

## CACOLA FURNITURE INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands)

Company Registration Number: 179492

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### (1) THE PROPOSED REVERSE TAKEOVER - TERMINATION OF SALE AND PURCHASE AGREEMENT

### (2) UPDATE ON WATCH-LIST STATUS

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*Capitalised terms used herein shall have the same definitions ascribed to them in the SPA Announcement (as defined below), unless otherwise stated or the context otherwise requires.*

#### 1. Introduction

The board of directors (the “**Board**”) of Cacola Furniture International Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement of the Company dated 10 April 2014 (“**SPA Announcement**”) and 14 January 2015 (“**SPA Supplemental Announcement**”) in relation to the proposed acquisition of the entire equity interest of a company to be incorporated in the British Virgin Islands (“**BVI**”) by Sharp Year Ventures Limited (“**Vendor**”) (the “**Proposed Acquisition**”).

#### 2. Termination of Sale and Purchase Agreement

As stated in the SPA Supplemental Announcement, the Company and the Vendor had agreed to extend the Long-Stop Date of the Sale and Purchase Agreement to 31 December 2015. The Company believes that the market conditions are not conducive for raising funds to satisfy the cash consideration. In addition, the conditions precedent under the Sale and Purchase Agreement have not been fulfilled to date, and the Company and the Vendor believe that certain conditions precedent are unlikely to be fulfilled by the Long-Stop Date. Accordingly, the Company and the Vendor have by mutual agreement, entered into a deed of termination (“**Termination Deed**”) on 29 September 2015, pursuant to which the Sale and Purchase Agreement shall be terminated with effect on the same date.

Following the execution of the Termination Deed, each of the Company’s and the Vendor’s respective obligations and liabilities under the Sale and Purchase Agreement shall cease.

#### 3. Update on Watch-List Status

The Board further refers to the Company’s announcement dated 4 March 2014 in relation to the Company’s Watch-List status. Following the termination of the Sale and Purchase Agreement, the Board would like to inform shareholders that it is in the process of seeking other potential opportunities and proposals that will enhance its financial position and provide a basis to support its application to the SGX-ST for the extension of time to be removed from the Watch-List, and subsequent removal from the Watch-List.

The Company will keep shareholders updated on any development in this regard and make such further announcements as and when appropriate.

**Shareholders are advised to exercise caution in trading their Shares. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.**

The Directors (including those who may have delegated detailed supervision of the preparation of this Announcement) collectively and individually accept full responsibility for the accuracy of the information given in this Announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Proposed Acquisition, the Company and its subsidiaries as at the date hereof, and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading.

BY ORDER OF THE BOARD  
**CACOLA FURNITURE INTERNATIONAL LIMITED**

**ZHOU ZHUO LIN**  
**CHIEF EXECUTIVE OFFICER**  
30 September 2015