

CACOLA FURNITURE INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands)
Company Registration Number: 179492

DESPATCH OF CIRCULAR TO SHAREHOLDERS IN RELATION TO:

- (1) **THE PROPOSED CAPITAL REORGANISATION;**
- (2) **THE PROPOSED ALLOTMENT AND ISSUE OF THE CONVERSION SHARES ARISING FROM THE CONVERSION OF THE BRIDGE LOAN TO ADVANCE OPPORTUNITIES FUND (“PROPOSED CONVERSION SHARES ISSUE”);**
- (3) **THE PROPOSED ALLOTMENT AND ISSUE OF UP TO 1,951,431,049 PLACEMENT SHARES UPON THE TERMS AND CONDITIONS OF THE PLACEMENT AGREEMENT TO ADVANCE OPPORTUNITIES FUND (“PROPOSED PLACEMENT SHARES ISSUE”);**
- (4) **THE POSSIBLE TRANSFER OF A CONTROLLING INTEREST TO ADVANCE OPPORTUNITIES FUND ARISING FROM THE PROPOSED CONVERSION SHARES ISSUE AND THE PROPOSED PLACEMENT SHARES ISSUE; AND**
- (5) **THE WHITEWASH RESOLUTION IN CONNECTION WITH THE PROPOSED CONVERSION SHARES ISSUE AND THE PLACEMENT SHARES ISSUE.**

Unless otherwise defined herein, all capitalised terms and references used herein shall bear the same meaning ascribed to them in the Fund Raising Announcements (as defined below).

The board of directors (the “**Board**”) of Cacola Furniture International Limited (“**Company**”, together with its subsidiaries, the “**Group**”) refers to the announcements released by the Company on 2 October 2014, 17 February 2015, 16 March 2015 and 17 March 2015 (collectively, “**Fund Raising Announcements**”) in relation to the Facility Agreement, Placement Agreement and Bridge Loan Agreement (collectively, the “**Proposed Transactions**”) that the Company had entered into with Advance Opportunities Fund (“**AOF**”) as the Lender and/or Subscriber, and where applicable, Advance Capital Partners Pte Ltd (“**ACP**”) as the Arranger.

The Board wishes to announce that the Company has today despatched the circular dated 20 March 2015 (“**Circular**”) in respect of, *inter alia*, the Proposed Transactions to our shareholders (“**Shareholders**”). The electronic copy of the Circular will be made available on the website of the SGX-ST at www.sgx.com.

The Circular contains details of, *inter alia*, the Proposed Transactions, recommendations of the Directors and independent financial advisor to the Company in relation to the Proposed Transactions, as well as the notice of extraordinary general meeting to be held by the Company (“**EGM**”). Shareholders are advised to read the Circular carefully.

Shareholders are requested to note the following important dates and times in respect of the EGM:

Last date and time for lodgment of Proxy Form	:	11 April 2015 at 10.00 a.m.
Date and time of EGM	:	13 April 2015 at 10.00 a.m.
Place of EGM	:	Hotel Re!@Pearl’s Hill Re!Tune & Re!Call

175A Chin Swee Road
Singapore 169879

Shareholders who have not received the Circular within a week from the date hereof should contact the Company's share registrar, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623. Further announcements in relation to, *inter alia*, the Proposed Transactions will be made by the Company as and when appropriate.

Shareholders are advised to exercise caution in trading their Shares. The Proposed Transactions are subject to certain conditions. There is no certainty or assurance as at the date of this announcement that all or any of the Proposed Transactions will be completed or that no further changes will be made to the terms thereof. The Company will make further announcements on the Proposed Transactions as appropriate or when there are further developments on the same. Shareholders are advised to read this announcement and any further announcements by the Company carefully. 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, the facts stated and opinions expressed herein are fair and accurate in all material respects as at the date hereof, and that there are no material facts the omission of which would make this announcement misleading.

BY ORDER OF THE BOARD
CACOLA FURNITURE INTERNATIONAL LIMITED

ZHOU ZHUO LIN
CHIEF EXECUTIVE OFFICER
20 March 2015