CIRCULAR DATED 13 AUGUST 2018

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser(s) immediately.

Unless otherwise stated, capitalised terms on this cover are defined in this Circular under the section entitled "**DEFINITIONS**".

If you have sold or transferred all your shares in the capital of the Company held through CDP, you need not forward this Circular with the Notice of Special General Meeting and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of Special General Meeting and the accompanying Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company which are not deposited with the CDP, you should immediately forward this Circular, the Notice of Special General Meeting and the attached Proxy Form to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or the transfer was effected for onward transmission to the purchaser or the transferee.

The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") assumes no responsibility for the correctness of any statements or opinions made, or reports contained, in this Circular.

LAFÉ

LAFE CORPORATION LIMITED

(Company Registration No.: 26304)
(Incorporated in Bermuda)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED ACQUISITION OF FAIRHAVEN, SINGAPORE, A FREEHOLD 15-UNIT DEVELOPMENT LOCATED AT SOPHIA ROAD

IMPORTANT DATES AND TIMES

Last date and time for lodgment of Proxy Form	:	3 September 2018 at 4.30 p.m.
Date and time of Special General Meeting	:	5 September 2018 at 4.30 p.m.
Place of Special General Meeting	:	Maharajah Suite, Basement 1 Holiday Inn Singapore Orchard City Centre 11 Cavenagh Road Singapore 229616

TABLE OF CONTENTS

DEFINITIONS 1

LETTER TO SHAREHOLDERS 4

1. INTRODUCTION 4

2. THE PROPOSED ACQUISITION 5

3. VALUATION OF THE PROPERTY 6

4. RATIONALE FOR THE PROPOSED ACQUISITION 6

5. SOURCE OF FUNDS FOR THE PROPOSED ACQUISITION AND THE REDEVELOPMENT PROJECT 6

6. NET PROFIT/LOSS ATTRIBUTABLE TO THE PROPERTY 7

7. CHAPTER 10 OF THE LISTING MANUAL 7

8. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION 10

9. DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS 11

10. DIRECTORS' RECOMMENDATION 11

11. IRREVOCABLE UNDERTAKING 12

12. SERVICE CONTRACTS 12

13. SPECIAL GENERAL MEETING 12

14. ACTION TO BE TAKEN BY SHAREHOLDERS 12

15. DIRECTORS' RESPONSIBILITY STATEMENT 13

16. CONSENT FROM THE INDEPENDENT VALUER 13

17. DOCUMENTS AVAILABLE FOR INSPECTION 13

APPENDIX A – VALUATION REPORT 14

NOTICE OF SPECIAL GENERAL MEETING 29

DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires:

"**Acceptance Letter**"	:	Has the meaning ascribed to it in Section 1.1 of this Circular
"**Board**"	:	The board of Directors of the Company as at the Latest Practicable Date
"**CDP**"	:	The Central Depository (Pte) Limited
"**Circular**"	:	This circular to Shareholders dated 13 August 2018 in relation to the Proposed Acquisition
"**Companies Act**"	:	The Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
"**Company**"	:	Lafe Corporation Limited
"**Consent**"	:	Has the meaning ascribed to it in Section 2.3.2(a) of this Circular
"**Contract**"	:	Has the meaning ascribed to it in Section 1.1 of this Circular
"**Contract Date**"	:	Has the meaning ascribed to it in Section 1.1 of this Circular
"**Controller**"	:	Controller of Residential Property
"**Deposit**"	:	Has the meaning ascribed to it in Section 2.3.1(a) of this Circular
"**Depositor Proxy Form**"	:	Has the meaning ascribed to it in Section 14 of this Circular
"**Directors**"	:	The directors of the Company for the time being
"**Further Deposit**"	:	Has the meaning ascribed to it in Section 2.3.1(b) of this Circular
"**FY**"	:	Financial year ended or ending 31 December
"**Group**"	:	The Company and its subsidiaries
"**Independent Valuer**"	:	PREMAS Valuers & Property Consultants Pte Ltd, the independent professional valuer appointed by the Company to conduct an independent valuation on the Property
"**Irrevocable Undertaking**"	:	Has the meaning ascribed to it in Section 7.2.2(b) of this Circular
"**Latest Practicable Date**"	:	6 August 2018, being the latest practicable date prior to the printing of this Circular
"**Listing Manual**"	:	The Listing Manual of the SGX-ST, as amended, supplemented or modified from time to time
"**Market Day**"	:	A day on which the SGX-ST is open for trading in securities
"**NAV**"	:	Net asset value
"**NTA**"	:	Net tangible asset
"**Offer**"	:	Has the meaning ascribed to it in Section 1.1 of this Circular

"**Property**"	:	All the strata lots and the common property comprised in strata title plan No. 147 in the development known as Fairhaven, Singapore located at Sophia Road
"**Proposed Acquisition**"	:	Has the meaning ascribed to it in Section 1.1 of this Circular
"**Proxy Form**"	:	The proxy form in respect of the SGM as set out in this Circular
"**Purchase Price**"	:	S$57,000,000, being the aggregate purchase price for the sale and purchase of the Property
"**Purchaser**"	:	Gioia Fund Pte. Ltd.
"**Redevelopment Project**"	:	Has the meaning ascribed to it in Section 2.4 of this Circular
"**Register of Members**"	:	The Register of Members of the Company
"**RPA Approval**"	:	Has the meaning ascribed to it in Section 2.3.2(b) of this Circular
"**S$**" or "**$**" and "**cents**"	:	Singapore dollars and cents, respectively
"**Sale Order**"	:	Has the meaning ascribed to it in Section 2.3.2(a) of this Circular
"**Scheduled Completion Date**"	:	Has the meaning ascribed to it in Section 2.3.1(c) of this Circular
"**SCRL**"	:	Sino Capital Resources Limited
"**Securities Accounts**"	:	Securities accounts maintained by Depositors with CDP, but not including securities sub-accounts maintained with a Depository Agent
"**SGM**"	:	The special general meeting of the Company to be held on 5 September 2018 at 4.30 p.m., notice of which is given on page 29 of this Circular
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Shareholder Proxy Form**"	:	Has the meaning ascribed to it in Section 14 of this Circular
"**Shareholder's Loan Undertaking**"	:	Has the meaning ascribed to it in Section 5 of this Circular
"**Shareholders**"	:	Registered holders of Shares in the Register of Members, except that where the registered holder is CDP, the term "**Shareholders**" shall, in relation to such Shares, and where the context admits, mean the persons named as Depositors in the Depository Register maintained by the CDP and whose Securities Accounts maintained by the CDP are credited with those Shares
"**Shares**"	:	Ordinary shares in the capital of the Company
"**Singapore Share Transfer Agent**"	:	M&C Services Private Limited, 112 Robinson Road, #05-01, Singapore 068902
"**Tender Fee**"	:	Has the meaning ascribed to it in Section 2.3.1(a) of this Circular
"**Total Development Cost**"	:	Has the meaning ascribed to it in Section 5 of this Circular

"**Valuation Report**"	:	The report dated 5 July 2018 issued by the Independent Valuer in respect of the independent valuation on the Property as set out in Appendix A to this Circular
"**Vendors**"	:	Has the meaning ascribed to it in Section 2.2 of this Circular
"**VSA Waiver**"	:	Has the meaning ascribed to it in Section 7.1.2 of this Circular
"**Waiver Application**"	:	Has the meaning ascribed to it in Section 7.1.2 of this Circular
"**%**" or "**per cent.**"	:	Percentage or per centum

The terms "**Depositor**", "**Depository Register**" and "**Depository Agent**" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore.

The terms "**associate**", "**controlling shareholder**" and "**executive officers**" shall have the meanings ascribed to them respectively in the Listing Manual.

The terms "**subsidiaries**" and "**related corporations**" shall have the meanings ascribed to them respectively in the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall, where applicable, include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any discrepancies in the figures included in this Circular between the amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Listing Manual, or any statutory or regulatory modification thereof and not otherwise defined in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the Listing Manual, or any statutory or regulatory modification thereof, as the case may be, unless the context otherwise requires.

Any reference to a time of day and date in this Circular is made by reference to Singapore time and date unless otherwise stated.

LAFE CORPORATION LIMITED

(Company Registration No.: 26304)
(Incorporated in Bermuda)

Board of Directors

Christopher Ho Wing-On (Chairman)
Will, Eduard William Rudolf Helmuth (Deputy Chairman and Independent and Non-Executive Director)
Kenny Suen Wai Cheung (Executive Director, Operations)
Paul Law Kwok Fai (Executive Director, Operations)
Ricky Sim Eng Huat (Independent and Non-Executive Director)
Kin Yuen (Independent and Non-Executive Director)

Registered Office

Wessex House
45 Reid Street
Hamilton HM 12
Bermuda

13 August 2018

To: The Shareholders of Lafe Corporation Limited

Dear Sir / Madam

PROPOSED ACQUISITION OF FAIRHAVEN, SINGAPORE, A FREEHOLD 15-UNIT DEVELOPMENT LOCATED AT SOPHIA ROAD

1. INTRODUCTION

1.1 Overview

On 28 March 2018, the Company announced that it had through its wholly-owned subsidiary Gioia Fund Pte. Ltd. (the "**Purchaser**") submitted an offer (the "**Offer**") to accept the tender under the terms as set out in the tender form and the special conditions stated in the tender form for the collective purchase of all the strata lots and the common property comprised in strata title plan No. 147 in the development known as Fairhaven, Singapore located at Sophia Road ("**Property**") at a price of S$57,000,000 ("**Purchase Price**").

