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LEE & MAN CHEMICAL COMPANY LIMITED
理 文 化 工 有 限 公 司

(Incorporated in the Cayman Islands and its members' liability is limited)
Website: www.leemanchemical.com
(Stock Code: 746)

DISCLOSEABLE TRANSACTIONS
SUBLEASES OF LAND IN VIETNAM

THE SUBLEASES

On 25 December 2025, the Sublessor and LMC Vietnam (an indirect wholly-owned subsidiary of the Company) entered into the Sublease Contracts, pursuant to which, among other things, LMC Vietnam agreed to sublease the Land together with the adjacent water surface area in Ho Chi Minh City, Vietnam from the Sublessor for a term commencing from 25 December 2025 to 21 December 2077, for the Infrastructure Fee of approximately VND1,539,503,099,000 (equivalent to approximately HK$455,715,000).

LISTING RULE IMPLICATIONS

As the relevant percentage ratios under the Listing Rules in respect of the transactions contemplated under the Sublease Contracts are more than 5% but all are less than 25%, the Subleases constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements, but are exempt from the circular and shareholders' approval requirements, under Chapter 14 of the Listing Rules.

INTRODUCTION

On 25 December 2025, the Sublessor and LMC Vietnam (an indirect wholly-owned subsidiary of the Company) entered into the Sublease Contracts, pursuant to which, among other things, LMC Vietnam agreed to sublease the Land together with the adjacent water surface area in Ho Chi Minh City, Vietnam from the Sublessor for a term commencing from 25 December 2025 to 21 December 2077, for the Infrastructure Fee of approximately VND1,539,503,099,000 (equivalent to approximately HK$455,715,000).

SUBLEASE CONTRACTS

The principal terms of the Sublease Contracts are summarized as follows:

Date	25 December 2025
Parties	(a) the Sublessor (as sublessor); and (b) LMC Vietnam (as sublessee)
Subject matter	The subleases of the Land of a total site area of approximately 285,000 sq.m., which comprises two adjacent land plots, together with the water surface area adjacent to these two land plots of approximately 21,635 sq.m..
Term	For a term commencing from 25 December 2025 to 21 December 2077, unless terminated earlier in accordance with the terms of the Sublease Contracts.
Infrastructure Fee payable to the Sublessor	In connection with the subleases of the Land, LMC Vietnam shall pay the Sublessor the Infrastructure Fee of VND1,539,503,099,000 (equivalent to approximately HK$455,715,000), exclusive of VAT, in the following manner: 1. First instalment: VND266,958,431,250 (equivalent to approximately HK$79,750,125), being 17.3% of the Infrastructure Fee, has been paid by applying the same amount from the deposit paid under the Reservation Contract on a dollar-to-dollar basis; 2. Second instalment: VND349,763,748,125 (equivalent to approximately HK$103,335,375), being 22.7% of the Infrastructure Fee, of which VND214,711,875 (equivalent to HK$63,435) has been paid by applying the same amount from the deposit paid under the Reservation Contract on a dollar-to-dollar basis and the balance will be payable within 30 days from the date of the Sublease Contracts; 3. Third instalment: VND151,541,707,125 (equivalent to approximately HK$44,772,000), being 9.8% of the Infrastructure Fee, will be paid within 30 days of the date of execution of the handover minutes in respect of the Land; and

4. Fourth instalment: VND771,239,212,500 (equivalent to approximately HK$227,857,500), being the balance of the Infrastructure Fee, will be paid on or before the eighth anniversary of the date of the Sublease Contracts at a simple interest rate of 2.5% per annum.

Other rental and charges payable to the Sublessor

During the term of the Subleases, LMC Vietnam shall also pay the following rental and charges to the Sublessor, in each case exclusive of VAT:

1. Service charge on an annual basis in the initial annual amount of VND7,524,285,000 (equivalent to approximately HK$2,223,000);

2. Wastewater treatment fee and other utility fees on a monthly basis at the initial unit price of VND2,640/m^3 (equivalent to approximately HK$0.78/$m^3$) and based on actual usage; and

3. Sublease fee in connection with the use of water surface area on an annual basis at an initial annual amount of VND316,812,000 (equivalent to approximately HK$93,600).

The service charge, the wastewater treatment fee and sublease fee for water surface area are subject to annual adjustment by the Sublessor and shall not exceed the fluctuation rate of the Consumer Price Index announced by National Statistics Office of Vietnam and the economic fluctuation rate of the preceding year.

Land rental payable to the Vietnamese government authority

During the term of the Subleases and starting from the year of 2033, LMC Vietnam shall also pay an annual land rental to the relevant Vietnamese government authority, at such rate as may be set from time to time by such government authority. As at the date of this announcement, the rate for 2025 is approximately VND2,200 per sq.m. (equivalent to approximately HK$0.65 per sq.m.), totaling approximately VND627,000,000 (equivalent to approximately HK$185,229) for the Land.

Completion	Subject to the due payment and fulfilment of other obligations by LMC Vietnam under the Sublease Contracts, the Sublessor shall hand over the Land to LMC Vietnam within 60 days and in any event not more than 120 days from the date of the Sublease Contracts. The Sublessor shall complete all procedures for the application of land use rights certificates for the Land, within 120 days of the date on which LMC Vietnam has fulfilled all applicable payment obligations and conditions specified under the respective Sublease Contracts.

The amounts payable under the Sublease Contracts (including but not limited to the Infrastructure Fee) will be funded by the Group's internal resources.

Basis of the Infrastructure Fee

The Infrastructure Fee was arrived at after arm's length negotiations between the Sublessor and the Group with reference to the valuation of the market rent of the Land of approximately VND1,539,503,099,000 as at 22 December 2025, which was conducted by an independent property valuer based on market approach.

