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Lever Style Corporation

利華控股集團

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1346)

VOLUNTARY ANNOUNCEMENT ACQUISITION OF ASSETS

This is a voluntary announcement made by Lever Style Corporation (the “**Company**”, together with its subsidiaries, the “**Group**”) to enhance the transparency of the Company.

The board of directors (“**Board**”) of the Company is pleased to announce that on 31 July 2020, after trading hours, Lever Shirt Limited (an indirect wholly-owned subsidiary of the Company), as purchaser (“**Purchaser**”) entered into a sale and purchase agreement (“**Sale and Purchase Agreement**”) with Vista Apparels Limited, as vendor (“**Vendor**”), pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to purchase certain prepayment of inventories, purchase orders and client base (“**Assets**”) owned by the Vendor at a consideration of HK\$495,041.70. The consideration would be financed by internal resources of the Company. Completion of the Sale and Purchase Agreement is scheduled to take place on 31 July 2020. This transaction does not constitute any notifiable transaction of the Company under Chapter 14 of the Listing Rules.

INFORMATION OF THE VENDOR

The Vendor is a company established in Hong Kong with limited liability and is principally engaged in the business of trading of garments of sweaters. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are independent third parties of the Company.

REASONS FOR ENTERING INTO THE SALE AND PURCHASE AGREEMENT

The Group has been principally engaged in providing supply chain solutions in multiple apparel categories for notable brands.

The entering into of the Sale and Purchase Agreement will enable the Company to further expand its apparel category portfolio by acquiring the Assets in relation to the production of sweaters, providing a foundation for the Company to expand its business and further strengthen its market position.

The Directors (including the independent non-executive Directors) consider that the terms of the Sale and Purchase Agreement are fair and reasonable and on normal commercial terms and that the entering into of the Sale and Purchase Agreement is in the interests of the Company and its shareholders as a whole.

The Board is pleased to complete this transaction. Though in the wake of COVID-19 pandemic and global economic uncertainty, the management believes it remains an opportune time for the Group to gauge merger and acquisition opportunities to grow the Group's business and enhance return to the Company's shareholders. The Board will stick to the strategy set out in the Company's prospectus dated 31 October 2019 and will continue to explore appropriate merger and acquisition opportunities to gain market share by expanding our apparel category portfolio and to create incremental profitability by achieving synergies such as cross-selling and economies of scale.

By order of the Board
Lever Style Corporation
Szeto Chi Yan Stanley
Chairman and executive Director

Hong Kong, 31 July 2020

As at the date of this announcement, the Board comprises Mr. Szeto Chi Yan Stanley (Chairman), Dr. Chan Yuk Mau Eddie and Mr. Lee Yiu Ming as executive Directors, Mr. Kim William Pak as non-executive Director, and Mr. See Tak Wah, Mr. Auyang Pak Hong Bernard and Mr. Lee Shing Tung Tommy as the independent non-executive Directors.