The Purchaser had on 22 March 2018 received an acceptance letter confirming the acceptance of the Offer (the "**Acceptance Letter**") by the collective sale committee of the Property acting on behalf of the Vendors (as defined in Section 2.2 of this Circular). The Offer together with the Acceptance Letter constitute a binding contract (the "**Contract**") dated 22 March 2018 (the "**Contract Date**") for the sale and purchase of the Property between the collective sale committee of the Property and the Purchaser (the "**Proposed Acquisition**").

1.2 Special General Meeting

The Company is convening a SGM to be held on 5 September 2018 at 4.30 p.m. at Maharajah Suite, Basement 1, Holiday Inn Singapore Orchard City Centre, 11 Cavenagh Road, Singapore 229616, to seek Shareholders' approval, confirmation and ratification for the Proposed Acquisition.

1.3 Purpose of this Circular

The purpose of this Circular is to provide Shareholders with information relating to, and explain the rationale for, the Proposed Acquisition, and to seek Shareholders' approval, confirmation and ratification for the Proposed Acquisition at the forthcoming SGM. The Notice of SGM is set out on page 29 of this Circular.

The SGX-ST assumes no responsibility for the contents of this Circular including the correctness of any of the statements or opinions made or reports contained in this Circular.

2. THE PROPOSED ACQUISITION

2.1 Information on the Property

The Property is a freehold 15-unit development located at Sophia Road, in District 9 of Singapore, with a total site area of approximately 16,660 square feet. The site is zoned residential with a plot ratio of 2.1. The site has a high baseline and the permissible total gross floor area for construction is approximately 38,385 square feet for residential use.

The Property is accessible via the nearby Central Expressway (CTE) and Dhoby Ghaut Interchange station which is within walking distance.

The site is also a stone's throw away from the main Orchard Road shopping belt and is in close proximity to numerous reputable primary, secondary and tertiary educational institutions. Popular schools, such as St Margaret's Primary and Anglo-Chinese School (Junior), are within one kilometer of the site, while reputable educational institutions, such as the Singapore Management University, Lasalle College of the Arts, Nanyang Academy of Fine Arts (NAFA) and School of the Arts (SOTA), are in the vicinity.

2.2 Information on the Vendors

The "**Vendors**" are the subsidiary proprietors of the Property who have agreed in writing to sell their strata lots under the collective sale agreement signed by the Vendors for the collective sale of the Property.

2.3 Salient terms of the Proposed Acquisition

2.3.1. Purchase Price

The Purchase Price of S$57,000,000 for the Proposed Acquisition was arrived at on a willing-buyer and willing-seller basis, as part of a competitive tender process and after taking into account various commercial factors, including the current market prices of properties in the surrounding area and the Company's assessment of the redevelopment potential of the Property.

The Purchase Price is payable in instalments in the following manner:

(a) a sum equivalent to 5% of the Purchase Price (less a tender fee of S$500,000 (the "**Tender Fee**") which has been paid by the Purchaser) had been paid by the Purchaser on 29 March 2018 (such amount together with the Tender Fee being the "**Deposit**");

(b) a sum equivalent to 5% of the Purchase Price (the "**Further Deposit**") had been paid by the Purchaser on 16 July 2018; and

(c) the balance of the Purchase Price shall be paid to the Vendors upon completion of the Proposed Acquisition, which is scheduled to take place on the date falling three (3) months after the written notice from the Vendors or their solicitors that the Sale Order or the Consent has been obtained (whichever is earlier) (the "**Scheduled Completion Date**").

2.3.2. Conditions

The Proposed Acquisition has been approved by the subsidiary proprietors of strata lots comprised in the Property who together hold not less than 80% of the total share value and of the total strata area in the Property. The Proposed Acquisition is subject to, *inter alia*:

(a) the Vendors obtaining (i) an order from the Strata Titles Board or the High Court of Singapore (as the case may be) for the collective sale of the Property in accordance with the provisions set out in Part VA of the Land Titles (Strata) Act (Cap. 158) (the "**Sale Order**") or (ii) the consent of all of the subsidiary proprietors of all strata lots comprised in the Property to the Proposed Acquisition (the "**Consent**") within 15 months from the Contract Date; and

(b) (if applicable) the Purchaser obtaining in-principle approval for the issue of a Qualifying Certificate or Clearance Certificate, as the case may be (the "**RPA Approval**") from the Controller for the purchase of the Property.

In the event that the RPA Approval is not obtained on or before the Scheduled Completion Date for any reason whatsoever, the Vendors shall be entitled at the Vendors' absolute discretion to rescind the Contract by written notice to the Purchaser and upon rescission, the Deposit and the Further Deposit shall be forfeited to the Vendors (this shall be without prejudice to any other rights or remedies available to the Vendors at law or in equity or otherwise against the Purchaser).

Further, it shall be the obligation of the Purchaser to obtain all requisite consents, approvals and clearances as may be necessary for the purchase of the Property. If the sale cannot be completed by the Scheduled Completion Date by reason of the Purchaser failing to obtain the requisite consent, approval and clearance then the Vendors shall be entitled at their absolute discretion to rescind the sale and purchase and recover any damages suffered and the Deposit, the Further Deposit and all other monies (if any) paid to the Vendors shall be forfeited to the Vendors and the Purchaser shall not have any claim whatsoever against the Vendors (without prejudice to any other rights or remedies available to the Vendors at law or in equity or otherwise as a consequence of the failure by the Purchaser to complete the purchase of the Property).

2.4 Redevelopment Project

Following the completion of the Proposed Acquisition and subject to the Urban Development Authority's approval, it is intended that the Property be redeveloped into a 5-storey residential building with approximately 45 units of apartment (the "**Redevelopment Project**").

3. VALUATION OF THE PROPERTY

In connection with the Proposed Acquisition, the Company had commissioned the Independent Valuer to conduct an independent valuation on the Property. The Valuation Report of the Independent Valuer in relation to such valuation is reproduced in Appendix A to this Circular.

Based on the valuation by the Independent Valuer and subject to the assumptions made in the Valuation Report (a copy of which is available for inspection as mentioned in Section 17 of this Circular), the Independent Valuer had valued the open market value of the Property at S$57 million as at 3 July 2018. Please refer to Appendix A to this Circular for further details of the valuation by the Independent Valuer.

4. RATIONALE FOR THE PROPOSED ACQUISITION

The Proposed Acquisition is an acquisition in the ordinary course of business of the Group whose existing core businesses include property development. The Directors believe that the Proposed Acquisition will enable the Group to further expand its property development business with a view to enhancing returns to Shareholders.

5. SOURCE OF FUNDS FOR THE PROPOSED ACQUISITION AND THE REDEVELOPMENT PROJECT

The total cost of the Proposed Acquisition and the Redevelopment Project is estimated to be approximately S$77,000,000 (the "**Total Development Cost**"). This comprises the Purchase Price for the Proposed Acquisition of S$57,000,000 and the costs for the Redevelopment Project (including construction costs and professional fees) which are presently estimated to be approximately S$20,000,000. The Total Development Cost is intended to be funded by a combination of equity fund raising in the capital markets and bank borrowings in the following manner:

(a) approximately 30% to 35% of the Total Development Cost from equity fund raising in the capital markets; and

(b) approximately 65% to 70% of the Total Development Cost from bank borrowings.

In the event that the Group is unable to raise net proceeds of the amount stated in Section 5(a) above from equity fund raising in the capital markets by the Scheduled Completion Date, it is intended that the shortfall in the Total Development Cost be funded by any one or a combination of the following, as the Board shall consider suitable:

(i) the Group's internal resources; and/or

(ii) the extension of a Shareholder's loan by Sino Capital Resources Limited ("**SCRL**"), subject to compliance with Chapter 9 of the Listing Manual. Mr. Christopher Ho Wing-On, the Chairman of the Company, is the sole director and shareholder of SCRL.

Accordingly, SCRL has given an irrevocable undertaking dated 9 July 2018 in favour of the Company that it will, at the request of the Company, extend a Shareholder's loan to the Company, on such terms and conditions to be mutually agreed by the Company and SCRL in a commercially reasonable manner, for the sole purpose of satisfying any shortfall in the Total Development Cost to be paid by the Company (the "**Shareholder's Loan Undertaking**").

6. NET PROFIT/LOSS ATTRIBUTABLE TO THE PROPERTY

As the Property is not a revenue-generating asset, the Proposed Acquisition will not contribute any profit or loss to the Group.

7. CHAPTER 10 OF THE LISTING MANUAL

7.1 Relative figures under Rule 1006 of the Listing Manual

7.1.1. The relative figures for the Proposed Acquisition computed on the bases set out in Rule 1006 of the Listing Manual are as follows:

Rule 1006	Bases	Relative Figure (%)
(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets	Not Applicable, as this is not a disposal of assets.
(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profit	Not Applicable, as the Property is not a revenue-generating asset.
(c)	The aggregate value of the consideration given, compared with the Company's market capitalisation based on the total number of issued shares in the share capital of the Company (excluding treasury shares)[(1)]	316.9%
(d)	The number of equity securities issued by the Company as consideration for the Proposed Acquisition, compared with the number of equity securities previously in issue	Not Applicable, as there is no issuance of equity securities by the Company.
(e)	Aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets	Not Applicable, as the Company is not a mineral, oil or gas company.

Note:

(1) The Purchase Price of S$57,000,000 represents approximately 316.9% of the Company's market capitalisation of approximately S$17,986,666 calculated on the basis of 25,333,333 Shares multiplied by the weighted average price of S$0.71 per Share on 22 March 2018, being the full Market Day on which the Shares were traded on the SGX-ST on the Contract Date.

