

## **Design Studio Group Ltd**

(Incorporated in Singapore)  
(Registration Number: 199401553D)

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### **1st Quarter Financial Statements And Dividend Announcement For The Period Ended 31 March 2015**

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**Design Studio Group Ltd**  
**(Registration Number: 199401553D)**

**1<sup>st</sup> Quarter Financial Statements and Dividend Announcement**

**PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3),  
 HALF-YEAR AND FULL YEAR RESULTS**

**1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**Consolidated Income Statement**

		<b>Group</b>		
		<b>3 Months ended</b>		
		<b>31.03.2015</b>	<b>31.03.2014</b>	<b>+/(-) %</b>
		<b>S\$'000</b>	<b>S\$'000</b>	
Revenue		49,421	25,093	97.0
Cost of sales		(40,298)	(19,130)	110.7
<b>Gross profit</b>		<b>9,123</b>	<b>5,963</b>	<b>53.0</b>
Other income	1(a)(1)	109	94	16.0
		<b>9,232</b>	<b>6,057</b>	<b>52.4</b>
Marketing and distribution expenses		(1,340)	(1,384)	(3.2)
General and administrative expenses		(2,564)	(2,463)	4.1
<b>Profit from operations</b>	1(a)(2)	<b>5,328</b>	<b>2,210</b>	<b>141.1</b>
Finance income	1(a)(3)	31	9	244.4
<b>Profit before tax</b>		<b>5,359</b>	<b>2,219</b>	<b>141.5</b>
Tax expense	1(a)(4)	(797)	(146)	445.9
<b>Profit net of tax</b>		<b>4,562</b>	<b>2,073</b>	<b>120.1</b>
<b>Profit attributable to:</b>				
Equity holders of the Company		4,588	2,080	
Non-controlling interests		(26)	(7)	
		<b>4,562</b>	<b>2,073</b>	

*N.M.: Not Meaningful*

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**Notes to Consolidated Income Statement**

**Note 1(a)(1) Other income**

	<b>Group</b>		
	<b>31.03.2015</b>	<b>3 Months ended 31.03.2014</b>	<b>+ / (-) %</b>
	<b>S\$'000</b>	<b>S\$'000</b>	
Sundry income	109	94	16.0

**Note 1(a)(2) Profit from operations is determined after charging/(crediting) the following:**

	<b>Group</b>		
	<b>31.03.2015</b>	<b>3 Months ended 31.03.2014</b>	<b>+ / (-) %</b>
	<b>S\$'000</b>	<b>S\$'000</b>	
Depreciation of property, plant and equipment	1,095	1,165	(6.0)
Foreign exchange loss, net	276	281	(1.8)
Loss/ (Gain) on disposal of property, plant and equipment	12	(12)	N.M.
Interest accretion	-	22	N.M.
Amortisation of club membership	1	2	(50.0)

**Note 1(a)(3) Finance income:**

	<b>Group</b>		
	<b>31.03.2015</b>	<b>3 Months ended 31.03.2014</b>	<b>+ / (-) %</b>
	<b>S\$'000</b>	<b>S\$'000</b>	
<b>Finance income</b>			
- Cash and short-term deposits	31	9	244.4

**Note 1(a)(4) Tax expense include the following:**

	<b>Group</b>		
	<b>31.03.2015</b>	<b>3 Months ended 31.03.2014</b>	<b>+ / (-) %</b>
	<b>S\$'000</b>	<b>S\$'000</b>	
<b>Current tax</b>			
Singapore			
- current year	362	298	21.5
- overprovision for prior year	(69)	(43)	60.5
Foreign			
- current year	472	74	537.8
	765	329	132.5
<b>Deferred tax</b>			
Singapore			
- current year	32	14	128.6
Foreign	-	(197)	N.M.
	797	146	445.9

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**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

