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

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

JOINT ANNOUNCEMENT

ELECTRONIC DESPATCH OF EXIT OFFER LETTER IN RELATION TO THE EXIT OFFER IN CONNECTION WITH THE DIRECTED DELISTING OF LAFE CORPORATION LIMITED BY SANSUI ELECTRIC (CHINA) COMPANY LIMITED TO ACQUIRE ALL THE OFFER SHARES OF LAFE CORPORATION LIMITED

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1. INTRODUCTION

Sansui Electric (China) Company Limited (the "**Offeror**") and Lafe Corporation Limited (the "**Company**") refer to the joint announcement released by the Offeror and the Company dated 27 May 2020 ("**Joint Announcement**") in connection with the conditional exit cash offer ("**Exit Offer**") by the Offeror for all the issued and paid-up ordinary shares in the capital of the Company ("**Shares**"), 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**").

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

2. ELECTRONIC DESPATCH OF EXIT OFFER LETTER

2.1 As stated in the Joint Announcement, the Offeror and the Company have opted to electronically disseminate the exit offer letter ("**Exit Offer Letter**") containing the terms of the Exit Offer, pursuant to the Securities Industry Council's Public Statement on Despatch of Take-Over Documents under the Code issued on 6 May 2020. An electronic copy of the Exit Offer Letter dated 10 June 2020 which contains, among other things, the Company's Letter to Shareholders (which sets outs, *inter alia*, the advice of the IFA to the Independent Directors in relation to the financial terms of the Exit Offer in compliance with Rule 1309 of the Listing Manual in force at the time of the Delisting Notification and Rule 24.1 of the Code and the recommendation of the Independent Directors to the Shareholders in relation to the Exit Offer), has been published on the website of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") at https://www.sgx.com and on the website of the Company at www.lafecorporation.com.

2.2 Shareholders who wish to receive a hardcopy of the Exit Offer Letter should contact the Company's share transfer agent ("**Share Transfer Agent**"), M & C Services Private Limited, at the address 112 Robinson Road #05-01 Singapore 068902 or the telephone number +65 6227 6660, which will arrange to forward a hardcopy of the Exit Offer Letter to such Shareholders by ordinary post and at such Shareholders' risk to such address in Singapore as shown on the Register of the Company or, as the case may be, in the records of CDP (as defined below).

3. POSTING OF HARDCOPY NOTIFICATION AND ACCEPTANCE FORMS

In connection with the electronic despatch of the Exit Offer Letter, a hardcopy notification containing instructions on how to access the electronic copy of the Exit Offer Letter ("**Hardcopy Notification**") has been posted together with the following documents:

(a) in the case of the Hardcopy Notification sent to a Shareholder whose Offer Shares are deposited with The Central Depository (Pte) Limited ("**CDP**"), a Form of Acceptance and Authorisation for Offer Shares ("**FAA**") and a pre-addressed envelope; and

(b) in the case of the Hardcopy Notification sent to a Shareholder whose Offer Shares are not deposited with CDP ("**in scrip form**"), a Form of Acceptance and Transfer for Offer Shares ("**FAT**") and a pre-addressed envelope.

Shareholders who do not receive any of the above documents should contact (1) CDP (if such Shareholder holds Offer Shares deposited with CDP) at CDP's Customer Service Hotline +65 6535 7511 during their operating hours or email CDP at asksgx@sgx.com for assistance or (2) the Share Transfer Agent, M & C Services Private Limited (if such Shareholder holds Offer Shares in scrip form) at the address 112 Robinson Road #05-01 Singapore 068902 or the telephone number +65 6227 6660.

4. CLOSING DATE

Acceptances of the Exit Offer must be received by the close of the Exit Offer at 5.30 p.m. (Singapore time) on 8 July 2020 (the "Closing Date").

The Offeror will not extend the Exit Offer beyond the Closing Date, save that such notice of the Offeror's intention not to extend the Exit Offer beyond the Closing Date shall not be capable of being enforced in a competitive situation.

5. PROCEDURES FOR ACCEPTANCE

The procedures for acceptance of the Exit Offer are set out in Appendix II to the Exit Offer Letter and in the FAA and/or the FAT (the "**Acceptance Forms**").

Shareholders who wish to accept the Exit Offer may do so by completing and returning the relevant Acceptance Form(s).