7.1.2. As the relative figure under Rule 1006(c) of the Listing Manual exceeds 100% and the Proposed Acquisition will not result in a change in control of the Company, the Proposed Acquisition would have been treated as a "very substantial acquisition" under Rule 1015(1)(a) of the Listing Manual, to which the requirements of Rule 1015 of the Listing Manual would apply in respect of the Proposed Acquisition. Accordingly, the Proposed Acquisition will be conditional upon the approval by Shareholders at a general meeting.

The Company had on 29 March 2018 submitted an application to SGX-ST seeking:

(a) a waiver from the SGX-ST from complying with Rule 1015 of the Listing Manual in relation to the Proposed Acquisition and accordingly, that the Proposed Acquisition should instead be regarded as a major transaction under Rule 1014 of the Listing Manual; and

(b) the SGX-ST's waiver of Rule 1014(2) of the Listing Manual which requires the prior approval of the Company's Shareholders in relation to the Proposed Acquisition, with the Company instead seeking the approval of its Shareholders by way of ratification,

(together, the "**Waiver Application**").

The Company obtained a waiver of Rule 1015 of the Listing Manual in relation to the Proposed Acquisition on 6 June 2018 (the "**VSA Waiver**"). Please refer to Section 7.2 of this Circular for details of the VSA Waiver. Pursuant to the VSA Waiver, the Proposed Acquisition would be considered a "major transaction" pursuant to Rule 1014 of the Listing Manual.

7.2 Waiver from Rule 1015 and Rule 1014(2) of the Listing Manual

7.2.1. The bases for the VSA Waiver of Rule 1015 of the Listing Manual were as follows:

(a) <u>The Proposed Acquisition is within the scope of the Group's property-related business</u>

The Group is in the business of property investment, property development and property agency and appraisal and consultancy services. The Proposed Acquisition is made in the ordinary course of business and is part of the Group's existing core business.

(b) <u>No significant change in the Company's risk profile</u>

The Board is of the view that the Proposed Acquisition would not materially change the risk profile of the Group based on the following reasons:

(i) <u>No change in control of the Company</u>

The Proposed Acquisition will not result in a change in control of the Company as the Proposed Acquisition does not involve any issue of the Company's shares and there will be no change to the Company's board of directors, management or controlling Shareholders as a result of the Proposed Acquisition.

(ii) <u>No significant adverse impact on the Group's earnings, working capital and gearing</u>

The Proposed Acquisition is made in the ordinary course of business and will not result in a material change to the nature of the Group's business. The Proposed Acquisition is intended to be funded by a combination of internal resources, bank borrowings and/or equity fund raising in the capital markets. Notwithstanding that the net gearing of the Group may change in the short term, the Board believes that the Proposed Acquisition will not have a significant adverse impact on the Group's earnings and working capital after the completion of the Proposed Acquisition.

(iii) <u>No expansion of the Company's business to a new geographical market and/or a new business sector</u>

As the Property is an asset situated in Singapore, the Proposed Acquisition will not result in an expansion of the Group's business to a new geographical market and/or a new business segment that will result in a change of risk profile.

(c) Shareholders' approval will be sought by the Company for the Proposed Acquisition

The Company had sought from the SGX-ST a waiver of Rule 1014(2) (as further described below) in respect of the Proposed Acquisition, in light of the Irrevocable Undertaking (as defined in Section 7.2.2(b) of this Circular).

The Company will seek the approval of its Shareholders for, *inter alia*, the Proposed Acquisition by way of ratification and will comply with the requirements of Rule 1014 in respect of the Company's announcement and circular to shareholders in relation to, *inter alia*, the Proposed Acquisition.

Accordingly, the Company is of the view that the Shareholders would not be prejudiced by the grant of the waiver of Rule 1015, as they will be furnished with all pertinent information in relation to the Proposed Acquisition and will be given the opportunity to raise questions and express their views on, these matters at the SGM.

(d) Not appropriate for certain provisions under Rule 1015 to apply with respect to the Proposed Acquisition

The Company had also submitted that certain requirements under Rule 1015 of the Listing Manual were not appropriate in the context of the Proposed Acquisition.

7.2.2. Rule 1014(2) of the Listing Manual states that "a major transaction must be made conditional upon approval of shareholders in a general meeting". In the Waiver Application, the Company had applied for a waiver from complying with the requirements under Rule 1014(2) of the Listing Manual in respect of the Proposed Acquisition.

The bases for the waiver from Rule 1014(2) of the Listing Manual were as follows:

(a) Time-sensitive nature of the tender

The Proposed Acquisition was part of a competitive tender process involving several other tenderers. As stated in the Vendors' invitation to tender letter dated 22 February 2018, the tender to the Vendors had to be submitted by 22 March 2018. Accordingly, if the Company were to be required to negotiate for the Offer to be conditional upon prior Shareholders' approval, the Company would have been disadvantaged and its chances of success in the tender might have been negatively impacted.

Having considered the above, the Board was of the view that it was to the benefit of the Shareholders to be able to expeditiously make the Offer and to take advantage of such opportunity.

(b) Irrevocable undertaking by the Company's controlling Shareholder

The controlling Shareholder of the Company, SCRL, directly owns 19,264,561 Shares representing approximately 76.04% of the total number of Shares in the Company.

The Company had procured an irrevocable undertaking dated 28 March 2018 from SCRL (the "**Irrevocable Undertaking**") in favour of the Company (i) to vote in favour of all the resolutions at the SGM relating to approval of the Proposed Acquisition; and (ii) not to decrease its current shareholdings in the Company until after the SGM has been held, such that the resolutions would have duly passed even if a Shareholders' meeting were to be required for the purposes of approving the Proposed Acquisition prior to the Contract Date.

7.2.3. On 6 June 2018, the Company received approval from the SGX-ST that it has no objection to the Waiver Application, subject to:

(a) the Company announcing the waiver granted, the reasons for the Waiver Application and the conditions as required under Rule 107 of the Listing Manual;

(b) submission of a written undertaking from the Company that it will seek Shareholder's ratification on the Proposed Acquisition at an SGM within three (3) months from the date of approval of the waiver;

(c) submission of a written irrevocable undertaking from SCRL to the Company to vote in favour of approving the Proposed Acquisition at the SGM to be convened; and

(d) submission of a written irrevocable undertaking from SCRL to the Company that they will continue to own 50% of the issued shares of the Company before and up to the date of the SGM.

7.2.4. As at the Latest Practicable Date, save for the ratification of the Shareholders for the Proposed Acquisition under Section 7.2.3(b) of this Circular, all the above conditions set out in Section 7.2.3 of this Circular have been satisfied. The Company is seeking the approval, confirmation and ratification of Shareholders for the Proposed Acquisition at the SGM.

8. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

The unaudited pro forma financial effects of the Proposed Acquisition on the Group as set out below are purely for illustrative purposes only and are neither indicative nor do they represent any projection of the financial performance or position of the Group after the completion of the Proposed Acquisition.

The pro forma financial effects set out below have been prepared based on the latest audited consolidated financial statements of the Group for FY2017 as well as the following bases and key assumptions:

(a) the financial effects on the consolidated NTA per Share and NAV per Share are computed based on the assumption that the Proposed Acquisition was completed on 31 December 2017;

(b) the financial effects on the consolidated Loss per Share is computed based on the assumption that the Proposed Acquisition was completed on 1 January 2017;

(c) the financial effects on the Gearing are computed based on the assumption that the Proposed Acquisition was completed on 31 December 2017;

(d) the Redevelopment Project has not commenced; and

(e) corporate actions announced and undertaken by the Group subsequent to 1 January 2018 and the expenses in connection with the Proposed Acquisition have been disregarded.

8.1 NTA per Share

As at 31 December 2017	Before the Proposed Acquisition	After the Proposed Acquisition
NTA (US$'000)	49,030	49,030
Number of Shares ('000)	25,333	25,333
NTA per Share (US cents)	93.5	93.5

8.2 NAV per Share

As at 31 December 2017	Before the Proposed Acquisition	After the Proposed Acquisition
NAV (US$'000)	54,209	54,209
Number of Shares ('000)	25,333	25,333
NAV per Share (US cents)	214.0	214.0

8.3 Loss per Share

	Before the Proposed Acquisition	After the Proposed Acquisition
Net loss attributable to the Shareholders of the Company for FY2017 (US$'000)	(468)	(468)
Weighted average number of Shares ('000)	25,333	25,333
Loss per Share (US cents)	(1.85)	(1.85)

Note:

Please note that all additional borrowings would be specifically and directly attributable to the acquisition and redevelopment of the Property. The related interest costs, which form part of the redevelopment cost of the Property, would therefore be fully capitalized as incurred. There would therefore be no profit or loss impact until the construction is completed.

8.4 Gearing

As at 31 December 2017	Before the Proposed Acquisition	After the Proposed Acquisition
Net (cash)/borrowings[(1)] (US$'000)	(9,621)	33,012
Total equity (US$'000)	54,209	54,209
Gearing[(2)] (time)	n/a	0.61

Notes:

(1) Net borrowings mean total borrowings less cash and bank balances (including restricted cash in bank). Net cash means cash and bank balances are more than total borrowings.

(2) Gearing refers to the ratio of "Net (cash)/borrowings" to "Total equity".

9. DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS

Save as disclosed in Sections 5 and 11 of this Circular, none of the Directors or controlling Shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition (other than through their respective shareholdings in the Company, if any).

