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

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**THE PROPOSED CAPITAL REORGANISATION**

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The Board of Directors (the "**Board**") of Cacola Furniture International Limited (the "**Company**") refers to the announcements made by the Company on 6 January 2014 and 20 March 2015.

The capitalized terms herein shall have the same meaning as that set out in the said announcements made by the Company.

At an extraordinary general meeting held on 13 April 2015, the shareholders of the Company approved the Proposed Capital Reorganisation which also included the Proposed Capital Reduction by the cancellation of the paid-up share capital of the Company to the extent of HKD0.09 on each Share with a par value of HKD0.10 per Share in issue so that each issued Share with a par value of HKD0.10 shall be treated as one fully paid-up Share with a par value of HKD0.01 per Share.

There is a change with regards to the par value of each Share and there will be no change to the total number of issued and paid-up Shares pursuant to the Proposed Capital Reorganisation. The new ordinary Shares with a par value of HKD0.01 each issued after the Proposed Capital Reorganisation becoming effective will rank pari passu in all respects with the existing issue Shares.

The effective date of the Proposed Capital Reduction is on 13 October 2016 and the par value of the issued and unissued Shares will now be HKD0.01 per Share.

**BY ORDER OF THE BOARD**

**ZHOU MIN ZONG**
**CHIEF EXECUTIVE OFFICER**
**14 October 2016**