INFORMATION ON THE LAND

The Land is situated within the Phu My 3 Specialized Industrial Park, Tan Phuoc Ward, Ho Chi Minh City, Vietnam with a total site area of approximately 285,000 sq.m., which comprises two adjacent land plots that are adjacent to the water surface area of approximately 21,635 sq.m.. The Land is for industrial use.

Based on publicly available information, Phu My 3 Specialized Industrial Park is a specialized industrial park established in 2014.

INFORMATION ON THE PARTIES

The Group is principally engaged in the manufacture and sale of chemical products. LMC Vietnam is an indirect wholly owned subsidiary of the Company and is principally engaged in the business of manufacture and sale of chemical products.

The Sublessor is a joint stock company incorporated in Vietnam and is principally engaged in the business of developing and operating of Phu My 3 Specialized Industrial Park. The Sublessor is directly owned as to 92.41% by a Vietnamese individual named Nguyễn Thị Thảo Nhi, 4.06% by a Vietnamese individual named Nguyễn Nhật Quang, 2.54% by a Vietnam company named Công ty TNHH Bất Động Sản M&C (which is in turn owned as to 98% by a Vietnamese individual named Nguyễn Thị Thảo Nhi and as to 2% by a Vietnamese individual named Nguyễn Quốc Bảo) and 1.00% by a Vietnamese individual named Tạ Quốc Bảo, respectively. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiry, each of the Sublessor and its ultimate beneficial owners is a third party independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE SUBLEASES

The Company intends to deepen its market penetration and presence in Vietnam to capture the attractive local selling price and demands from potential customers in proximity to the Land. The Company anticipates continued growth in demand from the Vietnam market and, accordingly, an increased need for domestic production capacity. To support its expansion and operational requirements, the Company intends to utilize the Land to construct an additional self operated manufacturing facility. The Company expects that most products produced by this facility will be sold within Vietnam, aligning production with end-market demand. In assessing the Subleases, the Directors have considered, among others, the following factors: (i) the strategic location of Phu My 3 Specialized Industrial Park with efficient access to key transportation infrastructure, facilitating inbound raw materials and outbound logistics; (ii) the availability of industrial facilities suitable for chemical production, including a stable power supply; and (iii) the Consideration is consistent with the prevailing market rent of similar industrial land in the locality.

Having taken into account the above, the Directors (including the independent non-executive Directors) are of the view that the Sublease Contracts are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

LISTING RULE IMPLICATIONS

In accordance with HKFRS 16 "*Leases*", the Group is required to recognize the fixed rent payments for the entire sublease term under the Sublease Contracts as a right-of-use asset in relation to the Land in its consolidated statement of financial position. Accordingly, the entering into of the Sublease Contracts is regarded as an acquisition of asset by the Group under the Listing Rules. The value of the right-of-use asset recognized by the Group under the Sublease Contracts amounted to approximately HK$456 million.

As the relevant percentage ratios under the Listing Rules in respect of the transactions contemplated under the Sublease Contracts are more than 5% but all are less than 25%, the Subleases constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements, but are exempt from the circular and shareholders' approval requirements, under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and phrases have the following meanings:

"Company"	Lee & Man Chemical Company Limited, a company incorporated in the Cayman Islands, the shares of which are listed on the Stock Exchange (stock code: 746)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules

"Director(s)"	the directors of the Company
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"HKFRS"	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Infrastructure Fee"	the fee payable for use of the common infrastructure in Phu My 3 Specialized Industrial Park under the terms of the Sublease Contracts
"Land"	has the meaning ascribed to it under the section "Information on the Land" in this announcement
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"LMC HK"	Lee & Man Chemical (H.K.) Limited, a limited liability company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
"LMC Vietnam"	Vietnam Lee & Man Chemical Company Limited, a limited liability company established in Vietnam and an indirect wholly-owned subsidiary of the Company
"percentage ratio(s)"	has the meaning ascribed to it under the Listing Rules
"PRC"	the People's Republic of China, and for the purpose of this announcement only, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
"Reservation Contract"	the land reservation contract dated 22 May 2025 entered into between LMC HK and the Sublessor together with ancillary documents in relation to, among others, the reservation of the Land and the adjacent water surface area by LMC HK from the Sublessor, which did not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules
"Shareholders"	the shareholders of the Company
"sq.m."	square meters

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Sublease Contracts"	the land sublease contracts dated 25 December 2025 entered into between LMC Vietnam and the Sublessor together with ancillary documents in relation to, among others, the subleases of the Land and the adjacent water surface area by LMC Vietnam from the Sublessor
"Subleases"	the subleases of the Land and the adjacent water surface area by LMC Vietnam from the Sublessor under the Sublease Contracts
"Sublessor"	Thanh Binh Phu My Joint Stock Company, a joint stock company incorporated in Vietnam
"VAT"	value-added tax
"VND"	Vietnamese dong, the lawful currency of Vietnam
"%"	per cent

In this announcement, amounts quoted in VND have been converted into HKD at the rate of VND3,385 = HK$1. Such exchange rate has been used, where applicable, for purpose of illustration only and does not constitute representation that any amounts were or may have been exchanged at such rate or any other rates.

By Order of the Board
Lee & Man Chemical Company Limited
Chairman
Wai Siu Kee

Hong Kong, 25 December 2025

As at the date of this announcement, the board of directors of the Company comprises three executive directors, namely, Ms. Wai Siu Kee, Mr. Lee Man Yan and Mr. Yang Zuo Ning, one non-executive director, namely Professor Chan Albert Sun Chi JP, and three independent non-executive directors, namely Mr. Wan Chi Keung, Aaron BBS JP, Mr. Heng Victor Ja Wei and Mr. Wong King Wai Kirk.