

**PROPOSED DISPOSAL OF LORENZO FURNITURE (KUNSHAN) CO., LTD.
– COMMENCEMENT OF LEGAL PROCEEDINGS BY THE PURCHASER**

1. INTRODUCTION

Lorenzo International Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to its announcements dated 13 August 2019, 25 September 2019 and 30 October 2019 (the “**Previous Announcements**”) in relation to the proposed disposal of the Company’s entire shareholding interest in its wholly-owned subsidiary, Lorenzo Furniture (Kunshan) Co., Ltd. for an aggregate consideration of RMB 88 million to Shanghai Kunhao Wood Industry Co., Ltd., an independent third party (the “**Purchaser**”) (the “**Proposed Disposal**”). Unless otherwise defined, all capitalised terms used herein shall bear the meanings ascribed to them in the Previous Announcements.

The Company would like to inform shareholders that the Purchaser has notified the Company that it has commenced proceedings to enforce its legal rights under the Share Transfer Agreement. The Purchaser is also seeking compensation for the long delay in the completion of the Share Transfer.

The Company would be engaging a legal counsel to represent it in the said lawsuit.

2. FURTHER ANNOUNCEMENTS

The Company will make subsequent announcements to update Shareholders when there are material updates as may be necessary or appropriate.

3. CAUTION IN TRADING

Shareholders and potential investors of the Company should note that the Proposed Disposal is subject to the fulfilment of certain conditions precedent.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company. In particular, Shareholders and potential investors of the Company should note that there is no certainty or assurance as at the date of this Announcement that the Proposed Disposal will be completed. Shareholders and potential investors of the Company are advised to read this Announcement and any further announcements made by the Company carefully. Shareholders and potential investors of Company should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Lim Pang Hern
Executive Director
16 November 2020