
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Dynamic Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



DYNAMIC HOLDINGS LIMITED

達力集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 029)

**PROPOSALS FOR
GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES
RE-ELECTION OF DIRECTORS
AMENDMENTS TO EXISTING BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of the Company to be held at Unicorn Room, Basement 2, The Charterhouse, 209–219 Wanchai Road, Wanchai, Hong Kong on Friday, 30 October 2009 at 11:30 a.m. is set out on pages 14 to 19 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the principal place of business of the Company at 17th Floor, Eton Tower, 8 Hysan Avenue, Causeway Bay, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting. Completion and return of the form of proxy will not preclude you from subsequently attending and voting in person at the meeting if you so wish.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
Appendix I — Explanatory Statement of Repurchase Mandate	6
Appendix II — Details of Directors to be Re-elected	9
Appendix III — Amendments to the Existing Bye-Laws	13
Notice of Annual General Meeting	14

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be held at Unicorn Room, Basement 2, The Charterhouse, 209–219 Wanchai Road, Wanchai, Hong Kong on Friday, 30 October 2009 at 11:30 a.m.
“Board”	the board of Directors
“Bye-Laws”	the Bye-Laws of the Company
“Codes”	the Hong Kong Codes on Takeovers and Mergers
“Company”	Dynamic Holdings Limited (stock code: 029), a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange
“controlling shareholder”	shall have the meaning ascribed to it in the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and all of its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	5 October 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum”	the Memorandum of Association of the Company
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company
“Shareholders”	holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“substantial shareholder” shall have the meaning ascribed to it in the Listing Rules

“%” or “per cent” percentage

LETTER FROM THE BOARD



DYNAMIC HOLDINGS LIMITED

達力集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 029)

Executive Directors:

Mr. CHUA Domingo (*Chairman*)
Dr. CHAN Wing Kit, Frank (*Chief Executive Officer*)
Mr. TAN Harry Chua
Mr. TANENGLIAN Mariano Chua
Mr. TAN Lucio Jr. Khao
Mr. CHEUNG Chi Ming
Mr. PASCUAL Ramon Sy
Mr. CHIU Siu Hung, Allan
Mr. WONG Sai Tat

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Principal Place of Business:

17th Floor
Eton Tower
8 Hysan Avenue
Causeway Bay
Hong Kong

Independent Non-executive Directors:

Mr. CHONG Kim Chan, Kenneth
Mr. SY Robin
Ms. SALAZAR Lourdes Apostol

8 October 2009

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES
RE-ELECTION OF DIRECTORS
AMENDMENTS TO EXISTING BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information relating to the ordinary resolutions to be proposed at the forthcoming Annual General Meeting relating to (a) the granting of general mandates to the Directors to repurchase and issue Shares; (b) the re-election of Directors; and (c) the proposed amendments to the existing Bye-Laws.

LETTER FROM THE BOARD

2. GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES

At the Annual General Meeting, ordinary resolutions will be proposed to renew the general mandates previously granted to the Directors to (a) repurchase Shares on the Stock Exchange of up to 10% of the issued share capital of the Company at the date of passing of the resolutions and (b) allot, issue and otherwise deal with Shares up to a limit of 20% of the issued share capital of the Company as at the date of passing of the resolutions plus the number of any Shares repurchased by the Company since the granting of the general mandate (up to a maximum number equivalent to 10% of the issued share capital of the Company as at the date of passing the resolution and authorised by a separate ordinary resolution as required by the Listing Rules).

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed general mandate to repurchase Shares is set out in Appendix I to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

3. PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Bye-Laws 99 and 102 of the Bye-Laws, the Directors who will retire by rotation at the Annual General Meeting are Mr. CHUA Domingo, Mr. TANENGLIAN Mariano Chua, Mr. CHEUNG Chi Ming and Mr. CHONG Kim Chan, Kenneth, while Mr. TAN Harry Chua will hold office until the Annual General Meeting, and they, all being eligible, will offer themselves for re-election at the Annual General Meeting. Details of such Directors are set out in Appendix II to this circular.

