

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Lever Style Corporation

利華控股集團

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1346)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Lever Style Corporation (the “**Company**”) would like to announce the audited consolidated financial results of the Company and its subsidiaries (together, the “**Group**”) for the year ended 31 December 2024 (the “**Reporting Period**”), together with the comparative figures for the year ended 31 December 2023.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**
YEAR ENDED 31 DECEMBER 2024

	<i>Notes</i>	2024 <i>US\$</i>	2023 <i>US\$</i>
REVENUE	3	222,929,009	208,529,489
Cost of sales		<u>(159,438,342)</u>	<u>(148,646,874)</u>
Gross profit		63,490,667	59,882,615
Other income		1,014,577	892,011
Other gains and losses, net		182,724	(4,898)
Impairment losses on trade receivables, net		(2,962,747)	(251,756)
Selling and distribution expenses		(22,175,956)	(21,875,946)
Administrative expenses		(19,381,392)	(20,123,331)
Finance costs		<u>(68,950)</u>	<u>(246,009)</u>
 PROFIT BEFORE TAX	 5	 20,098,923	 18,272,686
Income tax expense	4	<u>(2,954,093)</u>	<u>(2,659,826)</u>
 PROFIT FOR THE YEAR		 <u>17,144,830</u>	 <u>15,612,860</u>
 Other comprehensive loss			
<i>Item that may be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences arising on translation of foreign operations		<u>(113,001)</u>	<u>(128,804)</u>
 Total comprehensive income for the year		 <u>17,031,829</u>	 <u>15,484,056</u>

	<i>Note</i>	2024 <i>US\$</i>	2023 <i>US\$</i>
Profit/(loss) for the year attributable to:			
Owners of the parent		17,144,830	15,618,972
Non-controlling interests		<u>–</u>	<u>(6,112)</u>
		<u>17,144,830</u>	<u>15,612,860</u>
Total comprehensive income/(loss) attributable to:			
Owners of the parent		17,031,829	15,490,953
Non-controlling interests		<u>–</u>	<u>(6,897)</u>
		<u>17,031,829</u>	<u>15,484,056</u>
Earnings per share attributable to ordinary equity holders of the parent (<i>US cents</i>)			
– Basic	6	<u>2.70</u>	<u>2.45</u>
– Diluted		<u>2.70</u>	<u>2.45</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2024

	<i>Notes</i>	2024 <i>US\$</i>	2023 <i>US\$</i>
NON-CURRENT ASSETS			
Plant and equipment		2,440,422	1,887,866
Right-of-use assets		705,218	1,475,393
Intangible assets		1,633,942	1,732,107
Deposits and other receivables		1,128,488	1,275,649
Deferred tax assets		–	40,479
		<hr/>	<hr/>
Total non-current assets		5,908,070	6,411,494
CURRENT ASSETS			
Inventories		13,651,652	16,289,093
Trade receivables	8	33,254,592	38,698,894
Deposits, prepayments and other receivables		8,153,477	9,555,976
Derivative financial instruments		–	20,648
Bank balances and cash		34,052,184	18,120,388
		<hr/>	<hr/>
Total current assets		89,111,905	82,684,999
CURRENT LIABILITIES			
Trade payables	9	20,255,636	18,892,797
Other payables and accruals		7,395,132	8,078,264
Contract liabilities		2,470,727	2,653,247
Lease liabilities		779,162	975,865
Tax payable		893,584	4,173,299
Derivative financial instruments		30,414	–
		<hr/>	<hr/>
Total current liabilities		31,824,655	34,773,472
		<hr/>	<hr/>
NET CURRENT ASSETS		57,287,250	47,911,527
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		63,195,320	54,323,021
		<hr/>	<hr/>

	2024 <i>US\$</i>	2023 <i>US\$</i>
NON-CURRENT LIABILITIES		
Lease liabilities	21,306	689,167
Deferred tax liabilities	152,840	76,784
	<hr/>	<hr/>
Total non-current liabilities	174,146	765,951
	<hr/>	<hr/>
Net assets	63,021,174	53,557,070
	<hr/> <hr/>	<hr/> <hr/>
EQUITY		
Share capital	820,640	820,640
Shares held under share award scheme	(891,333)	(471,956)
Reserves	63,091,867	53,208,386
	<hr/>	<hr/>
Total equity	63,021,174	53,557,070
	<hr/> <hr/>	<hr/> <hr/>

NOTES:

1. GENERAL INFORMATION

Lever Style Corporation (the “**Company**”) is incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited. The addresses of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the principal place of business of the Company is Room 16, Flat B, 1/F., Wing Tai Centre, 12 Hing Yip Street, Kwun Tong, Kowloon, Hong Kong.

