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)

INTERIM RESULTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

- Revenue increased by 12.2% to HK$2,168 million
- Profit increased by 7.0% to HK$349 million, driven by rising sales volume and selling prices of advanced material chemical products
- Gross profit margin broadly stayed at 35.7%
- Proposed interim dividend of HK21 cents per share (six months ended 30 June 2025: HK19.5 cents per share)

INTERIM RESULTS

The board of directors (the "Board") of Lee & Man Chemical Company Limited (the "Company") is pleased to announce the unaudited interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2026 together with comparative figures for the last corresponding period as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
Revenue		**2,168,275**	1,931,959
Cost of sales		**(1,394,045)**	(1,230,588)
Gross profit		**774,230**	701,371
Other income and expenses	5	**19,301**	22,505
Other gains or losses	6	**(11,459)**	(2,547)
Selling and distribution costs		**(104,243)**	(98,677)
General and administrative expenses		**(147,332)**	(131,239)
Research and development cost		**(76,252)**	(82,994)
Finance costs		**(12,945)**	(9,508)
Net exchange loss		**(26,838)**	(7,145)
Share of gains of joint ventures		**1,134**	1,003
Share of gains of associates		**846**	2,154
Profit before taxation		**416,442**	394,923
Income tax expense	7	**(66,950)**	(68,296)
Profit for the period	8	**349,492**	326,627

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(CONTINUED)*

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Exchange differences arising on translation		**343,220**	92,349
Share of other comprehensive income of joint ventures and associates		**5,182**	762
Other comprehensive income for the period		**348,402**	93,111
Total comprehensive income for the period		**697,894**	419,738
Earnings per share:			
– Basic *(HK cents)*	10	**42.4**	39.6
– Diluted *(HK cents)*		**41.2**	39.5

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 June 2026

	Notes	**30 June 2026 (Unaudited) *HK$'000***	31 December 2025 (Audited) *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment	11	**5,502,701**	5,265,230
Investment properties		**213,953**	212,088
Right-of-use assets		**727,808**	716,230
Intangible assets		**81,834**	78,529
Deposits paid for the acquisition of property, plant and equipment		**146,163**	34,800
Interests in joint ventures		**110,148**	102,535
Interests in associates		**31,339**	28,821
Deferred tax assets		**19,712**	18,885
Goodwill		**2,744**	2,593
		6,836,402	6,459,711
CURRENT ASSETS			
Inventories	12	**713,445**	590,818
Properties held for sale		**8,940**	8,449
Trade, bills and other receivables	13	**748,804**	481,081
Tax recoverable		**1,046**	185
Amounts due from joint ventures		**294**	139
Amount due from an associate		**3,487**	2,911
Amounts due from related companies		**15,498**	14,899
Bank balances and cash		**180,902**	162,832
		1,672,416	1,261,314
CURRENT LIABILITIES			
Trade, bills and other payables	14	**515,654**	487,146
Contract liabilities		**43,834**	45,720
Amount due to a joint venture		**799**	714
Amounts due to related companies		**11,090**	15,184
Taxation payable		**20,124**	8,966
Lease liabilities		**45,703**	46,838
Bank borrowings		**585,721**	410,319
		1,222,925	1,014,887

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(CONTINUED)

At 30 June 2026

	Notes	30 June 2026 (Unaudited) HK$'000	31 December 2025 (Audited) HK$'000
NET CURRENT ASSETS		**449,491**	246,427
TOTAL ASSETS LESS CURRENT LIABILITIES		**7,285,893**	6,706,138
NON-CURRENT LIABILITIES			
Other payables	14	**17,717**	18,244
Lease liabilities		**186,946**	226,004
Deferred tax liabilities		**15,061**	26,441
Bank borrowings		**152,337**	104,011
		372,061	374,700
NET ASSETS		**6,913,832**	6,331,438
CAPITAL AND RESERVES			
Share capital		**82,500**	82,500
Reserves		**6,831,332**	6,248,938
TOTAL EQUITY		**6,913,832**	6,331,438

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The functional currency of the Company is Renminbi ("RMB"), while the condensed consolidated financial statements are presented in Hong Kong dollars ("HK dollars") as the Company is listed in The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

2. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and investment properties, which are measured at fair values as appropriate.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2025.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

The application of the amendments to a HKFRS Accounting Standard in the current period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE

(i) Disaggregation of revenue

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Manufacture and sale of chemical products		
Basic chemicals		
Caustic soda	**742,667**	882,965
Chloromethane products	**408,174**	414,123
Hydrogen peroxide	**171,566**	128,494
Sodium hypochlorite	**40,394**	35,786
Liquified chlorine	**9,533**	1,830
	1,372,334	1,463,198
Advanced materials		
Polymers	**359,219**	193,629
Fluorochemical products	**150,828**	164,913
Lithium-ion battery additives	**135,215**	10,334
	645,262	368,876
Other chemical products	**149,049**	98,196
Revenue from contracts with customer – manufacture and sale of chemical products	**2,166,645**	1,930,270
Rental income	**1,630**	1,689
Total revenue	**2,168,275**	1,931,959

All of the Group's revenue from contracts with customers is recognised at a point in time.

(ii) Performance obligations for contracts with customers

Manufacture and sale of chemical products with product delivery services

The Group manufactures and sells chemical products directly to customers. Revenue is recognised when control of the goods has been transferred, being when the goods have been shipped to the customer's specified location (delivery). The normal credit term is 7 to 120 days upon delivery, except for those sales settled by bills which mature within 180 days.

4. SEGMENT INFORMATION

HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker ("CODM"), being the Chairman of the Company, in order to allocate resources to segments and to assess their performance. The CODM reviews the Group's profit as a whole, which is generated mostly from the manufacture and sale of chemical products and determined in accordance with the Group's accounting policies, for performance assessment. Therefore no separate segment information is prepared by the Group.

5. OTHER INCOME AND EXPENSES

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Government grants	**10,488**	11,375
Electricity and steam income, net	**3,601**	4,284
Bank interest income	**1,253**	3,234
Rental income	**1,891**	1,742
Others	**2,068**	1,870
	19,301	22,505

6. OTHER GAINS OR LOSSES

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Decrease in fair value of investment properties	**(10,326)**	–
Net loss on disposal of property, plant and equipment	**(1,133)**	(1,236)
Net fair value changes on derivative financial instruments	**–**	(1,311)
	(11,459)	(2,547)

7. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
The charge comprises:		
Current tax		
PRC Enterprise Income Tax ("EIT")	**77,185**	71,860
Withholding tax on dividend income	**14,276**	8,982
Over provision in prior years – EIT	**(12,149)**	(2,063)
Deferred tax	**(12,362)**	(10,483)
	66,950	68,296

The Group's major business is in the PRC. Under the Law of the PRC on EIT and its Implementation Regulation, the tax rate of the subsidiaries in the PRC is 25%.

Certain of the Group's subsidiaries operating in the PRC are eligible as High and New Technology Enterprise and are entitled to a preferential income tax rate of 15%. EIT of the PRC has been provided for after taking these tax incentives into account.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the six months ended 30 June 2026 and 30 June 2025.

8. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Profit for the period has been arrived at after charging (crediting):		
Directors' emoluments	**8,684**	8,428
Other staff costs (excluding directors):		
Salaries and other benefits	**186,070**	166,262
Retirement benefit schemes contributions	**16,211**	8,738
Total staff costs	**210,965**	183,428
Finance costs:		
Interest on bank borrowings	**10,283**	9,445
Interest on lease liabilities	**2,662**	63
	12,945	9,508
Cost of inventories recognised as expenses (including write-down of inventories of HK$1,728,000 (2025: HK$9,369,000))	**1,394,045**	1,230,588
Depreciation of property, plant and equipment	**246,706**	200,823
Depreciation of right-of-use assets	**9,203**	3,445
Amortisation of intangible assets	**1,398**	1,313
Total depreciation and amortisation	**257,307**	205,581
Capitalised in inventories	**(205,193)**	(162,136)
	52,114	43,445
Gross rental income from investment properties	**(1,630)**	(1,689)
Less: direct operating expenses incurred for investment properties that generate rental income during the period	**909**	1,011
	(721)	(678)

9. DIVIDENDS

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Final dividend paid during the period:		
2025 final dividend HK14 cents per share (2025: 2024 final dividend of HK15 cents per share)	**115,500**	123,750
Interim dividend declared subsequent to period end:		
2026 interim dividend HK21 cents per share (2025: 2025 interim dividend of HK19.5 cents per share)	**173,250**	160,875

The Board has declared that an interim dividend of HK21 cents (2025: HK19.5 cents) per share for the six months ended 30 June 2026 to shareholders whose names appear in the Register of Members on 19 August 2026.

10. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the profit for the period attributable to owners of the Company of HK$349,492,000 (2025: HK$326,627,000) and 825,000,000 (2025: 825,000,000) shares in issue during the period.

The calculation of diluted earnings per share is based on the profit attributable to equity shareholders of the Company and the weighted average number of ordinary shares in issue after adjusting for the potential dilutive effect caused by the share options granted under the share option scheme.

	Six months ended 30 June	
	2026	2025
	'000 Shares	*'000 Shares*
Weighted average number of ordinary shares for the purpose of basic earnings per share	**825,000**	825,000
Effect of deemed issue of shares under the Company's share option scheme	**22,627**	1,508
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**847,627**	826,508

11. ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent approximately HK$185 million on property, plant and equipment to expand its operation.

12. INVENTORIES

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
Raw materials and consumables	**450,585**	394,654
Work in progress	**32,155**	23,285
Finished goods	**230,705**	172,879
	713,445	590,818

13. TRADE, BILLS AND OTHER RECEIVABLES

The Group allows its trade customers a credit period ranged from 7 to 120 days.

The ageing analysis of trade receivables and bills receivable based on invoice date/date of revenue recognition at the end of the reporting period is as follows:

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
Not exceeding 30 days	**209,923**	137,533
31–60 days	**56,993**	54,087
61–90 days	**45,870**	21,102
91–120 days	**29,666**	10,759
Over 120 days	**38,763**	41,380
Trade receivables, at amortised cost	**381,215**	264,861
Not exceeding 30 days	**156,627**	107,177
31–60 days	**47,338**	7,766
61–90 days	**25,666**	2,259
91–120 days	**12,841**	2,298
Over 120 days	**11,281**	2,805
Bills receivable, at FVTOCI	**253,753**	122,305
Prepayments and deposits to suppliers	**40,023**	40,533
Value-added tax receivables	**19,283**	32,260
Other receivables	**54,530**	21,122
Total trade, bills and other receivables	**748,804**	481,081

14. TRADE, BILLS AND OTHER PAYABLES

Trade, bills, and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. The credit period obtained for trade purchases is 7 to 45 days.

The ageing analysis of trade payables based on invoice date at the end of the reporting period is as follows:

	30 June 2026 *HK$'000*	31 December 2025 *HK$'000*
Not exceeding 30 days	**96,579**	79,878
31 to 60 days	**28,512**	25,793
61 to 90 days	**14,835**	8,574
Over 90 days	**26,119**	23,085
Trade payables	**166,045**	137,330
Not exceeding 30 days	**4,026**	15,393
31 to 60 days	**7,787**	6,267
61 to 90 days	**–**	6,049
Over 90 days	**34,553**	30,020
Bills payable	**46,366**	57,729
Construction costs payables and accruals	**107,012**	108,052
Other payables	**162,809**	146,499
Value-added tax accruals	**16,366**	18,108
Other accruals	**34,773**	37,672
Total trade and other payables	**533,371**	505,390
Analysed for reporting purposes as:		
Non-current liabilities	**17,717**	18,244
Current liabilities	**515,654**	487,146
	533,371	505,390

As at 30 June 2026, the balance of other payables included a non-current deferred income, amounting to HK$13,161,000 (31 December 2025: HK$13,823,000) received from the PRC government for an innovative technology project. The amounts will be utilised to the relevant research and development expenses.

15. REVIEW OF UNAUDITED INTERIM FINANCIAL INFORMATION

The unaudited interim financial information for the six months ended 30 June 2026 has been reviewed with no disagreement by the Audit Committee of the Company.

INTERIM DIVIDEND

The Board has declared an interim dividend of HK21 cents per share for the six months ended 30 June 2026 to shareholders whose names appear on the Register of Members on 19 August 2026. It is expected that the interim dividend will be paid on or around 3 September 2026.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from 17 August 2026 to 19 August 2026, both days inclusive, during which period no transfer of shares in the Company can be registered. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Branch 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 14 August 2026.

BUSINESS REVIEW

For the six months ended 30 June 2026, the Group recorded revenue and profit for the period of HK$2,168 million and HK$349 million, respectively, representing increases of 12.2% and 7.0%, respectively, as compared with HK$1,932 million and HK$327 million for the same period last year.