**Balance Sheets**

	Note	Group		Company	
		31.03.2015 S\$'000	31.12.2014 S\$'000	31.03.2015 S\$'000	31.12.2014 S\$'000
<b>Non-current assets</b>					
Property, plant and equipment		20,699	21,128	2,484	2,610
Investment in subsidiaries		-	-	41,359	41,500
Intangible assets	1(b)(2)	2,744	2,745	15	16
Deferred tax assets		267	302	218	244
Trade and other receivables	1(b)(1)	7,905	7,548	2,141	2,574
Prepayments		140	198	-	-
<b>Current assets</b>					
Inventories	1(b)(3)	11,900	14,002	11	-
Gross amount due from customers for contract work-in-progress	1(b)(4)	8,134	9,755	498	780
Trade and other receivables	1(b)(1)	46,506	61,377	8,284	16,394
Prepayments		1,308	1,454	200	248
Loan to a subsidiary		-	-	2,675	2,675
Tax recoverable		1,047	1,328	-	-
Cash and short-term deposits		61,257	48,404	29,061	14,714
		130,152	136,320	40,729	34,811
<b>Current liabilities</b>					
Trade and other payables	1(b)(5)	44,023	55,849	7,021	8,447
Provision for tax		3,301	2,961	647	646
		47,324	58,810	7,668	9,093
<b>Net current assets</b>		82,828	77,510	33,061	25,718
<b>Non-current liabilities</b>					
Deferred tax liabilities		2	2	-	-
<b>Net assets</b>		114,581	109,429	79,278	72,662
<b>Equity attributable to equity holders of the Company</b>					
Share capital		32,732	32,732	32,732	32,732
Reserves		82,297	77,121	46,546	39,930
		115,029	109,853	79,278	72,662
<b>Non-controlling interests</b>		(448)	(424)	-	-
<b>Total equity</b>		114,581	109,429	79,278	72,662

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**Notes to Balance Sheets**

**Note 1(b)(1) Trade and other receivables**

	<b>Group</b>		<b>Company</b>	
	<b>31.03.2015</b>	<b>31.12.2014</b>	<b>31.03.2015</b>	<b>31.12.2014</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Trade and other receivables (non-current):</b>				
<u>Trade receivables: Retention monies</u>				
Third parties	7,905	7,548	1,288	1,752
Subsidiary	-	-	853	822
	<u>7,905</u>	<u>7,548</u>	<u>2,141</u>	<u>2,574</u>
<b>Trade and other receivables (current):</b>				
Trade receivables	42,228	53,433	4,973	7,878
Other receivables and deposits	4,278	7,944	3,311	8,516
	<u>46,506</u>	<u>61,377</u>	<u>8,284</u>	<u>16,394</u>
<b>Trade receivables:</b>				
<u>Third parties:</u>				
Trade receivables	33,801	43,885	1,473	2,370
Retention monies	8,427	9,548	2,912	3,413
	<u>42,228</u>	<u>53,433</u>	<u>4,385</u>	<u>5,783</u>
Movement in allowance accounts:				
At beginning of the year	-	440	-	440
Charge for the year	-	89	-	89
Write-off during the year	-	(529)	-	(529)
At end of the year	-	-	-	-
<u>Subsidiaries:</u>				
Trade receivables	-	-	299	1,805
Retention monies	-	-	289	290
	<u>-</u>	<u>-</u>	<u>588</u>	<u>2,095</u>
Total trade receivables (current)	<u>42,228</u>	<u>53,433</u>	<u>4,973</u>	<u>7,878</u>
<b>Other receivables and deposits:</b>				
Other receivables	875	3,236	64	66
Deposits	3,403	4,708	61	61
	<u>4,278</u>	<u>7,944</u>	<u>125</u>	<u>127</u>
Amount due from subsidiaries (non-trade)	-	-	3,186	8,389
	<u>4,278</u>	<u>7,944</u>	<u>3,311</u>	<u>8,516</u>

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**Note 1(b)(2) Intangible assets**

	Group		Company	
	31.03.2015	31.12.2014	31.03.2015	31.12.2014
	S\$'000	S\$'000	S\$'000	S\$'000
Club membership	128	128	128	128
Order backlog	3,116	3,116	-	-
Less: Impairment loss on club membership	(28)	(28)	(28)	(28)
	3,216	3,216	100	100
Less: Accumulated amortisation	(3,201)	(3,200)	(85)	(84)
Goodwill	2,729	2,729	-	-
	2,744	2,745	15	16

