

CACOLA FURNITURE INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands)

Company Registration Number:

179492

NOTIFICATION

Cacola Furniture International Limited (the “**Company**”) was placed on the Watch-list on 5 March 2014 pursuant to Listing Rule 1311 and was granted an extension of a 12-month period to 4 March 2017 to exit from the Watch-List. Since then, the Company has been making efforts to meet the requirements of Listing Rule 1314 and exit from the Watch-list.

The Company wishes to inform the shareholders that after considering the Company's application made on 22 February 2017 for a further extension of time to exit from the Watch-List and the Group's unaudited results for the financial year ended 31 December 2016, the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) has rejected the Company's application and the Company has received a notification (“**Notification**”) from the SGX-ST on 3 March 2017. In the Notification, the SGX-ST has informed the Company, inter alia, that : (i) the SGX-ST will proceed to delist the Company from the Mainboard of the SGX-ST on 3 April 2017; and (ii) the Company is to advise the SGX-ST of the exit offer proposal (“**Proposal**”) no later than one month from the date of the Notification.

The board of directors is in discussion with SGX-ST to appeal the decision of the SGX-ST based on, amongst other things, the following :

1. according to the Group's unaudited results for the financial year ended 31 December 2016, the Group reported a profit before tax and a profit after tax of approximately RMB9,394,000 and RMB9,345,000 respectively. In addition, the Group reported operating profit before working capital changes of RMB4,634,000;
2. the Group has a healthy cash flow position once certain non-cash items are removed. The Company is working with the auditors of the Company to finalise the year end result and disclosure of certain non-cash items affecting the cashflow position.

Pursuant to Listing Rule 1306, the issuer or its controlling shareholder(s) must comply with Listing Rule 1309 which requires the Company or its controlling shareholder(s) to provide a reasonable exit offer to shareholders of the Company.

Trading in the Company's securities will continue until 5.05pm, 31 March 2017 and the trading will remain suspended from 9 am, 3 April 2017 until completion of the exit offer.

The board of directors will continue their discussion with SGX-ST and the Company will continue to update shareholders on the aforesaid and the status of the Proposal.

BY ORDER OF THE BOARD

CACOLA FURNITURE INTERNATIONAL LIMITED

ZHOU MIN ZONG

Chief Executive Officer

6 March 2017