

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

VOLUNTARY CONDITIONAL CASH OFFER FOR THE COMPANY

1. VOLUNTARY CONDITIONAL CASH OFFER

The board of directors (the "**Board**") of Dynamic Colours Limited (the "**Company**") wishes to inform the shareholders of the Company (the "**Shareholders**") that United Overseas Bank ("**UOB**"), acting for and on behalf of Dynamic Technology Pte. Ltd. (the "**Offeror**"), has on 1 June 2020 made an announcement (the "**Offer Announcement**") that the Offeror intends to make a voluntary conditional cash offer (the "**Offer**") in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (the "**Code**") for all the issued and paid-up ordinary shares (the "**Shares**") in the capital of the Company, other than those Shares held, directly or indirectly, by the Offeror as at the date of the Offer.

2. FURTHER DETAILS OF THE OFFER

Further details of the Offer are set out in the Offer Announcement, which is available on the website of the Singapore Exchange Securities Trading Limited at <https://links.sgx.com/1.0.0/corporate-announcements/8GPULDK4UTNAD9T6/fdbec212f6609ccee2bf52c9d1cb2298600cf8180c194bbf85616810387be67f>.

Shareholders are advised to refer to and carefully review the full text of the Offer Announcement as it contains important information, including information on the Offeror, the Offer, the rationale for the Offer, and the Offeror's intentions for the Company.

3. OFFER DOCUMENT

According to the Offer Announcement, the offer document, setting out the full terms and conditions of the Offer and enclosing the relevant form(s) of acceptance (the "**Offer Document**") will be despatched to Shareholders not earlier than 14 days and not later than 21 days from the date of the Offer Announcement.

4. OFFEREE CIRCULAR

The Board will in due course appoint an 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**"). A circular containing, *inter alia*, the advice of the IFA and the recommendation of the Independent Directors in respect of the Offer (the "**Offeree Circular**") 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.

Shareholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

5. RESPONSIBILITY STATEMENT

The directors of the Company (including those who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and 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 THE ORDER OF THE BOARD OF DYNAMIC COLOURS LIMITED

Chong Yee Siew Sebastian
Lead Independent Director

3 June 2020