Its immediate and ultimate holding company are Lever Style Holdings Limited and Imaginative Company Limited, respectively. The ultimate controlling shareholder of the Company and its subsidiaries (collectively the “**Group**”) is Mr. SZETO Chi Yan Stanley (“**Mr. SZETO**”) (the “**Controlling Shareholder**”).

The Company is an investment holding company.

The consolidated financial statements are presented in United States dollars (“**US\$**”), which is the same as the functional currency of the Company.

2. APPLICATION OF REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

In the current year, the Group has adopted the following revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the annual periods beginning on 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i> (the “2020 Amendments”)
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants</i> (the “2022 Amendments”)
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The adoption of revised HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in the consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in providing supply chain solutions in different apparel categories for customers. The Group's revenue represents the amounts received and receivable from the sales of garment to external customers. All revenue is recognised at a point in time when the customers obtain control of goods delivered.

The Group sells garment products to notable digitally native and conventional customers. Revenue is recognised when control of goods has been transferred, that is, when the goods have been shipped to the customers' specific location (delivery). Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility on selling the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. The contracts for sales of garment products are for periods of one year or less.

Information reported to Mr. SZETO, being the chief operating decision maker of the Company, in order to allocate resources and to assess performance, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is reviewed. Accordingly, no operating segment information is presented and only entity-wide disclosures as below are presented.

Geographical information

Information about the Group's revenue from external customers is presented based on the home country (location of customers' headquarters) of customer's brands.

	2024 <i>US\$</i>	2023 <i>US\$</i>
United States of America	129,877,000	125,534,273
Europe	55,011,537	42,953,111
Oceania	34,551,177	25,849,028
Greater China [#]	1,429,279	2,217,246
Others	2,060,016	11,975,831
	<hr/>	<hr/>
Total revenue	222,929,009	208,529,489
	<hr/> <hr/>	<hr/> <hr/>

[#] Greater China primarily includes Mainland China, Hong Kong, Macau and Taiwan.

All of the Group's identifiable non-current assets are located in Mainland China and Hong Kong.

Information about major customers

All of the Group's revenue are made directly with the customers and the contracts with the Group's customers are mainly short-term and at fixed price.

Revenue from an individual customer contributing over 10% of the total revenue of the Group is as follows:

	2024 US\$	2023 US\$
Customer A	28,348,714	33,885,018
Customer B	25,129,093	—*

* Revenue from this customer did not account for more than 10% of the Group's total revenue for the year ended 31 December 2023.

4. INCOME TAX EXPENSE

	2024 US\$	2023 US\$
Hong Kong Profits Tax:		
– Current tax	2,529,362	2,343,880
– Underprovision in prior years	46,900	33,973
	<u>2,576,262</u>	<u>2,377,853</u>
PRC Enterprise Income Tax (“EIT”)		
– Current tax	184,726	119,691
– Underprovision in prior years	76,570	—
	<u>261,296</u>	<u>119,691</u>
Deferred tax	<u>116,535</u>	<u>162,282</u>
Total	<u>2,954,093</u>	<u>2,659,826</u>

Hong Kong profits tax has been provided at 16.5% (2023: 16.5%) of the estimated assessable profits for the year, except for one subsidiary of the Group, which is a qualifying entity under the two-tiered profits tax rates regime. For this subsidiary, the first HK\$2,000,000 (2023: HK\$2,000,000) of assessable profits are taxed at 8.25% (2023: 8.25%) and the remaining assessable profits are taxed at 16.5% (2023: 16.5%).

