

CIRCULAR DATED 13 JULY 2015

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY AND CONSIDER IT IN ITS ENTIRETY.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the share capital of Dynamic Colours Limited, please forward this Circular and the attached notice of Extraordinary General Meeting and Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

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DYNAMIC COLOURS LIMITED

(Company Registration No. 199304233Z)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE PROPOSED SALE OF 55A YISHUN INDUSTRIAL PARK A SINGAPORE 768729

Important Dates and Times:

Last date and time for lodgement of Proxy Form	:	26 July 2015 at 10.30 a.m.
Date and time of Extraordinary General Meeting	:	28 July 2015 at 10.30 a.m.
Place of Extraordinary General Meeting	:	Sapphire 3, Social Clubhouse Level 2, Orchid Country Club, 1 Orchid Club Road, Singapore 769162

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DEFINITIONS

In this Circular, the following definitions shall apply throughout unless otherwise stated or the context otherwise requires:

<u>“Audited FY2014 Results”</u>	:	The audited consolidated financial statements of the Group for the financial year ended 31 December 2014
<u>“Board”</u>	:	The board of Directors as at the date of this Circular
<u>“Book Value”</u>	:	The book value of the Property, which is US\$2,339,023 based on the Audited FY2014 Results
<u>“CDP”</u>	:	The Central Depository (Pte) Limited
<u>“Circular”</u>	:	This circular to the Shareholders dated 13 July 2015
<u>“Companies Act”</u>	:	The Companies Act (Chapter 50 of Singapore), as may be amended or modified from time to time
<u>“Company”</u>	:	Dynamic Colours Limited
<u>“Completion”</u>	:	The completion of the Proposed Sale pursuant to the Option to Purchase
<u>“Conditions”</u>	:	Shall mean the following conditions to be fulfilled prior to Completion: (a) the approval of the Shareholders for the Proposed Sale, at an EGM to be convened, being granted no later than the Expected Completion Date (or such other date as may be mutually agreed between SLPI and the Purchaser in writing); (b) HDB Approval being obtained by SLPI; and (c) the consent of the HDB in relation to the change of the current authorised use of the Property being obtained by the Purchaser
<u>“Consideration”</u>	:	The total consideration payable by the Purchaser for the acquisition of the Property, which shall be S\$9,800,000
<u>“Controlling Shareholder”</u>	:	Shall have the meaning ascribed to it in the Listing Manual
<u>“Directors”</u>	:	The directors of the Company as at the date of this Circular, and each a <u>“Director”</u>
<u>“EGM”</u>	:	The extraordinary general meeting of the Company, notice of which is set out on page 40 of this Circular
<u>“Expected Completion Date”</u>	:	Shall mean 29 July 2015 (unless parties mutually agree otherwise)
<u>“Group”</u>	:	The Company and its subsidiaries
<u>“GST”</u>	:	The goods and services tax chargeable under the Goods and Services Tax Act (Chapter 117A of Singapore)
<u>“HDB”</u>	:	The Housing and Development Board

<u>“HDB Approval”</u>	: The approval of the HDB to the assignment / transfer of the Property from SLPI to the Purchaser
<u>“Listing Manual”</u>	: The listing manual of the SGX-ST
<u>“Notice of EGM”</u>	: The notice of the EGM which is set out on page 40 of this Circular
<u>“NTA”</u>	: Net tangible asset value
<u>“Option Exercise Date”</u>	: 6 May 2015, the date on which the Option to Purchase was exercised
<u>“Option to Purchase”</u>	: The option to purchase that was granted by SLPI, the wholly-owned subsidiary of the Company, to the Purchaser on 22 April 2015 in respect of the Proposed Sale
<u>“Property”</u>	: The property known as “55A Yishun Industrial Park A Singapore 768729”
<u>“Proposed Sale”</u>	: The proposed sale of the Property pursuant to the Option to Purchase
<u>“Purchaser”</u>	: NK Ceramic Pte. Ltd.
<u>“Securities Account”</u>	: Shall mean a securities account maintained by a depositor with CDP but does not include a securities sub-account maintained with a depository agent
<u>“SGX-ST”</u>	: Singapore Exchange Securities Trading Limited
<u>“Shareholders”</u>	: The registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term <u>“Shareholders”</u> shall, where the context admits, mean the persons named as depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited
<u>“Shares”</u>	: The ordinary shares in the share capital of the Company
<u>“SLPI”</u>	: S.L. Packaging Industries Pte. Ltd.
<u>“Valuation Report”</u>	: Shall have the meaning ascribed to it in paragraph 1.2
<u>Currencies, Units and Others</u>	
<u>“S\$”</u> and <u>“cents”</u>	: Shall mean Singapore dollar and cents respectively, being the lawful currency of the Republic of Singapore
<u>“US\$”</u>	: Shall mean the lawful currency of the United States of America
<u>“%”</u> or <u>“percent”</u>	: Shall mean per centum or percentage

The terms **“depositor”**, **“depository agent”** and **“Depository Register”** shall have the meanings ascribed to them, respectively, in Section 130A of the Companies Act.

The term **“subsidiary”** shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any word or term used in this Circular which is defined under the Companies Act, the Listing Manual or any statutory modification thereof and not otherwise defined in this Circular shall, where applicable, have the same meaning assigned to it under the Companies Act, the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference to a time of day and to dates in this Circular shall be a reference to Singapore time and dates, unless otherwise stated.

DYNAMIC COLOURS LIMITED

(Company Registration No. 199304233Z)
(Incorporated in the Republic of Singapore)

Directors

Mr. Yeo Hock Leng	(Executive Chairman and Group Managing Director)
Mdm. Goh Seok Eng	(Deputy Group Managing Director and Technical Director)
Mr. Tan Lye Huat	(Lead Independent Director)
Mr. Chong Yee Siew Sebastian	(Independent Director)
Mr. Soon Boon Siong	(Independent Director)
Mr. Lim Kim Liang	(Non-executive Director)

Registered Office

55A Yishun Industrial Park A
SL Building
Singapore 768729

13 July 2015

To: The Shareholders of the Company

Dear Sir/Madam,

1. INTRODUCTION

1.1 The Proposed Sale

On 6 May 2015, the Board announced that SLPI, a wholly-owned subsidiary of the Company, had on 22 April 2015 granted to NK Ceramic Pte. Ltd. an option to purchase 55A Yishun Industrial Park A Singapore 768729. On the Option Exercise Date, the Purchaser duly exercised the Option to Purchase and a binding contract for the Proposed Sale on the terms and conditions set out in the Option to Purchase came into force.

The Consideration shall be S\$9,800,000 (exclusive of the applicable GST, for which the Purchaser shall also be liable).

