LORENZO INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200508277C)

ANNOUNCEMENT OF INTERESTED PERSON TRANSACTIONS PURSUANT TO RULE 905(2) OF THE LISTING MANUAL

Pursuant to Rule 905(2) of the SGX-ST Listing Manual, Lorenzo International Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce the following interested person transactions ("**IPTs**") that the Group has entered into for the period from 1 January 2016 to the date hereof:

Name of Interested Person(s)	**Details of IPTs**	**Aggregate Value of IPTs (excluding transactions less than S$100,000) (S$' 000)**
MEP Logistics Pte Ltd ("**MEPL**")	Purchases of furniture by the Company's wholly-owned subsidiary, Uhin Holding Pte Ltd, from MEPL. This IPT was entered into by the Group on an arm's length basis in its ordinary course of business and the purchase price was arrived at on a willing buyer-willing seller basis, taking into consideration prevailing market rates.	374
BD Cranetech Pte Ltd ("**BDCPL**")	Sales of furniture by the Company's indirect wholly-owned subsidiary, Supreme Furnishing Centre Pte Ltd, to BDCPL. This IPT was entered into by the Group on an arm's length basis in its ordinary course of business and the purchase price was arrived at on a willing buyer-willing seller basis, taking into consideration prevailing market rates.	374
Total		**748**

Mr Lim Pang Hern, a Director of the Company, holds (i) an effective equity interest of 70% in MEPL, and (ii) a direct shareholding interest of 55% in BDCPL. Accordingly, each of MEPL and BDCPL are associates (as defined under the SGX-ST Listing Manual) of Mr Lim Pang Hern.

For the purposes of Rule 905(2) of the SGX-ST Listing Manual, MEPL and BDCPL are treated as the same interested person and the transactions entered into between the Group and MEPL and BDCPL are aggregated in determining whether the designated financial threshold under Rule 905(2) of the SGX-ST Listing Manual is triggered.

The aggregate value of the IPTs entered into between the Group and the same interested persons for the period from 1 January 2016 to the date hereof, is approximately S$748,000 (the "**Aggregate Value**"), representing approximately 4.79% of the Group's latest audited net tangible assets of approximately S$15,616,000 as at 31 December 2015 (the "**Group NTA**").

The Aggregate Value of the IPTs does not exceed 5% of the Group NTA. As such, the Company is not required to seek Shareholders' approval pursuant to Rule 906(1)(b) of the SGX-ST Listing Manual for the IPTs.

Rationale and Benefit of the IPTs

The Group's core business is the sale and purchase of furniture. As the Group conducts its business in, *inter alia*, the retail, distributorship and import/export segments, it deals with a wide range of customers and suppliers, including individuals, retailers, distributors and other corporates. It is in line with the Group's business model to buy and sell furniture from available sources and consumers as long as the terms of the relevant transaction is assessed to be in the commercial interests of the Group, taking into consideration factors such as pricing competitiveness and priority and/or flexibility in terms of delivery. The transactions with MEPL and BDCPL had, pursuant to such considerations, been assessed to be in the commercial interests of the Group.

Audit Committee's Statement

The Audit Committee of the Company has reviewed the above IPTs and is of the view that the IPTs are transacted on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

Interest of Directors and Substantial Shareholders

Save as disclosed above and save for their shareholdings in the Company, none of the Directors or substantial Shareholders of the Company has any interest, direct or indirect, in the IPTs.

By Order of the Board

Teoh Jin Thean
Executive Director / Chief Executive Officer
19 August 2016