Tax on profits assessable in Mainland China has been calculated at the applicable enterprise income tax rate of under the Law of the People's Republic of China (the “PRC”). Subsidiaries in Mainland China are subject to EIT at 25% tax rate for the current year ended 31 December 2024 (2023: 25%). Certain subsidiaries of the Group are qualified as a small low-profit enterprise as their annual taxable income were less than Renminbi (“RMB”) 3 million for both years. The annual taxable income of a small low-profit enterprise shall be computed at a reduced rate of 25% (2023: 25%) of taxable income amount, and subjected to EIT at 20% (2023: 20%) tax rate.

5. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging:

	2024 US\$	2023 US\$
Directors' remuneration	4,006,758	3,193,931
Other staff costs		
– Salaries and other allowances	12,675,417	15,141,274
– Share based payment expense	49,171	102,247
– Redundancy cost	–	131,361
– Retirement benefit scheme contributions	2,091,109	1,872,442
	<u>18,822,455</u>	<u>20,441,255</u>
Total staff costs		
Auditor's remuneration	276,127	246,198
Cost of inventories sold	159,438,342	148,646,874
Depreciation of plant and equipment	542,167	479,146
Depreciation of right-of-use assets	960,355	889,100
Amortisation of intangible assets (included in selling and distribution expenses)	98,166	98,166
Expense relating to short-term leases	265,234	186,138
	<u>265,234</u>	<u>186,138</u>

6. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic and diluted earnings per share attributable to the owners of the parent is based on the following data:

	2024 US\$	2023 US\$
Earnings:		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations	17,144,830	15,618,972
	<u>17,144,830</u>	<u>15,618,972</u>
	2024	2023
Number of shares:		
Weighted average number of ordinary shares in issue less shares held for share award scheme during the year used in the basic earnings per share calculation	634,959,157	637,003,326
Effect of dilution – weighted average number of ordinary shares: Share award scheme	879,765	1,308,372
	<u>879,765</u>	<u>1,308,372</u>
Number of shares used in diluted earnings per share calculation	635,838,922	638,311,698
	<u>635,838,922</u>	<u>638,311,698</u>

Shares purchased under the share award scheme are deducted from the total number of shares in issue for the purpose of calculating earnings per share.

7. DIVIDENDS

	2024 US\$	2023 US\$
2024 interim dividend of HK3 cents (2023: HK3 cents) per ordinary share	2,447,696	2,445,111
2023 final dividend of HK6 cents per ordinary share (2023: 2022 final HK8.5 cents)	<u>4,866,761</u>	<u>6,937,241</u>
	<u><u>7,314,457</u></u>	<u><u>9,382,352</u></u>

Subsequent to the end of the reporting period, a final dividend of HK7 cents per ordinary share was proposed by the directors of the Company for the year ended 31 December 2024.

8. TRADE RECEIVABLES

	2024 US\$	2023 US\$
Trade receivables	34,587,114	40,810,198
Less: allowance for expected credit losses	<u>(1,332,522)</u>	<u>(2,111,304)</u>
	<u><u>33,254,592</u></u>	<u><u>38,698,894</u></u>

The Group allows credit period of 30 to 60 days to its customers.

The following is an ageing analysis of trade receivables presented based on the invoice dates at the end of each reporting period.

	2024 US\$	2023 US\$
0 to 30 days	23,335,134	20,715,215
31 to 60 days	5,963,129	15,457,440
Over 60 days	<u>3,956,329</u>	<u>2,526,239</u>
	<u><u>33,254,592</u></u>	<u><u>38,698,894</u></u>

9. TRADE PAYABLES

	2024 <i>US\$</i>	2023 <i>US\$</i>
Trade payables	<u><u>20,255,636</u></u>	<u><u>18,892,797</u></u>

The credit period on trade payables was up to 60 days.

The following is an ageing analysis of trade payables presented based on the invoice dates at the end of each reporting period.