4. AMENDMENTS TO THE EXISTING BYE-LAWS

In addition, your attention is drawn to the special resolution to be proposed at the Annual General Meeting to approve certain amendments to the existing Bye-Laws.

The Directors propose to amend the Bye-Laws of the Company to, inter alia, bring the Bye-Laws in line with certain recent changes to the Listing Rules.

Summary explanation of the proposed amendments to the existing Bye-Laws is set out in Appendix III to this circular.

5. ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting is set out on pages 14 to 19 of this circular.

A form of proxy for use at the Annual General Meeting is enclosed. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the principal place of business of the Company at 17th Floor, Eton Tower, 8 Hysan Avenue, Causeway Bay, Hong Kong no later than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

LETTER FROM THE BOARD

6. VOTING AT THE ANNUAL GENERAL MEETING

Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at a general meeting of the Company must be taken by poll. Therefore the chairman of the meeting will demand a poll on each of the resolutions put to vote at the Annual General Meeting.

7. RECOMMENDATION

The Directors believe that the proposed general mandates to repurchase and issue Shares, proposed re-election of Directors and the proposed amendments to the existing Bye-Laws are in the interests of the Company and its Shareholders. Accordingly, the Directors recommend you to vote in favour of the resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
By Order of the Board
Dynamic Holdings Limited
CHAN Wing Kit, Frank
Chief Executive Officer

GENERAL MANDATE TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to renew a general mandate previously granted to the Directors to repurchase Shares on the Stock Exchange of up to 10% of the issued share capital of the Company as at the date of passing of the resolution.

As at the Latest Practicable Date, the number of Shares in issue was 219,103,681. On the basis of such figure, assuming that no Shares will be issued or repurchased thereafter and prior to the Annual General Meeting, the Directors would be authorised to repurchase Shares up to a limit of 21,910,368 Shares.

DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of their associates has any present intention, in the event that the proposed general mandate to repurchase Shares is approved by Shareholders, to sell Shares to the Company.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she has any present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorised to make purchases of its own Shares.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the proposed general mandate to repurchase Shares in accordance with the Listing Rules, all applicable laws of Bermuda and the Memorandum and Bye-Laws of the Company.

EFFECT OF TAKEOVERS CODES

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Mr. CHUA Domingo, the Chairman of the Company and his associates together held 93,321,279 Shares (approximately 42.59%), was the only substantial shareholder holding more than 5% of the issued share capital of the Company.

In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the resolution and if there is no other change in issued share capital of the Company, the shareholdings of Mr. CHUA Domingo (together with his associates) in the Company would be increased to approximately 47.32%, which would give rise to an obligation to make a mandatory offer under Rule 26 of the Codes. The Directors have no present intention to exercise the power to repurchase Shares to such extent as it would trigger the same. The exercise in full of the power to repurchase Shares by the Directors also would not reduce the public shareholding in the Company to below 25% of the issued share capital of the Company.

LISTING RULES FOR REPURCHASES OF SHARES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions.

Repurchases must be funded out of funds legally available for the purpose in accordance with the laws of Bermuda, the Memorandum and the Bye-Laws of the Company. It is envisaged that the Company will derive the funds for repurchase of its Shares in accordance therewith.

FUNDING FOR REPURCHASES

The Company is empowered by its Memorandum and Bye-Laws to repurchase its own Shares. Bermuda law provides that any amount repaid in connection with a repurchase of Share(s) may only be paid out of either the capital paid up on the relevant Shares, or the profits that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of Shares made for such purpose. The amount of premium payable on the repurchases, if any, may only be paid out of either the profits that would otherwise be available for distribution by way of dividend or out of the share premium or contributed surplus accounts of the Company.

REASON FOR REPURCHASES

The Directors have no present intention to make any repurchase of the Company's own Shares but consider that the mandate will provide the Company the flexibility to make such repurchases when appropriate and beneficial to the Company and its Shareholders. Such repurchases may enhance the net asset value of the Company and/or earnings per share. Based on the financial position of the Company as at 30 June 2009 (being the date of its latest published audited accounts), the Directors do not expect any material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchases were to be carried out in full during the proposed repurchase period. No repurchases would be made in the circumstances that would have a material adverse impact on the working capital or gearing ratio of the Company.