**Note 1(b)(3) Inventories**

	Group		Company	
	31.03.2015	31.12.2014	31.03.2015	31.12.2014
	S\$'000	S\$'000	S\$'000	S\$'000
Raw materials, at cost	9,858	10,997	11	-
Work-in-progress, at cost	1,588	1,839	-	-
Finished goods, at cost	454	1,166	-	-
	11,900	14,002	11	-

**Note 1(b)(4) Gross amount due from customers for contract work-in-progress**

	Group		Company	
	31.03.2015	31.12.2014	31.03.2015	31.12.2014
	S\$'000	S\$'000	S\$'000	S\$'000
Aggregate amount of costs incurred and recognised profits (less recognised losses) to date	348,371	386,683	186,570	190,286
Less: Progress billings	(340,237)	(376,928)	(186,072)	(189,506)
	8,134	9,755	498	780
Presented as:				
Gross amount due from customers for contract work	8,134	9,755	498	780

**Note 1(b)(5) Trade and other payables**

	Group		Company	
	31.03.2015	31.12.2014	31.03.2015	31.12.2014
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Trade payables:</u>				
Amount due to third parties	9,069	11,988	472	683
Amount due to subsidiaries	-	-	517	286
Amount due to a corporate shareholder	143	128	-	-
Retention payables	7,079	6,610	907	1,083
	16,291	18,726	1,896	2,052
Other payables	1,938	2,018	99	125
Non-trade payables due to a corporate shareholder	59	38	38	24
Accrued operating expenses	25,474	33,301	4,210	5,296
Deposits received	261	1,766	778	950
	44,023	55,849	7,021	8,447

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**1(b)(ii) Aggregate amount of group's borrowings and debts securities**

**Amount repayable in one year or less, or on demand**

<b>As at 31.03.2015</b>		<b>As at 31.12.2014</b>	
<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
-	-	-	-

**Amount repayable after one year**

<b>As at 31.03.2015</b>		<b>As at 31.12.2014</b>	
<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
-	-	-	-

**Details of any collateral**

As at 31 March 2015, our Group's bank facilities were secured by the following:

- (i) pledge of cash and short-term deposits of a subsidiary amounting to approximately S\$245,000 (31 December 2014: S\$90,000); and
- (ii) corporate guarantees provided by the Company.

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1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

**Consolidated Statement of Cash Flows**

	Group	
	3 Months ended	
	31.03.2015	31.03.2014
	S\$'000	S\$'000
<b>Cash flows from operating activities</b>		
Profit before tax	5,359	2,219
Adjustments:		
Depreciation of property, plant and equipment	1,095	1,165
Loss/ (Gain) on disposal of property, plant and equipment	12	(12)
Finance income	(31)	(9)
Interest accretion	-	22
Amortisation of club membership	1	2
Currency translation difference	20	2
<b>Operating profit before working capital changes</b>	<b>6,456</b>	<b>3,389</b>
Decrease/ (increase) in:		
Inventories	2,102	(1,219)
Contract work-in-progress	1,621	(1,831)
Trade and other receivables	14,514	13,801
Prepayments	204	(499)
Decrease in:		
Trade and other payables	(11,826)	(13,133)
<b>Cash flows from operations</b>	<b>13,071</b>	<b>508</b>
Income taxes paid	(141)	(667)
<b>Net cash flows from/ (used in) operating activities</b>	<b>12,930</b>	<b>(159)</b>
<b>Cash flows from investing activities</b>		
Costs incurred for construction-in-progress	(19)	-
Finance income received	31	9
Proceeds from disposal of property, plant and equipment	-	28
Purchase of property, plant and equipment	(89)	(244)
<b>Net cash flows used in investing activities</b>	<b>(77)</b>	<b>(207)</b>
<b>Cash flows from financing activities</b>		
Increase in fixed deposits pledged	(155)	-
<b>Net cash flows used in financing activities</b>	<b>(155)</b>	<b>-</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>12,698</b>	<b>(366)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>48,314</b>	<b>44,785</b>
<b>Cash and cash equivalents at end of the period (Note A)</b>	<b>61,012</b>	<b>44,419</b>