	2024 <i>US\$</i>	2023 <i>US\$</i>
0 to 30 days	19,599,122	14,672,813
31 to 60 days	456,207	3,286,878
Over 60 days	<u>200,307</u>	<u>933,106</u>
	<u><u>20,255,636</u></u>	<u><u>18,892,797</u></u>

REVIEW AND FUTURE PROSPECTS

Record sales and profits

The Group expanded sales to a record US\$222.9 million for the Reporting Period of 2024, with net profit reaching US\$17.1 million. This is the Group's third consecutive year of record earnings. As of the end of the Reporting Period, the Group was debt-free and had a record net cash position of US\$34.1 million, accounting for 54.0% of our US\$63.0 million net asset value, or 48.1% of our year-end closing market capitalization.

With stringent credit risk control in place, we collected on credit insurance for one of our clients, Bonobos's bankruptcy filed under chapter 11 of the United States Bankruptcy Code in April 2024, and shipped and collected on the US\$11.5 million worth of Bonobos goods that we withheld from shipping in the first half of 2024 ("1H 2024"). Furthermore, we managed to win business concessions from the new owner of the Bonobos brand so we essentially made up for the US\$2.4 million impairment we took in 1H 2024. As a result, we were able to grow our net profit by 9.8% over the prior year despite the Bonobos setback.

For the year ended 31 December 2023, brands and retailers were working through the inventory glut accumulated after the post-COVID-19 rebound in 2021 and 2022 by buying less volume than they were selling, thus reducing demand up the supply chain. By 2024, the inventory glut was by-and-large digested, but it was slowing consumer demand that weighed on brands' and retailers' purchases.

We were able to grow despite these macro headwinds, demonstrating that we continued to win market share on the back of our versatile, asset-light business model.

Compared to 2019 (adjusted for one-time IPO listing expenses) before the industry went into a wild bust-boom-bust ride, our 2024 revenues and net profit have grown 83% and 139% respectively.

Future prospects

With the benefit of serving a large sample size of around 150 brands, we can see that the apparel industry is heading into the toughest times since COVID-19. Bonobos's chapter 11 bankruptcy in April 2024 seems to be just a precursor of what's to come, as an increasing proportion of our customers are suffering from liquidity and payment problems, and having their credit insurance coverage revoked or reduced.

Adhering to our tight credit risk policies, we have reluctantly made the tough decisions to exit from doing business with a handful of customers, including two of our five largest ones, in 2025. There will be revenue and profitability impact from these decisions, but we prefer walking away from business than doing business that we may have difficulty collecting on.

Donald Trump waging trade wars with friends and foes alike is adding fuel to fire. Most economists predict that trade wars will slow down economic growth, and perhaps tip certain advanced economies into recession. If trade wars proliferate, consumer demand may plummet, causing an even larger number of brands and retailers to fail.

Despite all the doom and gloom in the industry, we remain cautiously optimistic as we are in a unique position to keep growing despite the tough times. With Trump's unpredictability, brands more than ever need versatility in their supply chains, which benefits us as they tend to gravitate towards our versatile, asset-light business model.

Also, brands' and retailers' declining financial fortunes don't impact us alone, as we expect the pain to be felt throughout the supply chain. With little light at the end of the tunnel, more apparel supplier owners may become more open to folding their businesses into ours at reasonable valuations. We hope to take on these businesses that add to our strategic capabilities, convert them into our higher-performing asset-light business model, and continue our growth trajectory through inorganic means.

Digitalization and platformization progress

We have continued to make healthy progress on digitalization. Building on the foundation of our data warehouse and IT talent development, we are now able to develop digital tools in-house to support our business model and to explore new ways of working. Over the past year, we also made progress in the application of artificial intelligence and automation to the way we operate. All these developments are parts of our overall plan to build an intelligent and system-driven organization.

We also continue to make progress on turning ourselves into a two-way marketplace platform and becoming the Uber of the apparel supply chain industry. However, Rome is not built in one day, and neither is our new business model. We are embarking on an internal reorganization to position ourselves to build out our supply-side capabilities. We will continue to experiment and adjust, not afraid to take a step back for every two steps forward.

Management changes

On 31 August 2024, our ex-CEO Dr. Eddie Chan officially retired from Lever Style after his almost-10-year-tenure. He made tremendous contributions and sacrifices to help grow the business to where it is today, for which we feel forever grateful. We wish him the very best in his future endeavors.

Mr. William Tan, who assumed the role as our CEO in April 2024, is well settled in and quickly making his mark. With our vision of pioneering a business model that has never been built in our industry, we are increasingly bringing on additional management talents who are younger and from outside the apparel business.

