LORENZO INTERNATIONAL LIMITED

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

ANNOUNCEMENT PURSUANT TO RULE 704(17)(C) OF THE LISTING MANUAL – ACQUISITION OF SHARES IN BREZZA LIVING SDN BHD

The Board of Directors of Lorenzo International Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company's wholly-owned indirect subsidiary, Ginova Marketing Sdn. Bhd. ("**Ginova**") has acquired the entire issued share capital of Brezza Living Sdn Bhd ("**Brezza**") from Mr Lim Sok Kian and Mr Chung Win Kwong (collectively, the "**Vendors**") (the "**Acquisition**") for a deferred consideration of RM1,200,000 (the "**Consideration**") to be payable in three (3) instalments as follows:

(a) RM300,000 within 12 months from the date of the Acquisition (being today, 23 November 2017);

(b) RM450,000 upon Ginova and Brezza achieving a consolidated net profit after tax ("**NPAT**") of at least RM600,000 in any financial year after the Acquisition (the "**1st Achievement Year**"); and

(c) RM450,000 upon Ginova and Brezza achieving a second year of consolidated NPAT of at least RM600,000, which occurrence need not be consecutive to 1st Achievement Year.

Mr Chung Kim Yew has agreed to act as a guarantor to facilitate and guarantee to Ginova, *inter alia,* the successful completion of the Acquisition. In addition, Mr Chung Kim Yew shall, together with the Vendors, act as guarantor in respect of all liabilities (including contingent liabilities) of Brezza up to and as at the date of the Acquisition.

Following the Acquisition, Brezza has become an indirect wholly-owned subsidiary of the Company.

The Consideration was arrived at on an arms' length willing-buyer-willing-seller basis after taking into account various factors, such as the value of selected fixed assets and inventory of Brezza, growth potential and business prospects of Brezza. The Consideration will be wholly satisfied in cash and will be funded by the Group's internal resources.

In connection with the Acquisition, the Board of Directors is pleased to welcome back Mr Chung Kim Yew, the previous Chief Operating Officer and one of the founding Directors of the Group. Mr Chung Kim Yew shall be appointed as Chief Operating Officer of the Company with effect from 23 November 2017. Details of Mr Chung Kim Yew's appointment as Chief Operating Officer of the Group in accordance with the requirements of Rule 704(7) of the SGX-ST Listing Manual are set out in a separate announcement announced today.

The Acquisition is not expected to have any material impact on the net tangible assets per share or earnings per share of the Group for the current financial year ended 31 March 2018.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Acquisition.

By Order of the Board

Lim Pang Hern
Executive Director / Deputy Chairman
23 November 2017