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**Consolidated Statement of Cash Flows (cont'd)**

**Notes to Consolidated Statement of Cash Flows**

**A. Cash and cash equivalents**

	<b>Group</b>	
	<b>31.03.2015</b>	<b>31.03.2014</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Cash at banks and on hand	54,474	43,726
Fixed deposits	6,783	785
Cash and short-term deposits	61,257	44,511
Less: Cash and short-term deposits pledged	(245)	(92)
<b>Cash and cash equivalents</b>	<b>61,012</b>	<b>44,419</b>

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**(A) Consolidated Statement of Comprehensive Income**

	<b>Group</b>		
	<b>31.03.2015</b>	<b>3 Months ended</b>	<b>+ / (-)</b>
	<b>S\$'000</b>	<b>31.03.2014</b>	<b>%</b>
	<b>S\$'000</b>	<b>S\$'000</b>	
<b>Profit net of tax</b>	4,562	2,073	120.1
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation	590	(567)	N.M.
<b>Total comprehensive income</b>	<b>5,152</b>	<b>1,506</b>	<b>242.1</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company	5,176	1,512	
Non-controlling interests	(24)	(6)	
	<b>5,152</b>	<b>1,506</b>	

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**(B) Statements of Changes in Equity**

**Group**

	Attributable to Equity holders of the Company				Non-controlling interests S\$'000	Total Equity S\$'000
	Share capital	Revenue reserve	Other reserves	Total		
	S\$'000	S\$'000	S\$'000	S\$'000		
<b>2015</b>						
Balance at 1 January 2015	32,732	75,615	1,506	109,853	(424)	109,429
Total comprehensive income for 1Q2015	-	4,588	588	5,176	(24)	5,152
Balance at 31 March 2015	32,732	80,203	2,094	115,029	(448)	114,581
<b>2014</b>						
Balance at 1 January 2014	32,732	71,950	1,195	105,877	(400)	105,477
Total comprehensive income for 1Q2014	-	2,080	(568)	1,512	(6)	1,506
Balance at 31 March 2014	32,732	74,030	627	107,389	(406)	106,983

**Company**

	Share capital S\$'000	Revenue reserve S\$'000	Total S\$'000
<b>2015</b>			
Balance at 1 January 2015	32,732	39,930	72,662
Total comprehensive income for 1Q2015	-	6,616	6,616
Balance at 31 March 2015	32,732	46,546	79,278
<b>2014</b>			
Balance at 1 January 2014	32,732	48,377	81,109
Total comprehensive income for 1Q2014	-	1,723	1,723
Balance at 31 March 2014	32,732	50,100	82,832

**1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-back, exercise of share options of warrants, conversion of other issues of equity securities, issue of share for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	Number of shares	Share capital in S\$'000
<b>Issued and fully paid ordinary shares:</b>		
At 31 December 2014 and 31 March 2015	260,264,171	32,732

There were no outstanding convertible securities as at 31 December 2014 and 31 March 2015.

The Company had adopted an employee share option scheme and performance share plan known as the Design Studio's Employee Share Option Scheme and the Design Studio's Performance Share Plan respectively, approved by the shareholders in an Extraordinary General Meeting held on 25 January 2013.

As of 31 March 2015, no options or shares have been granted to employees or directors.

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1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	31.03.2015	31.12.2014
Total number of shares (excluding treasury shares)	260,264,171	260,264,171

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 March 2015 as the Company does not have any treasury shares.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed.

3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group and Company have applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements as at 31 December 2014, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2015. Please see note 5.

5. If there are any changes in the accounting policies and methods of computation including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

In the current year, the Group adopted the new/revised Financial Reporting Standards ("FRS") that are effective for annual periods beginning on or after 1 January 2015. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS.