Further details relating to the salient terms of the Proposed Sale under the Option to Purchase are set out in paragraph 2.

The Proposed Sale constitutes a “Major Transaction” under Chapter 10 of the Listing Manual and is therefore subject to and conditional upon the approval of the Shareholders.

Subsequent to the sale of the Property, the Company does not intend to rent any premises in the Property. The Company also intends to change its registered address to 21 Woodlands Close #09-12 Primz Bizhub Singapore 737854.

1.2 Information Relating to the Property

The Property, which is held by SLPI, comprises one (1) land lot (being a 30-year leasehold estate commencing on 1 January 1992 and an option to renew for a further 30 years) and the building erected thereon. The size of the land lot is 5,061 square meters, and the building erected thereon is a 3-storey purpose-built building built on a rectangular-shaped plot of land at the access road level. The floor area of the building covers 6,374 square meters over three (3) storeys.

The occupancy rate of the Property is currently approximately 50% and several examples of activities carried out by the tenants of the Property are set out below:

- (a) labeling, packaging, quality control testing and storing of pet products;
- (b) labeling, packaging, quality control testing and storing of labels and labeling products;
- (c) labeling, packaging and storing of finished goods; and
- (d) industrial activities for fabric material decoration, flower bouquet arrangement, event planning and storage.

Based on the Audited FY2014 Results, the Book Value of the Property is US\$2,339,023 and the NTA of the Property is also US\$2,339,023.

In view of the Proposed Sale, SLPI had commissioned an independent valuation of the Property by Jones Lang LaSalle Property Consultants Pte Ltd to determine the latest open market value of the Property. The valuation report issued by Jones Lang LaSalle Property Consultants Pte Ltd dated 14 April 2015 (the "**Valuation Report**") valued the Property at S\$12,000,000 as at 14 April 2015 on an open market value basis. The Valuation Report is set out in the Appendix of this Circular.

1.3 Information Relating to the Purchaser

The Purchaser is a Singapore incorporated company and is involved in the business of manufacturing and supplying tiles and the provision of related services in Singapore.

1.4 Purpose of this Circular

The purpose of this Circular is to explain the reasons for, and to provide Shareholders with information relating to the Proposed Sale, and to seek the approval of Shareholders for the Proposed Sale, tabled as an ordinary resolution set out in the Notice of EGM.

2. **SALIENT TERMS OF THE PROPOSED SALE**

The key terms of the Proposed Sale, as set out in the Option to Purchase, are as follows:

2.1 Consideration for the Proposed Sale

The consideration of S\$9,800,000 is payable entirely in cash.

As at the date of this Circular, the Purchaser has paid SLPI a total deposit of S\$980,000 (representing 10% of the Consideration), together with the applicable GST. The balance of the Consideration of S\$8,820,000 (being 90% of the Consideration), together with the applicable GST, shall be paid by the Purchaser on Completion.

The Consideration was arrived at on a willing-seller, willing-buyer basis after arms' length negotiations between SLPI and the Purchaser, after taking into account, amongst other things, (a) the present use of the Property by SLPI, (b) the prevailing market conditions for similar properties, (c) other offers of interest received for the Property, where SLPI had received enquiries for the Property but no official offers, (d) the Book Value and the NTA of the Property, (e) the open market value of the Property as set out in the Valuation Report, and (f) the rationale for and benefits of the Proposed Sale (described in more detail in paragraph 3 below). The Property is being sold at a discount from the market valuation as there were no other competing offers.

2.2 Expected Completion Date

Subject to the fulfilment of the Conditions, the Company expects Completion to take place on the Expected Completion Date.

2.3 Conditions Precedent

Completion is subject to the Conditions being fulfilled.

2.4 Condition of the Property

The Property is being sold “as is, where is” and the Purchaser having inspected the Property shall be deemed to have satisfied itself as to the present state and condition and whether as regards area, access, repair, light, air and drainage and in all other respects and shall accept the Property in the state and condition in which it shall be at the Expected Completion Date and no warranty on the part of SLPI is given or is to be implied as to the correctness of description or suitability for any particular purpose or purposes or condition or state of repair and the Purchaser shall have no claim of any kind whatsoever in respect of any defects or deficiencies which may exist at the date of the Option to Purchase or may become apparent at any time thereafter and the Purchaser shall not be entitled to make or raise any enquiry requisition or objection whatsoever in respect thereof.

2.5 Key Undertakings

SLPI shall apply to the HDB for the HDB Approval and the Purchaser shall render to SLPI all assistance necessary (including furnishing such documents and information required to be submitted to the HDB and any other competent authorities) in connection with SLPI's application for the HDB Approval.

3. **RATIONALE FOR AND BENEFITS OF THE PROPOSED SALE AND INTENDED USE OF PROCEEDS**

The Property is not critical to the operations of the Company. The Company has in the first quarter of 2015 moved its manufacturing operations from the Property to Johor. Moving forward, the Singapore office will only play a supporting role by providing sales and finance services to the Company.

The Proposed Sale also arises from the need to comply with the HDB policy applicable to tenancies of industrial properties. The HDB had on 30 March 2015 announced that the subletting of HDB industrial properties to non-related companies will no longer be allowed from 1 June 2015, while existing approved subletting agreements with non-related companies can be renewed up to 31 December 2017. As the Company has already moved its manufacturing operations from the Property to Johor, it will not be feasible for the Company to continue owning the Property without being able to sublet the Property beyond 31 December 2017 under the new HDB policy.

The Proposed Sale would increase the Group's resources allowing it to consider other investment opportunities as and when such opportunities arise, which would serve to enhance the overall value and growth potential of the Group.

The Proposed Sale will enable the Group to crystallise an estimated capital gain of US\$5,065,027 from the Property, which represents a 216% premium to the Book Value of US\$2,339,023 of the Property as at 31 December 2014 (based on the Audited FY2014 Results). The Consideration paid will exceed the historical cost of the Property of US\$5,541,152 by US\$1,862,898. The Company will seek to largely re-deploy the proceeds from the Proposed Sale into future investment opportunities.

4. **FINANCIAL EFFECTS OF THE PROPOSED SALE**

The proforma financial effects of the Proposed Sale on the Group as set out below are **for illustrative purposes only** and do not reflect either the actual financial effects of the Proposed Sale on the Group, or the future financial performance and/or position of the Group immediately following the Completion of the Proposed Sale.

