the word 'fourteen' in Bye-Law 165 and substitute therefor in each case where it appears the word 'twenty-one'.
- q. Delete the existing Bye-Law 167 and substitute therefor the following new Bye-Law 167:
'Any notice or document (including any "corporate communication" within the meaning ascribed thereto under the rules of the stock exchange of the Relevant Territory), whether or not, to be given or issued under these Bye-Laws from the Company to a member shall be
- (a) in writing or by cable, telex or facsimile transmission message or,
 - (b) to the extent permitted by the Statutes and any applicable rules of the stock exchange of the Relevant Territory, in other form of electronic transmission or communication,
- and any such notice or document may be served by the Company on any member either:
- (a) personally, or by sending it through the post in a prepaid letter, envelope or wrapper addressed to such member at his registered address as appearing in the register or at any other address supplied by him to the Company for the purpose, or by delivering or leaving it at such address as aforesaid, or, as the case may be and to the extent permitted by the Statutes and any applicable rules of the stock exchange of the Relevant Territory, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the notice being duly received by the member;
 - (b) by advertisement in the Newspapers; or
 - (c) to the extent permitted by the Statutes and any applicable rules of the stock exchange of the Relevant Territory, by placing it on the Company's website or the website of the stock exchange of the Relevant Territory and giving to the member a notice stating that the notice or other document is available there (a "notice of availability"). The notice of availability may be given to the member by any of the means set out above. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.'
- r. Renumber the existing Bye-Law 169 as paragraph (A) of Bye-Law 169, and insert (i) the words 'or document' after the word 'notice' in each case where it appears; (ii) the words 'or delivered' after the word 'served'; and (iii) the words 'or delivery' after the word 'service'.
- s. Insert the following new paragraphs (B), (C) and (D) after paragraph (A) of Bye-Law 169:
'(B) Subject to due compliance with all applicable Statutes and any applicable rules of the stock exchange of the Relevant Territory, any notice or document sent by electronic communication shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice placed on the Company's website or the

website of the stock exchange of the Relevant Territory is deemed to be given by the Company to member on the day following that on which a notice of availability is deemed served on the member.

(C) Subject to due compliance with all applicable Statutes and any applicable rules of the stock exchange of the Relevant Territory, any notice or document served or delivered in any other manner contemplated by these Bye-Laws shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by the Secretary or other person appointed by the Board as to the fact and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof.

(D) Any notice or document shall be given to a member in the English language and the Chinese language, subject to due compliance with all applicable Statutes and any applicable rules of the stock exchange of the Relevant Territory.'

- t. Insert the following words after the words 'registered address of any member' of Bye-Law 172: 'or otherwise served, delivered, despatched or transmitted in accordance with Bye-Law 167''

By Order of the Board
Dynamic Holdings Limited
WONG Oi Yee, Polly
Company Secretary

Hong Kong, 31st October, 2005

Notes:

1. A member entitled to attend and vote at the above meeting may appoint one or more proxies to attend and, vote instead of him. A proxy need not be a member of the Company.
2. In order to be valid, a form of proxy, together with power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof, must be deposited at the principal place of business of the Company at 17th Floor, Eton Tower, 8 Hysan Avenue, Causeway Bay, Hong Kong not less than 48 hours before the time appointed for the above meeting or any adjournment thereof as the case may be.
3. The register of members of the Company will be closed from Wednesday, 21st December, 2005 to Thursday, 29th December, 2005, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrars in Hong Kong, Tengis Limited at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong for registration not later than 4:00 p.m. on Tuesday, 20th December, 2005.
4. With respect to resolution number 5, approval is being sought from shareholders of the Company for a general mandate to repurchase shares to be given to the Directors.
5. With respect to resolution number 6, approval is being sought from shareholders of the Company for a general mandate to issue shares to be given to the Directors.
6. With respect to resolution number 7, approval is being sought from shareholders of the Company for an extension of the general mandate granted to the Directors to allot and issue shares by adding to it the number of shares purchased under the authority granted pursuant to resolution number 5.
7. In accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Code on Share Repurchases, an explanatory statement containing further details regarding resolution number 5 is set out in Appendix I to the circular to shareholders of the Company dated 31st October, 2005.
8. With respect to resolution number 8, approval is being sought from shareholders of the Company for amendments to the existing Bye-Laws of the Company.

As at the date of the announcement, the Board of Directors of the Company comprises Mr. CHUA Domingo, Mr. PANG Kit Man, John, Mr. TANENGLIAN Mariano Chua, Mr. TAN Lucio Jr. Khao and Mr. CHEUNG Chi Ming as Executive Directors; and Mr. CHONG Kim Chan, Kenneth, Mr. SY Robin and Mr. MAK Kwai Wing, Alexander as Independent Non-Executive Directors.

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