

DESIGN STUDIO GROUP LTD.

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

LEAVE TO CONVENE SCHEME MEETINGS AND EXTENSION OF MORATORIUM

The board of directors (the “**Board**”) of Design Studio Group Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to:

- (a) the announcement dated 20 January 2020 in respect of the applications filed by the Company and its Singapore subsidiaries to the High Court of Singapore for a moratorium pursuant to section 211B of the Companies Act (Cap. 50);
- (b) the announcement dated 26 February 2020 in respect of the moratorium orders granted by the High Court of Singapore; and
- (c) the announcement issued on 18 June 2020 providing a status update on the Restructuring Exercise (the “**June Status Update Announcement**”).

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

Court Orders in relation to the Scheme and Extension of Singapore Moratorium

The Company wishes to announce that at a hearing on 12 October 2020, the Singapore Court granted the Singapore Applicants an extension of the Singapore Moratorium till 26 February 2021. In addition, the Singapore Court made the following orders:

- (a) pursuant to section 210(1) of the Companies Act (Cap. 50) (the “**Act**”), the Singapore Applicants¹ be at liberty to convene meetings (the “**Creditors’ Meetings**”) of their relevant creditors (“**Creditors**”) for the purposes of considering and, if thought fit, approving with or without modification (which modification may be made prior to or at the Creditors’ Meeting) the scheme of arrangement (“**Scheme**”) proposed to be made between the Singapore Applicants and their Creditors substantially in the form filed with the Singapore Court;
- (b) the Creditors’ Meetings be convened in the following manner, or in such other manner as the Singapore Court deems fit:
 - (i) the Creditors’ Meetings shall be held within 12 weeks from 12 October 2020, at a time to be determined by the Chairman of the said meeting;
 - (ii) the Chairman of the Creditors’ Meetings shall be Mr Luke Furler of AJCapital Advisory Pte Limited (or such other person as the Singapore Court may appoint);
 - (iii) the Creditors’ Meetings shall be held, and voting at such meetings shall be conducted, by electronic means;
 - (iv) no later than 26 October 2020, copies of the notices convening the Creditors’ Meetings (the “**Notices**”), each enclosing a copy of the Scheme, the Explanatory Statement required to be furnished pursuant to section 211(1)(a) of the Act, and a form of proxy shall be:
 - (A) sent by postal mail to the Creditors at their last known postal mail address(es);
 - or

¹ The Company and five (5) of its Singapore-incorporated subsidiaries, being Design Studio Asia Pte. Ltd., Design Studio (China) Pte. Ltd., DSG Asia Holdings Pte. Ltd., DSG Manufacturing Singapore Pte. Ltd., and DSG Projects Singapore Pte. Ltd.

- (B) sent by electronic mail to the Creditors at their last known e-mail address(es), and
 - (C) made available at the offices of the Singapore Applicants at 8 Sungei Kadut Crescent, Singapore 728682.
- (c) no later than 2 November 2020, the Notices shall be advertised once in The Straits Times;
 - (d) in the event the Scheme is approved at the Creditors' Meetings, the Singapore Applicants be at liberty to apply to the Singapore Court for an order that the Scheme be approved in accordance with section 210(4) of the Act, with such modifications as are approved at the Creditors' Meetings (if any), so as to be binding on the Singapore Applicants and their respective Creditors;
 - (e) the costs of the application in relation to the Scheme and the Creditors' Meetings be paid out of the assets of the Singapore Applicants in accordance with the terms of the Scheme; and
 - (f) the Singapore Applicants shall be at liberty to apply for such further order and/or other directions as may be necessary.

Malaysia Court Orders in relation to Malaysia Scheme and Restraining Order

Further, the Company wishes to announce that on 24 September 2020, the Malaysia Courts made, among others, the following orders:

- (a) pursuant to section 366(1) of the Malaysia Companies Act, the Malaysia Applicants² be at liberty to convene meetings (the "**Malaysia Creditors' Meeting**") of their relevant creditors or any class of them ("**Malaysia Creditors**") for the purpose of considering and, if thought fit, approving with or without modification (which modification can be made any time prior to and/or at the Malaysia Creditors' Meetings) the scheme of arrangement (the "**Malaysia Scheme**") proposed between the Malaysia Applicants and the Malaysia Creditors, the broad outlines of which are set out in the proposal filed with the Malaysia Court;
- (b) the Malaysia Creditors' Meetings be convened in accordance with the orders of the Malaysia Court;
- (c) a restraining order ("**Restraining Order**") be granted pursuant to section 368(1) of the Malaysia Companies Act, whereby all proceedings and/or further proceedings in any action or proceedings against the Malaysia Applicants and/or its assets (wherever located, and whether held by the Applicants in whole or in part, directly or indirectly, as principal or agent, beneficially or otherwise) are restrained except in the case of certain creditors, or by leave of the Malaysia Court for a period of three (3) months from the date of the order, and subject to such terms as the Malaysia Court may impose;
- (d) in the event the Malaysia Scheme is approved, the Malaysia Applicants shall be at liberty to apply for an order of court approving the Malaysia Scheme with such modifications as are approved at the Malaysia Scheme Meeting(s) and subject to such alterations or conditions as the Malaysia Court thinks just, so as to be binding between the Malaysia Applicants and the Malaysia Creditors; and
- (e) the Malaysia Applicants shall be at liberty to apply for such further order and/or other directions and/or any variation of the orders, including an extension of the Restraining Order.

² DS Project Management Sdn Bhd, DSG Manufacturing Malaysia Sdn Bhd and DSG Projects Malaysia Sdn Bhd.

Further Updates

The Company will continue to keep its stakeholders updated and will make the appropriate announcements as and when there are any material updates or developments. Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully and should exercise caution when dealing in the Company's securities. Shareholders and potential investors who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisors.

By Order of the Board

Steven James Salo
Executive Director and Interim Chief Executive Officer

20 October 2020