

ASX Announcement

Dynamic Board Accept the AFS Offer

Dynamic Group Holdings Limited (ASX: DDB) ("Dynamic Group" or the "Company") refers to the on-market takeover offer made by Australian Meat Industry Superannuation Pty Ltd as trustee for Australian Meat Industry Superannuation Trust trading as Australian Food Super ("AFS") for all of the fully paid ordinary shares in Dynamic Group which AFS (or its associates) does not already own or control for \$0.28 per share (the "Offer"). The Offer has been declared best and final and will not be increased.

On 30 August 2024, the full Dynamic Board accepted the AFS Offer by selling all shares owned by the Dynamic Board into the AFS Offer.

AFS has subsequently notified the ASX that, as at 30 August 2024, it and its associates held an aggregate relevant interest in 81.108% of the ordinary fully paid shares in Dynamic Group. This relevant interest is sufficient for AFS to control the composition of the Dynamic Group Board.

The Dynamic Group Directors reiterate their recommendation to remaining Dynamic Group shareholders that, in the absence of a superior proposal, to **ACCEPT** the Offer before its scheduled closing time of 4.00pm (Melbourne time) on 9 September 2024.

The Dynamic Group Board reiterates that no potentially superior proposals were under consideration at the time of the Target's Statement, and none have emerged since. When the Offer closes, the trading price of Dynamic Group Shares may fall below the current Offer price of \$0.28 per share. In addition, as AFS holds 81.108% of Dynamic Group Shares, trading in Dynamic Group may be illiquid post the Offer closing, which could make it difficult for remaining Dynamic Group Shareholders to sell their Shares.

Remaining shareholders should carefully consider Dynamic Group Target Statement dated 6 August 2024 in relation to the Offer, including the risks associated with remaining as a minority shareholder in Sections 1 and 5.

The AFS Bidder's Statement dated 26 July 2024 (as supplemented and replaced by the First Supplementary Bidder's Statement dated 7 August 2024 and Second Supplementary Bidder's Statement dated 16 August 2024) includes significant detail on the consequences of not accepting. An excerpt from section 1.3 "Consequences of not accepting" includes:

"AFS believes that the Offer for DDB Shares is attractive and represents fair value. However, if you choose not to accept the Offer, there are certain risks of which you should be aware, including

- a) following the close of the Offer, the DDB Share price may drop to pre-Offer levels with a reduced level of trading liquidity;*
- b) if AFS acquires control of DDB but does not proceed to compulsory acquisition you will become a minority shareholder in DDB with limited influence in the running of the business;*
- c) even if AFS does not proceed to compulsory acquisition at the end of the Offer Period, subject to meeting the eligibility requirements of the Listing Rules, AFS may seek to have DDB removed from the official list of the ASX. Should this occur, remaining a minority shareholder in a private company presents you with additional risks including significant difficulty in selling your DDB Shares at the current price levels in the future; and*

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d) if AFS becomes entitled to acquire your DDB Shares compulsorily, it intends to exercise those rights (however, it has not yet formed a conclusive position on whether it will or not). If your DDB Shares are compulsorily acquired by AFS, you will be paid the Offer consideration of A\$0.28 cash for each of your DDB Shares. However, you will receive the money later than the DDB Shareholders who choose to accept the Offer."

How to accept the AFS Offer

Shareholders wishing to accept the AFS Offer need to sell their Dynamic Group Shares on-market via a broker or trading platform. No other action is required. For full details on how to accept the AFS Offer please refer to section 2 of the Bidder's Statement dated 26 July 2024, as supplemented and replaced by the First Supplementary Bidder's Statement dated 7 August 2024 and Second Supplementary Bidder's Statement dated 16 August 2024.

Shareholder Information Line

Dynamic Group shareholders may also request a hard copy of the Target's Statement to be sent to them by contacting the Shareholder Information Line 1300 972 485 (within Australia) or +61 2 9068 1924 (outside Australia) between 8:30am and 7:00pm (AEST) Monday to Friday.

This announcement has been authorised by the Board of Dynamic Group Holdings Limited.

ENDS

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About Dynamic Group Holdings Limited

Dynamic Group Holdings Limited (the "Company") is a supplier of various specialised drilling services as well as blasting services to clients in the mining and construction sectors in Western Australia. The Company operates under three entities, Dynamic Drill & Blast Pty Ltd ("Dynamic"), Orlando Drilling Pty Ltd ("Orlando") and Welldrill.

The Company's significant project pipeline is based around medium to long term contracts and has a highly experienced executive management team focused on quality service provision, employee safety and providing solutions.

The Company is committed to business and quality management systems that provide the framework for its personnel to achieve its customer's measurable objectives, while using continual improvement initiatives to strive for best practice performance.

Since incorporation, the Company has developed comprehensive policies, procedures and processes that aid the safe, effective and efficient provision of services.

Dynamic Drill & Blast Pty Ltd is a supplier of drilling and blasting services to clients in the mining and construction sectors in Western Australia. Dynamic focuses on mining and construction projects within a range of commodity sectors, including iron ore, lithium and gold. Dynamic also undertakes short term specialised drilling and blasting projects.

Orlando Drilling Pty Ltd is a wholly owned subsidiary of the Company. Orlando is a Western Australian based company providing grade control, exploration and resource definition drilling services to the mining industry since 2007, utilising its fleet of AC, RC and diamond drill rigs and experienced personnel.

Welldrill (consists of two entities: PDC Drilling Pty Ltd; and Delmoss Nominees Pty Ltd) is a wholly owned subsidiary of the Company, providing water related drilling and services.

Airwell Flow Testing is a division of the Company and provides water bore flow testing services utilising proprietary intellectual property and bespoke assets.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Dynamic Group Holdings Limited's planned work and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential", "should," and similar expressions are forward-looking statements. Although Dynamic Group Holdings Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual work will be consistent with these forward-looking statements.