10. DIRECTORS' RECOMMENDATION

The Board, having considered, among others, the terms of and rationale for the Proposed Acquisition, is of the view that the Proposed Acquisition is in the interests of the Company. Accordingly, the Board recommends that the Shareholders vote in favour of the Ordinary Resolution set out in the Notice of SGM.

11. IRREVOCABLE UNDERTAKING

As stated in Section 7.2.2(b) of this Circular, SCRL, a controlling Shareholder of the Company, directly owns 19,264,561 Shares representing approximately 76.04% of the total number of Shares in the Company.

SCRL has provided an Irrevocable Undertaking dated 28 March 2018 in favour of the Company that it will (i) vote in favour of all the resolutions at the SGM relating to the approval of the Proposed Acquisition; and (ii) not decrease its current shareholdings in the Company until after the SGM has been held.

12. SERVICE CONTRACTS

As at the Latest Practicable Date, no person is proposed to be appointed as a director of the Company in connection with the Proposed Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

13. SPECIAL GENERAL MEETING

The SGM, notice of which is set out on page 29 of this Circular, will be held at Maharajah Suite, Basement 1, Holiday Inn Singapore Orchard City Centre, 11 Cavenagh Road, Singapore 229616 on 5 September 2018 at 4.30 p.m., for the purpose of considering and, if thought fit, passing with or without any modification(s), the Ordinary Resolution set out in the Notice of SGM.

14. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the SGM and wish to appoint a proxy to attend and vote at the SGM on their behalf will find attached to this Circular a proxy form ("**Shareholder Proxy Form**") which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the office of the Singapore Share Transfer Agent at 112 Robinson Road #05-01, Singapore 068902, not less than 48 hours before the time fixed for the SGM. Completion and return of a Shareholder Proxy Form by a Shareholder will not prevent him from attending and voting in person at the SGM if he so wishes.

A Depositor shall not be regarded as a member of the Company entitled to attend the SGM and to speak and vote thereat. Depositors who wish to attend and vote at the SGM and whose names are shown in the records of CDP not less than 48 hours prior to the commencement of the SGM may attend as the CDP's proxies. Depositors who are individuals and who wish to attend the SGM in person need not take any further action and can attend and vote at the SGM without the lodgement of any proxy form. Depositors who are individuals and are unable to attend the SGM personally and who wish to appoint their nominee(s) to attend, and Depositors who are not individuals, must complete, sign and return the enclosed proxy form (the "**Depositor Proxy Form**") in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the office of the Singapore Share Transfer Agent at 112 Robinson Road #05-01, Singapore 068902, not less than 48 hours before the time fixed for the SGM. The completion and return of a Depositor Proxy Form by an individual Depositor does not preclude him from attending and voting in person at the SGM if he so wishes, in place of his nominee or nominees.

In the event that Shareholders and other investors are in doubt about the actions they should take, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional adviser(s).

15. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm, after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Acquisition and the Group in relation to the Proposed Acquisition, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

16. CONSENT FROM THE INDEPENDENT VALUER

The Independent Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, the Valuation Report and all references thereto, in the form and context in which they appear in this Circular, and to act in such capacity in relation to this Circular and the availability of the corresponding Valuation Report as a document for inspection.

17. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection by Shareholders at the office of the Singapore Share Transfer Agent at 112 Robinson Road, #05-01, Singapore 068902, during normal business hours from the date of this Circular up to and including the time and date of the SGM:

(a) the Constitution of the Company;

(b) the annual report of the Company for FY2017;

(c) the Contract;

(d) the Valuation Report by the Independent Valuer;

(e) the consent letter of the Independent Valuer, referred to in Section 16 of this Circular;

(f) the Irrevocable Undertaking; and

(g) the Shareholder's Loan Undertaking.

Yours faithfully
For and on behalf of the Board of Directors

Christopher Ho Wing-On
Chairman
LAFE CORPORATION LIMITED

Premas

PREMAS Valuers & Property Consultants Pte Ltd
Reg No.: 199400520R
Block 750A, Chai Chee Road
Viva Business Park #05-01
Singapore 469001
Telephone: +65 6876 6388
Facsimile: + 65 6876 6493

Valuation Report Of

Redevelopment Site at

130 Sophia Road
Fairhaven
Singapore 228185



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Reg No.: 199400520R
Block 750A, Chai Chee Road
Viva Business Park #05-01
Singapore 469001
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05 July 2018

VALUATION REPORT FOR LAFE CORPORATION LIMITED

INTRODUCTION

We thank you for your instruction to advise on the Open Market Value of the redevelopment site ("Property") at 130 Sophia Road, Fairhaven for the purpose of inclusion of this valuation report in your circular to be issued to shareholders in relation to the proposed acquisition of the Property. The term "Open Market Value" is intended to mean the price at which an interest in a property might reasonably be expected to be sold by Private Treaty at the date of valuation assuming:

(a) a willing seller – a willing buyer basis;

(b) a reasonable period in which to negotiate the sale, taking into account the nature of the property and the state of the market;

(c) values will remain static throughout the period;

(d) the property will be freely exposed to the market; and

(e) no account is to be taken of an additional bid by a special purchaser.

Pursuant to your instruction, we have inspected the property, made relevant searches and are pleased to report as follows:

ADDRESS OF PROPERTY

Redevelopment Site at 130 Sophia Road, Fairhaven,
Singapore 228185

TITLE OF PROPERTY

(a) **Legal Description** - (According to Certificate of Title)

TS 19 Lot 213C

(b) **Tenure**

Estate in Fee Simple

(c) **Registered Owner(s) of TS 19 Lot 213C**

All registered subsidiary proprietors of all the strata lots within 130 Sophia Road, Fairhaven Singapore 228185.

(d) **Encumbrances**

No title searches have been conducted for the subject properties. We recommend that all encumbrances be confirmed through your solicitors.

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Reg No.: 199400520R
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Viva Business Park #05-01
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DETAILS OF PROPERTY

(a) **Description of Existing Development**

The existing development on the subject site comprises a 5-storey residential block with a total of 15 units. Recreational facilities provided within the development include surface carpark.

(b) **Land Area** – (According to Certificate of Title)

1,547.8 sq m (Approx. 16,661sq ft)

(c) **Floor Area** - (For existing development as extracted from Tender Information Memorandum)

Unit No.	Floor Area (sq m)	Floor Area (sq ft)	Share Value
130A	147	1,582	1
130B	147	1,582	1
130C	147	1,582	1
130D	154	1,658	1
130G	144	1,550	1
130H	144	1,550	1
130J	144	1,550	1
130K	144	1,550	1
130L	144	1,550	1
130M	144	1,550	1
130P	147	1,582	1
130Q	147	1,582	1
130R	147	1,582	1
130S	154	1,658	1
130T	282	3,035	2
Total	**2,336**	**25,144**	**16**

(e) **Date of Completion**

Circa 1980s

SITE DESCRIPTION

The subject site is a rectangular lot with a splayed eastern corner and has gradual fall from the road. However, it is on higher ground than the adjoining property at its rear boundary.

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PREMAS Valuers & Property Consultants Pte Ltd
Reg No.: 199400520R
Block 750A, Chai Chee Road
Viva Business Park #05-01
Singapore 469001
Telephone: +65 6876 6388
Facsimile: + 65 6876 6493

TOWN PLANNING

Master Plan Zoning

Master Plan 2014 - "Residential" with PR 2.1. Subject building height is 30AMSL

Master Plan 2008 - "Residential" with PR 2.1

Master Plan 2003 - "Residential" with PR 2.1

Master Plan 1980 - "Permanent Residential" with maximum 370 P/H (equivalent gross plot ratio of 2.07)

Master Plan 1958 - "Residential" with maximum 150 P/A (equivalent gross plot ratio of 2.07).

PUBLIC SCHEMES – (As provided)

(a) **Road Reserve**

According to the Road Line Plan dated 05/01/2018, the value of the subject site is not affected by the lines of road reserve and land required as road reserve. Should there be such an acquirement, it shall be compensated according to the market value as at the relevant date under the Land Acquisition Act (Chapter 152).

(b) **Railway Protection Plan**

According to the Railway Protection Plan dated 05/01/2018, the value of the subject site is not affected by the railway 1st reserve line, railway protection line, railway safety line and land within railway safety zone. According to Land Transport Authority (LTA), there are guidelines for carrying out restricted activities within the Railway Safety Zone and special approval would have to be obtained from the relevant authority prior to commence critical works which may pose high risk to the railway.

(b) **Drainage Reserve**

According to PUB's Drainage Interpretation Plan dated 06/01/2018, the value of the subject site is not affected by any drainage reserves.

OUTLINE PLANNING PERMISSION

We have not made any application with respect to the Outline Planning Permission.

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Reg No.: 199400520R
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Viva Business Park #05-01
Singapore 469001
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LOCATION

The subject property is located along Sophia Road, off Selegie Road, at the fringe of the Central Area defined by the planning authority. Its immediate vicinity is generally residential in nature and in the process of being rejuvenated with newer residential developments. The other uses in its immediate vicinity include places of worship and St Margaret's Primary School. It is within walking distance to the Singapore Management University, School of The Arts (SOTA), Singapore Art Museum and YMCA. It is also within short distance to the shopping, dining and entertainment at the nearby Orchard Road and Selegie Road. Other developments in the surrounding area include conserved buildings, shopping centres and hotels such as Wilkie Edge, PoMo, Peace Centre, Parklane Shopping Mall, Plaza Singapura, Rendezvous Grand Hotel Singapore and Nomu, amongst others. The Dhoby Ghaut MRT Interchange Station is also within walking distance from the subject property. The Little India MRT Station and The Central Expressway (CTE) are within a short drive away.

