RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2017

HIGHLIGHTS

- Revenue for 1Q2017 of S$34.4 million (up 63.2% from 1Q2016)
- Profit net of tax of S$1.8 million
- Net cash position of S$54.6 million
- Order book of S$152.5 million

Singapore, 11 May 2017 – Design Studio Group Ltd (瑞胜集团有限公司) ("Design Studio Group" and collectively with its subsidiaries, "the Group"), today announced a profit for the three months ended 31 March 2017 ("1Q2017").

Financial performance

Group revenue was S$34.4 million in 1Q2017, an increase of 63.2% from S$21.1 million in the 1Q2016, driven by higher contribution from the Hospitality & Commercial divisions. Profit net of tax was S$1.8 million in 1Q2017, a 4.8% decrease from S$1.9 million in 1Q2016.

Operational Performance

The Group secured two contracts in Singapore in April 2017 amounting S$10.1 million for the supply of vanity to a condominium project and ID works to serviced apartments for an integrated development.

Outlook

The operating environment in the key markets in which the Group operates is expected to remain challenging in FY2017.

The Group is 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.

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