SANSUI ELECTRIC (CHINA) COMPANY LIMITED

(Incorporated in British Virgin Islands)
(Company Registration Number: 1837323)

NOTICE OF COMPULSORY ACQUISITION

(pursuant to Section 102(1) of the Companies Act 1981 of Bermuda)

And

OWNERSHIP NOTICE

(pursuant to Section 102(2)(a) of the Companies Act 1981 of Bermuda)

1. INTRODUCTION

1.1. **Exit Offer.** Sansui Electric (China) Company Limited (the "**Offeror**") refers to the unconditional exit cash offer (the "**Exit Offer**") by the Offeror for all the issued and paid-up ordinary shares with a par value of US$2.00 each (the "**Shares**") in the capital of Lafe Corporation Limited (the "**Company**") other than those already owned, controlled or agreed to be acquired by the Offeror as at the date of the Exit Offer ("**Offer Shares**"), pursuant to an exit offer letter dated 10 June 2020, in relation to the Exit Offer (the "**Exit Offer Letter**").

Unless otherwise defined, capitalised terms in this Notice shall have the same meanings given to them in the Exit Offer Letter.

1.2. **Shareholding of Offeror.** As at the close of the Exit Offer at 5.30 p.m. (Singapore time) on 8 July 2020 (the "**Closing Date**"), the Offeror had received valid acceptances from Shareholders amounting to an aggregate of 23,597,007 Offer Shares, representing approximately 93.15% in value of the Offer Shares, other than Shares already held, at the date of the Exit Offer, by the Offeror, the Offeror's subsidiaries, and nominees of the Offeror or its subsidiaries.

1.3. **Notice.** This Notice is given by the Offeror to you as a person named as (i) a member (a "**Remaining Member**") on the Register of Members of the Company or (ii) a Depositor (a "**Remaining Depositor**") on the Depository Register and who, as of the Closing Date, has not accepted the Exit Offer and contains important information relating to the holding by the Offeror of Shares and the consequences thereof under Sections 102(1) and 102(2) of the Companies Act 1981 of Bermuda (the "**Bermuda Companies Act**").

2. NOTICE OF COMPULSORY ACQUISITION

2.1. **Compulsory Acquisition.** As at the Closing Date, the Offeror holds not less than 90% in value of the Offer Shares, other than Shares already held, at the date of the Exit Offer, by the Offeror, the Offeror's subsidiaries, and nominees of the Offeror or its subsidiaries.

NOTICE IS HEREBY GIVEN THAT in accordance with Section 102(1) of the Bermuda Companies Act, the Exit Offer has been approved by the holders of not less than 90% in value of the Offer Shares, other than Shares already held, at the date of the Exit Offer, by the Offeror, the Offeror's subsidiaries, and nominees of the Offeror or its subsidiaries, and that the Offeror intends to exercise its right under Section 102(1) of the Companies Act 1981 of Bermuda to acquire the Shares held by the Remaining Members (the "**Compulsory Acquisition**") on the same terms and conditions as that set out in the Exit Offer.

Please refer to the Exit Offer Letter (a copy of which is available from the website of the Singapore Exchange Securities Trading Limited at www.sgx.com) for the terms and conditions of the Exit Offer.

2.2. **Acquisition Terms.** Shares of all Remaining Members are being acquired on the same terms. Shares will be acquired at the Completion Date (as defined below) free from all mortgages, debentures, liens, charges, pledges, title retention, rights to acquire, security interests, options, pre-emptive or similar rights, rights of first refusal and any other encumbrances or conditions and together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights, other distributions and return of capital (if any) declared, paid or made by the Company on or after the Joint Announcement Date.

2.3. **Completion Date.** The Compulsory Acquisition is expected to be completed on or around 28 August 2020 (the "**Completion Date**"), unless pursuant to Section 102(1) of the Bermuda Companies Act, a Remaining Member applies to the Supreme Court of Bermuda (the "**Court**") within one (1) month from the date on which this Notice is given.

Pursuant to Section 102(1) of the Bermuda Companies Act, a Remaining Member is entitled within one (1) month of the Offeror giving this Notice to apply to the Court to seek an order as the Court may see fit to issue.

2.4. **Appendix 1.** The provisions of Section 102 of the Bermuda Companies Act are set out in Appendix 1 to this Notice.

