

LORENZO INTERNATIONAL LIMITED

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

RESPONSE TO SGX-ST'S QUERY ON HY2016 FINANCIAL STATEMENTS

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 Financial Statements and Related Announcement: Half Yearly Results” dated 8 August 2016 (the “**HY2016 Financial Statements**”):

SGX-ST's Query

We refer to Paragraph 12 “Interested Person Transactions” in the “Financial Statements and Related Announcement: Half Yearly Results” dated 8 August 2016, in which the following transactions above S\$100,000 were disclosed:

(a) Purchases from a firm of which a director of the Company is a member – S\$187,000

(b) Sales to a firm of which a director of the Company is a member – S\$384,000

- (1) Please provide the identities and details of the above transactions (a) and (b).
- (2) If the transactions are with the same interested person, please provide the details required under Rule 905(2) of the Listing Rules, where applicable. Otherwise, as the transactions with the same interested person exceeds 3% of the latest audited NTA, please explain how Rule 905(2) has been complied with.
- (3) If no IPT mandate has been obtained, please make a statement to that effect.

Company's response

(1) The Company wishes to clarify as follows:

(a) Purchases from a firm of which a director of the Company is a member – S\$187,000 (the “MEPL Transaction”)

The Company’s wholly-owned subsidiary, Uhin Holding Pte Ltd, had made purchases of furniture amounting to S\$186,884 from MEP Logistics Pte Ltd (“MEPL”) during the six months ended 30 June 2016 (“HY2015”). MEPL is an associate (as defined under the SGX-ST Listing Manual) of Mr Lim Pang Hern, a Director of the Company.

(b) Sales to a firm of which a director of the Company is a member – S\$384,000 (the “BDCPL Transactions”)

The Company’s wholly-owned indirect subsidiary, Supreme Furnishing Centre Pte Ltd, had, during HY2015, entered into two separate transactions with BD Cranetech Pte Ltd (“BDCPL”) relating to the sale of furniture for S\$186,884 and S\$186,789, respectively. BDCPL is an associate (as defined under the SGX-ST Listing Manual) of Mr Lim Pang Hern.

- (2) It is noted that the MEPL Transaction and the BDCPL Transactions were entered into with different interested persons, being MEPL and BDCPL, respectively. Based on the Group's latest audited NTA of approximately S\$15,616,000 (as set out in the Company's Annual Report 2015), each of the value of the MEPL Transaction and the aggregate value of the BDCPL Transactions do not exceed the 3% threshold.
- (3) No IPT mandate has been obtained from the shareholders of the Company.

By Order of the Board

Teoh Jin Thean
Executive Director / Chief Executive Officer

17 August 2016