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

RESPONSE TO QUERIES OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED REGARDING THE TERMINATION OF THE S$40 MILLION FACILITY AGREEMENT AND S$45 MILLION PLACEMENT AGREEMENT

Capitalised terms used in this announcement shall, save as otherwise defined, have the same meanings ascribed to them in the announcements made by Cacola Furniture International Limited (the "**Company**") on 2 October 2014 and 23 November 2016 (the "**Previous Announcements**").

The Board of Directors (the "**Board**") of the Company refers to the Previous Announcements. The Singapore Exchange Securities Trading Limited ("**SGX-ST**") has on 25 November 2016 requested the Company to provide further information in respect of the termination of the placement agreement between the Company and the Subscriber dated 2 October 2014 for an aggregate amount of up to S$45 million and the conditional unsecured S$40 million facility ("**Facility**") entered into between the Company, the Lender and the Arranger dated 2 October 2014. The queries by the SGX-ST and the Company's corresponding answers are set out below:

SGX-ST's Question 1

(a) Please explain the reasons for the termination.

Company's response :

(a) The Company does not wish to draw down further on this Facility.

SGX-ST's Question 2

(b) Please explain whether there are any cost payable on termination. If so, to quantify.

Company's response :

(b) There is no cost payable on termination.

SGX-ST's Question 3

(c) Please explain whether there are any financial implications to the Company arising from the termination.

Company's response :

(c) There are no financial implications to the Company arising from the termination and where necessary, the Company will look for other forms of funding.

BY ORDER OF THE BOARD

Zhou Min Zong
CHIEF EXECUTIVE OFFICER
28 November 2016