Conclusion

We are proud to have made strides in multiple fronts in 2024, from hitting record sales, earnings and net cash, to accelerating our journey on digitalization and platformization, and to further upgrading our management team. With a challenging 2025 on the horizon, we will continue to be very disciplined on taking credit and financial risk, while we look forward to more inorganic growth opportunities.

FINANCIAL REVIEW

Revenue

Revenue of the Group increased by approximately 6.9% from approximately US\$208.5 million in 2023 to approximately US\$222.9 million in 2024. The increase was primarily attributable to: (i) the Group's success at winning new customers; and (ii) deeper penetration and increased organic growth across multiple product categories with existing customers. The Company has successfully expanded its market presence of new and existing customers. The expansion is supported by advancements in supply chain efficiency and facilitated by technology integration, allowing for competitive pricing and higher sales volumes.

Cost of sales

Our cost of sales mainly comprises material costs and subcontracting fees. Cost of sales increased by approximately 7.3% from approximately US\$148.6 million in 2023 to approximately US\$159.4 million in 2024. Cost of sales as a percentage of total revenue increased slightly from approximately 71.3% in 2023 to approximately 71.5% in 2024.

Gross profit and gross profit margin

Besides the increase in revenue, our gross profit increased from approximately US\$59.9 million in 2023 to approximately US\$63.5 million in 2024, representing a growth of approximately 6.0%, along with the expansion of our business. Gross profit margin was maintained at a relatively stable level and slightly decreased from approximately 28.7% in 2023 to approximately 28.5% in 2024.

Profit for the year

The Group recorded a net profit of approximately US\$17.1 million for the year ended 31 December 2024, as compared to approximately US\$15.6 million for the year ended 31 December 2023. Achieving a historical high net profit in 2024 is a significant milestone for the Group by effectively managing our expenses and costs. This accomplishment reflects positive growth, increased efficiency, and strong financial performance.

Increase of approximately US\$1.5 million in net profit compared to 2023 was mainly attributable to the following factors:

- The gross profit increased approximately US\$3.6 million due to business expansion on new and existing customers;
- Administrative expenses decreased from approximately US\$20.1 million in 2023 to about US\$19.4 million in 2024. This reduction can be attributable to the successful recruitment and filling of several key positions in 2024, better hiring strategy and increased staff efficiency;
- Finance costs continued to drop from US\$246,009 in 2023 to US\$68,950 in 2024 mainly due to significantly reduced financing needs based on the strong cash position of the Group; and
- Impairment loss on trade receivables increased from approximately US\$0.3 million in 2023 to about US\$3.0 million in 2024 primarily due to the parent company of the largest customer of the Group initiating legal proceedings through the US Bankruptcy Court. Although the Company has credit risk control procedures in place to minimize the impact, the account receivables were affected. However, the Company has successfully compensated the impairment loss on trade receivable by gaining new business opportunities through the new owner of such client.

Our flexible asset-light business model is proven to be successful with such results and improvements. It also demonstrates the successful execution of business strategies and the ability to adapt to market conditions.

LIQUIDITY AND FINANCIAL RESOURCES

Cash and cash equivalents of the Group as at 31 December 2024 were approximately US\$34.1 million (2023: US\$18.1 million). The Group had no borrowing at the end of 2024, resulting a net cash position of approximately of US\$34.1 million which was a historical high record, compared to approximately US\$18.1 million in 2023.

As at 31 December 2024, the Group had net current assets of approximately US\$57.3 million. Compared to approximately US\$47.9 million as at 31 December 2023, it represented an increase of approximately US\$9.4 million. The current ratio for 2024 was approximately 2.8 times whilst it was approximately 2.4 times for 2023 which remained at a relatively healthy position.

The Group obtained bank facilities to fulfil our working capital requirements and to finance our purchase of raw materials and payments to contract manufacturers. As at 31 December 2024, the Group had available banking facilities of approximately US\$79.1 million which is considered sufficient for the Group's operation.

