

# LAFE CORPORATION LIMITED

(Company Registration Number: 26304)

(Incorporated in Bermuda)

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## APPROVAL OF APPLICATION FOR FURTHER EXTENSION OF TIME TO HOLD AGM AND FOR EXTENSION OF TIME TO ANNOUNCE THE FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2020

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### 1. INTRODUCTION

1.1. The Board of Directors (the “**Board**”) of Lafe Corporation Limited (the “**Company**”) refers to:

- (a) the announcement dated 22 April 2020 in relation to the Company’s application to the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) to request for a time extension of up to 2 months (i.e. till 30 June 2020) to hold the annual general meeting (“**AGM**”) of the Company (“**Original AGM Extension Application**”);
- (b) the announcement dated 4 May 2020 on the SGX-ST’s approval of the Original AGM Extension Application;
- (c) the announcement dated 14 May 2020 in relation to the Company’s application to the SGX-ST for a waiver from Rule 705(2) of the Listing Manual of the SGX-ST (“**Listing Manual**”) and a grant of an extension of time from 15 May 2020 to 15 June 2020 for the Company to announce its financial statements for the first quarter ended 31 March 2020 (“**Q1 FY2020 Results**”); and
- (d) the announcement dated 16 June 2020 in relation to the Company’s application to the SGX-ST for an extension of time until 15 July 2020 for the Company to announce its Q1 FY2020 Results, and a further extension of time from 30 June 2020 to 30 July 2020 for the Company to hold the AGM.

1.2. The Company wishes to announce that SGX-ST has, on 30 June 2020, informed the Company that, based on the Company’s submissions and representations to SGX-ST, it has no objection to the Company’s application for an extension of time until 15 July 2020 for the Company to announce its Q1 FY2020 Results (“**Q1 Results Extension Waiver**”), and an extension of time until 30 July 2020 for the Company to hold its AGM for the financial year ended 31 December 2019 (“**Further AGM Extension Waiver**”), subject to the following:

- (a) the Company announcing the periods of extension granted, the reasons for seeking the extensions of time, the conditions as required under Rule 107 of the Listing Manual, and if the waiver conditions have been satisfied. If the waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met; and
- (b) submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors’ decision which has yet to be announced by the Company.

## 2. REASONS FOR SEEKING THE EXTENSIONS OF TIME

- 2.1. The Company understands that the new auditors of the Company, Mazars LLP (**"New Auditors"**) were only able to commence audit of the Company's full year results for the financial year ended 31 December 2019 (**"FY2019 Results"**) on 4 May 2020, pursuant to confirmation from SGX-ST on 30 April 2020 that the appointment of the New Auditors may be ratified at the upcoming AGM. The New Auditors have also informed the Company that they were only able to access the working papers of the Company's previous auditors, Baker Tilly TFW LLP, on 5 June 2020, due to the Covid-19 circuit breaker measures. Due to the foregoing reasons, the New Auditors currently have outstanding queries requiring confirmation from various parties. As such, the Company understands that the New Auditors requires more time to audit the Company's FY2019 Results, and the Company understands from the New Auditors that the audit of the Company's FY2019 Results can be completed by the second week of July 2020. For the reasons as set out above, the Company had sought the Further AGM Extension Waiver.
- 2.2. As announced by the Company on 10 June 2020, Sansui Electric (China) Company Limited (the **"Offeror"**) has made a conditional exit offer (**"Exit Offer"**) in connection with the directed delisting of the Company for all the issued and paid-up ordinary shares in the capital of the Company, other those already owned, controlled or agreed to be acquired by the Offeror as at the date of the Exit Offer in accordance with Singapore Code on Take-overs and Mergers (**"Code"**). Pursuant to Rule 25.6(c) of the Code, unaudited financial information released by the Company during an offer period would have to be reported on by the Company's auditors and the independent financial adviser, ZICO Capital Pte. Ltd (**"IFA"**) (the **"Reporting Requirement"**). In this regard, the Company is of the view that as the FY2019 Results has not been audited, it may not be meaningful for the New Auditors and the IFA to report on the Q1 FY2020 Results. While the Q1 FY2020 Results have already been finalised, the Company is of the view that the better approach is to finalise and complete the audit of the FY2019 Results followed by the reporting of the Q1 FY2020 Results by the New Auditors and the IFA, where such reports will then be appended to the Q1 FY2020 Results. In order for the New Auditors to complete the audit of the FY2019 Results and so as to avoid a technical breach of the Code if the Q1 FY2020 Results are announced without complying with the Reporting Requirements, the Company had sought the Q1 Results Extension Waiver.

## 3. CONFIRMATIONS BY THE BOARD

The Board confirms that:

- (a) the waiver conditions pursuant to the Further AGM Extension Waiver and the Q1 Results Extension Waiver have been satisfied;
- (b) the Company has submitted to SGX-ST a written confirmation that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company; and
- (c) the Further AGM Extension Waiver and the Q1 Results Extension Waiver do not contravene any laws and regulations governing the Company and the Bye-Laws of the Company as at the date of this announcement

**4. APPLICATION TO RELEVANT REGULATORY AUTHORITY NOT REQUIRED**

Pursuant to the laws of Bermuda, the country in which the Company was incorporated, the Company is not required to seek the Further AGM Extension Waiver or the Q1 Results Extension Waiver. As such, no application was made by the Company to the relevant regulatory authority in Bermuda to seek the Further AGM Extension Waiver or the Q1 Results Extension Waiver

**5. MATERIAL DEVELOPMENTS**

The Company will keep shareholders updated on details relating to the upcoming AGM and Q1 FY2020 Results will make such further announcements as and when appropriate.

BY ORDER OF THE BOARD

Paul Francis Gregory Binney

Company Secretary

1 July 2020