DATE OF INSPECTION

03 July 2018

BASIS OF VALUATION

For the purpose of this valuation, we have assumed the following:

(a) Subject site is zoned within residential area under the current Master Plan 2014; and

(b) The site can be redeveloped to the Gross Floor Area of 3,250.38sq m, which is equivalent to Gross Plot Ratio 2.1; and

(c) No development charge is payable.

METHOD OF VALUATION

In arriving at the value of the redevelopment value of the subject site, we have adopted the *Residual Method* and the *Direct Comparison Method* of valuation.

In the *Residual Method* of valuation, we have assumed that the land can be developed into its highest and best use within the legal, physical and economic constraints and the parameters of planning and urban design requirements that exist at the date of valuation. The costs of development other than the land (e.g. construction cost, professional fees, finance and interest charges, legal fees, stamp duty, development charges and differential premium (if applicable), developer's profit and other charges) are deducted from the Gross Development Value (GDV) of the proposed development to arrive at the residual amount which represents the land value a prudent developer is willing to pay for the subject site.

In the *Direct Comparison Method,* transactions of redevelopment sites are analysed and adjustments made to reflect the differences between the subject plot and the comparables in terms of size, tenure, location, shape, topography, orientation, plot ratio and relevant planning parameters amongst other factors to derive at the value of the subject site.

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Sales Comparables of Collective Sale Sites

Development/ Address	*Tenure*	*Land Area (m^2)*	*Contract Date*	*Transacted Price*	*Zoning/ Plot Ratio (PR) (Master Plan 2014)*
Chancery Court 36 Dunearn Road	Leasehold 99 years wef 25/03/1981	24,074.13	17/05/2018	$401,780,000	Residential/ PR 1.4
Dunearn Gardens 20 Dunearn Road	Freehold	8,866.9	19/04/2018	$468,000,000	Residential/ PR 2.8
The Wilshire 22 Farrer Road	Freehold	3,635.27	26/01/2018	$98,800,000	Residential/ PR 1.6

VALUATION

Taking the above and other relevant factors into account, the subject property (known as **Redevelopment Site at 130 Sophia Road, Fairhaven, Singapore 228185 (Land Lot TS 19 Lot 213C))**, with vacant possession and free from encumbrances, on the basis as a redevelopment site with permissible gross floor area of 3,250.38 sq m, and the tenure of Estate in Fee Simple, is valued as follows:

DATE OF VALUATION : **03 July 2018**

OPEN MARKET VALUE : **S$57,000,000/- (SINGAPORE DOLLARS FIFTY SEVEN MILLION ONLY)**

Kwang Heng Lee (Ms), Director
Bachelor of Property Administration (Auck, NZ), FSISV
Appraiser's Licence No.: AD041-2006441J
For and on behalf of
PREMAS Valuers & Property Consultants Pte. Ltd.

(KHL/LLL/so/53366.doc)

Encl.
Photographs/ Location Plan
Site Plan/ Building Height Plan
Road Line Plan/ Railway Protection Plan
Drainage Interpretation Plan

This valuation report is subject to the attached Terms and Conditions.

