



Design Studio Group Ltd

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

1st Quarter Financial Statements And Dividend Announcement For The Period Ended 31 March 2017

Design Studio Group Ltd
(Registration Number: 199401553D)

1st 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

		Group		
		3 Months ended		
		31.03.2017	31.03.2016	+ / (-)
		S\$'000	S\$'000	%
Revenue		34,396	21,082	63.2
Cost of sales		(27,916)	(16,261)	71.7
Gross profit		6,480	4,821	34.4
Other income	1(a)(1)	46	121	(62.0)
		6,526	4,942	32.1
Marketing and distribution expenses		(1,499)	(1,172)	27.9
General and administrative expenses		(2,646)	(1,547)	71.0
Profit from operations	1(a)(2)	2,381	2,223	7.1
Finance income	1(a)(3)	28	48	(41.7)
Profit before tax		2,409	2,271	6.1
Income tax expense	1(a)(4)	(590)	(361)	63.4
Profit net of tax		1,819	1,910	(4.8)
Profit attributable to:				
Owners of the Company		1,820	1,911	
Non-controlling interests		(1)	(1)	
		1,819	1,910	

N.M.: Not Meaningful

Design Studio Group Ltd
(Registration Number: 199401553D)

Notes to Consolidated Income Statement

Note 1(a)(1) Other income

	Group		
	31.03.2017	3 Months ended	
	S\$'000	31.03.2016	+ / (-)
		S\$'000	%
Sundry income	46	121	(62.0)

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

	Group		
	31.03.2017	3 Months ended	
	S\$'000	31.03.2016	+ / (-)
		S\$'000	%
Depreciation of property, plant and equipment	878	940	(6.6)
Foreign exchange loss/ (gain), net	434	(260)	N.M.
Loss on disposal of property, plant and equipment	3	1	200.0
Amortisation of club membership	1	1	0.0

Note 1(a)(3) Finance income:

	Group		
	31.03.2017	3 Months ended	
	S\$'000	31.03.2016	+ / (-)
		S\$'000	%
Finance income			
- Cash and short-term deposits	28	48	(41.7)

Note 1(a)(4) Income tax expense include the following:

	Group		
	31.03.2017	3 Months ended	
	S\$'000	31.03.2016	+ / (-)
		S\$'000	%
Current tax			
Singapore			
- current year	519	103	403.9
Foreign			
- current year	57	301	(81.1)
	576	404	42.6
Deferred tax			
Singapore			
	14	(34)	N.M.
Foreign			
	-	(9)	N.M.
	590	361	63.4

Design Studio Group Ltd
(Registration Number: 199401553D)

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	
		31.03.2017 S\$'000	31.12.2016 S\$'000	31.03.2017 S\$'000	31.12.2016 S\$'000
Non-current assets					
Property, plant and equipment		14,028	15,041	1,963	2,040
Investment in subsidiaries		-	-	41,381	41,359
Intangible assets	1(b)(2)	2,740	2,741	11	12
Deferred tax assets		344	361	258	272
Trade and other receivables	1(b)(1)	14,975	14,828	-	-
Total non-current assets		32,087	32,971	43,613	43,683
Current assets					
Inventories	1(b)(3)	13,190	13,252	-	-
Gross amount due from customers for contract work-in-progress	1(b)(4)	8,556	5,232	-	-
Trade and other receivables	1(b)(1)	47,268	72,939	3,268	2,975
Prepayments		1,499	1,427	69	26
Loan to a subsidiary		-	-	2,675	2,675
Tax recoverable		1,113	1,131	-	-
Cash and short-term deposits		54,566	53,963	15,245	12,767
Total current assets		126,192	147,944	21,257	18,443
Current liabilities					
Trade and other payables	1(b)(5)	44,799	68,821	680	721
Provision for tax		3,541	3,402	3	11
Total current liabilities		48,340	72,223	683	732
Net current assets		77,852	75,721	20,574	17,711
Non-current liabilities					
Other payables		75	75	-	-
Net assets		109,864	108,617	64,187	61,394
Equity attributable to owners of the Company					
Share capital		32,732	32,732	32,732	32,732
Reserves		77,589	76,341	31,455	28,662
		110,321	109,073	64,187	61,394
Non-controlling interests		(457)	(456)	-	-
Total equity		109,864	108,617	64,187	61,394

Design Studio Group Ltd
(Registration Number: 199401553D)