6. OVERSEAS SHAREHOLDERS

6.1 Overseas Shareholders

The availability of the Exit Offer to the Shareholders whose addresses are outside Singapore, as shown on the Register of the Company or, as the case may be, in the records of CDP (each, an "**Overseas Shareholder**") may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Shareholders should inform themselves about and observe any applicable requirements in their own jurisdictions, and exercise caution in relation to the Exit Offer, as the Exit Offer Letter, the Acceptance Forms and any other formal documentation relating to the Exit Offer ("**Delisting Documents**") have not been reviewed by any regulatory authority in any overseas jurisdiction. **Where there are potential restrictions on sending the Delisting Documents to any overseas jurisdiction, the Offeror, CDP and the Company each reserves the right not to send such documents to such overseas jurisdictions.** For the avoidance of doubt, the Exit Offer is open to all the Shareholders holding Offer Shares, including those to whom the Delisting Documents have not been, or

may not be, sent, provided that the Delisting Documents shall not be construed as, may not be used for the purpose of, and do not constitute a notice or proposal or advertisement or an offer or invitation or solicitation in any jurisdiction or in any circumstances in which such notice or proposal or advertisement or an offer or invitation or solicitation is unlawful or unauthorized, or to any person to whom it is unlawful to make such a notice of proposal or advertisement or an offer or invitation or solicitation.

6.2 **Restricted Jurisdictions**

Copies of the Delisting Documents are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Exit Offer would violate the applicable law of that jurisdiction ("**Restricted Jurisdiction**") and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Exit Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Exit Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

6.3 **Copies of the Hardcopy Notification and the Acceptance Forms**

Subject to compliance with applicable laws, Overseas Shareholders may, nonetheless, obtain copies of the Hardcopy Notification and the Acceptance Forms during normal business hours, from the date of the Exit Offer Letter and up to the Closing Date, from the office of the Share Transfer Agent, M & C Services Private Limited, at 112 Robinson Road, #05-01, Singapore 068902. Alternatively, an Overseas Shareholder may, subject to compliance with applicable laws, write in to the Share Transfer Agent, M & C Services Private Limited, at 112 Robinson Road, #05-01, Singapore 068902 to request for the Hardcopy Notification and the Acceptance Forms to be sent to an address in Singapore by ordinary post at the Overseas Shareholder's own risk, up to five (5) Market Days prior to the Closing Date.

6.4 **Responsibility of Overseas Shareholders**

It is the responsibility of any Overseas Shareholder who wishes to (a) request for the Hardcopy Notification and the Acceptance Forms, and/or (b) accept the Exit Offer, to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror, CDP, the Company and/or any person acting on its behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments that the Offeror, CDP the Company and/or any person acting on its behalf may be required to pay. In (i) requesting for the Hardcopy Notification and the Acceptance Forms and/or (ii) accepting the Exit Offer, the Overseas Shareholder represents and warrants to the Offeror, CDP and the Company that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements.

Any Overseas Shareholder who is in any doubt about his position should consult his professional adviser in the relevant jurisdiction.

7. INDEPENDENT ADVICE

The advice of the IFA to the Independent Directors in relation to the financial terms of the Exit Offer in compliance with Rule 1309 of the Listing Manual in force at the time of the Delisting Notification and Rule 24.1 of the Code, and the recommendation of the Independent Directors to the Shareholders in relation to the Exit Offer are contained in the Company's Letter to Shareholders set out in Appendix V of the Exit Offer Letter.

If any Shareholder is in doubt in relation to any aspect of the Exit Offer Letter or as to the course of action that such Shareholder should take, such Shareholder should consult his or her stockbroker, bank manager, solicitor, professional accountant or other professional adviser immediately.

8. RESPONSIBILITY STATEMENT

8.1 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.

8.2 The Directors of the Company (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement (other than those relating to the Offeror, the IFA and M & C Services Private Limited) 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 Offeror, the IFA or M & C Services Private Limited, the sole responsibility of the Directors of the Company as 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 Directors of the Company jointly and severally accept responsibility accordingly.

BY ORDER OF THE BOARD

LAFE CORPORATION LIMITED

Mr. Will, Eduard William Rudolf Helmuth
Chairman

BY ORDER OF THE BOARD

SANSUI ELECTRIC (CHINA) COMPANY LIMITED

Christopher Ho Wing-On
Director

10 June 2020