Based on the Audited FY2014 Results (being the most recent completed financial year), and assuming that the Proposed Sale is effected at the Consideration sum of S\$9,800,000 and the total number of Shares is 209,971,310:

- (a) had the Proposed Sale been effected on 1 January 2014, the Group's basic earnings per Share for the financial year ended 31 December 2014 would have been US\$0.0349 instead of US\$0.0108 as the capital gain of US\$5,065,027 on the disposal of the Property would have increased the profit of the Group for the financial year ended 31 December 2014, which would in turn result in an increase in the Group's basic earnings per Share by US\$0.0241; and
- (b) had the Proposed Sale been effected on 31 December 2014, the Group's net tangible assets per Share as at 31 December 2014 would have been US\$0.1734 instead of US\$0.1493.

5. RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL

Under Chapter 10 of the Listing Manual (which governs acquisitions and realisations), where any of the relative figures of an asset purchase or asset sale transaction, computed on the bases in Rule 1006 of the Listing Manual exceeds 20%, that transaction is classified as a "major transaction" and shall be subject to shareholders' approval.

The relative figures for the Proposed Sale computed on the bases set out in Rule 1006 of the Listing Manual, based on the Audited FY2014 Results, are set out below:

Rule 1006	Bases	Relative Figures (%)
(a)	Net asset value of the Property compared with the Group's net asset value ⁽¹⁾	7.46%
(b)	Net profits attributable to the Property compared with the Group's net profits ⁽²⁾	59.48%
(c)	Aggregate value of the Consideration compared with the market capitalisation of the Company as at 5 May 2015 ⁽³⁾	22.22%
(d)	Number of equity securities issued by the Company as consideration for the Proposed Sale, compared with the number of equity securities previously in issue	Not applicable
(e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves	Not applicable

Notes:

- (1) Based on the net asset value of the Property as at 31 December 2014 of approximately US\$2,339,023, divided by the Group's net asset value as at 31 December 2014 of approximately US\$31,346,438.
- (2) Based on the net profit value attributable to the Property for the financial year ended 31 December 2014 of approximately US\$1,357,893, divided by the Group's net profit for the financial year ended 31 December 2014 of approximately US\$2,283,004.
- (3) Based on the Consideration of S\$9,800,000 (approximately US\$7,404,050), divided by the market capitalisation of the Company of approximately S\$44,093,975 (based on the volume weighted average price of the Shares transacted at S\$0.2100 on 5 May 2015, being the market day immediately preceding the Option Exercise Date).

Having regard to the above, the Proposed Sale constitutes a "Major Transaction" under Rule 1014 of the Listing Manual and accordingly, Shareholders' approval will be required.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors of the Company, and to the best of the Directors' knowledge, none of the Controlling Shareholders of the Company, has any interest, direct or indirect, in the Proposed Sale, save in respect of such Director's / Controlling Shareholder's interest in Shares (if any).

7. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company or SLPI in connection with the Proposed Sale. Accordingly, no service contract is proposed to be entered into by the Company or SLPI.

8. DIRECTORS' RECOMMENDATIONS

The Directors are of the opinion that the Proposed Sale is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the resolution (as set out in the Notice of EGM) relating to the Proposed Sale to be proposed at the EGM.

9. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 40 of this Circular, will be convened and held on 28 July 2015 at 10.30 a.m. at Sapphire 3, Social Clubhouse Level 2, Orchid Country Club, 1 Orchid Club Road, Singapore 769162, for the purpose of considering and, if thought fit, passing with or without any modifications, the ordinary resolution to approve the Proposed Sale as set out in this Circular.

10. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders will find enclosed with this Circular, the Notice of the EGM and a Proxy Form.

10.1 Appointment of Proxies

Shareholders who are unable to attend the EGM and who wish to appoint a proxy or proxies to attend and vote at the EGM on their behalf are requested to complete, sign and return the Proxy Form enclosed in this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the registered office of the Company at 55A Yishun Industrial Park A, SL Building, Singapore 768729 no later than 48 hours before the time fixed for the EGM. The sending of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so. In such event, the relevant Proxy Forms will be deemed to be revoked and the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the EGM.

10.2 When depositor regarded as Shareholder

A depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register as at 48 hours before the time appointed for holding the EGM, as certified by CDP to the Company.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm, after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Sale, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

12. INSPECTION OF DOCUMENTS

The following documents will be available for inspection at the Company's registered office at 55A Yishun Industrial Park A, SL Building, Singapore 768729 during normal business hours from the date hereof up to and including the date of the EGM:

- (a) the Option to Purchase;
- (b) the Valuation Report;
- (c) the memorandum and articles of association of the Company; and
- (d) the Audited FY2014 Results.

For the purpose of this Circular, conversion of US\$ into S\$ is based on the exchange rate of US\$1.00 to S\$1.3236, the standard rate applicable to the Group in May 2015, based on the Group's accounting policies and procedures.

Yours faithfully

For and on behalf of
the Board of Directors of
DYNAMIC COLOURS LIMITED

Yeo Hock Leng
Executive Chairman
13 July 2015

VALUATION REPORT

**Valuation Report Of
55A Yishun Industrial Park A
Singapore 768729
(the “Property”)**

Prepared for

S. L. Packaging Industries Pte Ltd

April 2015

Jones Lang LaSalle Property Consultants Pte Ltd
9 Raffles Place #39-00 Republic Plaza Singapore 048619
tel +65 6220 3888 fax +65 6438 3362

Company Reg No. 198004794D CEA Licence No. L3007326E

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Figure 1.0 The Property



Source: Jones Lang LaSalle 2015

1.0 INTRODUCTION

This valuation and report is prepared for S. L. Packaging Industries Pte Ltd on the basis of their recent instructions on April 14, 2015 to value the Property known as 55A Yishun Industrial Park A Singapore 768729 (the "Property").

The Property comprises a part 2/part 3-storey purpose-built factory. The Property was inspected on April 6, 2015.

2.0 TERMS OF REFERENCE

We have been instructed to determine the market value of the Property for an intending sale.

3.0 LOCATION

This Property is situated along Yishun Industrial Park A, off Yishun Avenue 2. It is approximately 20 km from the city centre at Collyer Quay.

The Property is situated within Yishun Industrial Park, which is situated in the northern sector of the island, at the fringe of the Yishun Town. This industrial estate is managed by the HDB and comprises mainly flatted factory buildings, terrace workshops and purpose-built detached factories. Other prominent developments nearby include YS-One, North Spring Bizhub, Win 5 (under construction), A'posh Bizhub, Nth Pt Bizhub, Yishun Fire Station SCDF HQ and Vicom Yishun Inspection Centre.

Public transport facilities are readily available along Yishun Avenue 2 and Yishun Avenue 7. The Yishun MRT Station is located about 1.3km from the Property.



4.0 DETAILS OF TITLES AND TENURE

Legal Description : Lot 1750W Mukim 19.