Notes to Balance Sheets

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

	Group		Company	
	31.03.2017	31.12.2016	31.03.2017	31.12.2016
	S\$'000	S\$'000	S\$'000	S\$'000
Trade and other receivables (non-current):				
<u>Trade receivables: Retention monies</u>				
Third parties	14,477	14,540	-	-
Corporate shareholder	498	288	-	-
Subsidiary	-	-	-	-
	<u>14,975</u>	<u>14,828</u>	<u>-</u>	<u>-</u>
Trade and other receivables (current):				
Trade receivables	41,729	66,163	722	665
Other receivables and deposits	5,539	6,776	2,546	2,310
	<u>47,268</u>	<u>72,939</u>	<u>3,268</u>	<u>2,975</u>
Trade receivables:				
<u>Third parties:</u>				
Trade receivables	23,689	48,876	57	-
Retention monies	9,884	10,221	-	-
	<u>33,573</u>	<u>59,097</u>	<u>57</u>	<u>-</u>
Less: Allowance for doubtful receivables	(449)	(452)	-	-
	<u>33,124</u>	<u>58,645</u>	<u>57</u>	<u>-</u>
Movement in allowance accounts:				
At beginning of the year	452	270	-	-
Charge for the year	-	252	-	-
Write-off during the year	(3)	(70)	-	-
At end of the year	<u>449</u>	<u>452</u>	<u>-</u>	<u>-</u>
<u>Corporate shareholder:</u>				
Trade receivables	8,248	5,470	-	-
	<u>8,248</u>	<u>5,470</u>	<u>-</u>	<u>-</u>
<u>Related parties:</u>				
Trade receivables	357	2,048	-	-
	<u>357</u>	<u>2,048</u>	<u>-</u>	<u>-</u>
<u>Subsidiaries:</u>				
Trade receivables	-	-	665	665
	<u>-</u>	<u>-</u>	<u>665</u>	<u>665</u>
Total trade receivables (current)	<u>41,729</u>	<u>66,163</u>	<u>722</u>	<u>665</u>
Other receivables and deposits:				
Other receivables	911	747	64	64
Deposits	4,628	6,029	61	61
	<u>5,539</u>	<u>6,776</u>	<u>125</u>	<u>125</u>
Amount due from subsidiaries (non-trade)	-	-	2,421	2,185
	<u>5,539</u>	<u>6,776</u>	<u>2,546</u>	<u>2,310</u>

Design Studio Group Ltd
(Registration Number: 199401553D)

Note 1(b)(2) Intangible assets

	Group		Company	
	31.03.2017 S\$'000	31.12.2016 S\$'000	31.03.2017 S\$'000	31.12.2016 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	(3,205)	(3,204)	(89)	(88)
Goodwill	2,729	2,729	-	-
	2,740	2,741	11	12

Note 1(b)(3) Inventories

	Group		Company	
	31.03.2017 S\$'000	31.12.2016 S\$'000	31.03.2017 S\$'000	31.12.2016 S\$'000
Raw materials, at cost	9,007	10,119	-	-
Work-in-progress, at cost	2,821	2,500	-	-
Finished goods, at cost or net realisable value	1,362	633	-	-
	13,190	13,252	-	-

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

	Group		Company	
	31.03.2017 S\$'000	31.12.2016 S\$'000	31.03.2017 S\$'000	31.12.2016 S\$'000
Aggregate amount of costs incurred and recognised profits (less recognised losses) to date	290,036	397,174	-	-
Less: Progress billings	(281,480)	(391,942)	-	-
	8,556	5,232	-	-
Presented as:				
Gross amount due from customers for contract work	8,556	5,232	-	-

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

	Group		Company	
	31.03.2017 S\$'000	31.12.2016 S\$'000	31.03.2017 S\$'000	31.12.2016 S\$'000
Trade payables:				
Amount due to third parties	8,482	18,427	-	129
Amount due to subsidiaries	-	-	189	29
Amount due to related companies	292	220	-	-
Amount due to a corporate shareholder	451	873	-	-
Retention payables	8,406	8,043	-	-
Advance payment from customers	478	478	-	-
Advance payments from a related company	-	466	-	-
Accrued contract cost	21,862	31,663	-	-
	39,971	60,170	189	158
Other payables	1,308	1,838	22	103
Non-trade payables due to a corporate shareholder	240	244	220	224
Accrued operating expenses	3,280	6,569	248	236
	44,799	68,821	679	721

Design Studio Group Ltd (Registration Number: 199401553D)

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

Amount repayable in one year or less, or on demand

As at 31.03.2017		As at 31.12.2016	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 31.03.2017		As at 31.12.2016	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

As at 31 March 2017, the Group's bank facilities were secured by corporate guarantees provided by the Company.