Redevelopment Site at
130 Sophia Road
Fairhaven
Singapore 228185

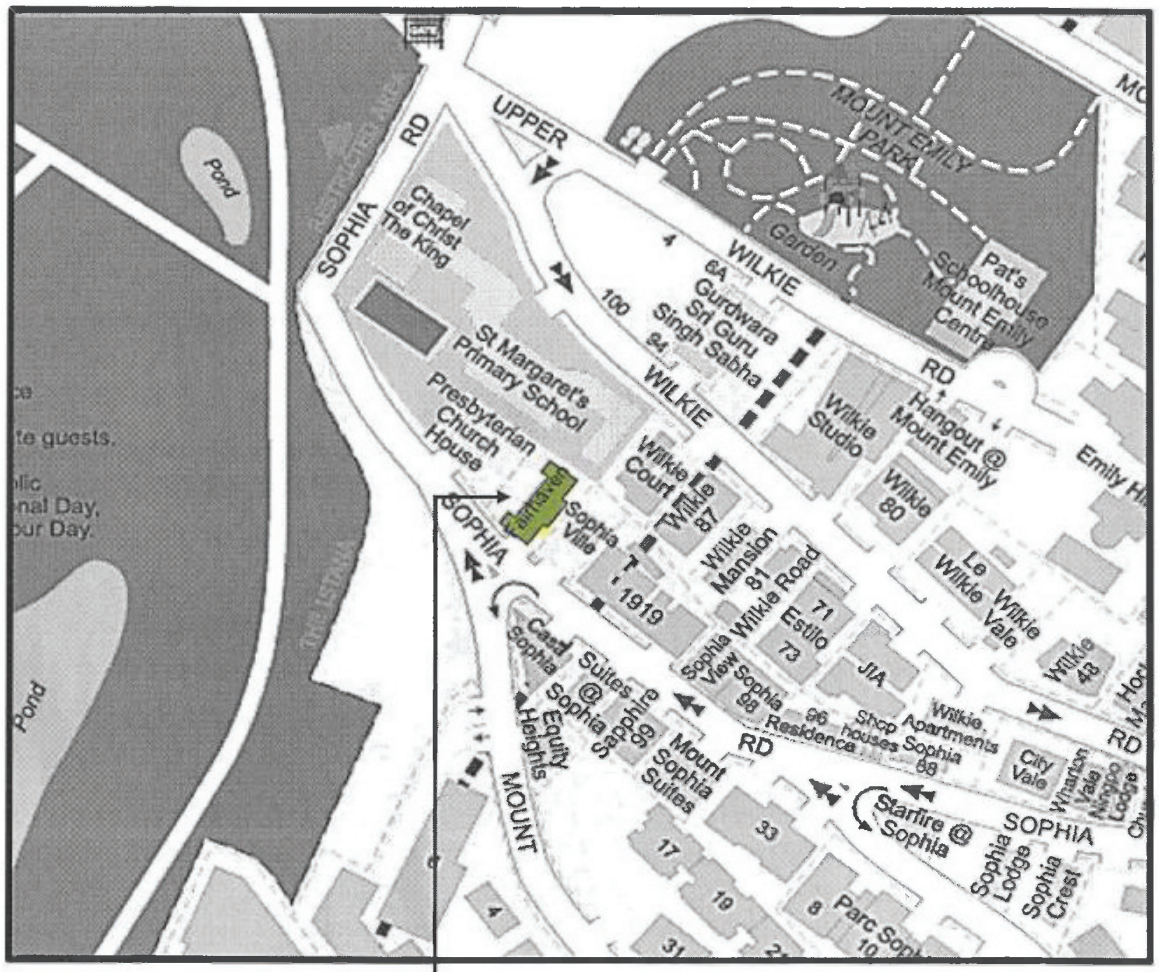


FRONT VIEW FROM NORTH WESTERN BOUNDARY



REAR VIEW FROM SOUTH EASTERN BOUNDARY

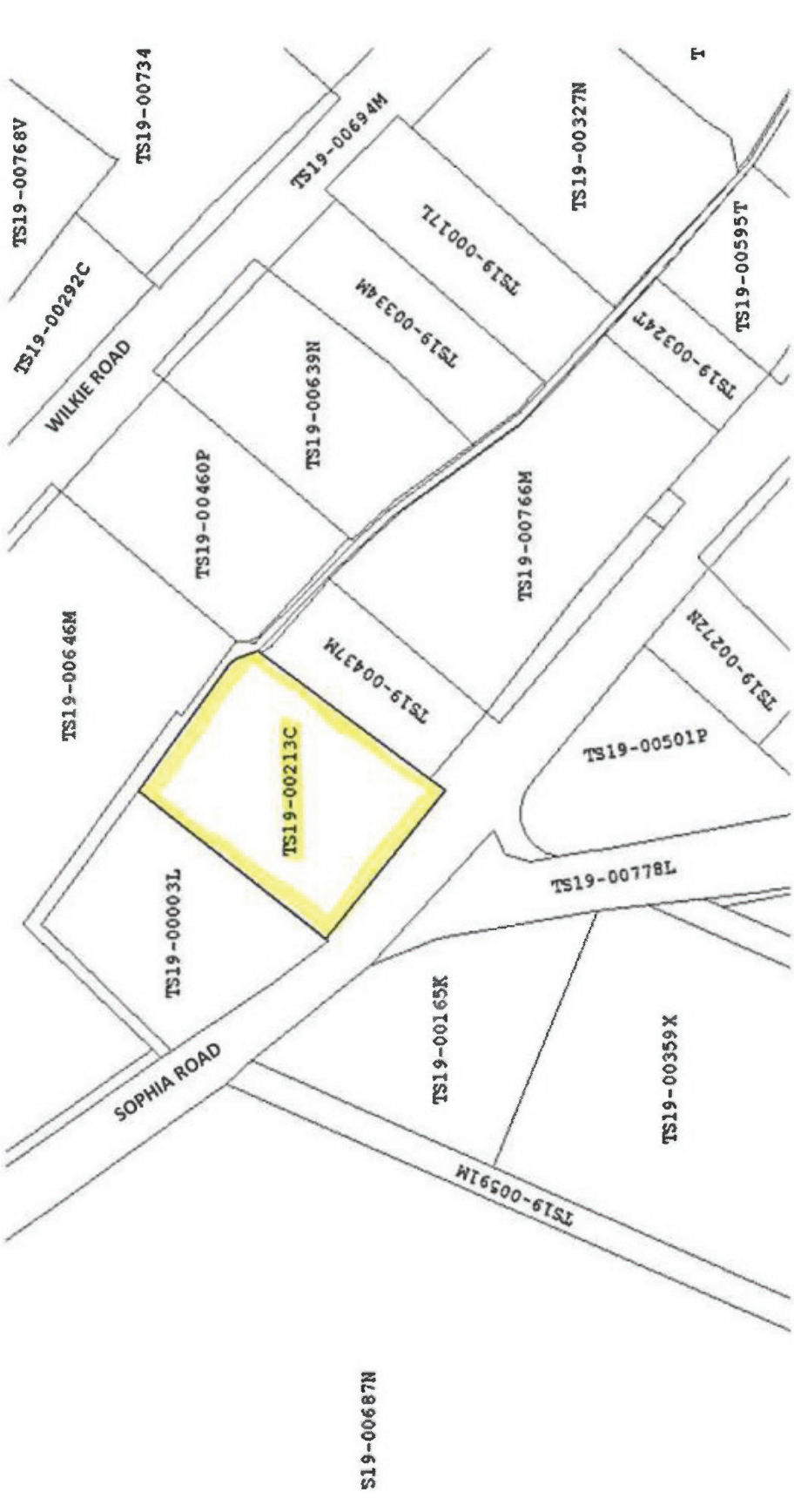
LOCATION PLAN



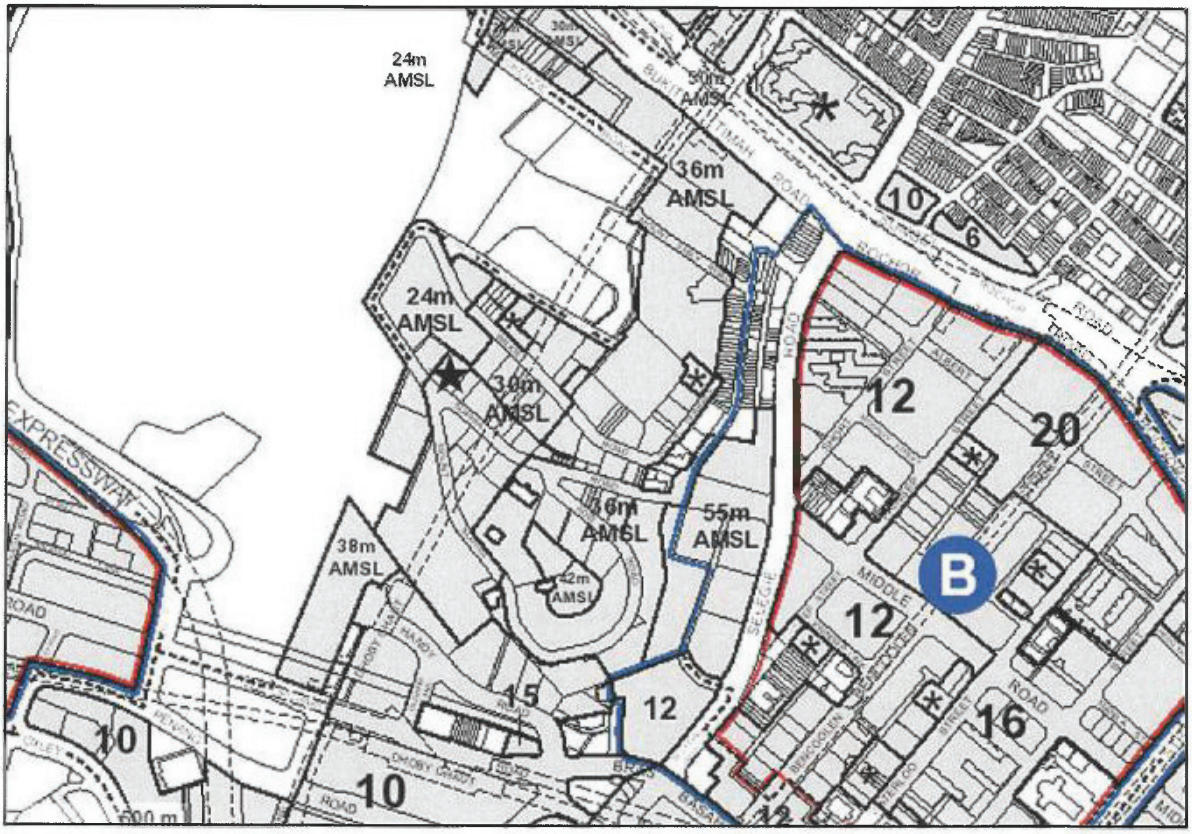
Source: Onemap

Subject Development

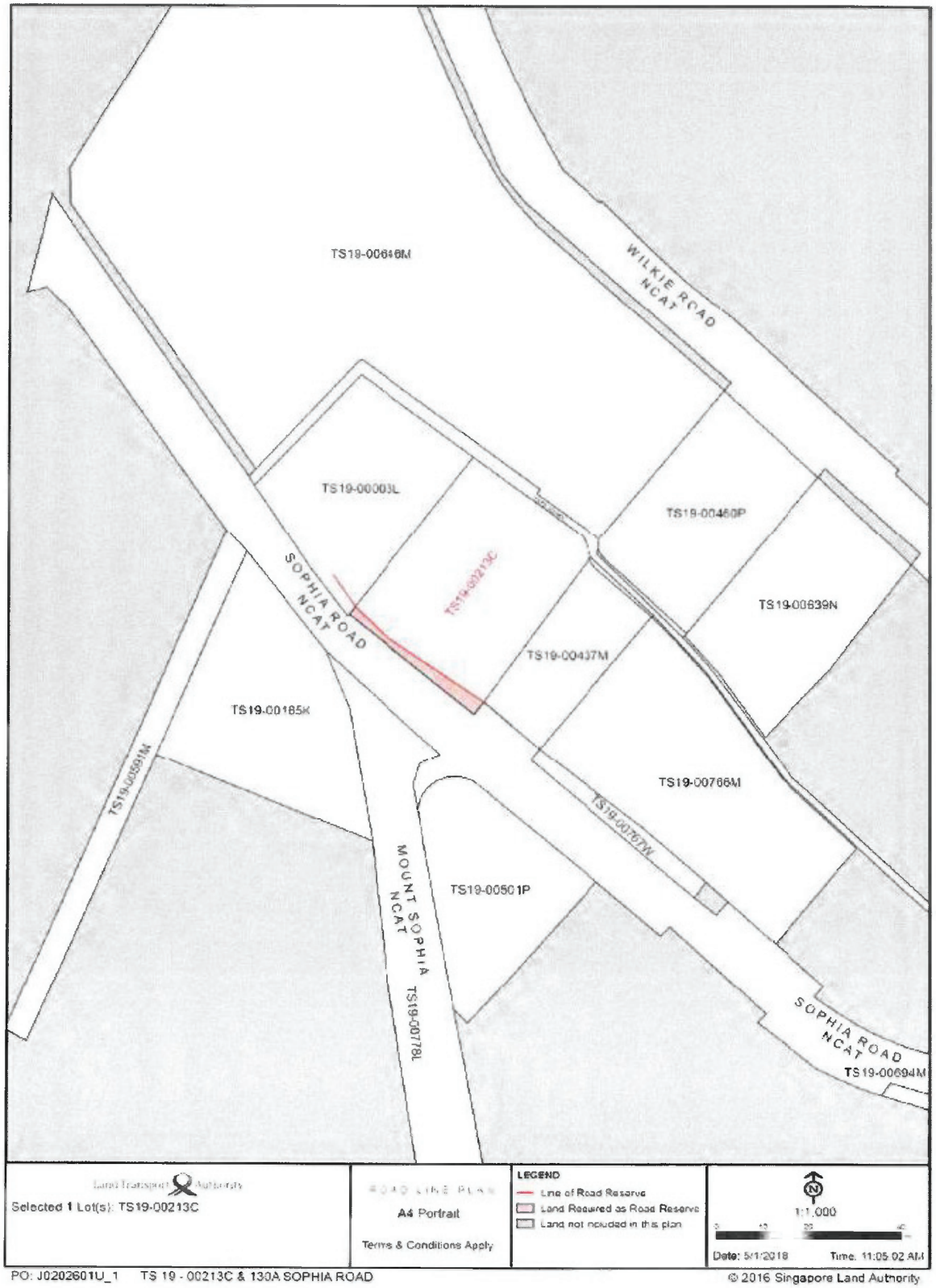
SITE PLAN


TS19-00768V
TS19-00734
TS19-00694M
TS19-00327N
T
TS19-00292C
WILKIE ROAD
TS19-00639N
TS19-00460P
TS19-00766M
TS19-00595T
TS19-00324T
TS19-00646M
TS19-00213C
TS19-00003L
TS19-00501P
TS19-00778L
TS19-00165K
TS19-00359X
SOPHIA ROAD
TS19-00687N