The Group's gross profit margin was 35.7%, representing a slight decrease of 0.6 percentage points compared with the corresponding period last year, and its net profit margin was 16.1%, down by 0.8 percentage points year-on-year.

During the period, sentiment in the domestic manufacturing market remained cautious, placing downward pressure on selling prices of basic chemical products such as caustic soda and chloromethane, while energy costs also increased. Nevertheless, both the sales volume and selling prices of the Group's advanced materials recorded significant increases, driving growth in overall gross profit and profit for the period. Separately, revenue from property leasing operations during the period amounted to approximately HK$1.6 million.

Although the Group maintained a dividend payout ratio of 49.5% in the previous financial year and commenced investments in the Vietnam project alongside other production lines, its overall financial structure remained robust as at the end of the 2026 interim period, with the net gearing ratio at a low level of 8.1%.

PROSPECTS

Amid China's steady and progressive economic development in the first half of 2026, the Group remains firmly committed to high-quality development, actively capturing opportunities arising from industrial structure optimization and high-tech transformation. The Group will accelerate the automation and digital-intelligence upgrade of its production lines, continuously refine its cost structure, and boost overall operational efficiency to further solidify its core market competitiveness. Meanwhile, driven by the synergistic effects of national policy guidance, technological innovation, and industrial upgrades, the chemical manufacturing sector is accelerating its transition toward high-end, green, and intelligent development. Riding on this momentum, the Group is fully poised to forge a new landscape of sustainable growth.

Looking ahead, the Group has allocated capital to three concurrent growth projects, which are expected to enhance its production capacity over the next 18 months. At the Changshu facility in Jiangsu, the Phase 2 vertical production line for vinylene carbonate ("VC") is progressing smoothly on schedule and is expected to be commissioned by the end of 2026. At the Ruichang facility in Jiangxi, the high-end fluoropolymer production line is expected to be completed in early 2027, significantly increasing the annual production capacity of hexafluoropropylene ("HFP"). In Vietnam, construction and preliminary preparations for the Group's first overseas production facility are underway in an orderly manner, with trial production targeted before the end of 2027. These three projects are expected to be funded through the Group's internal operating cash flows and available banking facilities, without recourse to equity financing, thereby fully safeguarding shareholder interests.

In addition to seizing the aforementioned opportunities, the Group will uphold its commitment to offering high-quality products, which it regards as the foundation of its brand value, and strive to maintain a stable and reasonable level of profitability. The Group will also actively implement a range of sustainable development initiatives, including optimizing energy efficiency, conserving water, expanding the use of green energy, reducing carbon emissions, and promoting the development of green factories. The Group strives to achieve sustainable development while delivering robust long-term returns to shareholders.

RESULTS OF OPERATION

For the six months ended 30 June 2026, the Group's revenue and net profit were approximately HK$2,168 million and HK$349 million respectively, representing an increase of 12.2% and a growth of 7.0% respectively, as compared to approximately HK$1,932 million and HK$327 million respectively for the corresponding period in the last year. The basic earnings per share was HK42.4 cents for the six months ended 30 June 2026 and HK39.6 cents for the last corresponding period.

Revenue

Basic chemicals

For the six months ended 30 June 2026, the Group recorded revenue from the manufacture and sale of basic chemicals of approximately HK$1,372 million, representing a decline of HK$91 million or 6.2% compared with corresponding period last year. The main reason was the downward pressure on the average selling price of caustic soda.

During the period under review, the average selling price per ton (including value-added tax, similarly hereinafter) of the products of the Group as compared to last corresponding period, the average selling price per ton of caustic soda was at about RMB800, decreased by approximately 20%. Chloromethane ("CMS") products (mainly methylene chloride and chloroform) was about RMB2,400 and RMB2,500, decreased by approximately 8% and remaining stable, while hydrogen peroxide was at about RMB800, increased by approximately 14%.

The actual production output of the main products for the period (including self-consumption) was approximately 307,000 tons for 100% dry basis caustic soda, approximately 203,000 tons for CMS products, while for 27.5% hydrogen peroxide was approximately 203,000 tons.

Advanced materials

For the six months ended 30 June 2026, the Group recorded revenue from the manufacture and sale of advanced materials of approximately HK$645 million, representing an increase of HK$276 million or 74.9% compared with corresponding period last year. The increase was mainly attributable to the increase in sales volume of polytetrafluoroethylene ("PTFE" and classified under polymers) and the commencement of full-scale production at the vinyl ethylene carbonate ("VC" and classified under lithium-ion battery additives) facility during the period, with its average selling price surging 119%.

