

RESULTS HIGHLIGHTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2017

- Revenue for 9M2017 of S\$96.6 million
- Net profit after tax of S\$5.2 million
- Net cash position of S\$28.4 million
- Order book of S\$146.1 million

Singapore, 25 October 2017 – Design Studio Group Ltd (“Design Studio Group” and collectively with its subsidiaries, “the Group”), today announced a net profit after tax of S\$5.2 million for the nine months ended 30 September 2017 (“9M2017”).

Financial performance

The Group’s revenue for 9M2017 decreased by 9.0% to S\$96.6 million as compared with the revenue for 9M2016. The decrease was mainly due to a decrease in contribution from the Residential Property segment.

For 9M2017, marketing and distribution expenses increased by 19.6% to S\$4.8 million as compared with S\$4.0 million in 9M2016. This was attributed to increase in staff costs relating to restructuring, travelling expenses and showroom related expenses.

General and administrative expenses increased from S\$5.7 million in 9M2016 to S\$7.0 million in 9M2017. The increase was mainly due to exchange loss in 9M2017 as compared with an exchange gain in 9M2016, increase in staff costs relating to restructuring and recruitment expenses.

As a result, the Group achieved a lower profit before tax of S\$6.5 million for 9M2017, as compared with S\$13.7 million for 9M2016. After taking into account the tax expenses, the Group’s net profit after tax was S\$5.2 million for 9M2017.

Operational Performance

The Group secured contracts amounting to S\$42.5 million in the first 9 months of 2017 in China, Malaysia, Dubai and Thailand.

Outlook

As at 30 September 2017, the Group’s order book is S\$146 million with a strong balance sheet and cash position.

As the Singapore residential and hospitality market picks-up and Malaysia, Thailand and China maintain their growth momentum; the Group is optimistic about its performance in these countries leading into FY2018. The Group’s focus is to regain its market share in Singapore, and expand its international footprint organically in a measured and disciplined manner, aligned with the Group’s core business and strategy.

Please refer to the Group's unaudited financial results announcement for 3Q2017 and 9M2017 dated 25 October 2017 for a detailed review of the Group's performance.

For further information, please contact:

Design Studio Group Ltd

Tel: +65 63670133

Edgar Ramani, Group Chief Executive Officer

Eddie Chua, Group Chief Financial Officer

For more information, please refer to its corporate website: www.designstudio.com.sg

About Design Studio Group:

Design Studio Group is a Singapore based high-end interior fit-out and joinery manufacturing company, listed on the Singapore Stock Exchange (SGX:D11), with state of the art automated manufacturing facilities in China and Malaysia.

The Group also specializes in fit-out of high-end hotels, restaurants, function centres, entertainment outlets, commercial buildings and the like; as well as turnkey projects including Mechanical & Electrical and Structural works. Design Studio Group has completed several landmark residential, hospitality, retail, gaming and cruise line projects in Singapore, Malaysia, China, Thailand, Japan, USA, UAE and Europe.

Design Studio Group is headquartered in Singapore with a strong presence in Malaysia, China and a growing presence in Thailand, UAE and South Asia.

Cautionary statement:

This document contains certain 'forward looking statements' with respect to Design Studio Group's financial condition; results of operations and business; and certain of Design Studio Group's plans and objectives with respect to these items. By their very nature, forward looking statements are inherently unpredictable, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that may occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward looking statements. All written or verbal forward looking statements, made in this document or made subsequently, which are attributable to Design Studio Group or any other member of the Group or persons acting on their behalf are expressly qualified on this basis. Design Studio Group does not intend to update these forward looking statements.

-END-