APPENDIX I EXPLANATORY STATEMENT OF REPURCHASE MANDATE

GENERAL

During each of the six months preceding the date of this circular, the Company has not repurchased any of its Shares. During each of the previous twelve months from 1 October 2008 to the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

Month	SHARES	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2008		
October	1.5300	0.8000
November	1.0000	0.8000
December	1.3500	0.9800
2009		
January	1.4000	1.1000
February	1.4000	1.1200
March	1.4000	1.1800
April	1.2500	1.0300
May	1.6500	1.1500
June	1.6000	1.3800
July	1.8000	1.4000
August	1.8100	1.5200
September	1.7000	1.5500
October up to the Latest Practicable Date	1.6000	1.4200

In accordance with the Bye-Laws, the following Directors, Mr. CHUA Domingo, Mr. TANENGLIAN Mariano Chua, Mr. CHEUNG Chi Ming and Mr. CHONG Kim Chan, Kenneth shall retire from office by rotation; and Mr. TAN Harry Chua shall hold office until the Annual General Meeting and they, all being eligible, will offer themselves for re-election.

CHUA DOMINGO

Aged 68, is the Chairman and Executive Director of the Company nominated in 1992. He is also a member of Remuneration Committee and a substantial shareholder of the Company under Part XV of the SFO. As at the Latest Practicable Date, other than his personal interests in 4,000,000 shares (long position) and corporate interests in 89,321,279 shares (long position) of the Company, Mr. CHUA has no other interests in the shares of the Company within the meaning of Part XV of the SFO. Mr. CHUA was not appointed for a specific term but is subject to retirement by rotation and re-election at the Annual General Meeting.

With over 36 years' experience in property development and investment and business management, Mr. CHUA is primarily responsible for overall strategic leadership and direction of the Group. Apart from holding interests and directorships in the group of Eton Properties (Holdings) Limited, a prominent developer and holding up-market properties in Hong Kong, he is the chairman of Air Philippines Corporation and directors of banking, hotel, brewery, real estate, brokerage and finance companies in the P.R.C., Hong Kong, the United States and the Philippines. He is related to other Executive Directors of the Company being brother-in-law of Mr. TANENGLIAN Mariano Chua, Dr. CHAN Wing Kit, Frank, Mr. TAN Harry Chua and Mr. CHEUNG Chi Ming; and uncle of Mr. TAN Lucio Jr. Khao and Mr. PASCUAL Ramon Sy.

Mr. CHUA also holds directorships in listed companies other than the Company including Eton Properties Philippines, Inc., Allied Banking Corporation and Tanduay Holdings, Inc., all of which are listed on The Philippine Stock Exchange, Inc. During the past three years, he was a director of Philippine National Bank, which was listed on The Philippine Stock Exchange, Inc.

Save as disclosed above and the directorships held in the Company and its subsidiaries, namely, Beijing Longfast Property Development Co. Ltd., Broad Capital Investments Limited, Dynamic (B.V.I.) Limited and Harvic Investment Limited, Mr. CHUA does not hold any positions in the Company or its subsidiaries, nor have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no service contract entered into between Mr. CHUA and the Company. He will be entitled to receive a director's fee or emolument on the basis of HK\$20,000 per sitting of either board/committee meeting or general meeting of the Company as determined by the Board according to the emolument policy as recommended by the Remuneration Committee of the Company and subject to approval by the Shareholders in general meeting. For the year ended 30 June 2009, the total director's fee or emolument of HK\$120,000 was paid to Mr. CHUA.

Other than as disclosed above, there is no other information to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters in relation to the re-election of Mr. CHUA that need to be brought to the attention of the Shareholders.

TANENGLIAN MARIANO CHUA

Aged 69, is an Executive Director of the Company and was appointed in 1997. He is in charge of business development, investment and management of the Group. Mr. TANENGLIAN was not appointed for a specific term but is subject to retirement by rotation and re-election at the Annual General Meeting.