During the period under review, the average selling price per ton (including value-added tax, similarly hereinafter) of the products of the Group as compared to last corresponding period, the average selling price per ton of PTFE was at about RMB46,000, increased by approximately 2%. Hexafluoropropylene ("HFP" and classified under fluorochemical products) was at about RMB39,000, increased by approximately 10%, while VC was at about RMB102,000, increased by approximately 119%.

The actual production output of the main products for the period (including self-consumption) was approximately 6,100 tons for PTFE, approximately 3,700 tons for HFP, while for VC was approximately 1,100 tons.

Rental income

For the six months ended 30 June 2026, the Group recorded a revenue from rental operations of approximately HK$1.6 million.

Selling and distribution expenses

Selling and distribution expenses incurred for the six months ended 30 June 2026 was approximately HK$104 million, representing an increase of approximately HK$5 million as compared to approximately HK$99 million for last corresponding period. The increase in selling and distribution expenses during the period was mainly driven by an increase in advanced materials sales, which led to higher packaging costs. Selling and distribution expenses represented approximately 4.8% of the total revenue for the period, compared to 5.1% in corresponding period.

General and administrative expenses

General and administrative expenses incurred for the six months ended 30 June 2025 was approximately HK$147 million, which increased by approximately HK$16 million as compared to HK$131 million for last corresponding period. The increase in general and administrative expenses during the period under review was mainly due to general staff salary adjustments and higher depreciation expenses. General and administrative expenses represented approximately 6.8% of the total revenue for the period, same as corresponding period.

Research and development cost

Research and development costs for the six months ended 30 June 2026 were approximately HK$76 million, decreased by approximately HK$7 million as compared to approximately HK$83 million for last corresponding period. Despite the moderate decrease in research and development cost, during the period under review, the Group continues to devote its resources in research and development of new products and optimized process technology, increased the recruitment of senior scientists and chemical engineers and maintained the sustainable development of the Group.

Finance costs

The interest expenses incurred for the six months ended 30 June 2026 was approximately HK$13 million, increased by approximately HK$3 million as compared to approximately HK$10 million for last corresponding period. The increase was mainly due to a higher outstanding loan balance.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The total shareholders' equity of the Group as at 30 June 2026 was HK$6,914 million (31 December 2025: HK$6,331 million). As at 30 June 2026, the Group had current assets of HK$1,672 million (31 December 2025: HK$1,261 million) and current liabilities of HK$1,223 million (31 December 2025: HK$1,015 million). The current ratio was 1.37 as at 30 June 2026 as compared to 1.24 at 31 December 2025.

The financial resources of the Group remain healthy. As at 30 June 2026, the Group's bank balances and cash was HK$181 million (31 December 2025: HK$163 million) and the net debt amounted to HK$557 million (31 December 2025: HK$351 million). The net debt to equity ratio of the Group as at 30 June 2026 was 8.06% (31 December 2025: 5.55%).

During the period under review, the Group made use of the cash generated from operating activities and cautiously managed bank borrowings. The Group would continue to maintain sufficient cash and available banking facilities to meet its capital commitments, working capital requirements and future investments for expansion.

HUMAN RESOURCES

As at 30 June 2026, the Group has a workforce of around 1,900 people. Salaries of employees are maintained at competitive level and are reviewed annually, with close reference to the relevant labour market and economic situation. The Group also provides internal training to staff and provides bonuses based upon staff performance and profits of the Group. The Group has not experienced any significant problems with its employees or disruption to its operations due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff. The Group maintains a good relationship with its employees.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2026.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the directors, the Company has complied with the code provisions set out in the Corporate Governance Code (the "Code") contained in Appendix 14 to the Listing Rules throughout the six months ended 30 June 2026.

AUDIT COMMITTEE

The Audit Committee, comprising all the independent non-executive directors of the Company, has reviewed the result of the Group for the six months ended 30 June 2026 and has discussed with the management the accounting principles and practices adopted by the Group and its internal controls and financial reporting matters.

APPRECIATION

On behalf of the Board, I would like to thank the Company's shareholders, customers and business partners for their strong support during the reporting period. I would also like to take this opportunity to thank our staff for their continued hard work and contribution to the Group.

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

Hong Kong, 3 August 2026

As at the date of this announcement, the Board 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.