GEARING RATIO

Equity attributable to the Company amounted to approximately US\$63.0 million at 31 December 2024 (2023: US\$53.6 million). As at 31 December 2024, the gearing ratio of the Group was approximately 0% (2023: 0%). Gearing ratio is calculated based on the total debts (bank borrowings) divided by the total equity at the end of the year. The 0% gearing ratio for 2024 was mainly due to no bank borrowings at the end of the year.

With the favorable cash and cash equivalents position of the Group, it has led to a net debt to equity ratio (total debts net of cash and bank balances divided by total equity at end of year) of approximately -54.0% in 2024 (2023: -33.8%).

CONTINGENT LIABILITIES

As at 31 December 2024, the Group had no material contingent liability (2023: Nil).

EMPLOYEES AND REMUNERATION

As at 31 December 2024, the Group employed a total of 347 full-time employees (2023: 338 employees). For the year ended 31 December 2024, the aggregate remuneration of the Group's employees (including Directors' remuneration) decreased by US\$1.6 million to approximately US\$18.8 million (2023: US\$20.4 million).

The Company recognises the employees as one of the Group's most important assets. The Company strongly believes in hiring the right talent, nurturing and retaining them. The Group remunerates its staff according to their performance, qualifications and industry practices, and conducts regular reviews of its remuneration policy. Employees may receive bonuses and monetary rewards based on their performance and ratings in annual performance appraisals.

The Group also offers rewards or other incentives to motivate the personal growth and career development of employees. The Company adopted the share option scheme and co-ownership share award scheme with the objectives to recognise contributions made by the eligible employees, to motivate career development and to retain the eligible employees for the continual operation, growth and future development of the Group.

FINAL DIVIDEND

The Board has resolved to propose a final dividend of HK7 cents (2023: HK6 cents) per ordinary share with approximately HK\$44.7 million (equivalent to approximately US\$5.7 million) for the year ended 31 December 2024. After adding the distributed HK3 cents interim dividend in 2024, it represents the Company will distribute approximately 47.8% of the Group's net profit for the year ended 31 December 2024.

The proposed final dividend payment is subject to approval by the shareholders of the Company at the forthcoming annual general meeting (“**AGM**”) to be held on Thursday, 10 April 2025. If approved by shareholders of the Company, the proposed final dividend is expected to be paid on or before Thursday, 24 April 2025 to shareholders of the Company whose names appear on the register of members of the Company on Thursday, 17 April 2025.

CLOSURE OF REGISTER OF MEMBERS FOR ENTITLEMENT TO ATTEND AND VOTE AT ANNUAL GENERAL MEETING AND FOR ENTITLEMENT TO THE PROPOSED FINAL DIVIDEND

The AGM will be held on Thursday, 10 April 2025. Notice of the AGM will be sent to shareholders of the Company in due course. For the purpose of determining shareholder’s eligibility to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 7 April 2025 to Thursday, 10 April 2025, both days inclusive, during which period no transfer of shares will be registered. In order to qualify to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company’s Hong Kong share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Thursday, 3 April 2025.

For the purpose of ascertaining shareholders’ entitlement to the proposed final dividend (subject to the approval of the shareholders at the AGM), the register of members of the Company will be closed from Wednesday, 16 April 2025 to Thursday, 17 April 2025, both days inclusive, during which period no transfer of shares will be registered. To qualify for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company’s Hong Kong share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Tuesday, 15 April 2025.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions in the Corporate Governance Code (the “**CG Code**”) set out in Part 2 Appendix C1 to Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) as its own code of corporate governance. The Board has reviewed the Company’s corporate governance practices and is satisfied that the Company has been in compliance with all code provisions as set out in the CG Code contained in Appendix C1 of the Listing Rules during the year ended 31 December 2024.

DIRECTORS' SECURITIES TRANSACTIONS

The Group has adopted the Model Code for Securities Transactions by directors of Listing Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules (formerly Appendix 10) as its code of conduct regarding directors' securities transactions. Upon specific enquiries being made of all Directors, each of them has confirmed that they have complied with the required standards set out in the Model Code for the year ended 31 December 2024. The Group has established written guidelines for relevant employees in respect of securities transactions. No incident of non-compliance with the written guidelines was noted during the year ended 31 December 2024.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Apart from the Company's shares purchased under the share-award scheme of the Company of 5,236,000 shares, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's shares during the year ended 31 December 2024.

