



DESIGN STUDIO FURNITURE MANUFACTURER LTD

(Incorporated In the Republic of Singapore)
(Company Number: 199401553D)

ESTABLISHMENT OF WHOLLY-OWNED SUBSIDIARY IN HUIZHOU, PEOPLE'S REPUBLIC OF CHINA

The Board of Directors of Design Studio Furniture Manufacturer Ltd (the "Company") is pleased to announce that the Company has set up a wholly owned subsidiary in Huizhou, People's Republic of China ("PRC") known as Design Studio (Huizhou) Home Furnishing Co., Ltd. (the "Subsidiary").

The principal activities of the new subsidiary are manufacturing and trading of paneling products.

The aggregate investment amount will be Renminbi 75,000,000, funded from internal resources. The set up of this subsidiary will not have any significant effect on the consolidated net tangible assets per share and consolidated earnings per share of the Company for the current financial year ending 31 December 2011.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the said subsidiary.

By Order of the Board

Eliza Lim Bee Lian
Company Secretary

28 January 2011