CACOLA FURNITURE INTERNATIONAL LIMITED
(Incorporated in the Cayman Islands)
Company Registration Number: 179492

THE ALLOTMENT AND ISSUE OF 22,222,222 PLACEMENT SHARES PURSUANT TO THE PLACEMENT AGREEMENT

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*Capitalised terms used herein shall have the same definitions ascribed to them in the Company's circular to shareholders dated 20 March 2015 ("**Circular**"), unless otherwise stated or the context otherwise requires.*

The board of directors (the "**Board**") of Cacola Furniture International Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Circular and its announcements dated 2 October 2014, 17 February 2015, 16 March 2015, 17 March 2015, 13 April 2015, 9 June 2015, 7 July 2015, 23 July 2015 and 6 August 2015 in relation to, *inter alia*, the Placement Agreement.

The Board wishes to announce that the Company has received a Subscription Request from Advance Opportunities Fund (the "**Subscriber**"), pursuant to which the Company has allotted and issued 22,222,222 Placement Shares ("**5th Tranche Placement Shares**") at an issue price of HK$0.10 (approximately S$0.017) per Placement Share to the Subscriber on 1 September 2015. The Placement Issue Price of the 5th Tranche Placement Shares determined in accordance with the Placement Agreement results in an issue price below the par value of the Shares. As shares of a Cayman Islands company may not be issued for an amount less than the par value of the shares, the Parties have agreed to issue the 5th Tranche Placement Shares at an issue price of HK$0.10 (approximately S$0.017), being the par value of the Shares. The issue price of HK$0.10 (approximately S$0.017) per Placement Share represents a premium of approximately 54.5% to the Placement Issue Price determined in accordance with the Placement Agreement.

Following the allotment and issuance of the 5th Tranche Placement Shares, the issued and paid-up share capital of the Company has increased from HK$66,931,037.10 comprising 669,310,371 Shares, to HK$69,153,259.30 comprising 691,532,593 Shares. The 5th Tranche Placement Shares represent in aggregate approximately 3.2% of the enlarged share capital of the Company.

The 5th Tranche Placement Shares shall rank *pari passu* in all respects with and carry all rights similar to existing Shares, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the date of issue of the 5th Tranche Placement Shares.

The 5th Tranche Placement Shares are expected to be listed and quoted on the Official List of the SGX-ST with effect from 9.00 a.m. on 3 September 2015. The in-principle approval granted by the SGX-ST is not an indication of the merits of the placement of the Placement Shares, the Placement Shares, the 5th Tranche Placement Shares, the Company and/or its subsidiaries.

BY ORDER OF THE BOARD
CACOLA FURNITURE INTERNATIONAL LIMITED

ZHOU ZHUO LIN
CHIEF EXECUTIVE OFFICER
1 September 2015