EVENTS OCCURRING AFTER END OF 2024

There was no event after the Reporting Period that required to be disclosed.

SCOPE OF WORK OF ERNST & YOUNG

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this preliminary announcement have been agreed by the Group's auditor, Ernst & Young, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 27 February 2025. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagement issued by the Hong Kong Institute of Certified Public Accountants. and consequently no opinion or assurance conclusion has been expressed by Ernst & Young on this preliminary announcement.

AUDIT COMMITTEE AND REVIEW ON THE ANNUAL RESULTS

The Company has established an Audit Committee on 12 October 2019 in compliance with the CG Code with written terms of reference. As at the date of this announcement, the Audit Committee has four members, namely Mr. SEE Tak Wah, Mr. ANDERSEN Dee Allen, Ms. KESEBI Lale, and Mr. LIU Gary, all of whom are independent non-executive Directors. Mr. SEE Tak Wah is the chairman of the Audit Committee and possesses the appropriate professional qualifications. The primary duties of the Audit Committee are to oversee the financial reporting system and internal control system of the Group, oversee the audit process, review and oversee the existing and potential risks of the Group and perform other duties and responsibilities as assigned by the Board. The Audit Committee of the Company, together with the management of the Company and the external auditor, reviewed both the accounting principles and policies adopted by the Group and the audited consolidated financial statements for the year ended 31 December 2024.

REMUNERATION COMMITTEE

The Company has established a Remuneration Committee on 12 October 2019 in compliance with the CG Code with written terms of reference. As at the date of this announcement, the Remuneration Committee has five members, Mr. ANDERSEN Dee Allen (an independent non-executive Director), Mr. SEE Tak Wah (an independent non-executive Director), Mr. SZETO Chi Yan Stanley (an executive Director), Ms. KESEBI Lale (an independent non-executive Director), and Mr. LIU Gary (an independent non-executive Director). Mr. ANDERSEN Dee Allen is the chairman of the Remuneration Committee. The primary duties of the Remuneration Committee are to establish, review and make recommendations to the Board on our Company's policy and structure concerning remuneration of the Directors and senior management, on the diversity policy of the Board and senior management, on the establishment of a formal and transparent procedure for developing policies concerning such remuneration, determine the terms of the specific remuneration package of each executive Director and senior management and review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time.

NOMINATION COMMITTEE

The Company has established a Nomination Committee on 12 October 2019 in compliance with the CG Code with written terms of reference. As at the date of this announcement, the Nomination Committee has five members, Mr. SZETO Chi Yan Stanley (an executive Director), Mr. SEE Tak Wah (an independent non-executive Director), Mr. ANDERSEN Dee Allen (an independent non-executive Director), Ms. KESEBI Lale (an independent non-executive Director) and Mr. LIU Gary (an independent non-executive Director). Mr. SZETO Chi Yan Stanley is the chairman of Nomination Committee. The primary duties of the Nomination Committee are to review the structure, size and composition of the Board, assess the independence of the independent non-executive Directors and make recommendations to the Board on the appointment and re-appointment of Directors and succession planning for Directors, recommend to the Board suitably qualified persons to become a member of the Board and to review the structure, size, composition of the Board and board diversity on a regular basis and as required.

PUBLICATION OF INFORMATION ON THE WEBSITE OF THE STOCK EXCHANGE

This announcement is published on the websites of the Company (www.leverstyle.com) and the Stock Exchange (www.hkexnews.hk), and the annual report of the Company for the year ended 31 December 2024 will be dispatched to shareholders and published on the above websites in due course.

On behalf of the Board
Lever Style Corporation
SZETO Chi Yan Stanley
Chairman and Executive Director

Hong Kong, 27 February 2025

As at the date of this announcement, the Board comprises (i) Mr. SZETO Chi Yan Stanley (Chairman), Mr. LEE Yiu Ming and Mr. TAN William as executive Directors; and (ii) Mr. SEE Tak Wah, Mr. ANDERSEN Dee Allen, Ms. KESEBI Lale and Mr. LIU Gary as independent non-executive Directors.