CACOLA FURNITURE INTERNATIONAL LIMITED
(Incorporated in the Cayman Islands)
Company Registration No. 179492

RESPONSE TO THE SGX-ST'S QUERY ON SECOND QUARTER FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2015

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*Capitalised terms used in this announcement shall, save as otherwise defined, have the same meanings ascribed to them in the 2QFY2015 Financial Results Announcement (as defined hereinafter) and the Company's circular dated 20 March 2015 ("**Circular**").*

The Board of Directors of Cacola Furniture International Limited (the "**Company**") refers to the Company's announcement on 12 August 2015 in relation to the second quarter financial statements announcement for the period ended 30 June 2015 ("**2QFY2015 Financial Results Announcement**").

The Singapore Exchange Securities Trading Limited ("**SGX-ST**") has on 14 August 2015, requested the Company to provide further information in respect of the 2QFY2015 Financial Results Announcement. The queries by the SGX-ST and the Company's corresponding answers are set out below:

SGX-ST's Question

Please provide updates pursuant to Listing Rule 704(30) and Listing Rule 1207(20) on the use of proceeds for the following fund-raising exercise of the Company:-

(a) Bridge Loan in 2015; and

(b) Placement Facility in 2015.

Company's response:

(a) As disclosed in Section 4.4.1 of the Circular, all of the proceeds of the Bridge Loan, being S$500,000, have been fully utilised as follows:

Use of Proceeds of Bridge Loan

Proposed uses	**Aggregate Amount Utilised**
Commission payable to Advance Capital Partners Pte Ltd ("**ACP**")	S$50,000
Legal costs and other disbursements	S$33,000
Payment of Professional Fees in connection with the Proposed Transactions, such as reporting accountant and valuation	S$320,000
Professional Fees, such as Internal Control Review,	S$40,000

Company Secretarial and other advisory service	
Independent Directors' fees	S$55,000
Miscellaneous expenses, such as bank charges, currency exchange difference	S$2,000
Total	S$500,000

(b) For the avoidance of doubt, as disclosed in Section 9.2 of the Circular, the Company will only receive fresh funds from the Facility Loan and will not receive fresh funds from the Placement Facility. As at 30 June 2015, the first tranche of the Facility Loan, being an amount of S$500,000 has been disbursed and utilised for the repayment of the Bridge Loan.

BY ORDER OF THE BOARD

ZHOU ZHUO LIN
CHIEF EXECUTIVE OFFICER
17 August 2015