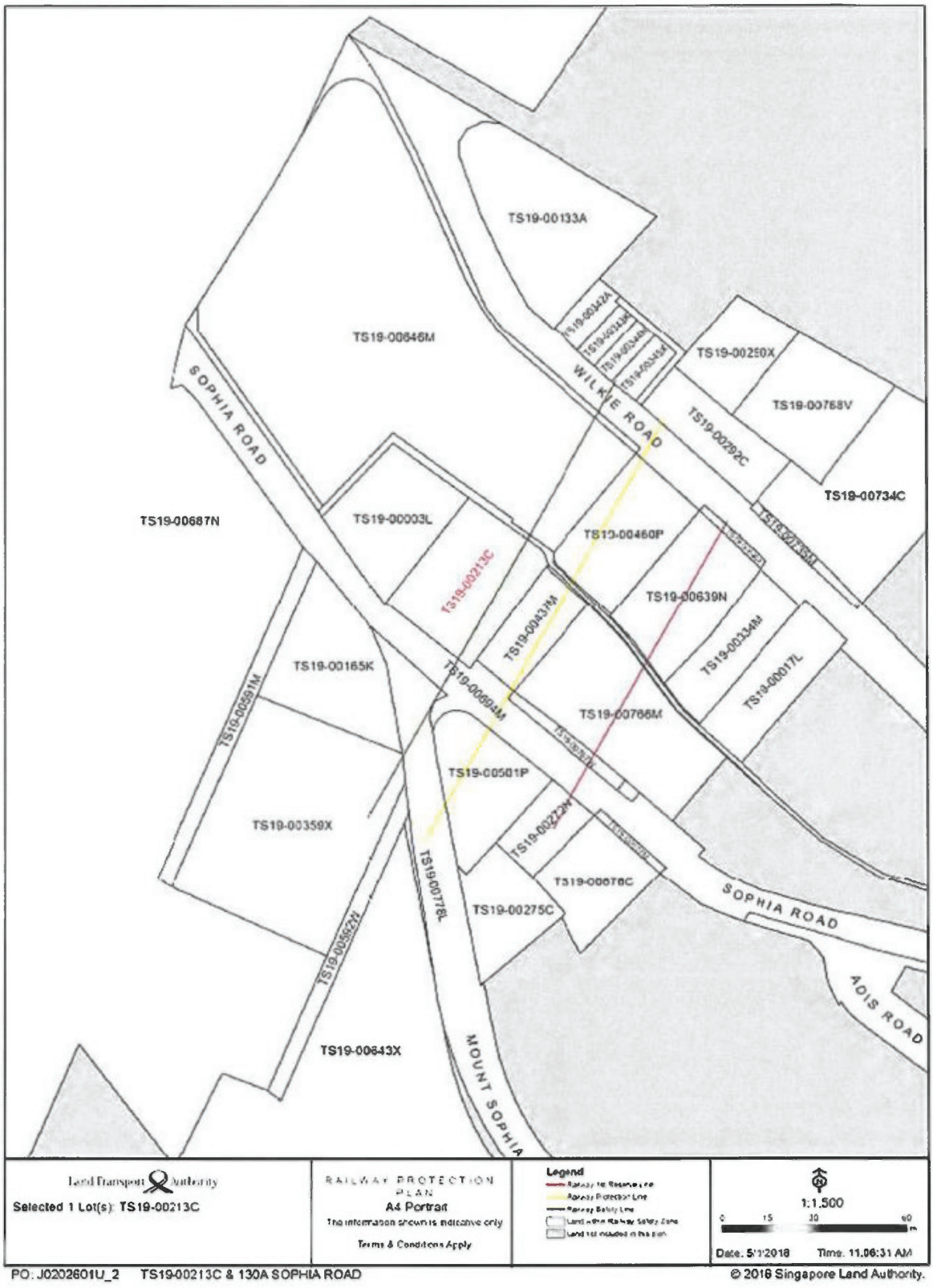
BUILDING HEIGHT PLAN



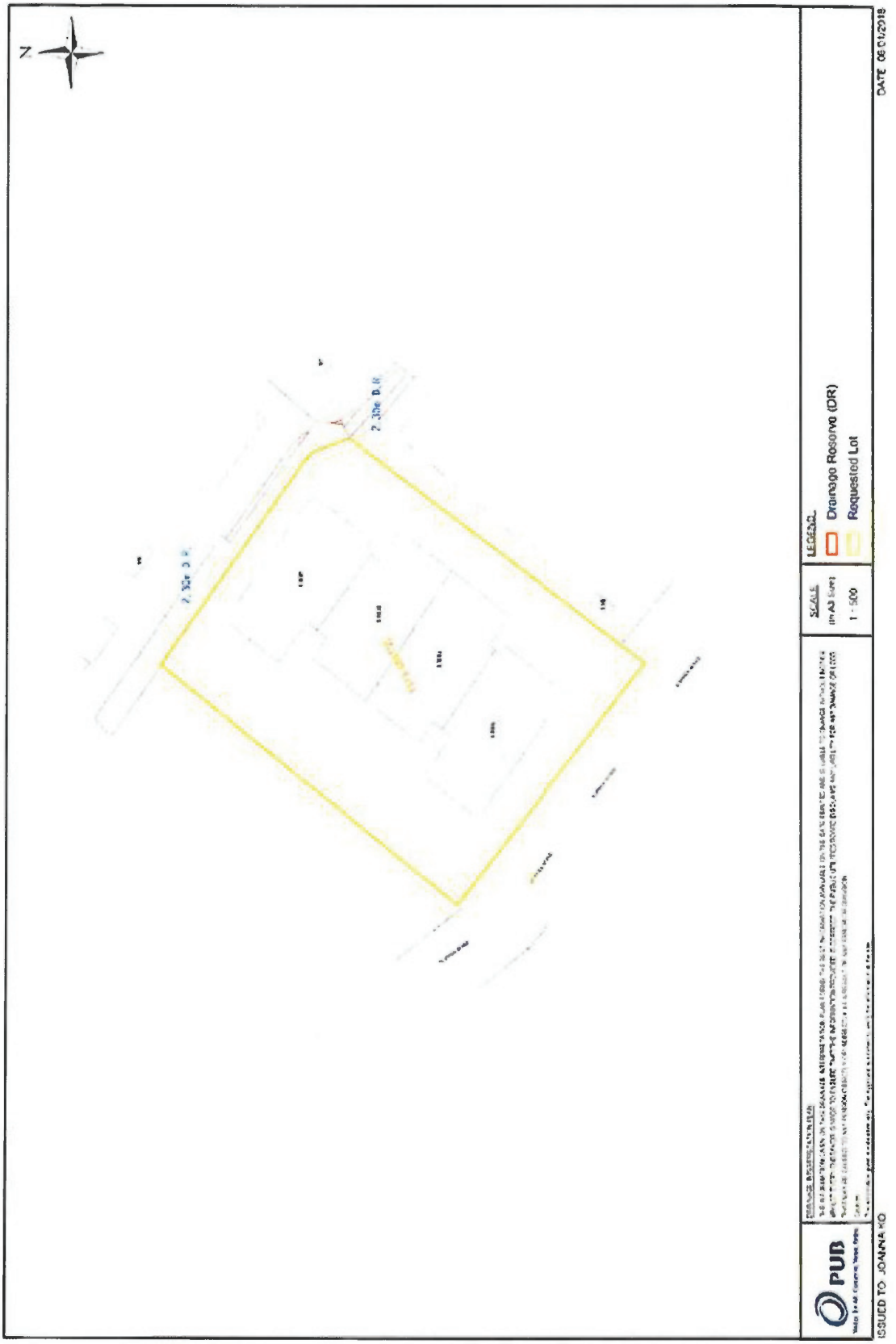
ROAD LINE PLAN



RAILWAY PROTECTION PLAN



DRAINAGE INTERPRETATION PLAN



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Reg No.: 199400520R
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TERMS AND CONDITIONS

The valuation report is prepared subject to the following terms and conditions: -

1. The valuation report is:
   a. restricted to the use by the client to whom this report is addressed;
   b. for the specific purpose stated therein; and
   c. for the sole purpose for which it was commissioned.

Any reliance on its contents shall be made within a reasonable time from the date of the valuation report. We disclaim any liability arising from any reliance on the valuation report by any other person or for any other purpose or beyond a reasonable time.

2. Neither the whole nor any part of this valuation report or any reference to it may be included in any document, circular, statement, correspondence nor publication in any way without our prior written approval of the form and context in which it may appear. We bear no responsibility for any unauthorised inclusion or publication.

3. Where it is stated in the report that information has been supplied to us by another party, this information is believed to be reliable and accurate and we disclaim all responsibility if this information should later prove not to be so. Where information is given without being attributed directly to another party, it shall be taken that this information has been obtained by our own search of records and examination of documents, or by our enquiry from Government or quasi-Government departments.

4. The values assessed in this report for the subject property and any allocation of values between parts of the property apply strictly on the terms of and for the purpose of this valuation. The values assessed should not be used in conjunction with any other assessment, as they may prove incorrect if so used.

5. While due care is taken in the course of inspection to note serious defects of the subject property, no structural survey has been made and no guarantee is given that the building is free from rot, termite, pest infestation or other hidden defects. We have also not made any test on the building services such as air-conditioning, fire-fighting systems, lifts, escalators, plumbing and lighting etc. and the services are presumed to be in good working order.

6. Our valuation assumes that the title(s) is (are) in good order and are marketable, free from any liens, mortgages, encumbrances, restrictions and other legal impediments. We accept no responsibility for investigations into title(s), searches, legal requisitions, legal validity of title or any charges, claims, liabilities registered against the title(s). The client is advised to consult his solicitors on any matter concerning the title(s).

7. Any plans that are included in this report are meant for identification purposes and to assist the client in visualising the subject property. The plans should not be treated as certified true copies of areas or other particulars contained therein. We have not made any survey of the property and assume no responsibility in connection with such matters.

8. We have not taken into account of any plant and machinery in our valuation.

9. We have not made any requisition for the Road Line Plan or for drainage proposal. We have also not made any application for information/document in respect of Building Control Records. Such requisitions/applications will not be made unless specifically instructed by our client.

10. As matters concerning compulsory acquisitions by the Government are confidential, we are unable to provide information relating to Government acquisitions unless the subject property has already been gazette for acquisition.

