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Design Capital Limited
設計都會有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1545)

DISCLOSEABLE TRANSACTION IN RELATION TO LEASE RENEWAL AGREEMENT

LEASE RENEWAL AGREEMENT

The Board hereby announces that on 27 November 2025, the Tenant, Marquis Furniture Gallery Pte Ltd, an indirect subsidiary of the Company, and the Landlord, Beach Road Hotel (1886) Ltd. have executed the Lease Renewal Agreement.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to IFRS 16, the entering into a leasing agreement with a term of more than 12 months as a lessee will require the Group to recognise its right to use the Property as the right-of-use asset in its financial statements. As a result of entering into the Lease Renewal Agreement as lessee, the Group is required to recognise its right to use the Property as the right-of-use asset in its financial statements of approximately S$1.9 million (equivalent to approximately HK$11.4 million), and the transaction contemplated thereunder will be regarded as an acquisition of asset by the Group under the Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the value of the right-of-use asset exceed 5% but less than 25%, the transaction contemplated thereunder constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

LEASE RENEWAL AGREEMENT

The Board hereby announces that on 27 November 2025, the Tenant, Marquis Furniture Gallery Pte Ltd, an indirect subsidiary of the Company, and the Landlord, Beach Road Hotel (1886) Ltd. have executed the Lease Renewal Agreement.

A summary of the principal terms of the Lease Renewal Agreement is set out below:

Parties:	Tenant: Marquis Furniture Gallery Pte Ltd, an indirect subsidiary of the Company Landlord: Beach Road Hotel (1886) Ltd. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Beach Road Hotel (1886) Ltd. and its ultimate beneficial owner(s) are Independent Third Parties.
Property:	Unit #02–10/11/12/13, 328 North Bridge Road, Singapore 188719
Total gross area:	Approximately 5,205.09 sq. ft.
Permitted Use:	Furniture showroom
Term:	36 full calendar months, starting from 11 July 2025 to 10 July 2028
Rental:	The total rental consideration payable under the Lease Agreement for the entire lease term is approximately S$2.1 million (equivalent to approximately HK$12.4 million). The basic rent shall be payable in advance on the first day of each calendar month.
Deposit:	S$187,383.24 (equivalent to approximately HK$1,123,549.91)
Effective date of the Lease:	11 July 2025

The rent under the Lease Renewal Agreement was determined after arm's length negotiations between the Landlord and the Tenant, after taking into consideration the prevailing market price for comparable premises in the vicinity of the Property.

INFORMATION ON THE PARTIES

The Group is principally engaged in (i) interior design, (ii) furniture sales which include both furniture sales and project sales, and (iii) U.S. furniture sales. The Tenant is an indirect subsidiary of the Company and is principally engaged in the business of the furniture sales in Singapore.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Landlord is a company incorporated in Singapore with limited liability and is principally engaged in Hotels business. The Landlord and its ultimate beneficial owner(s) are Independent Third Parties.

REASONS FOR AND BENEFITS OF ENTERING INTO THE LEASE RENEWAL AGREEMENT

In order to cater to the preferences of the Group's customers at different market segments, the Group offer a wide range of products with different styles and price levels and showcase them in the Group's showrooms/points of sale.

The Directors consider that it is desirable for the Tenant to enter into the Lease Renewal Agreement, as it will:

1) allow the Tenant to remain in the Property for an additional three years which is favourable to the stability of the Group's furniture sales business;

2) maintain existing customer base as moving of showroom might lead to a loss of existing customers who may not be able to easily access the new location or who prefer the existing showroom;

3) avoid any unnecessary disruption to the showroom/point of sale business operations; and

4) minimise any unnecessary relocation costs.

Having taken into account the above reasons and benefits, all the Directors therefore consider that the terms of the Lease Renewal Agreement are on normal commercial terms, fair and reasonable and the transaction contemplated thereunder is in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to IFRS 16, the entering into a leasing agreement with a term of more than 12 months as a lessee will require the Group to recognise its right to use the Property as the right-of-use asset in its financial statements. As a result of entering into the Lease Renewal Agreement as lessee, the Group is required to recognise its right to use the Property as the right-of-use asset in its financial statements of approximately S$1.9 million (equivalent to approximately HK$11.4 million), and the transaction contemplated thereunder will be regarded as an acquisition of asset by the Group under the Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the value of the right-of-use asset exceed 5% but less than 25%, the transaction contemplated thereunder constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

The following terms shall have the following meanings ascribed to them respectively in this announcement unless the context otherwise requires:

''Board''	the board of Directors of the Company
''Company''	Design Capital Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
''Director(s)''	the director(s) of the Company
''Group''	the Company and its subsidiaries from time to time
''HK$''	Hong Kong dollars, the lawful currency of Hong Kong
''Hong Kong''	the Hong Kong Special Administrative Region of the People's Republic of China
''IFRS 16''	the International Financial Reporting Standards issued by the International Accounting Standards Board, which sets out the principles for the recognition, measurement, presentation and disclosure of leases
''Independent Third Party(ies)''	person(s) or company(ies) who is(are) independent of and not connected (within the meaning of the Listing Rules) with the Company and its connected persons

"Landlord"	Beach Road Hotel (1886) Ltd.
"Lease Renewal Agreement"	the Lease Renewal Agreement dated 27 November 2025 entered into between the Tenant and the Landlord
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
"Property"	Unit #02–10/11/12/13, 328 North Bridge Road, Singapore 188719
"SGD" or "S$"	Singapore dollars, the lawful currency of Singapore
"Singapore"	the Republic of Singapore
"sq. ft."	square feet
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Tenant"	Marquis Furniture Gallery Pte Ltd, a company incorporated in Singapore and an indirect subsidiary of the Company
"%"	per cent

By Order of the Board
Design Capital Limited
Goon Eu Jin Terence
Chairman and Executive Director

Hong Kong, 27 November 2025

As at the date of this announcement, the Board comprises Goon Eu Jin Terence, Wee Ai Quey and Ong Ciu Hwa as executive Directors, Kho Chuan Thye Patrick, Lim Sooi Kheng Patrick and Dillon Kho Tse Kai as non-executive Directors, and Lim Boon Cheng, Ng Chee Kwong, Colin and Hwang Kin Soon Ignatius as independent non-executive Directors.

Unless otherwise specified, conversion of S$ to HK$ in this announcement is based on the exchange rate of S$1.00=HK$5.996 for illustration purpose only. No representation is made that any amounts in S$ or HK$ can be or could have been converted at the relevant dates at the above rate or any other rates at all.