Design Studio Group Ltd
(Registration Number: 199401553D)

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	
	31.03.2017	31.03.2016
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before tax	2,409	2,271
Adjustments:		
Depreciation of property, plant and equipment	878	940
Loss on disposal of property, plant and equipment	3	1
Finance income	(28)	(48)
Interest accretion	-	-
Amortisation of club membership	1	1
Currency translation difference	296	(218)
Operating profit before working capital changes	3,559	2,947
Decrease/ (increase) in:		
Inventories	62	(1,130)
Contract work-in-progress	(3,324)	(3,641)
Trade and other receivables	24,830	8,807
Prepayments	(72)	761
Decrease in:		
Trade and other payables	(23,802)	(5,762)
Cash flows generated from operations	1,253	1,982
Income taxes paid	(417)	(241)
Net cash flows from operating activities	836	1,741
Cash flows from investing activities		
Costs incurred for construction-in-progress	-	(185)
Finance income received	28	48
Purchase of property, plant and equipment	(43)	(26)
Net cash flows used in investing activities	(15)	(163)
Cash flows from financing activities		
(Increase)/ Decrease in fixed deposits pledged	(45)	149
Net cash flows (used in)/ from financing activities	(45)	149
Net increase in cash and cash equivalents	776	1,727
Effect of exchange rate changes on cash and cash equivalents	(218)	13
Cash and cash equivalents at beginning of the period	53,963	53,875
Cash and cash equivalents at end of the period (Note A)	54,521	55,615

Design Studio Group Ltd
(Registration Number: 199401553D)

Notes to Consolidated Statement of Cash Flows

A. Cash and cash equivalents

	Group	
	31.03.2017 S\$'000	31.03.2016 S\$'000
Cash at banks and on hand	49,315	42,522
Fixed deposits	5,251	13,175
Cash and short-term deposits	54,566	55,697
Less: Cash and short-term deposits pledged	(45)	(82)
Cash and cash equivalents	<u>54,521</u>	<u>55,615</u>

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

	Group		
	31.03.2017 S\$'000	3 Months ended 31.03.2016 S\$'000	+ / (-) %
Profit net of tax	1,819	1,910	(4.8)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation	(572)	(643)	(11.0)
Total comprehensive income	<u>1,247</u>	<u>1,267</u>	<u>(1.6)</u>
Total comprehensive income attributable to:			
Owners of the Company	1,248	1,269	
Non-controlling interests	(1)	(2)	
	<u>1,247</u>	<u>1,267</u>	

(B) Statements of Changes in Equity

Group

	Attributable to owners 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		
<u>2017</u>						
Balance at 1 January 2017	32,732	77,204	(863)	109,073	(456)	108,617
Total comprehensive income for 1Q2017	-	1,820	(572)	1,248	(1)	1,247
Balance at 31 March 2017	<u>32,732</u>	<u>79,024</u>	<u>(1,435)</u>	<u>110,321</u>	<u>(457)</u>	<u>109,864</u>
<u>2016</u>						
Balance at 1 January 2016	32,732	73,623	645	107,000	(454)	106,546
Total comprehensive income for 1Q2016	-	1,911	(642)	1,269	(2)	1,267
Balance at 31 March 2016	<u>32,732</u>	<u>75,534</u>	<u>3</u>	<u>108,269</u>	<u>(456)</u>	<u>107,813</u>

Design Studio Group Ltd
(Registration Number: 199401553D)

(B) Statement of Changes in Equity (cont'd)

<u>Company</u>	Share capital S\$'000	Revenue reserve S\$'000	Total S\$'000
2017			
Balance at 1 January 2017	32,732	28,662	61,394
Total comprehensive income for 1Q2017	-	2,793	2,793
Balance at 31 March 2017	<u>32,732</u>	<u>31,455</u>	<u>64,187</u>
2016			
Balance at 1 January 2016	32,732	28,732	61,464
Total comprehensive income for 1Q2016	-	5,388	5,388
Balance at 31 March 2016	<u>32,732</u>	<u>34,120</u>	<u>66,852</u>

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
Issued and fully paid ordinary shares:		
At 31 December 2016 and 31 March 2017	<u>260,264,171</u>	<u>32,732</u>

There were no changes in the share capital of the Company in the 1st quarter of 2017.

There were no outstanding convertible securities as at 31 December 2016 and 31 March 2017.

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 2017, no options or shares have been granted to employees or directors.

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.

	31.03.2017	31.12.2016
Total number of shares (excluding treasury shares)	260,264,171	260,264,171

Design Studio Group Ltd (Registration Number: 199401553D)

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 2017 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 2016, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2017. 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 2017. 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
Amendments to FRS 7: Disclosure Initiative	1 January 2017
Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to FRS 112 Disclosure of Interests in Other Entities	1 January 2017

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.

