

# Lecico

## Temporary closure of Lecico for Ceramic Industries, one of the factories Lecico Egypt Group

Lecico for Ceramic Industries, a subsidiary factory (35% of the group's sanitary ware capacity) has closed for two weeks due to COVID-19 case

**Alexandria, 13<sup>th</sup> April 2020** – On the evening of 12<sup>th</sup> April 2020, Lecico confirmed with the Egyptian Ministry of Health that two of its workers in its Lecico for Ceramics sanitary ware factory in Borg El Arab have tested positive for COVID-19.

Following the Egyptian Ministry of Health' guidelines, we are closing this factory for two weeks with all staff sent home to self-isolate before returning to operations.

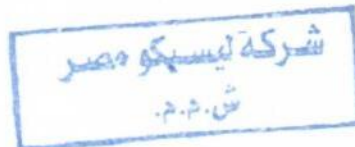
Since the coronavirus outbreak began, Lecico has been committed to staying operational while implementing the best practices possible to limit the risk from the virus. Lecico had already put in place health and safety policies to protect employees and limit the risk of the spread of the virus. This includes training all employees in best practices for health and safety; issuing all employees with individual hand sanitizers; installing temperature screening at all office and factory gates; sick leave for 14-day isolation for any staff with symptoms of flu or cold; 40% of administration working remotely; social distancing in the offices; and meetings done electronically.

Lecico will continue to update and improve health and safety standards following best practice recommendations. Lecico will continue to support any government-led initiatives to limit the spread of the virus and improve practices.

Lecico believes it must continue to operate as much as possible within these changing parameters to protect its customers business and ensure Lecico's continuity commercially and financially during and after the COVID-19 pandemic.

All other production sites remain in operation. Lecico for Ceramics represents approximately 35% of the Group's sanitary ware production capacity. Lecico anticipates minimal disruption of customer service from this closure given its stock levels and the already slowing demand for products as a result of the Pandemic.

Lecico will adjust and adapt its operations as necessary to continue operations with best practice from a health and safety perspective in the case of future issues.





Press Release

### About Lecico

Lecico (Stock symbols: LCSW.CA; LECI EY) is a leading producer of export-quality sanitary ware in the Middle East and one of the largest tile producers in Egypt, with over 50 years of experience in the industry and decades of experience as an exporter to developed markets.

Lecico benefits from significant cost advantages in labour, energy and investment costs resulting from its economies of scale and location in Egypt and Lebanon. Lecico's marketing strategy is to use its cost advantages to target the mass market with high quality pieces at competitive prices.

Lecico exports over half its sanitary ware production and has a significant presence in the United Kingdom and other European markets. Most of the Company's exports are done under the Lecico brand, although it also produces for other European brands.

### For additional information, please contact:

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### Forward-looking statements

This release may contain certain "forward-looking statements", relating to the Company's business, which can be identified by the use of forward-looking terminology such as "will", "planned", "expectations", "forecast" or similar expressions, or by discussions of strategy, plans or intentions. Such statements may include descriptions of investments planned or currently under development by the company and the anticipated impact of these investments. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results that may be expressed or implied by such forward-looking statements.

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