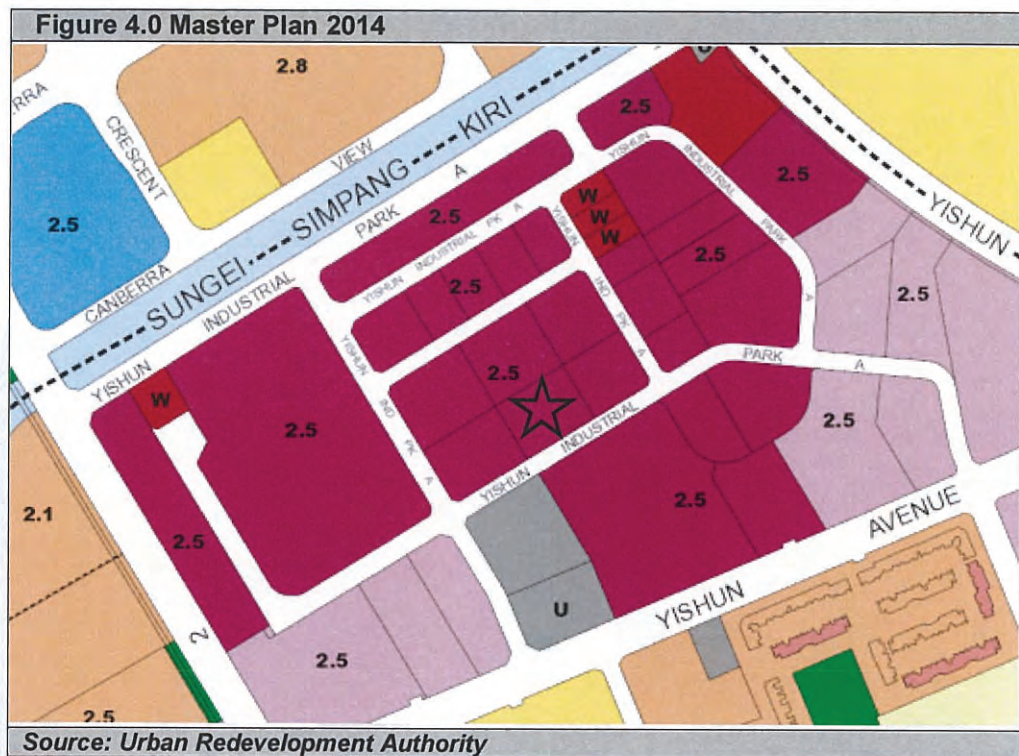
Site Area : 5,061.1 sq.m.



Tenure	:	30+30 years lease commencing from 1 January 1992, subject to no breach of any covenants and conditions stipulated by HDB in the lease.
Registered Lessor	:	Housing & Development Board (HDB).
Registered Lessee	:	S.L. Packaging Industries Pte Ltd.
Restrictive Use	:	For the purpose of manufacture of plastic bags and food wrapping paper.
Other Details	:	A copy of the HDB Lease Agreement is enclosed as Attachment to this report.

5.0 TOWN PLANNING

Master Plan Zoning (2014 Edition) : Business 2 with a plot ratio of 2.5



6.0 EXISTING IMPROVEMENTS

The Property comprises a part 2/part 3-storey purpose-built factory erected on a rectangular-shaped plot of land at the access road level.

The building is constructed of reinforced concrete framed structure, with plastered infill brickwalls and metal sheet cladding, metal sheet roof with fibre glass insulation/reinforced concrete flat roof, reinforced concrete floors and staircases. Fenestration generally comprises aluminium framed top hung/louvred glass windows.

The building is served by a hydraulic cargo lift (up to 2nd storey only) and staircases.

Other site improvements include a guard house, a bin centre, plastered brickwall with metal grilles/chain-link fencing and complete with 2 metal sliding gates.

Figure 5.0 View of the Property



Source: Jones Lang LaSalle 2015

The general floor loading of the Property are as follows :

Floor Loading Capacity

Area/Location	Design Imposed Load
1st storey	7.5 kN/sq.m.
2nd storey	7.5 kN/sq.m.
3rd storey	2.0/2.5 kN/sq.m.

7.0 ACCOMMODATION AND FINISHES

1st Storey

Lobby	-	granite flooring
Production areas	-	cement-sand screed flooring
Storage areas	-	cement-sand screed flooring
2 production offices	-	ceramic tile/linoleum/carpet flooring
Male/female toilets	-	ceramic tile flooring and ceramic wall tiles to ceiling height
Motor room	-	cement-sand screed flooring

2nd Storey

General office area	-	carpet flooring
Storage/warehouse areas	-	cement-sand screed flooring
Warehouses (tenanted)	-	cement-sand screed flooring
Pantry	-	ceramic tile flooring
Male/female toilets	-	ceramic tile flooring and ceramic wall tiles to ceiling height

3rd Storey

Conference room	-	carpet flooring
Lunch area	-	carpet flooring
Pantry	-	ceramic tile flooring and ceramic wall tiles to ceiling height
Male/female toilets	-	ceramic tile flooring and ceramic wall tiles to ceiling height
Executive's offices	-	carpet flooring
Meeting room	-	carpet flooring
Prayer's room	-	ceramic tile flooring
Male/female toilets	-	ceramic tiled floor and walls

The offices are generally cooled by cassette-type/split-unit air-conditioning system and improved with suspended ceilings with lightings.

7.0 ACCOMMODATION AND FINISHES

1st Storey - Warehouse



2nd Storey - Warehouse



2nd Storey



3rd Storey – Conference Room



3rd Storey – Office



8.0 GROSS FLOOR AREA – according to information provided

Approximately 6,374.15 sq.m. including void area.

9.0 CONDITION AND REPAIR

The Property was in average condition as at the date of our inspection on April 6, 2015.

We are not instructed to carry out a structural survey or to test any of the services, but in the course of our inspection, we did not note any items of disrepair which would be relevant to the terms of our reference.

10.0 TENANCY DETAILS

The Property is mainly owner-occupied and partially tenanted as at the date of our inspection.

Unit	Floor Area (Approximately)	Gross Rental (Excl GST)	Lease Commencement Date	Lease Exp
1st Storey	372.17 sq.m.	S\$7,210.80	6 May 2014	5 May 2015
2nd Storey	371.60 sq.m.	S\$4,800.00	15 January 2013	14 January 2015
2nd Storey	1,008 sq.m.	S\$11,935.00	15 January 2013	14 January 2015
2nd Storey	330 sq.m.	S\$4,258.80	1 August 2013	31 July 2015

11.0 PROPERTY TAX

The Property is currently being assessed at an Annual Value of S\$711,000/- for the year 2015.

