LAFE CORPORATION LIMITED

(Company Registration Number: 26304)
(Incorporated in Bermuda)

THE DEFERMENT OF THE REMAINDER OF THE IST TRANCHE LOAN DUE ON 18 JUNE 2016 BY LAFE (EMERALD HILL) DEVELOPMENT PTE. LTD. ("LEHD") IN RELATION TO THE DISPOSAL OF 100% OF THE SHARES IN LEHD TO MADAM YU LO SI, ROSY

Further to the Announcement of Lafe Corporation Limited (the "**Company**") dated 28 September 2015, the Company wishes to announce that LEHD has notified the Company that it will defer the payment of the remainder of the 1st tranche loan of approximately S$20.02 million from 18 June 2016 to 30 September 2016 and will pay an interest at 5% per annum on the deferred amount.

The loan has been reduced from the original principal amount of S$37.09 million to S$20.02 million through the payment of S$17.07 million to the Company.

After taking into consideration of the compensatory interest offered by LEHD, its repayment track record and the sufficiency of security held against the loan balance, the Company has agreed to defer the repayment date to 30 September 2016.

Mr Christopher Ho Wing-On being the Chairman of the Company and the spouse of Madam Yu Lo Si, Rosy is an interested person for the purposes of Chapter 9 of the SGX Listing Manual. He has abstained from all deliberations of the Board in respect of the deferment of repaying the 1st tranche loan.

By Order of the Board

Paul Francis Gregory Binney
Company Secretary
17 June 2016