Remaining Members should consult their legal advisers if they wish to exercise their rights under Section 102(1) of the Bermuda Companies Act.

3. OWNERSHIP NOTICE

3.1. **Shareholding of Offeror.** Pursuant to the provisions of Section 102(2)(a) of the Bermuda Companies Act, the Offeror is required, within one (1) month of the Offeror or its nominee acquiring nine-tenths in value of Shares, to give notice of that fact to the Remaining Members.

NOTICE IS HEREBY GIVEN BY THE OFFEROR THAT as at 13 July 2020, the Offer Shares transferred to the Offeror or its nominee pursuant to the Exit Offer, together with Shares already held by the Offeror and its nominee on 13 July 2020, comprise or include more than nine-tenths in value of all Shares.

3.2. **Remaining Member's Right to Require Acquisition.** Under Section 102(2)(b) of the Bermuda Companies Act, any Remaining Member may, within three (3) months of the date of this Notice, give notice in writing to the Offeror requiring the Offeror to acquire Shares registered in that Remaining Member's name.

3.3. **Transfer and Settlement.** Where a Remaining Member gives such notice, the Offeror shall be entitled and bound to acquire that Remaining Member's Shares on the terms of the Exit Offer or on such other terms as may be agreed or as the Court, on the application of either a Remaining Member or the Offeror, thinks fit to order. If no application is made to the Court by a Remaining Member or the Offeror, the transfer and settlement of that Remaining Member's Shares will be effected in accordance with paragraph 4.2 of this Notice.

As the Offeror will be proceeding to compulsorily acquire all Shares held by the Remaining Members on the terms set out in this Notice, the Remaining Members need not take any action in relation to their right to require the Offeror to acquire Shares registered in their respective names. The Remaining Members who nonetheless wish to exercise their right under Section 102(2) of the Bermuda Companies Act should consult their legal advisers.

4. PROCEDURE FOR TRANSFER AND SETTLEMENT FOR COMPULSORY ACQUISITION

4.1. **Transfer of Shares.** If no application is made to the Court by a Remaining Member pursuant to Section 102(1) of the Bermuda Companies Act, the Offeror will on the Completion Date procure that Shares of the Remaining Members are transferred to the Offeror pursuant to Section 102 of the Bermuda Companies Act.

4.2. **Settlement of Consideration.** The consideration representing the price payable by the Offeror for Shares which the Offeror is entitled and bound to acquire pursuant to Section 102 of the Bermuda Companies Act will be paid or transferred to the Company, who will then pay over the consideration to the Remaining Members and to The Central Depository (Pte) Limited ("**CDP**") for distribution to the Remaining Depositors. The cut-off date for determining the consideration payable by the Offeror to the Remaining Members and the Remaining Depositors under the Compulsory Acquisition will be 5.00 p.m. (Singapore time) on the Completion Date.

CDP will, as soon as practicable after the Completion Date, in respect of Shares that are held through Securities Accounts, send all cheques for the amounts due to the Remaining Depositors by ordinary post to the Remaining Depositors at their own risk at their respective addresses as maintained in the records of CDP or in such other manner as the relevant Remaining Depositor may have agreed with CDP for the payment of any cash distributions.

4.3 **Untraceable Remaining Members or Remaining Depositors.** Any cheques or consideration due to the Remaining Members which are returned or which are unclaimed will be held by the Company in a separate non-interest bearing bank account for the benefit of the relevant Remaining Members. Any cheques or consideration due to the Remaining Depositors which are returned or which are unclaimed will be held by CDP for a period of six (6) months after the date the Company is delisted and thereafter they shall be returned to the Company to be held in a separate non-interest bearing bank account for the benefit of the relevant Remaining Depositors.

5. GENERAL

5.1. **Transmission to Purchaser.** If you have sold or otherwise transferred all your Shares, you should immediately send this Notice to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

5.2. **Mode of Delivery.** All communications, notices, forms of transfer, share certificates, transfer receipts, cheques and other documents of title and remittances to be delivered by (in the case of the Remaining Members) or sent to the Remaining Members or the Remaining Depositors will be delivered by (in the case of the Remaining Members) or sent to the Remaining Members or the Remaining Depositors by ordinary post at their own risk and none of the Offeror, CDP, the Company and the Share Transfer Agent accepts any liability for any loss which may arise as a result.