12.0 OTHER DETAILS

We have not applied for Road and Drainage Interpretation Plans and the Railway Protection Plan for the Property as this is outside our terms of reference. Our valuation is therefore made on the assumption that the Property is not adversely affected by any approved/proposed road/drainage/railway schemes. It is recommended that the valuation be referred back to us for a review should your solicitors subsequently discover the existence of any such schemes after legal requisitions with the various competent authorities have been completed by them.

13.0 BASIS OF VALUATION

Our valuation is based on direct comparison with recent transactions of comparable properties within the vicinity and elsewhere.

In arriving at our valuation figure, we have taken into consideration the prevailing market conditions and have made due adjustments for differences between the Property and the comparables in terms of location, tenure, size, shape, design and layout, age and condition of buildings, dates of transactions and other factors affecting its value.

We have also cross-checked our valuation with the Income Method. This method entails the estimation of the gross rental income less the necessary expenses such as maintenance, property tax and land rental to derive a net rental income. This is then capitalised at an appropriate yield rate for the remaining period of the lease to arrive at the current market value.

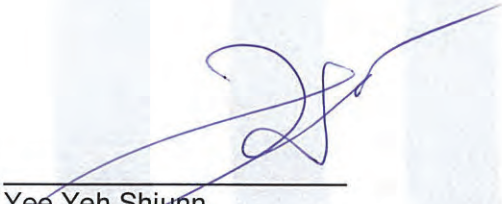
14.0 VALUATION – as at April 14, 2015

Having regard to all relevant information, we are of the opinion that the market value of the Property, free from all encumbrances, is S\$12,000,000/- (Singapore Dollars Twelve Million).

15.0 RECOMMENDATIONS/COMMENTS

16.0 GENERAL PRINCIPLES ADOPTED IN THE PREPARATION OF VALUATION AND REPORTS

Please see attached.



Yee Yeh Shiunn
B.Sc. (Land Mgt.) (Hons.) MSISV
AD041-2006553D
Regional Director
JONES LANG LASALLE

GENERAL PRINCIPLES ADOPTED IN THE PREPARATION OF VALUATIONS AND REPORTS

These are the general principles upon which our Valuations and Reports are normally prepared; they apply unless we have specifically mentioned otherwise in the body of the report.

1) VALUATION STANDARDS

All work are carried out in accordance with the Singapore Institute of Surveyors and Valuers (SISV) Valuation Standards and Guidelines and International Valuation Standards (IVS), subject to variations to meet local laws, customs, practices and market conditions.

2) VALUATION BASIS

Our valuations are made on the basis of Market Value, defined by the SISV as follows:

"Market Value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion."

3) CONFIDENTIALITY

Our Valuations and Reports are confidential to the party to whom they are addressed or their other professional advisors for the specific purpose(s) to which they refer. No responsibility is accepted to any other parties and neither the whole, nor any part, nor reference thereto may be included in any published document, statement or circular, or published in any way, nor in any communication with third parties, without our prior written approval of the form and context in which they will appear.

4) SOURCE OF INFORMATION

Where it is stated in the report that information has been supplied by the sources listed, this information is believed to be reliable and we shall not be responsible for its accuracy nor make any warranty or representation of the accuracy of the information. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with the relevant authorities.

5) DOCUMENTATION

We do not normally read leases or documents of title and, where appropriate, we recommend that lawyer's advice on these aspects should be obtained. We assume, unless informed to the contrary, that all documentation is satisfactorily drawn and that good title can be shown and there are no encumbrances, restrictions, easements or other outgoings of an onerous nature which would have an effect on the value of the interest under consideration.

6) TOWN PLANNING AND OTHER STATUTORY REGULATIONS

Information on Town Planning is obtained from the set of Master Plan, Development Guide Plans (DGP) and Written Statement published by the competent authority. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road and drainage improvements. If reassurance is required, we recommend that verification be obtained from your lawyers.

Our valuations are prepared on the basis that the premises and any improvements thereon comply with all relevant statutory regulations. It is assumed that they have been, or will be issued with a Certificate of Statutory Completion by the competent authority.

7) TENANTS

Enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the tenants are capable of meeting their obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

8) STRUCTURAL SURVEYS

We have not carried out a building survey nor any testing of services, nor have we inspected those parts of the property which are inaccessible. We cannot express an opinion about or advise upon the condition of uninspected parts and this Report should not be taken as making any implied representation or statement about such parts. Whilst any defects or items of disrepair are noted during the course of inspection, we are not able to give any assurance in respect of rot, termite or past infestation or other hidden defects.

9) SITE CONDITIONS

We do not normally carry out investigations on site in order to determine the suitability of the ground conditions and services for the existing or any new development, nor have we undertaken any archaeological, ecological or environmental surveys. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that, where development is proposed, no extraordinary expenses or delays will be incurred during the construction period.

10) OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

11) INSURANCE VALUE

Our opinion of the insurance value is our assessment of the reinstatement cost for insurance purpose and it comprises the total cost of completely rebuilding the property to be insured, together with allowances for inflation, demolition and debris removal, professional fees, the prevailing G.S.T. (goods and services tax) and, if applicable, compliance with current regulations and by-laws.

ATTACHMENTS

- **HDB LEASE AGREEMENTS**

L	1	VER 1
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THE LAND TITLES ACT

LEASE

Lease I/3844-HQ

DESCRIPTION OF LAND

(For Official Use Only)

CT		MK	TS	Lot No	Property Address Whole or part lot (if part lot, to state appd new lot/strata lot)
Vol	Fol				
453	56	19	-	1750W	Whole 55A Yishun Industrial Park A Singapore.

LESSOR

ID/Co regn no:	N.A.
Name:	HOUSING AND DEVELOPMENT BOARD
Address: (within Singapore for service of notice)	HDB Centre 3451 Jalan Bukit Merah Singapore 159459

(the registered proprietor) HEREBY LEASES the registered estate or interest in the land (hereinafter referred to as "the said land") to:-

LESSEE

ID/Co regn no:	198003400/E
Name:	S. L. PACKAGING INDUSTRIES PTE. LTD.
Citizenship/ Place of Incorporation	Singapore
Address: (within Singapore for service of notice)	55A Yishun Industrial Park A Singapore 768729

*Please delete what is not applicable

to hold as

Manner of holding	
-------------------	--

FOR TERM OF LEASE :

Term of Lease : 30 _____ years
Term of option to renew : 30 _____ years
Commencement date : 1st day of January 1992
Yearly Rent : as hereinbelow reserved.

