NATURAL COOL®
HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
Company Registration No. 200509967G

UPDATE ON RECEIPT OF LETTER OF DEMAND

The Board of Directors (the "**Board**") of Natural Cool Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to its announcement dated 9 March 2017 regarding the receipt of a letter of demand from Mr Ng Quek Peng ("**Mr Ng**"), and wishes to announce that the Company had on 16 May 2018 entered into a confidential settlement agreement with Mr Ng.

The confidential settlement agreement was facilitated at the Singapore Mediation Centre before Mr George Lim, S.C.

Based on the confidential settlement agreement, the Company does not expect the settlement terms to have any material impact on the financial performance or financial position of the Group for the current financial year ending 31 December 2018.

BY ORDER OF THE BOARD

Wong Leon Keat
Managing Director

16 May 2018

About Natural Cool Holdings Limited

Established in 1989 and listed on Catalist (formerly known as SESDAQ) in May 2006, Natural Cool provides installation, maintenance, repair and replacement services for air-conditioning systems to the residential segment, both public and private; and commercial sectors, which includes factories, offices, condominiums, schools and hospitals, in Singapore. In addition, the Group sells air-conditioning components and tools used for the installation and servicing of air-conditioning business.

The Group is also engaged in manufacturing and sale of industrial paints and solvents, principally under the 'Cougar' brand.

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Tan Pei Woon, Senior Manager, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).