The following are the amendments to the FRS that are relevant to the Group:

Description	Effective for annual periods beginning on or after
Improvements to the Financial Reporting Standards (January 2014)	1 July 2014
Improvements to the Financial Reporting Standards (February 2014)	1 July 2014

The adoption of the above FRS did not result in any substantial change to the Group's accounting policies or any significant financial impact on the financial statements.

**6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends: -**

- (a) Based on weighted average number of ordinary shares on issue  
(b) Based on fully diluted basis (detailing any adjustments made to the earnings)

	Group	
	3 Months ended	
	31.03.2015	31.03.2014
(a) Based on weighted average number of ordinary shares in issue	1.76 cents	0.80 cents
(b) On fully diluted basis	1.76 cents	0.80 cents

The basic earnings per ordinary share for the first quarter ended 31 March 2015 is calculated by dividing the first quarter profit attributable to shareholders of S\$4.6 million (31 March 2014: S\$2.1 million) by the weighted average number of 260,264,171 (31 March 2014: 260,264,171) shares in issue during the financial period.

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

**(1) Current period reported on**

	Group 31.03.2015	Company 31.03.2015
Net asset value per ordinary share for the period based on existing issued share capital as at 31 March 2015 of 260,264,171 ordinary shares	44.02 cents	30.46 cents

**(2) Immediately preceding financial year**

	Group 31.12.2014	Company 31.12.2014
Net asset value per ordinary share for the period based on existing issued share capital as at 31 December 2014 of 260,264,171 ordinary shares	42.05 cents	27.92 cents

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8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

### Review of Group Performance

#### 1Q2015 vs 1Q2014

	1st Quarter ended		+ / (-) %
	31.03.2015 S\$'000	31.03.2014 S\$'000	
Residential property	24,035	12,547	91.6
Hospitality and commercial	25,351	12,506	102.7
Distribution	35	40	(12.5)
<b>Total</b>	<b>49,421</b>	<b>25,093</b>	<b>97.0</b>

For 1Q2015, the Group's revenue increased by 97.0% to S\$49.4 million as compared with the revenue for 1Q2014 as a result of increase in contribution from the Residential property and Hospitality and commercial segments. During the quarter, the Group's Residential property and Hospitality and commercial segment has completed more projects, as compared with 1Q2014.

The gross margin decreased from 23.8% in 1Q2014 to 18.5% for 1Q2015, as a result of lower margins recorded in projects completed during the quarter.

Marketing and distribution expenses decreased by 3.2% to S\$1.3 million in 1Q2015. The decrease was mainly due to reduction in travelling expenses.

General and administrative expenses increased marginally from S\$2.5 million in 1Q2014 to S\$2.6 million in 1Q2015.

As a result, the Group achieved higher profit before tax of S\$5.4 million for 1Q2015, an increase of 141.5% as compared with S\$2.2 million for 1Q2014. After taking into account tax expenses, the Group's net profit after tax was S\$4.6 million for 1Q2015.

#### Balance Sheet (31 March 2015 vs 31 December 2014)

Property, plant and equipment decreased by S\$429,000 mainly due to depreciation charges, offset by the purchase of equipment during the period.

Contracts work-in-progress decreased by S\$1.6 million to S\$8.1 million [Note 1(b)(4)] as at 31 March 2015 due to more projects completed during the quarter.

Total current trade receivables decreased to S\$42.2 million [Note 1(b)(1)] as at 31 March 2015 as compared with S\$53.4 million as at 31 December 2014. The decrease was in line with the decrease in sales for 1Q2015 as compared with 4Q2014.

Other receivables and deposits decreased by S\$3.7 million to S\$4.3 million [Note 1(b)(1)]. The decrease was mainly due to reduction in VAT refund in China and a reduction in deposits made to suppliers and subcontractors.

Trade payables decreased by S\$2.4 million to S\$16.3 million [Note 1(b)(5)]. The decrease was mainly due to payment made to creditors during the period.

Accrued operating expenses decreased by S\$7.8 million to S\$25.5 million [Note 1(b)(5)]. The decrease was mainly due to the payment of bonus in 1Q2015 and the lower accruals of project-related expenses.

