

DESIGN STUDIO FURNITURE MANUFACTURER LTD

(Company Registration No.: 199401553D)

(Incorporated in the Republic of Singapore)

**INCREASE IN SHAREHOLDING IN WHOLLY-OWNED SUBSIDIARY IN HUIZHOU,
PEOPLE REPUBLIC OF CHINA**

The Board of Directors of Design Studio Furniture Manufacturer Limited (the "Company") wishes to announce that it has increased its investment in Design Studio (Huizhou) Home Furnishing Co., Ltd., its wholly owned subsidiary in Huizhou, People's Republic of China ("PRC") known as (the "Subsidiary") by subscribing for Renminbi 5,261,854 ("Subscription Consideration") in the capital of the Subsidiary.

The investment of Renminbi 5,261,854 is funded from internal resources.

FINANCIAL EFFECTS

The Subscription would not have any material impact on the consolidated net tangible assets and earnings per share of the Company and its subsidiaries (the "Group") for the financial period ending 31 December 2011.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND DIRECTORS

Save for their interest in the Company, none of the Company's directors or substantial shareholders has an interest, direct or indirect, in the Subsidiary.

By Order of the Board

Design Studio Furniture Manufacturer Ltd

Lim Bee Lian
Company Secretary

14 April 2011