

DESIGN STUDIO FURNITURE MANUFACTURER LTD

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

INCREASE IN INVESTMENT IN THE WHOLLY OWNED SUBSIDIARY

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 6,296,738 increasing the registered capital of said subsidiary to Renminbi 119,418,030 from Renminbi 113,121,292. This investment was funded by internal resources.

FINANCIAL EFFECTS

The subscription 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 interest in 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

Eliza Lim Bee Lian
Company Secretary

31 May 2012