LAFE CORPORATION LIMITED

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

RESPONSE TO SGX-ST QUERIES

The Board of Directors (the "Board") of Lafe Corporation Limited (the "Company") wishes to announce the following in respect of the Company's Report on Corporate Governance as contained on page 7 of its Annual Report 2013 ("Annual Report"), in response to queries from the Singapore Exchange Securities Trading Limited ("SGX-ST").

SGX-ST Queries:

1. As required by Rule 1207(12) of the SGX-ST Listing Manual ("Listing Manual"), please make disclosures as recommended in the Code of Corporate Governance 2012 (the "Code") or otherwise explain the reason(s) for the deviation from the following Code recommendations:

1.1 Paragraph 9.2 of the Code states that the Company should fully disclose the remuneration of each individual director and the CEO on a named basis. For administrative convenience, the Company may round off the disclosed figures to the nearest thousand dollars.

Company's Response

In respect of the Company's disclosure of the remuneration of directors set out on page 11 of the Annual Report, the Company has not disclosed the remuneration of each individual director and the CEO on a named basis. The Board after weighing the advantages and disadvantages of such disclosure was of the view that full disclosure of the actual remuneration of each director and the CEO would not be in the interests of the Company as such information was confidential and sensitive, and could be exploited by competitors. The Board was of the opinion that the information disclosed in the Annual Report would be sufficient for shareholders to have an adequate appreciation of the Company's compensation policies and practices in respect of the directors and CEO.

1.2 Paragraph 9.3 of the Code states that the Company should disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO).

Company's Response

In respect of the Company's disclosure of the remuneration of key management personnel (who are not directors or the CEO) set out on page 11 of the Annual Report, the Company has not disclosed the total aggregate remuneration of the top five key management personnel (who are not directors or the CEO). The Company had only 4 key management personnel (who are not directors or the CEO). In respect of such persons, the Board after weighing the advantages and disadvantages of such disclosure was of the view that full disclosure of the aggregate total remuneration paid to such persons would not be in the interests of the Company as such information was confidential and sensitive, and could be exploited by competitors. The Board was of the opinion that the information disclosed in the Annual Report would be sufficient for shareholders to have an adequate appreciation of the Company's compensation policies and practices in respect of the Company's key management personnel.

1.3 Paragraph 9.4 of the Code states that the annual remuneration report should disclose the details of the remuneration of employees who are immediate family members of a director or the CEO and whose remuneration exceeds S$50,000 during the year.

Company's Response

The Company does not have any employee who is an immediate family member of any director or the CEO.

2. Paragraph 11.3 of the Code states that the Board should also comment in the Company's Annual Report on whether it has received assurance from the CEO and the Chief Financial Officer (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and (b) regarding the effectiveness of the Company's risk management and internal control systems. As required by Rule 710 of the Listing Manual, please make disclosure as recommended in the Code or otherwise explain the reason(s) for the deviation.

Company's Response

In respect of Internal Controls as set out on page 13 of the Annual Report, the Board had received assurance from the CEO and the Chief Financial Officer (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and (b) regarding the effectiveness of the Company's risk management and internal control systems.

By Order of the Board

Paul Francis Gregory Binney
Company Secretary
17 April 2014