

DESIGN STUDIO GROUP LTD.

(Incorporated in the Republic of Singapore)
(Co. Reg. No.: 199401553D)

DISPOSAL OF DS CHINA GROUP – EXTENSION OF TIME TO OBTAIN SHAREHOLDER RATIFICATION

The board of directors (the “**Board**”) of Design Studio Group Ltd (the “**Company**”) refers to:

- (a) the announcement dated 15 January 2021 in relation to the Disposal of the DS China Group (the “**Disposal Announcement**”); and
- (b) the announcement dated 10 March 2021 in relation to the completion of the Disposal (the “**Completion Announcement**”).

Unless otherwise defined in this announcement, capitalised terms shall have the meanings given in the Disposal Announcement.

The Extension

As disclosed in the Completion Announcement, the Company submitted an application to the SGX-ST for an extension of the period to obtain shareholder ratification of the Disposal. The Company wishes to inform shareholders that the SGX-ST has granted an extension of time of two (2) months from 27 February 2021 (the “**Original Deadline**”) to 27 April 2021 for the Company to obtain shareholder ratification of the Disposal at an EGM to be convened (the “**Extension**”). The Extension is subject to the following conditions:

- (a) the Company announcing the Extension granted, the reasons for seeking the Extension, the conditions as required under Mainboard Listing Rule 107 and if the Extension conditions have been satisfied. If the Extension conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;
- (b) Ratification of the proposed disposal by shareholders at an EGM to be convened by 27 April 2021; and
- (c) Compliance with Mainboard Listing Rule 1010 when the assets are sold to third parties or otherwise liquidated by Truevera Investments Limited and/or AJCapital Advisory.

As at the date of this announcement, the conditions set out under paragraphs (b) and (c) above have not been satisfied. The Company shall make an update announcement when the conditions above have all been met.

Grounds for the Extension

The Company’s grounds for applying for the Extension are as follows:

- (a) the SPA for the Disposal was only entered into on 15 January 2021; and
- (b) the Group has been facing significant financial, business and operational difficulties during the ongoing restructuring exercise. These difficulties have constrained the Company’s ability to undertake the preparatory actions necessary in order for it to convene an EGM before the Original Deadline. In this regard, as announced on 25 January 2021, the Group sought and obtained a further shareholder loan of up to S\$8.3 million from its controlling shareholder, Depa plc, in order to continue operations and implement the restructuring exercise.

Circular to shareholders and EGM

The Company will convene the EGM to seek Shareholders' ratification of the Disposal. A circular containing, *inter alia*, the notice of EGM and details of the Disposal will be despatched to Shareholders in due course.

By Order of the Board

Steven James Salo
Executive Director and Interim Chief Executive Officer

24 March 2021