LORENZO INTERNATIONAL LIMITED
(Company Registration No. 200508277C)
(*Incorporated in the Republic of Singapore*)

UPDATE ON USE OF PROCEEDS

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1. UPDATE ON USE OF PROCEEDS

1.1 Introduction

The Board of Directors (the "**Board**") of Lorenzo International Limited (the "**Company**") refers to:

(a) the issue of 43,317,693 new ordinary shares at S$0.066 each in the issued and paid-up share capital of the Company pursuant to the placement completed on 14 March 2014 (the "**Placement**"); and

(b) the issue of 53,894,308 new ordinary shares at S$0.07 each in the issued and paid-up share capital of the Company pursuant to the rights issue completed on 27 April 2015 (the "**Rights Issue**").

The Board further refers to the Company's announcement dated 8 May 2015 relating to, *inter alia*, the term sheet relating to the proposed transaction between the Company and Straitsworld Advisory Limited (the "**Proposed Transaction**").

The Company wishes to update shareholders of the Company ("**Shareholders**") on the use of proceeds from the Placement and the Rights Issue.

1.2 Use of proceeds from the Placement and Rights Issue

The Board wishes to inform Shareholders that the remaining net proceeds of approximately S$1.623 million from the Placement and the net proceeds of approximately S$3.545 million from the Rights Issue have been utilised by the Company as follows:

(a) the remaining net proceeds of approximately S$1.623 million from the Placement and net proceeds of S$0.377 million from the Rights Issue have been used to pay for the refundable deposit of S$2 million in the Proposed Transaction; and

(b) net proceeds of approximately S$0.756 million from the Rights Issue has been used for working capital purposes. The breakdown of the utilisation for working capital of S$0.756 million was as follows:

Working capital purpose	S$ million
Payroll	S$0.304
Supplier payment	S$0.349
Rental	S$0.103
Total	S$0.756 million

The above utilisations were in accordance with the intended use of proceeds of the Placement and the Rights Issue.

Pending the deployment of the remaining net proceeds of approximately S$2.412 million remaining from the Rights Issue, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments and/or marketable securities, or used for any other purposes on a short-term basis, as the Directors may deem appropriate in the interest of the Group.

BY ORDER OF THE BOARD

Teoh Jin Thean
Executive Director / CEO
Singapore, 8 May 2015