

**Dynamic Colours Limited**  
**Incorporated in the Republic of Singapore**  
**(Company registration no. 199304233Z)**  
**For the period ended 31 December 2019**



## **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 20 November 2019.

### **Update on Unaudited Financial Performance**

The Group reported a total revenue of US\$35.9 million for the period ended 31 December 2019, which was 12.2% lower than that of its corresponding period in 2018.

Notwithstanding the lower revenue contribution, the Group’s profit attributable to the owners of the Company improved 107.3% due to higher gross profit margin generated compared to the same period last year. The overall margin improved from 13.5% to 19.8% as a result of cost of sales falling by a larger proportion than revenue.

For more details on the results and financial position of the Group and the Company, kindly refer to the unaudited FY 2019 financial statements announcement for the year ended 31 December 2019 released via SGXNET on 23 February 2020.

### **Update on Future Direction**

The Board endeavors to review the options available to the Company to meet the MTP exit criteria, taking into consideration the various factors, including the lackluster market conditions and uncertainties surrounding the global economy especially with the recent Covid-19 outbreak.

The Board remain vigilant of the market developments and shall continue to explore options available to the Company to comply with the MTP exit criteria within 36 months from 6 June 2019. The Board will review the best option to best serve the interests of the shareholders of the company. The Company will 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  
23 February 2020