UNCONDITIONAL EXIT CASH OFFER

by

SANSUI ELECTRIC (CHINA) COMPANY LIMITED
(Company Registration No.:1837323)
(Incorporated in British Virgin Islands)

to acquire all the Offer Shares of

LAFE CORPORATION LIMITED
(Company Registration No.: 26304)
(Incorporated in Bermuda)

IN CONNECTION WITH THE DIRECTED DELISTING OF LAFE CORPORATION LIMITED

DESPATCH OF NOTICE OF COMPULSORY ACQUISITION AND OWNERSHIP NOTICE (PURSUANT TO SECTIONS 102(1) AND (2) OF THE COMPANIES ACT OF BERMUDA 1981)

1. INTRODUCTION

Sansui Electric (China) Company Limited (the **"Offeror"**) refers to:

(i) the exit offer letter dated 10 June 2020 ("**Exit Offer Letter**") in relation to the conditional exit cash offer ("**Exit Offer**") by the Offeror for all the issued and paid-up ordinary shares ("**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**") in accordance with the Singapore Code on Take-overs and Mergers (the **"Code"**);

(ii) the announcement dated 12 June 2020 in relation to, *inter alia*, the Exit Offer being declared unconditional in all respects;

(iii) the announcement dated 7 July 2020 in relation to the right of the Offeror under Section 102(1) of the Companies Act of Bermuda 1981 ("the **Bermuda Companies Act**") to compulsorily acquire all the Shares of Shareholders who have not accepted the Exit Offer by the Closing Date at a price equal to the Exit Offer Price of S$0.60 for each Offer Share and on the same terms and conditions as the Exit Offer (the "**Compulsory Acquisition**"); and

(iv) the announcement dated 8 July 2020 in relation to the close of the Exit Offer.

Unless otherwise defined, capitalised terms in this Announcement shall bear the same meaning as set out in the Exit Offer Letter.

2. COMPULSORY ACQUISITION UNDER SECTION 102(1) OF THE BERMUDA COMPANIES ACT AND RIGHTS UNDER SECTION 102(2) OF THE BERMUDA COMPANIES ACT

2.1 **Compulsory Acquisition.** As announced by the Offeror on 7 July 2020, the Offeror has received valid acceptances pursuant to the Exit Offer representing 92.93% in value of the Offer Shares (other than those already owned by the Offeror or its subsidiaries or their nominees at the date of the Exit Offer). Accordingly, the Offeror is entitled to, and will within two (2) months, exercise its right under Section 102(1) of the Bermuda Companies Act to compulsorily acquire all the Shares of Shareholders who have not accepted the Exit Offer by the Closing Date (the

"**Dissenting Shareholders**"), at a price equal to the Exit Offer Price of S$0.60 for each Offer Share and on the same terms and conditions as the Exit Offer.

2.2 **Notices.** The Offeror wishes to announce that the Offeror has today given notice ("**Notice**"), with a cover letter ("**Letter**"), to the Dissenting Shareholders, of its intention to exercise its right under Section 102(1) of the Bermuda Companies Act to acquire the Shares held by the Dissenting Shareholders on the same terms and conditions as that set out in the Exit Offer.

As required by Section 102(2)(a) of the Bermuda Companies Act, the Offeror has also, in the said Notice, given notice (the "**Ownership Notice**") to the Dissenting Shareholders 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 nine-tenths or more in value of all Shares. Pursuant to Section 102(2)(b) of the Bermuda Companies Act, any Dissenting Shareholder may, within three (3) months from the date of the giving of the Ownership Notice, himself give notice in writing to the Offeror requiring the Offeror to acquire the Shares registered in that Dissenting Shareholder's name. Where a Dissenting Shareholder gives such notice, the Offeror shall be entitled and bound to acquire that Dissenting Shareholder'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 Dissenting Shareholder or the Offeror, thinks fit to order.

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

Electronic copies of the Letter and the Notice are available on the website of the SGX- ST at www.sgx.com.

2.3 **Completion Date.** The Compulsory Acquisition is expected to be completed on or around 28 August 2020 (the "**Completion Date**") (if no application is made to the Court by a Dissenting Shareholder under Section 102(1) of the Bermuda Companies Act), subject to and on the terms set out in the Notice and the provisions of Section 102 of the Bermuda Companies Act.

2.4 **Payment.** If no application is made to the Court by a Dissenting Shareholder pursuant to Section 102(1) of the Bermuda Companies Act, the Offeror will on the Completion Date procure that Shares of the Dissenting Shareholders are transferred to the Offeror pursuant to Section 102 of the Bermuda Companies Act.

Subject to and in accordance with the provisions of the Bermuda Companies Act and the terms set out in the Notice, as soon as practicable after the Completion Date (if no application is made to the Court by a Dissenting Shareholder under Section 102(1) of the Bermuda Companies Act), the relevant amount due to each Dissenting Shareholder in respect of his Shares will be sent to such Dissenting Shareholder in the manner as set out in the Notice.

3. DELISTING OF THE COMPANY

Following completion of the Compulsory Acquisition, the Company will become a wholly-owned subsidiary of the Offeror and will be delisted from the Official List of the SGX-ST. The date and time of such delisting is expected to be announced by the Company in due course.

4. RESPONSIBILITY STATEMENT

The sole director of the Offeror (including where he has delegated detailed supervision of this Announcement) has taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement (other than those relating to the Group) are fair and accurate and that no material facts have been omitted therefrom, the omission of which would make any statement in this Announcement misleading. Where any information in this Announcement has been extracted or reproduced from published or publicly available sources or obtained from the Company, the sole responsibility of the sole director of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement. The sole director of the Offeror accepts responsibility accordingly.

BY ORDER OF THE BOARD

SANSUI ELECTRIC (CHINA) COMPANY LIMITED

Christopher Ho Wing-On
Director

22 July 2020