YIELDING AND PAYING therefor the yearly rent as follows:-

- (i) Dollars One hundred forty-six thousand seven hundred and eighty-one (\$146,781/-) from the 1st day of January 1992;
- (ii) Dollars One hundred sixty-one thousand four hundred and sixty (\$161,460/-) from the 1st day of January 1993;

without deductions and in advance every quarterly without demand which rent shall be subject to revision every year beginning on the 1st day of January 1994 to a rate based on the market rent of the said land on the date of each respective revision but so that the increase shall not exceed seven point six percent (7.6%) of the yearly rent for the year immediately preceding the date of revision. The market rent in this context shall mean the rent per square metre per annum of the said land excluding the buildings and other structures erected thereon and shall be determined by the Lessor on or about the dates mentioned herein (and payable retrospectively with effect from the dates mentioned herein if determined after the dates mentioned herein) and the determination of the Lessor as to the market rent shall be final and conclusive.

PROVIDED THAT:

- (a) the yearly rent payable from the 1st day of January 1999 to the 31st day of December 2000 shall be based on the market rent as at the 1st day of January 1999;
- (b) the yearly rent payable from 1st January 2001 and for each succeeding year thereafter until the termination of the Lease term shall be increased at a fixed rate of four percent (4%) of the rent payable for the preceding year. The yearly increase of four percent (4%) of the rent payable for the preceding year shall be regardless of the prevailing market rent.

**SUBJECT TO :
PRIOR ENCUMBRANCES (to state 'nil' if there are none):**

N I L

AND the following :-

COVENANTS AND CONDITIONS

- (a) the covenants, conditions and powers implied by law in instruments of lease (or to such of them as are not hereinafter expressly negated or modified by this Instrument or by the Memorandum of Lease hereinafter referred to);
- (b) the covenants and conditions set forth in the Memorandum of Lease filed in the Singapore Land Registry and numbered as ML I/6271P, all of which covenants and conditions shall form part of this Instrument as if fully set out herein and shall apply insofar as they are not expressly negated or modified by this Instrument.

SPECIAL COVENANTS AND CONDITIONS

1. AND THE LESSEE for itself and its successors and assigns hereby covenants with the Lessor not to use or to permit or suffer the said land or the building thereon or any part of the said land and building thereof to be used otherwise than for manufacture of plastic bags and food wrapping paper subject to the approval of the Competent Authority appointed under Section 5 of the Planning Act 1998 (No. 3 of 1998).
2. AND the Lessor hereby covenants with the Lessee that the Lessor shall at the written request of the Lessee made not less than twelve (12) months before the expiry of the said term but not earlier than the twenty-eighth (28th) year of the said term grant to the Lessee a Lease of the said land for a further term of thirty (30) years (hereinafter referred to as "the further term") which shall commence from the date immediately following the expiration of the said term on the same terms and conditions and containing like covenants as are herein contained with the exception of the present covenant for renewal and such variations or modifications as shall be imposed by the Lessor PROVIDED that:-

(i) There be no existing breach(es) or non-observance(s) of any of the covenants and conditions herein contained on the part of the Lessee to be observed or performed.

(ii) The rental payable for the further term shall be as set out hereunder:-

(a) The rent for the first year of the further term commencing on the 1st day of January 2022 shall be at the rate based on the market rent at the commencement of the further term. The yearly rent for each succeeding year thereafter until the termination of the further term shall be increased at a fixed rate of four percent (4%) of the rent payable for the preceding year. The yearly increase of four percent (4%) of the rent payable for the preceding year shall be regardless of the prevailing market rent.

(b) The market rent in this context shall mean the rent per square metre per annum of the said land excluding the buildings and other structures erected thereon and shall be determined by the Lessor on or about the dates mentioned herein (and payable retrospectively with effect from the dates mentioned herein if determined after the dates mentioned herein) and the determination of the Lessor as to the market rent shall be final and conclusive.

(c) The market rent and the time of payment of the yearly rent shall be as aforesaid.

(d) Any demise, transfer, assignment or parting of possession of the said land or any part thereof by the Lessee in whatsoever manner within five (5) years of the commencement of the further term will be approved by the Lessor only upon payment by the Lessee of a fee (hereinafter called "the additional fee") which shall be equivalent to the value of the buildings and there shall also be a full revision of the rental to the prevailing market rate from the date of assignment and payment of such administrative fee as determined by the Lessor as provided under Clause 1(viii) of ML 1/6271P. The value of the building shall be determined by the Lessor alone and the Lessor's assessment shall be final and conclusive and not be subject or open to review by the Lessee. PROVIDED THAT the Lessee shall not be required to pay the additional fee for any demise, transfer, assignment or parting with possession of the said land or the building thereon or any part thereof by the Lessee in whatsoever manner after the aforesaid five (5) years period.

(e) All costs expenses charges legal or otherwise including stamp duty and the Lessor's legal costs of or connected with the preparation completion and registration of the Lease for the further term of thirty (30) years shall be borne by the Lessee.

(iii) The interest chargeable shall be at the rate of 8.5% per annum or such higher rate as may be determined from time to time by the

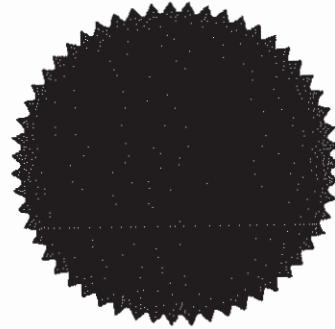
Lessor in respect of any arrears of rent or other outstanding sums due and payable under the Lease from the due dates thereof until payment in full is received by the Lessor.

3. AND the Lessor hereby covenants with the Lessee that the Lessee duly paying the rent hereinbefore reserved and performing and observing the covenants conditions and agreements on the part of the Lessee hereinbefore contained shall and may peaceably and quietly hold and enjoy the said land and the building thereon for the term hereby granted without any interruption from the Lessor or from any person lawfully claiming through under or in trust for him.

DATE OF LEASE : -5 DEC 2001

EXECUTION BY LESSOR

The Common Seal of the)
HOUSING AND DEVELOPMENT)
BOARD was hereunto affixed)
in the presence of:-)





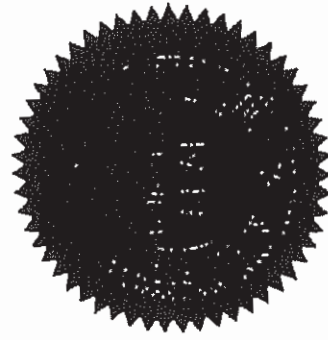
Member
Mr Hawazi Daipi



Officer
HEMANI WEERASURIYA

EXECUTION BY LESSEE

The Common Seal of S. L.)
PACKAGING INDUSTRIES PTE.)
LTD. was hereunto affixed in the)
presence of:-)





Director
LEE KOK CHONG



Director/Secretary
TAN KHENG HIANG

**CERTIFICATES PURSUANT TO THE RESIDENTIAL PROPERTY ACT AND THE LAND
TITLES RULES AND PRACTICE CIRCULARS:**

I, the solicitor for the Lessee hereby certify that

- * the Citizenship and other particulars of the Lessee;
- * the place of incorporation and registration number allocated by the Registrar of Companies to the Lessee; or
the place of formation and registration number assigned by _____
to _____ (name of unincorporated association),

as abovementioned specified in the within instrument have been verified from the
_____ (to state nature of relevant documents
examined) produced and shown to me, and are found to be correct.