5.3. **Governing Law.** This Notice and all transfers of Shares pursuant thereto are governed by the laws of Bermuda.

By order of the Board

For and on behalf of
SANSUI ELECTRIC (CHINA) COMPANY LIMITED
Dated 22 July 2020

APPENDIX 1

SECTION 102 OF THE COMPANIES ACT 1981 OF BERMUDA

(1) Where a scheme or contract involving the transfer of shares or any class of shares in a company (in this section referred to as "the subject company") to another company, whether a company within the meaning of this Act or not (in this section referred to as "the transferee company"), has, within four months after the making of the offer in that behalf by the transferee company been approved by the holders of not less than nine-tenths in value of the shares whose transfer is involved, other than shares already held at the date of the offer by, or by a nominee for, the transferee company or its subsidiary, the transferee company may, at any time within two months beginning with the date on which such approval is obtained, give notice to any dissenting shareholder that it desires to acquire his shares, and when such a notice is given the transferee company shall, unless on an application made by the dissenting shareholder within one month from the date on which the notice was given the Court thinks fit to order otherwise, be entitled and bound to acquire those shares on the terms on which, under the scheme or contract, the shares of the approving shareholders are to be transferred to the transferee company:

Provided that where shares in the subject company of the same class or classes as the shares whose transfer is involved are already held as aforesaid to a value greater than one-tenth of the aggregate of their value and that of the shares, other than those already held as aforesaid, whose transfer is involved, the foregoing provisions of this subsection shall not apply unless

(a) the transferee company offers the same terms to all holders of the shares, other than those already held as aforesaid, whose transfer is involved, or, where those shares include shares of different classes, of each class of them; and

(b) the holders who approve the scheme or contract, besides holding not less than nine-tenths in value of the shares, other than those already held as aforesaid, whose transfer is involved, are not less than three-fourths in number of the holders of those shares.

(2) Where, in pursuance of any such scheme or contract as aforesaid, shares in a company are transferred to another company or its nominee, and those shares together with any other shares in the first-mentioned company held by, or by a nominee for, the transferee company or its subsidiary at the date of the transfer comprise or include nine-tenths in value of the shares in the first-mentioned company or of any class of those shares, then–

(a) the transferee company shall within one month from the date of the transfer, unless on a previous transfer in pursuance of the scheme or contract it has already complied with this requirement, give notice of that fact to the holders of the remaining shares or of the remaining shares of that class, as the case may be, who have not assented to the scheme or contract; and

(b) any such holder may within three months from the giving of the notice to him, himself give notice requiring the transferee company to acquire the shares in question,

and where a shareholder gives notice under paragraph (b) of this subsection with respect to any shares, the transferee company shall be entitled and bound to acquire those shares on the terms on which under the scheme or contract the shares of the approving shareholders were transferred to it, or on such other terms as may be agreed or as the Court on the application of either the transferee company or the shareholder thinks fit to order.

(3) Where a notice has been given by the transferee company under subsection (1) of this section and the Court has not, on an application made by the dissenting shareholder, ordered to the contrary, the transferee company shall, on the expiration of one month from the date on which the notice has been given, or, if an application to the Court by the dissenting shareholder is then pending, after that application has been disposed of, transmit a copy of the notice to the subject company together with an instrument of transfer executed on behalf of the shareholder by any person appointed by the transferee company and on its own behalf by the transferee company, and pay or transfer to the subject company the amount or other consideration representing the price payable by the transferee company for the shares which by virtue of this section that company is entitled to acquire, the subject company shall thereupon register the transferee company as the holder of those shares.

(4) Any sums received by the subject company under this section shall be paid into a separate bank account, and any such sums and any other consideration so received shall be held by that company on trust for the several persons entitled to the shares in respect of which the said sums or other consideration were respectively received.

(5) In this section the expression "dissenting shareholder" includes a shareholder who has not assented to scheme or contract and any shareholder who has failed or refused to transfer his shares to the transferee company in accordance with the scheme or contract.

Note: "Court" is defined as the Supreme Court of Bermuda constituted by the Constitution of Bermuda (Section 2(1) of the Companies Act 1981 of Bermuda read with the Interpretation Act 1951 of Bermuda).