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LEE & MAN CHEMICAL COMPANY LIMITED

理文化化工有限公司

(Incorporated in the Cayman Islands and its members' liability is limited)

Website: www.leemanchemical.com

(Stock Code: 746)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the inside information provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary review of the consolidated management accounts of the Group, the profit attributable to equity holders of the Company for the Current Period is expected to decrease by approximately 60% as compared to the corresponding period last year due to decrease in the volume and selling prices of the products sold by the Group and decrease in profit margin of the Group.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

This announcement is made by Lee & Man Chemical Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (the “**SFO**”) (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders and potential investors of the Company that, based on the preliminary review of the consolidated management accounts of the Group, the profit attributable to owners of the Company for the six months ended 30 June 2020 (the “**Current Period**”) has decreased by approximately 60% as compared to that for the six months ended 30 June 2019, due mainly to decrease in revenue and gross profit margin of the Group during the Current Period, resulted from the decrease in average market prices of the Group’s major products due to market conditions and the novel coronavirus (“**COVID-19**”) pandemic.

The Company is in the course of preparing its unaudited interim results for the Current Period. The information contained in this announcement is only a preliminary assessment by the Board based on the information currently available. The preliminary interim results of the Group for the Current Period as provided in this announcement have not been audited or reviewed by the Company's auditor or its audit committee, and will be subject to change and finalisation. The Group's consolidated interim results for the six months ended 30 June 2020 are expected to be published in early August 2020.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 17 July 2020

As at the date of this announcement, the Board of the Company comprises four executive directors, namely, Ms. Wai Siu Kee, Mr. Lee Man Yan, Professor Chan Albert Sun Chi and Mr. Yang Zuo Ning and three independent non-executive directors, namely Mr. Wong Kai Tung, Tony, Mr. Wan Chi Keung, Aaron and Mr. Heng Victor Ja Wei.