

Dynamic Colours Limited
Incorporated in the Republic of Singapore
(Company registration no. 199304233Z)
For the period ended 31 March 2020



QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

Dynamic Colours Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) was placed in the Watch-list under the minimum trading price (“MTP”) entry criteria pursuant to Listing Rule 1311(2) of the Listing Manual (the “**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 6 June 2019.

Pursuant to Rule 1313(2) of the Listing Manual, the Board of Directors of the Company (the “**Board**”) wishes to provide an update of the efforts made in meeting the MTP exit criteria as set out in Rule 1314(2) of the Listing Manual as at 4 May 2020.

Update on Unaudited Financial Performance

The Group’s revenue for the period ended 31 March 2020 was lower than that of its corresponding period in 2019.

Notwithstanding the lower revenue contribution, the Group’s net profit generated had improved as compared to the same period last year.

Update on Future Direction

Further to our last announcement on the impact of business amid Covid-19 outbreak on 18 March 2020, the Malaysian government had announced three more times further extension to the nationwide Movement Control Order (“MCO”) till 12 May 2020. The MCO will continue to affect our production and delivery plans at HPM during this period, especially starting second quarter of 2020.

As for our Vietnam operations, it has not been affected so far by any national lockdown during this Covid-19 period.

The Company has started to rationalise our business operations in different locations and with the closure of the China business and the compensation monies will enable the Company to explore improving existing business operations and enable to look at growing complementary businesses.

The Board will nevertheless review the best options and keep the shareholders informed on the outcome of the Board’s decision in due course.

BY ORDER OF THE BOARD

Goh Seok Eng
Executive Chairman
4 May 2020