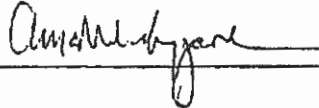
Dated this _____ day of _____ 2001.

NAME & SIGNATURE OF SOLICITOR
FOR THE LESSEE

CERTIFICATES PURSUANT TO THE RESIDENTIAL PROPERTY ACT AND THE LAND TITLES RULES AND PRACTICE CIRCULARS :

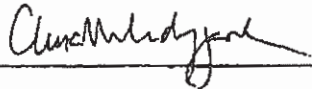
I, **CHUA WEE LEE ANGGEREK**, the Solicitor for the Lessee, hereby certify that the place of incorporation and the registration number allocated by the Registry of Companies to the Lessee as abovementioned specified in the within instrument have been verified from the Certificate of Incorporation produced and shown to me and are found to be correct.

Dated this 16th day of October 2001



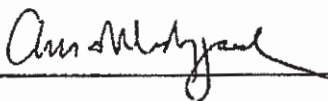
I, **CHUA WEE LEE ANGGEREK**, the solicitor for the Lessee hereby certify that according to information supplied to me by the Chief Planner within the last 8 weeks, the within land is zoned "light industry" and the within land is for light industrial use and the specific use approved is "Factory with Ancillary Office".

Dated this 16th day of October 2001



SIMILAR INTEREST CONFIRMATION (if any)

I, **CHUA WEE LEE ANGGEREK**, the solicitor for the Lessee hereby confirm that the interest of the Lessee is similar to that in Caveat No. CV/25468C and Extension of Caveat No. ECV/99315F.



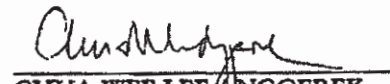
CERTIFICATE OF CORRECTNESS

I, the Solicitor for the Lessor hereby certify that this instrument is correct for the purposes of the Land Titles Act and that I have a Practising Certificate issued on 1st April 2001.


LEE LIAT YEANG

NAME & SIGNATURE OF
SOLICITOR FOR THE LESSOR

I, the Solicitor for the Lessee hereby certify that this instrument is correct for the purposes of the Land Titles Act and that I have a Practising Certificate issued on 1 April 2001.


CHUA WEE LEE ANGGEREK
SOLICITOR FOR THE LESSEE

I/ 38447 Q

FOR OFFICE USE ONLY

EXAMINED	REGISTERED ON 10 DEC 2001 CT 592-171 (SUB)
Date:	Initials of Signing Officer: <i>[Signature]</i> Registrar of Titles

Received on: 28-12-01

Duplicate CT/S9CT _____
Computerised - _____
Title CT/S9CT 453-56 Edition (1)
CT (SUB) 592-171 Edition (1)
& duplicate lease RENTAL
U *[Signature]*
Registration O/C _____ Clerk's Name & Signature
28 DEC 2001 *[Signature]*
Del O/C: mpj *[Signature]*
(Solicitor Firm's stamp)

IMPORTANT NOTICE

The information contained in this instrument forms part of the public records available for inspection and search by members of the public upon payment of a fee. The information is collected and used for the purpose of maintaining the land register pursuant to the Land Titles Act.

THE LAND TITLES ACT
VARIATION OF LEASE

For Official Use Only		
Instrument No.	IA/974004A	
Version No.		Based On 0.01
Registered By	 Ms Lian Wee Koon	
Registered On	15 APR 2008	

**DESCRIPTION OF LAND (Leasehold Title)**

Title			Lot No	Extent	Property Address
Type	Vol	Fol			
CT	592	171	MK19-1750W	Whole	55A YISHUN INDUSTRIAL PARK A SINGAPORE 768729

REGISTERED LEASE NO

I/38447Q

LESSOR

Name :	Housing And Development Board
Citizenship / Place of Incorporation :	SINGAPORE
Address (within Singapore for service of notice) :	480 Lorong 6 Toa Payoh HDB Hub Singapore 310480

LESSEE

ID / Co Regn No :	198003400E
Name :	S. L. PACKAGING INDUSTRIES PTE. LTD.
Address (within Singapore for service of notice) :	55A YISHUN INDUSTRIAL PARK A Singapore 768729

TERMS AND COVENANTS VARIED

Please refer to the attached document with the following description(s):
Annexure

IMPORTANT NOTICE

The information contained in this instrument forms part of the public records available for inspection and search by members of the public upon payment of a fee. The information is collected and used for the purpose of maintaining the land register pursuant to the Land Titles Act.

DATE OF INSTRUMENT:

14/4/2008

EXECUTION BY LESSOR

The Common Seal of Housing And Development Board was hereunto affixed in the presence of:-

Signature :

Member

Assoc Prof (Dr) Milton Tan

Signature :

Officer

TAN BEE KIENG

Lessee: S. L. Packaging Industries Pte Ltd
Lot 1750W Mukim 19
Address: 55A Yishun Industrial Park A
Singapore 768729

Page 2

IMPORTANT NOTICE

The information contained in this instrument forms part of the public records available for inspection and search by members of the public upon payment of a fee. The information is collected and used for the purpose of maintaining the land register pursuant to the Land Titles Act.

EXECUTION BY LESSEE

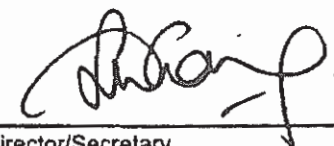
The Common Seal of S. L. PACKAGING INDUSTRIES PTE. LTD. was hereunto affixed in the presence of:-

Signature :

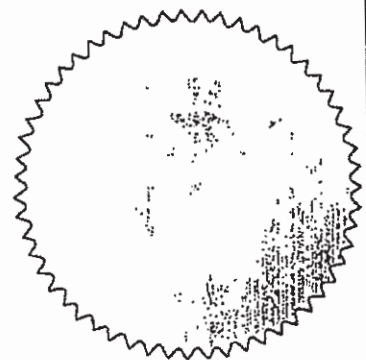


Director

Signature :



Director/Secretary

**CERTIFICATE OF CORRECTNESS**

I, solicitor for the LESSOR hereby certify that this instrument is correct for the purposes of the Land Titles Act and that I hold a practising certificate which is in force as at the date of the instrument.