He has about 47 years of experience in business management and treasury. And he holds a bachelor degree in commerce. He is related to other Executive Directors of the Company being brother of Dr. CHAN Wing Kit, Frank and Mr. TAN Harry Chua, the brother-in-law of Mr. CHUA Domingo and Mr. CHEUNG Chi Ming; and uncle of Mr. TAN Lucio Jr. Khao and Mr. PASCUAL Ramon Sy.

At present, Mr. TANENGLIAN does not hold any directorships in any listed companies other than the Company. During the past three years, he was also a director of listed companies other than the Company including Allied Banking Corporation, Baguio Gold Holdings Corporation, MacroAsia Corporation, Tanduay Holdings, Inc., Eton Properties Philippines, Inc. and PAL Holdings, Inc., all of which were listed on The Philippine Stock Exchange, Inc.

Save as disclosed above and the directorship held in the Company, Mr. TANENGLIAN does not hold any positions in the Company or its subsidiaries, nor have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. TANENGLIAN does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

There is no service contract entered into between Mr. TANENGLIAN and the Company. He will be entitled to receive a director's fee or emolument on the basis of HK\$20,000 per sitting of either board/committee meeting or general meeting of the Company as determined by the Board according to the emolument policy as recommended by the Remuneration Committee of the Company and subject to approval by the Shareholders in general meeting. For the year ended 30 June 2009, the total director's fee or emolument of HK\$100,000 was paid to Mr. TANENGLIAN.

Other than as disclosed above, there is no other information to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters in relation to the re-election of Mr. TANENGLIAN that need to be brought to the attention of the Shareholders.

CHEUNG CHI MING

Aged 65, is an Executive Director of the Company and was appointed in 1999. Mr. CHEUNG was not appointed for a specific term but is subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Bye-Laws.

Mr. CHEUNG possesses about 39 years of experience in real estate, brewery and services industry. He has been an executive director of Kenmore Pty., Ltd., one of the largest group of manufacturing, real estate and service companies in Papua New Guinea since 1976, and is also senior executives of Eton Properties (Holdings) Limited and group of brewery companies in the P.R.C. He holds a bachelor degree in agricultural and water conservancy. He is related to other Executive Directors of the Company being brother-in-law of Mr. CHUA Domingo, Mr. TANENGLIAN Mariano Chua, Dr. CHAN Wing Kit, Frank and Mr. TAN Harry Chua; and uncle of Mr. TAN Lucio Jr. Khao and Mr. PASCUAL Ramon Sy.

At present and in the past three years, Mr. CHEUNG does/did not hold any directorships in any listed companies other than the Company.

Save as disclosed above and the directorships held in the Company and its subsidiaries, namely, Beijing Longfast Property Development Co., Ltd., Broad Capital Investments Limited, Harvic Investment Limited, High Grand Investments Limited and Move On International Limited, Mr. CHEUNG does not hold any positions in the Company or its subsidiaries, nor have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. CHEUNG does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

There is no service contract entered into between Mr. CHEUNG and the Company. He will be entitled to receive a director's fee or emolument on the basis of HK\$20,000 per sitting of either board/committee meeting or general meeting of the Company and other emoluments of HK\$360,000 per annum as determined by the Board according to the emolument policy as recommended by the Remuneration Committee of the Company and subject to approval by the Shareholders in general meeting. For the year ended 30 June 2009, the total director's fee or emolument of HK\$460,000 was paid to Mr. CHEUNG.

Other than as disclosed above, there is no other information to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters in relation to the re-election of Mr. CHEUNG that need to be brought to the attention of the Shareholders.

CHONG KIM CHAN, KENNETH

Aged 58, is an Independent Non-executive Director of the Company and was appointed in 1994. He is also the Chairman of Audit Committee and a member of Remuneration Committee of the Company. Mr. CHONG is currently appointed for a term of two years from 1 January 2009 but is subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Bye-Laws.

Mr. CHONG is a veteran in the jewellery business in which he has over 37 years of working experience. He is managing a number of companies engaged in jewellery manufacturing, wholesaling and exports activities in Hong Kong, Singapore and Japan.

At present and in the past three years, Mr. CHONG does/did not hold any directorships in any listed companies other than the Company.

