

# LORENZO INTERNATIONAL LIMITED

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

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## RESPONSE TO SGX-ST'S QUERY ON THE ANNUAL REPORT 2013

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The Board of Directors of Lorenzo International Limited (the “**Group**” or “**Company**”) wishes to announce the following in response to the SGX-ST’s query regarding the Company’s Annual Report 2013 (the “**Annual Report**”):

### *SGX-ST’s Query*

Paragraph 11.3 of the Code of Corporate Governance 2012 (the “**Code**”) states that the Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems, in the company’s Annual Report. As recommended in paragraph 11.3 of the Code and pursuant to Rule 710 of the Listing Manual, please make disclosures on the Board’s comments on the adequacy and effectiveness of the Company’s risk management systems or otherwise explain the reason(s) for the deviation from the following Code recommendations.

### *Company’s response*

The Company had disclosed in page 31 of the Annual Report that the Group is too small and its business is such that it does not have a risk management committee. Instead, the Board, Audit Committee and the Management assume the responsibility of the risk management function. The Management reviews regularly the Group’s business and operational activities to identify areas of significant risks including financial, operating, compliance, information technology (“**IT**”) and other risks as well as appropriate measures to control and mitigate these risks. The Management reviews all significant policies and procedures and highlights all significant matters to the Board and the Audit Committee.

Based on the risk management functions established and maintained by the Group, the Audit Committee and the Board are of the opinion that the Group’s risk management systems and notably those systems that monitor and manage financial, operating, compliance, IT and other risks were adequate and effective as at 31 December 2013 for its current business environment.

### **By order of the board**

Goh Ah Lee  
Executive Chairman / Group Managing Director  
28 April 2014