Name of Solicitor :

LIM LEONG TEEN

Signature :



Lessee: S. L. Packaging Industries Pte Ltd
Lot 1750W Mukim 19
Address: 55A Yishun Industrial Park A
Singapore 768729

The Lessor and the Lessee **HEREBY AGREE** as follows:-

1. That with effect from and inclusive of the 1st day of September 2004, the terms of the said Instrument of Lease shall be varied as follows:-
 - (1) By the deletion of paragraph (b) of the Proviso in the reddendum of the said Instrument of Lease and the substitution therefor of the following paragraph:-

“(b) the yearly rent payable from the 1st day of January 2001 and for each succeeding year thereafter to the 31st day of August 2004 shall be increased at a fixed rate of four percent (4%) of the rent payable for each immediate preceding year, the yearly rent payable from the 1st day of September 2004 to the 31st day of December 2004 shall be based on the market rent as at the 1st day of September 2004 and the yearly rent payable from the 1st day of January 2005 and for each succeeding year thereafter on 1st January shall be based on the market rent on the date of such revision determined in the manner following but so that any increase shall not exceed five point five percent (5.5%) of the yearly rent of each immediate preceding year.”
 - (2) By the deletion of paragraph (a) of sub-clause (ii) of Clause 2 under the heading “SPECIAL COVENANTS AND CONDITIONS” of the said Instrument of Lease and the substitution therefor of the following paragraph:-

“(a) The yearly rent for the further term commencing on the 1st day of January 2022 shall be calculated at the rate based on the market rent of the said land at the date of commencement of the further term which rent shall however be subject to revision on the 1st day of January 2023 and thereafter annually on the 1st day of January of each succeeding year to a rate based on the market rent of the said land on the dates of such revisions determined in the manner following but so that any increase on revision shall not exceed five point five percent (5.5%) of the yearly rent of each immediate preceding year.”
2. The Lessee shall pay all legal cost, stamp fees and expenses and other charges legal, or otherwise, incurred in connection with the preparation of this Variation of Lease.
3. Save as above varied, the terms of the said Instrument of Lease shall remain in full force and effect.

IMPORTANT NOTICE

The information contained in this instrument forms part of the public records available for inspection and search by members of the public upon payment of a fee. The information is collected and used for the purpose of maintaining the land register pursuant to the Land Titles Act.

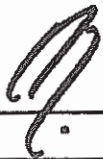
CERTIFICATE OF CORRECTNESS

I, solicitor for the LESSEE hereby certify that this instrument is correct for the purposes of the Land Titles Act and that I hold a practising certificate which is in force as at the date of the instrument.

LIM LEONG TEEN

Name of Solicitor :

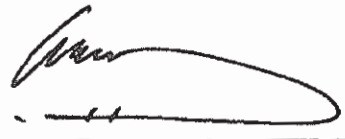
Signature :

**MORTGAGEE'S CONSENT**

I/We, MALAYAN BANKING BERHAD, the Mortgagee in Instrument No I/239777S hereby consent to the above instrument.

Signed by MALAYAN BANKING BERHAD

Signature :



By his/her/its Attorney
Ng Kian Guan acting
under a Power of Attorney registered in the
Registry, Supreme Court as No.
PA 7913/2004/M

CO-OK
CNY/C

Witness :

**CASE FILE REFERENCE**

Law firm case file reference :

LLT/WF/2008000248C

DYNAMIC COLOURS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199304233Z)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("**EGM**") of Dynamic Colours Limited (the "**Company**") will be held at Sapphire 3, Social Clubhouse Level 2, Orchid Country Club, 1 Orchid Club Road, Singapore 769162 on 28 July 2015 at 10.30 a.m. for the purpose of considering and, if thought fit, passing with or without any modifications the following ordinary resolution:

ORDINARY RESOLUTION

THE PROPOSED SALE OF 55A YISHUN INDUSTRIAL PARK A SINGAPORE 768729

THAT:

- (a) approval be and is hereby given for the Proposed Sale, on the terms and subject to the conditions set out in the Option to Purchase; and
- (b) the Directors of the Company and each of them to be and are/is hereby authorised to perform, complete and do all such acts and things (including approving, amending, modifying, supplementing and executing all such documents including, without limitation, any document in connection with the Option to Purchase or its appendices, as may be required), as may be considered necessary, desirable or expedient or in the interests of the Company to give effect to the Proposed Sale and this resolution.

BY ORDER OF THE BOARD

Chan Wan Mei
Company Secretary
13 July 2015
Singapore

Notes:

- (a) A member entitled to attend and vote at the EGM is entitled to appoint not more than two proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- (b) If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.
- (c) The instrument appointing a proxy must be deposited at the Company's registered office at 55A Yishun Industrial Park A, SL Building, Singapore 768729, not less than 48 hours before the time for holding the EGM.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

DYNAMIC COLOURS LIMITED

Company Registration No. 199304233Z
(Incorporated in the Republic of Singapore)

IMPORTANT:

1. For investors who have used their CPF monies to buy Dynamic Colour Limited's shares, this Circular is forwarded to them at the request of the CPF Approved Nominees and is sent FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to attend the Extraordinary General Meeting as Observers have to submit their requests through their respective Agent Banks so that their respective Agent Banks may register, in the required format with the Company by the timeframe specified (Please refer to Note 8 on the required format and timeframe).

Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 13 July 2015.

PROXY FORM

(Please see notes overleaf before completing this Form)

I/We, _____

of _____

being a member/members of Dynamic Colours Limited (the "**Company**"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
and/or (delete as appropriate)			
Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Extraordinary General Meeting (the "**Meeting**") of the Company to be held at Sapphire 3, Social Clubhouse Level 2, Orchid Country Club, 1 Orchid Club Road, Singapore 769162 on 28 July 2015 at 10.30 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

No.	Resolution relating to:	No. of votes 'For'*	No. of votes 'Against'*
1.	The Proposed Sale of 55A Yishun Industrial Park A Singapore 768729		

**If you wish to exercise all your votes 'For' or 'Against', please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.*

Dated this _____ day of _____ 2015.

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

*Delete where inapplicable



Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and vote in his stead.
2. Where a member appoints more than one proxy, he shall specify the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.
3. A proxy need not be a member of the Company.
4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act (Chapter 50 of Singapore)), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all shares held by the member.
5. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 55A Yishun Industrial Park A, SL Building, Singapore 768729, not less than 48 hours before the time set for the Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. Agent Banks acting on the request of CPF investors who wish to attend the Meeting as Observers are required to submit in writing, a list with details of the investors' names, NRIC/Passport numbers, addresses and numbers of shares held. The list, signed by an authorised signatory of the Agent Bank, should reach the Company's registered office at 55A Yishun Industrial Park A, SL Building, Singapore 768729, not later than 48 hours before the time set for the Meeting.

General:

The Company shall be entitled to reject a proxy form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the proxy form. In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.