Save as disclosed above, Mr. CHONG does not hold any positions in the Company or its subsidiaries, nor have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company. And he has confirmed his independence pursuant to Rule 3.13 of the Listing Rules. As at the Latest Practicable Date, Mr. CHONG does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

There is no service contract entered into between Mr. CHONG and the Company. He will be entitled to receive a director's fee or emolument on the basis of HK\$20,000 per sitting of either board/committee meeting or general meeting of the Company as determined by the Board according to the emolument policy as recommended by the Remuneration Committee of the Company and subject to approval by the Shareholders in general meeting. For the year ended 30 June 2009, the total director's fee or emolument of HK\$140,000 was paid to Mr. CHONG.

Other than as disclosed above, there is no other information to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters in relation to the re-election of Mr. CHONG that need to be brought to the attention of the Shareholders.

TAN HARRY CHUA

Aged 64, is an Executive Director of the Company and was appointed on 25 September 2009. Mr. TAN was not appointed for a specific term but is subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Bye-Laws.

Mr. TAN has over 37 years of experience in real estate, banking, hotel, airline and general management. Over the years, he has held positions as the director of Eton Properties Philippines, Inc., Allied Banking Corporation, Oceanic Bank, a state chartered commercial bank in San Francisco, Allied Commercial Bank in Xiamen, The Charterhouse, PAL Holdings, Inc. and Asia Brewery Inc. He holds a bachelor degree in chemical engineering. He is related to several Executive Directors of the Company being brother-in-law of Mr. CHUA Domingo and Mr. CHEUNG Chi Ming; brother of Mr. TANENGLIAN Mariano Chua and Dr. CHAN Wing Kit, Frank; and uncle of Mr. TAN Lucio Jr. Khao and uncle of Mr. PASCUAL Ramon Sy.

At present and in the past three years, Mr. TAN holds/has held directorships in listed companies other than the Company including Allied Banking Corporation, Eton Properties Philippines, Inc., MacroAsia Corporation, PAL Holdings, Inc. and Tanduary Holdings, Inc., which are all listed on The Philippines Stock Exchange, Inc.

Save as disclosed above and the directorship held in the Company, Mr. TAN does not hold any positions in the Company or its subsidiaries, nor have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. TAN does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

There is no service contract entered into between Mr. TAN and the Company. He will be entitled to receive a director's fee or emolument on the basis of HK\$20,000 per sitting of either board/committee meeting or general meeting of the Company as determined by the Board according to the emolument policy as recommended by the Remuneration Committee of the Company and subject to approval by the Shareholders in general meeting.

Other than as disclosed above, there is no other information to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters in relation to the re-election of Mr. TAN that need to be brought to the attention of the Shareholders.

This appendix sets out the summary explanation of the proposed amendments to the existing Bye-Laws. The Directors recommend certain amendments to be made to the Bye-Laws principally in order to bring them in line with certain recent changes to the Listing Rules. A special resolution to approve the amendments to the Bye-Laws will be proposed at the Annual General Meeting. The effects of the proposed amendments are as follows:

- (i) Subject to such other minimum period as may be specified in the Listing Rules from time to time: (a) an annual general meeting shall be called by not less than twenty-one days' notice or twenty clear business days' notice, whichever is the longer; (b) a meeting called for the passing of a special resolution shall be called by not less than twenty-one days' notice; and (c) a meeting other than an annual general meeting or a meeting called for the passing of a special resolution shall be called by not less than fourteen days' notice or ten clear business days' notice, whichever is the longer.
- (ii) Any vote of shareholders at a general meeting will be taken by poll.
- (iii) HKSCC Nominees Limited, a wholly-owned subsidiary of Hong Kong Securities Clearing Company Limited, will have the right to appoint multiple proxies to attend and vote at any general meetings.
- (iv) Providing for the despatch of notice or document by electronic publication on the basis of deemed consent, to such extent as may be permitted by Bermuda laws.

