

DYNAMIC COLOURS LIMITED
(Company Registration No.: 199304233Z)
(Incorporated in Singapore)

**VOLUNTARY CONDITIONAL CASH OFFER FOR THE COMPANY –
APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

1. INTRODUCTION

The board of directors (the "**Board**") of Dynamic Colours Limited (the "**Company**") refers to:

- (a) the announcement dated 1 June 2020 made by United Overseas Bank Limited, for and on behalf of Dynamic Technology Pte. Ltd. (the "**Offeror**"), in relation to a voluntary conditional cash offer (the "**Offer**") in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers for all the issued and paid-up ordinary shares (the "**Shares**") in share capital of the Company, other than those Shares held, directly or indirectly, by the Offeror as at the date of the Offer; and
 - (b) the announcement dated 3 June 2020 made by the Company informing shareholders of the Company (the "**Shareholders**") of the Offer,
- (collectively referred to as the "**Announcements**").

All capitalised terms not defined herein shall have the meanings ascribed to them in the Announcements.

2. APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Board wishes to announce that it has appointed Xandar Capital Pte. Ltd. as the independent financial adviser (the "**IFA**") to advise the directors of the Company who are considered independent for the purposes of the Offer (the "**Independent Directors**"), in connection with the Offer.

The Offeree Circular containing, *inter alia*, the advice of the IFA and the recommendation of the Independent Directors in respect of the Offer will be sent to Shareholders within 14 days from the date of despatch of the Offer Document to be issued by the Offeror.

In the meantime, Shareholders are advised to exercise caution when dealing in their Shares or otherwise refrain from taking any action in respect of their Shares which may be prejudicial to their interests, until they or their professional advisers have considered the information and the recommendations of the Independent Directors, as well as the advice of the IFA set out in Offeree Circular to be issued by the Company in due course.

3. DIRECTORS' RESPONSIBILITY STATEMENT

The directors of the Company (including any who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement (other than those relating to the Offeror and the Offer) are fair and accurate and that there are no material facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Offer Announcement), the sole responsibility of the directors of the Company has been to ensure, through reasonable enquiries, that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

The directors of the Company jointly and severally accept responsibility accordingly.

**BY ORDER OF THE BOARD OF
DYNAMIC COLOURS LIMITED**

Chong Yee Siew Sebastian
Lead Independent Director

5 June 2020