11. Our valuation assumes that the subject property, as currently used, is in compliance with the existing land use zoning and is not in contravention of any planning rules or regulations.

12. Our valuation assumes that all development charges and maintenance/ service/ conservancy charges, if any, whether outstanding or payable as at the date of valuation, have already been fully paid.

13. Our valuation further assumes that, as at the date of valuation, there are no outstanding liabilities or charges attached to the property (ies).

14. Subject at all times to the provisions in these terms and conditions *and in the letter of engagement*, we shall not be liable to you in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of our services in respect of:
   a. any direct loss of profit;
   b. any indirect, special or consequential loss whatsoever howsoever caused including without limitation (i) indirect loss of profit; (ii) loss of business; (iii) loss of goodwill; (iv) loss of use of money; (v) loss of opportunity, and the parties agree that the sub-clauses of this clause shall be severable.

15. Subject at all times to the provisions in these terms and conditions *and in the letter of engagement*, we shall not be liable to you in negligence for pure economic loss arising in connection with the performance or contemplated performance of our services.

16. Where a third party has contributed to the losses, damages, costs, claims or expenses, we shall not be liable to make any contribution in respect of the liability of such third party.

17. Save in respect of third parties directly instructed by us and not on your behalf, we shall not be liable for the services or products provided by other third parties, nor shall we be required to inspect or supervise such third parties, irrespective of the third party services or products being incidental to or necessary for the provision of our services to you.

18. Subject to the provisions in these terms and conditions *and in the letter of engagement*, our total aggregate liability (including that of our partners and employees) to you in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of our services shall be limited to (i) an aggregate sum not exceeding the fee paid for each instruction accepted; or (ii) S$500,000.00, whichever is lower.

19. We shall be released from our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond our reasonable control (examples being a strike, act of God or act of terrorism). On becoming aware of any circumstance which gives rise, or which is likely to give rise, to any failure or delay in the performance of our obligations, we will notify you by the most expeditious method then available.

20. Our pricing structure has been established by reference to these limitations on our liability and our level of professional indemnity insurance in respect of the services we provide. If you feel that it is necessary to discuss with us a variation in these levels, then please raise the issue with your client partner who will be able to let you have proposals for a revised pricing structure to reflect the agreed level of our liability and/or professional indemnity cover.

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Reg No.: 199400520R
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#05-01 Singapore 469001
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21. Responsibility for our valuation extends only to the party(ies) to whom it is addressed. However, in the event of us being asked by you to re-address our report to another party or other parties or permit reliance upon it by another party or other parties, we will give consideration to doing so, to named parties, subject to payment of additional fees. These fees are exclusive of GST & expenses (including the cost of re-addressing the report). Should additional work be involved, over and above that undertaken to provide the initial report, we may make a further charge although we will agree this with you before commencing the work.

22. Where we consent to reliance on our report by another party or other parties, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it/they had been a party to the original letter of engagement between us. Where we consent to such reliance, you agree to furnish the addressee with a copy of any reliance letter issued by us and/or a copy of these terms and conditions.

23. Where you provide a copy of and/or permit another party or parties to rely upon our valuation report without obtaining our express written consent (in accordance with clauses 21 and 22 above), you agree to indemnify and us, our affiliates and their respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including reasonable attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the valuation report by any such unauthorised person or entity.

24. Save where we have consented to another party or other parties relying on the valuation report in accordance with clauses 21 and 22, where a valuation report is prepared or where we consent to a valuation report being used for the purpose of a public offering in accordance with any stock exchange listing rules, you agree to indemnify us for any liability whatsoever that we have to any party or parties which exceeds our aggregate cap on liability (referred to in clause 18) which arises from their use and/or reliance on the valuation report.

25.

a. The U.S. Foreign Corrupt Practices Act (the "FCPA") and other laws make it unlawful for us or anyone acting on our behalf to offer, pay, promise or authorize to pay any money, gift or anything of value directly or indirectly to any Public Official with the intent of causing the Public Official to misuse such official's position to obtain or retain business for us or our subsidiaries or affiliates. The term Public Official is broadly defined to include not only traditional government officials and those employed by government agencies, departments, or ministries but also employees of companies which are owned or controlled by the state. The U.K. Bribery Act and other laws also prohibit commercial bribery of any kind.

b. We comply with all applicable anti-bribery and corruption laws, rules, and regulations of the United States, European Union or any member state and any other similar laws in all applicable jurisdictions, including but not limited to the FCPA and U.K. Bribery Act ("Applicable Anti-Bribery Laws and Rules").

c. You acknowledge and confirm your understanding of and agree to comply with all applicable Anti-Bribery Laws and Rules and agree not to take or fail to take any action that might in any way cause us to be in violation of such laws.

d. We must at all times comply with all U.S. sanctions administered by the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury or under any statute, executive order (including, but not limited to, the September 24, 2001, Executive Order 13224 Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism) or other governmental action and any applicable international laws and regulations pertaining to the detection, prevention and reporting of potential money laundering and terrorist financing activities (collectively "Applicable Sanctions/AML Rules").

e. You represent and warrant to us that you, and all persons and entities owning (directly or indirectly) an ownership interest in you: (i) are not, and will not become, a person or entity with whom a party is restricted from doing business under Applicable Sanctions/AML Rules; and (ii) are not knowingly engaged in, and will not knowingly engage in, any dealings or transactions or be otherwise associated with such persons or entities described in Clause 28 (e) (i) above.

f. In the event that we believe in good faith, and whether or not we have conducted an investigation, that you have acted in a way that may subject us to liability under Applicable Anti-Bribery Laws and Rules or you (including all persons and entities owning (directly or indirectly) an ownership interest in you) become a target of Applicable Sanctions/AML Rules, we shall have the unilateral right, exercisable immediately upon written notice, to terminate this agreement and shall be entitled to receive payment of the service fees for services rendered pursuant to this agreement together with any and all reasonable additional costs incurred due to such early termination.

LAFE CORPORATION LIMITED

(Company Registration No.: 26304)
(Incorporated in Bermuda)

NOTICE IS HEREBY GIVEN that a Special General Meeting (the "**SGM**") of Lafe Corporation Limited (the "**Company**") will be held at Maharajah Suite, Basement 1, Holiday Inn Singapore Orchard City Centre, 11 Cavenagh Road, Singapore 229616 on 5 September 2018 at 4.30 p.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the following ordinary resolution.

All capitalised terms used herein shall have the same meanings ascribed to them in the Circular to Shareholders dated 13 August 2018.

ORDINARY RESOLUTION – PROPOSED ACQUISITION OF FAIRHAVEN, SINGAPORE, A FREEHOLD 15-UNIT DEVELOPMENT LOCATED AT SOPHIA ROAD

THAT the Proposed Acquisition be and is hereby approved, confirmed and ratified, and for this purpose:

(a) the Directors of the Company and each of them be and are/is hereby authorised to perform, complete and do all such acts and things (including approving, amending, modifying, supplementing and executing all such documents and ancillary agreements and making all such amendments thereto as may be required in connection with the Proposed Acquisition) as they and/or he may consider necessary, desirable or expedient or in the interests of the Company to give effect to the Proposed Acquisition; and

(b) any acts, matters and things done or performed, and/or documents signed, executed, sealed and/or delivered by a Director in connection with the Proposed Acquisition and this Ordinary Resolution be and are hereby approved, confirmed and ratified.

BY ORDER OF THE BOARD

Paul Francis Gregory Binney
Company Secretary
13 August 2018

Notes:

1. A Shareholder entitled to attend and vote at the SGM is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

2. If a Shareholder is unable to attend the SGM and wishes to appoint a proxy to attend and vote at the SGM in his stead, then he should complete and sign the relevant Shareholder Proxy Form and deposit the duly completed Shareholder Proxy Form at the office of the Company's Singapore Share Transfer Agent, M & C Services Private Limited, at 112 Robinson Road, #05-01, Singapore 068902, not later than 48 hours before the time appointed for the SGM.

3. A Depositor whose name is shown in the Depository Register of The Central Depository (Pte) Limited ("CDP") as at a time not earlier than 48 hours prior to the time of the SGM who/which is (i) an individual but is unable to attend the SGM personally and wishes to appoint a nominee to attend and vote; or (ii) a corporation, must complete, sign and return the Depositor Proxy Form and deposit the duly completed Depositor Proxy Form at the office of the Company's Singapore Share Transfer Agent, M & C Services Private Limited, at 112 Robinson Road, #05-01, Singapore 068902, not later than 48 hours before the time appointed for the SGM.

4. If a Shareholder who has Shares entered against his name in the Depository Register and Shares registered in his name in the Register of Members of the Company is unable to attend the SGM and wishes to appoint a proxy, he should use the Depositor Proxy Form and the Shareholder Proxy Form for, respectively, the Shares entered against his name in the Depository Register and the Shares registered in his name in the Register of Members of the Company.

5. A Depositor who is an individual and whose name is shown in the Depository Register as at a time not earlier than 48 hours prior to the time of the SGM and who wishes to attend the SGM in person need not take any further action and can attend and vote at the SGM as CDP's proxy without the lodgement of any proxy form.

Personal Data Privacy:

By attending the Special General Meeting and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Special General Meeting and/or any adjournment thereof, a Shareholder or Depositor (i) consents to the collection, use and disclosure of the Shareholder's or Depositor's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Special General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Special General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Shareholder or Depositor discloses the personal data of the Shareholder's or Depositor's proxy(ies) and/or representative(s) to the Company (or its agents), the Shareholder or Depositor has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Shareholder or Depositor will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder's or Depositor's breach of warranty.