

**DESIGN STUDIO FURNITURE MANUFACTURER LTD**

(Incorporated In the Republic of Singapore)

(Company Number: 199401553D)

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**INCREASE IN INVESTMENT IN THE WHOLLY OWNED SUBSIDIARY**

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The Board of Directors of Design Studio Furniture Manufacturer Ltd (the “Company”) wishes to announce that the Company has increased its investment in Design Studio (Huizhou) Home Furnishing Co., Ltd., its wholly owned subsidiary in Huizhou, People’s Republic of China (“PRC”) by an additional Renminbi 4,847,921 thereby increasing the registered capital of said subsidiary to Renminbi 124,265,951 from Renminbi 119,418,030. This investment was funded by internal resources.

FINANCIAL EFFECTS

The said additional investment would not have any material impact on the consolidated net tangible assets per share of the Company and its subsidiaries (the “Group”) for the financial period ending 31 December 2012.

INTEREST OF SUBSTANTIAL SHAREHOLDERS AND DIRECTORS

Save for their respective interests in the shareholdings of the Company, none of the Company’s directors or substantial shareholders has an interest, direct or indirect, in the subsidiary.

By Order of the Board

**Design Studio Furniture Manufacturer Ltd**

Kelly Ng Chai Choey  
Company Secretary

30 July 2012