The proposed amendments are set out in full in the Notice of Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



DYNAMIC HOLDINGS LIMITED

達力集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 029)

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 Friday, 30 October 2009 at 11:30 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 Independent Auditors for the year ended 30 June 2009.
2. To declare a final dividend for the year ended 30 June 2009.
3. To re-elect 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 number 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

NOTICE OF ANNUAL GENERAL MEETING

- 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

NOTICE OF ANNUAL GENERAL MEETING

- 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 and are hereby amended as follows:
 - (a) Amending Bye-Law 1 as follows:
 - (i) Adding the words “and where relevant such other minimum notice period as may be specified under the Listing Rules” after the words “at a general meeting of which not less than 21 days’ notice” in the definition of Special Resolution; and
 - (ii) Adding the words “, and where relevant such other minimum notice period as may be specified under the Listing Rules,” after the words “of which not less than 14 days notice” in the definition of Ordinary Resolution;
 - (b) Amending Bye-Law 63 as follows:
 - (i) Adding the words “and where relevant such other minimum notice period as may be specified under the Listing Rules” after the words “at least twenty-one days’ notice in writing” in the third line; and
 - (ii) Adding the words “and where relevant such other minimum notice period as may be specified under the Listing Rules” after the words “at least fourteen days’ notice in writing” in the sixth line;

NOTICE OF ANNUAL GENERAL MEETING

- (c) Amending Bye-Law 70 as follows:
 - (i) Adding the words “required or” before the word “demanded” in the marginal notes; and
 - (ii) Adding the words “required or” after the words “Unless a poll be so” in the last paragraph;
- (d) Adding the words “required or” before the word “demanded” wherever it appears in Bye-Law 71;
- (e) Adding the words “required or” before the words “duly demanded” in the first line of Bye-Law 72;
- (f) Adding the words “required or” before the word “demanded” in the third line of Bye-Law 73;
- (g) Amending Bye-Law 74 as follows:
 - (i) Adding the words “requirement or” before the word “demand” in the marginal notes;
 - (ii) Adding the words “requirement or” before the word “demand” in the first line; and
 - (iii) Adding the words “required or” before the word “demanded” in the third line;
- (h) Amending paragraph (B) of Bye-Law 87 as follows:
 - (i) Deleting the words “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” in the second to the fifth lines and substituting therefor the words “it may authorise such person(s) as it thinks fit to act as its representative(s) or proxy(ies) at any meeting of the Company or at any meeting of any class of members provided that the authorisation or proxy form shall specify the number and class of shares in respect of which each such representative or proxy is so authorised”; and
 - (ii) Adding the words “or proxy form” after the words “in the relevant authorisation” in the second last line;
- (i) Adding the words “and in accordance with” after the words “to the extent permitted by” in the first line of paragraph (c) of Bye-Law 167;

NOTICE OF ANNUAL GENERAL MEETING

- (j) Amending Bye-Law 169 as follows:
 - (i) Deleting the words “by post” in the marginal notes;
 - (ii) Adding the words “or document” after the words “A notice” in the fourth line of paragraph (B); and
 - (iii) Adding the words “or the date on which the notice or document first appears on the website, whichever is later” after the words “on the member” in the seventh line of paragraph (B).”

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

Hong Kong, 8 October 2009

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. To be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon, together with the 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 later than 48 hours before the time for holding the above meeting or any adjourned meeting (as the case may be).
3. The register of members of the Company will be closed from Tuesday, 27 October 2009 to Friday, 30 October 2009, 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, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. on Friday, 23 October 2009.
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 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 this circular.
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.

NOTICE OF ANNUAL GENERAL MEETING

9. As at the date hereof, the Board of Directors of the Company comprises Mr. CHUA Domingo, Dr. CHAN Wing Kit, Frank, Mr. TAN Harry Chua, Mr. TANENGLIAN Mariano Chua, Mr. TAN Lucio Jr. Khao, Mr. CHEUNG Chi Ming, Mr. PASCUAL Ramon Sy, Mr. CHIU Siu Hung, Allan and Mr. WONG Sai Tat as Executive Directors; and Mr. CHONG Kim Chan, Kenneth, Mr. SY Robin and Ms. SALAZAR Lourdes Apostol as Independent Non-Executive Directors.