Design Studio Group Ltd
(Registration Number: 199401553D)

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	
	31.03.2017	31.03.2016
(a) Based on weighted average number of ordinary shares in issue	0.70 cents	0.73 cents
(b) On fully diluted basis	0.70 cents	0.73 cents

The basic earnings per ordinary share for the first quarter ended 31 March 2017 is calculated by dividing the 1st quarter profit attributable to shareholders of S\$1.8 million (31 March 2016: S\$1.9 million) by the weighted average number of 260,264,171 (31 March 2016: 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 31.03.2017	Company 31.03.2017
Net asset value per ordinary share for the period based on existing issued share capital as at 31 March 2017 of 260,264,171 ordinary shares	42.21 cents	24.66 cents

(2) Immediately preceding financial year

	Group 31.12.2016	Company 31.12.2016
Net asset value per ordinary share for the period based on existing issued share capital as at 31 December 2016 of 260,264,171 ordinary shares	41.73 cents	23.59 cents

Design Studio Group Ltd (Registration Number: 199401553D)

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

1Q2017 vs 1Q2016

	1st Quarter ended		+ / (-) %
	31.03.2017 S\$'000	31.03.2016 S\$'000	
Residential property	10,120	10,181	(0.6)
Hospitality and commercial	24,276	10,827	124.2
Distribution	-	74	(100.0)
Total	34,396	21,082	63.2

For 1Q2017, the Group's revenue increased by 63.2% to S\$34.4 million as compared with revenue for 1Q2016 as a result of increase in projects completed during the quarter from the Hospitality and commercial segment.

The gross margin decreased from 22.9% in 1Q2016 to 18.8% for 1Q2017, as a result of lower margins recorded in projects completed during the quarter.

Marketing and distribution expenses increased from S\$1.2 million in 1Q2016 to S\$1.5 million in 1Q2017, mainly due to increase in staff costs.

General and administrative expenses increased from S\$1.5 million in 1Q2016 to S\$2.6 million in 1Q2017. The increase was mainly due to an increase in staff cost, and higher foreign exchange loss vs a foreign exchange gain in 1Q2016.

As a result, the Group achieved higher profit before tax of S\$2.4 million for 1Q2017, an increase of 6.1% as compared with S\$2.3 million for 1Q2016. After taking into account tax expenses, the Group's net profit after tax was S\$1.8 million for 1Q2017.

Balance Sheet (31 March 2017 vs 31 December 2016)

Property, plant and equipment decreased by S\$1.0 million mainly due to depreciation charges.

Contracts work-in-progress increased by S\$3.3 million to S\$8.6 million [Note 1(b)(4)] as at 31 March 2017 due to higher amount of work-in-progress pending certification by clients as at 31 March 2017.

Total current trade receivables decreased to S\$41.7 million [Note 1(b)(1)] as at 31 March 2017 as compared with S\$66.2 million as at 31 December 2016. The decrease is mainly due to collections from customers during the current period and the decrease in revenue for 1Q2017 as compared to 4Q2016.

Other receivables and deposits decreased by S\$1.2 million to S\$5.5 million [Note 1(b)(1)]. The decrease was mainly due to less deposits made to suppliers and subcontractors in the current period.

Trade payables decreased by S\$20.1 million to S\$40.0 million [Note 1(b)(5)]. The decrease was mainly due to payment made to creditors during the period and lower accruals of project-related expenses due to less projects in the current period.

Accrued operating expense decreased by S\$3.3 million to S\$3.8 million [Note 1(b)(5)]. The decrease was mainly due to the payment of bonus in 1Q2017.

Design Studio Group Ltd

(Registration Number: 199401553D)

Cash Flow

1Q2017 vs 1Q2016

For 1Q2017, there was net cash inflow of S\$0.8 million, mainly 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 for the period ended 31 December 2016, via SGXNET.

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

We expect the operating environment in the key markets in which we operate to remain challenging in FY2017.

We are cautiously optimistic about the outlook and expect to maintain its momentum in securing projects. The Group continues to see opportunities and prospects in Singapore and Malaysia, underpinned by a thriving tourism and hospitality sector that continues to increase demand for hotel accommodation. This demand is expected to fuel the fit-out industry through the refurbishment of existing hotels and new builds.

The Group remains well-positioned to navigate current volatile market conditions, with an order book of S\$152.5 million, a strong balance sheet and a healthy cash position of S\$54.6 million as at 31 March 2017.

11. Dividend

(1) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Nil

(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 2017.

Design Studio Group Ltd
(Registration Number: 199401553D)

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

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 person transactions for the 3 months period ended 31 March 2017 pursuant to Rule 920(1)(a)(ii) of the Listing Manual:

Name of interested person	Aggregate value of all interested person 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	\$917,576

Design Studio Group Ltd
(Registration Number: 199401553D)

CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS UNDER RULE 720(1) OF THE LISTING MANUAL

The Company confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Hazel Chia
Company Secretary

Date: 11 May 2017

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 2017 to be false or misleading in any material aspect.

ON BEHALF OF BOARD OF DIRECTORS

Name: Edgar Ramani
Director

Name: Ong Tiew Siam
Director

Date: 11 May 2017