

## CACOLA FURNITURE INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands)

Company Registration No. 179492

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- (1) PROPOSED PLACEMENT OF 902,734,645 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY ("**SETTLEMENT SHARES**") AT THE PLACEMENT PRICE OF S\$0.0045 PER SETTLEMENT SHARE TO THE CREDITORS (AS DEFINED IN THE ANNOUNCEMENT MADE ON 18 APRIL 2016) PURSUANT TO THE SETTLEMENT AGREEMENT (AS DEFINED IN THE ANNOUNCEMENT MADE ON 18 APRIL 2016).
  - (2) PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF AN AGGREGATE OF UP TO 6,446,991,796 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY ("**RIGHTS SHARES**"), AT AN ISSUE PRICE OF S\$0.00475 FOR EACH RIGHTS SHARE, ON THE BASIS OF FOUR (4) RIGHTS SHARES FOR EVERY ONE (1) EXISTING ORDINARY SHARE IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE TO BE DETERMINED, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED.
  - (3) PROPOSED INCREASE IN THE AUTHORISED SHARE CAPITAL OF THE COMPANY
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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 (i) on 18 April 2016, 17 May 2016 and 2 July 2016 in relation to the Company's proposed issuance of the Settlement Shares at the placement price of S\$0.0045 per Settlement Share (the "**Proposed Placement**"); and (ii) on 3 May 2016 and 2 July 2016 in relation to the Company's proposed issuance of the Rights Shares at the issue price of S\$0.00475 per Rights Share (the "**Proposed Rights Issue**").

The Board wishes to announce that the Company has today despatched the circular dated 12 July 2016 ("**Circular**") in respect of, amongst others, the Proposed Placement, the Proposed Rights Issue and the proposed increase in authorized share capital of the Company (collectively the "**Proposed Transactions**"), to the Company's shareholders ("**Shareholders**"). The electronic copy of the Circular will be made available on the website of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") at [www.sgx.com](http://www.sgx.com).

The Circular contains details of the Proposed Transactions, the recommendations of the Board in relation to the Proposed Transactions and the notice of the extraordinary general meeting of 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 lodgement of Proxy Form	: 25 July 2016 at 10:30 am
Date and time of Extraordinary General Meeting	: 27 July 2016 at 10:30 am
Place of Extraordinary General Meeting	: Hotel Re! @ Pearl's Hill, Re! Union, Level 2 175A Chin Swee Road Singapore 169879

Shareholders who do not receive 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 ordinary shares in the capital of the Company. 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 in-principle approval from the SGX-ST for the listing and quotation of the Settlement Shares and the Rights Shares is not to be taken as an indication of the merits of the Proposed Placement, the Settlement Shares, the Proposed Rights Issue, the Rights Shares, the Company and/or its subsidiaries.

The Directors (including any Director 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 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. Where information has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

**BY ORDER OF THE BOARD**

**ZHOU MIN ZONG**  
**CHIEF EXECUTIVE OFFICER**  
**12 July 2016**