

DESIGN STUDIO GROUP LTD.

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

RESPONSE TO QUERIES RAISED BY SINGAPORE EXCHANGE SECURITIES TRADING LIMITED REGARDING ANNUAL REPORT 2013

The Board of Directors (the “**Board**”) wishes to respond to the queries raised by Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 25 April 2014 regarding the Annual Report 2013.

Query from SGX-ST:

As required by Rule 1207(12) of the Listing Manual, please make disclosures as recommended in paragraph 9.2 of the Code of Corporate Governance 2012 (the “Code”) or otherwise explain the reason(s) for the deviation from the following Code recommendations. Paragraph 9.2 of the Code states that the Company should fully disclose the remuneration of each individual director and the CEO on a named basis. For administrative convenience, the Company may round off the disclosed figures to the nearest thousand dollars. There should be a breakdown (in percentage or dollar terms) of each director’s and the CEO’s remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives.

Response:

Given the sensitivity and confidentiality of the remuneration matters, the Board is of the view that it is in the best interest of the Group to disclose the directors’ remuneration in bands of S\$250,000 with the breakdown showing the level and mix of remuneration in percentage.

The Board is of the view that the information disclosed in the Annual Report is sufficient for shareholders to have adequate understanding of the Company’s remuneration policies and practice.

By Order of the Board
Design Studio Group Ltd.

Helen Campos
Company Secretary

28 April 2014