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### Cash Flow (1Q2015 vs 1Q2014)

For 1Q2015, there was net cash inflow of S\$12.9 million, mainly derived from operating activities.

### **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

The Group's performance is in line with the commentary previously disclosed in the results announcement via SGXNET for the full year ended 31 December 2014.

### **10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

Given that more than 1,000 new residential units came on to the market in the first quarter of 2015 (compared to the quarterly average of 607 units in 2012 and 532 units in 2013)<sup>1</sup>, coupled with the cooling measures in place, demand in the Singapore's residential market is expected to remain soft, coupled with the cooling measures in place, demand in Singapore's residential market is expected to remain soft. With this trend, the operating environment in the residential market in Singapore is expected to be challenging as developers may take a more cautious approach when embarking on new projects, resulting in lesser projects and stiffer competition.

Across the Causeway in Malaysia, the property market is expected to slow down further in 2015 as a result of the property cooling measures introduced in 2013 and a weaker demand. It is expected that higher interest rates and a country-wide implementation of a 6% goods and service tax will dampen demand in 2015.<sup>2</sup>

Over in China, regulators relaxed home-buying rules on 30 March 2015 to revive a slumping residential market which has been weighing heavily on the country's economic growth. While industry watchers deem the move as a positive first step to stabilise the pace of property market correction, the market continues to face headwinds from an oversupply situation, with residential inventory at more than six years of sales.<sup>3</sup>

Underpinned by an order book of S\$227.8 million<sup>4</sup>, a healthy cash position of S\$61.3 million<sup>5</sup> and supported by an experienced management team, we are confident of engaging current market conditions. Barring any unforeseen circumstances, we expect to remain profitable for the current financial year.

### **11. Dividend**

#### **(1) Current Financial Period Reported On**

**Any dividend declared for the current financial period reported on?**

Nil

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<sup>1</sup> JLL Singapore Property Market Monitor, April 2015

<sup>2</sup> <http://www.channelnewsasia.com/news/business/singapore/malaysian-property-market/1635910.html>

<sup>3</sup> <http://www.bloomberg.com/news/articles/2015-04-01/china-housing-seen-recovering-in-second-half-of-2015>

<sup>4</sup> As at 5 May 2015

<sup>5</sup> As at 31 March 2015 (before payment of S\$15.6 million in final and special dividends)

**(2) Corresponding Period of the immediately Preceding Financial Year**

**Any dividend declared for the corresponding period of the immediately preceding financial year?**

Nil

**Date payable**

Not applicable

**Books closure date**

Not applicable

**12. If no dividend has been declared/recommendeded, a statement to the effect.**

No interim dividend has been declared/ recommended for 1Q ended 31 March 2015.

**PART II- ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**  
**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

**13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

Not applicable

**14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Not applicable

**15. A breakdown of sales**

Not applicable

**16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Not applicable

**Design Studio Group Ltd**  
**(Registration Number: 199401553D)**

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**AGGREGATE VALUE OF TRANSACTION UNDER RULE 920(1)(A)(II) OF THE LISTING MANUAL**

Aggregate value of transactions conducted pursuant to the general mandate for interested persons transactions for the 3 months period ended 31 March 2015 pursuant to Rule 920(1)(a)(ii) of the listing Manual:

Name of interest person	Aggregate value of all interested persons transactions during the period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Depa Interiors LLC & its associates	Nil	Nil

**BY ORDER OF THE BOARD**

**Bernard Lim Leng Foo**  
**Director**

**Date: 5 May 2015**

**CONFIRMATION BY THE BOARD**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors which may render the unaudited financial statements for the first quarter ended 31 March 2015 to be false or misleading in any material respect.

**ON BEHALF OF BOARD OF DIRECTORS**

\_\_\_\_\_  
**Name: Bernard Lim Leng Foo**  
**Director**

\_\_\_\_\_  
**Name: Kelly Ng Chai Choey**  
**Director**

**Date: 5 May 2015**