



達力集團有限公司
DYNAMIC HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

For Immediate Release

9 January 2006

DYNAMIC HOLDINGS LIMITED
Acquisition of 182 prime office units of Eton Place in Pudong, Shanghai
and
Declaration of a special dividend of HK\$0.15 per share

(Hong Kong) Dynamic Holdings Limited (“Dynamic Holdings” or the “Group”, Stock Code: 0029) is pleased to announce today that it has proposed to invest a total sum of HK\$728 million (equivalent to approximately RMB758 million) to acquire 182 prime office units located at 7th Floor to 22nd Floor of the West Tower of Eton Place, which is located at No. 69 Dongfang Road, Pudong New Area, Shanghai (the “Acquisition”). The Acquisition will be entirely financed by internal resources and bank loans.

Following the success in launching Phase I to III of “Chaoyang Garden”, a commercial / residential complex project situated in a prime location of Chaoyang District, Beijing, Dynamic Holdings now proposes to invest in the commercial property market in Shanghai. Eton Place, which is owned by Eton Properties Group Limited (“Eton”) and situated at a prime location in the Pudong district, Shanghai, is the first office property investment project of the Group in Shanghai. It comprises a twin tower with a 24-storey office building and a 36-storey office building, a two-storey basement shopping mall and carpark spaces. The West Tower commands full river view over the Huangpu River. The total gross floor area being acquired is approximately 30,188 square metres. The property is expected to be completed before 30 September 2006.

The Acquisition is carried out via Glory Diamond Inc., a wholly-owned subsidiary of the Group, which will acquire the property from Eton. The total investment represents the total consideration for the Acquisition, being HK\$344 million (equivalent to approximately RMB358 million), and balance of property payment being approximately HK\$384 million (RMB400 million) paid after the completion of the Acquisition. The total consideration of the Acquisition will be paid in cash by two installments. The initial deposit, being approximately HK\$69 million (equivalent to approximately RMB72 million) has been paid on the date of the Acquisition Agreement in cash, and the balance in the sum of HK\$275 million (equivalent to approximately RMB268 million) will be paid upon completion.

Pursuant to the Acquisition, the Group will receive a guaranteed gross annual rental income of no less than approximately HK\$58 million (RMB60 million) per annum, representing a gross yield of approximately 8% per annum.

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“The Group is seeking to acquire premium properties in the PRC. The Acquisition will help to strengthen the Group’s asset base and provides a steady and guaranteed rental income to the Group within its first few years of purchase. The Group expects that Shanghai’s position as one of the world’s international financial centre will attract multi-national companies to establish and expand their businesses in the PRC which in turn will boost the demand for prime office premises in the region,” said the Chief Executive Officer of Dynamic Holdings, Mr. John Pang.

Dynamic Holdings considers the Acquisition has been achieved at a reasonable price taking into account the condition and the quality of the properties and the prime location of the property within the Pudong district in Shanghai. It is believed that the completion of the 5-star hotel located in the West Tower in the future will further enhance the value of the property.

It is also announced that the Directors have declared a Special Dividend of HK\$0.15 per share after taking into consideration the Group’s cash reserves following the disposal of Dynamic Cargo Centre and the requisite funding for the Acquisition. The Directors are most appreciative of the continued support of shareholders.

Dynamic Holdings Limited: The Group is mainly developing and investing in the property market in Mainland China. Since 90s, the Group has been running property projects in Mainland China, now with the projects in Beijing and Shenzhen. For details of the Group, please kindly visit www.dynamic-hk.com.

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