

Unaudited Full Year Financial Statements and Dividend Announcement for the financial year ended 31 December 2015

Natural Cool Holdings Limited. (Registration Number: 200509967G)

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 Catalyst. 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.

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PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULT

1(a) (i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for corresponding period of the immediately preceding financial year

CONSOLIDATED INCOME STATEMENT

	Group		
	Year Ended 31 December 2015	2014	Increase/ (Decrease)
	S\$'000	S\$'000	%
Continuing operations			
Revenue	108,978	93,582	16.45
Cost of sales	(95,893)	(80,636)	18.92
Gross profit	13,085	12,946	
Other income	467	5,347	(91.27)
Distribution expenses	(1,411)	(1,607)	(12.20)
Administrative expenses	(13,558)	(14,031)	(3.37)
Other expenses	(1,198)	(722)	65.93
Results from operating activities	(2,615)	1,933	
Finance costs	(886)	(649)	36.52
(Loss)/Profit before income tax	(3,501)	1,284	
Income tax expenses	(16)	(231)	(93.07)
(Loss)/Profit from continuing operations	(3,517)	1,053	
Discontinued operation			
Profit from discontinued operation (net of income tax) – Note (i)	9,988	1,994	NM
Profit for the year	6,471	3,047	112.37
Profit attributable to:			
Owners of Company	6,495	3,098	109.65
Non-controlling interests	(24)	(51)	(52.94)
Profit for the year	6,471	3,047	112.37
Earnings per share-continuing operations:			
Basic earnings per share (Singapore cents)	(1.70)	0.54	
Diluted earnings per share (Singapore cents)	(1.70)	0.54	
Earnings per share-discontinued operation:			
Basic earnings per share (Singapore cents)	4.86	0.97	
Diluted earnings per share (Singapore cents)	4.86	0.97	

NM - not meaningful

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group Year Ended 31 December		Increase/ (Decrease)
	2015	2014	
	S\$'000	S\$'000	%
Profit for the year	6,471	3,047	112.37
Other comprehensive income			
<i>Item that is or may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation differences relating to financial statements of foreign operations	(430)	(44)	NM
Exchange differences on monetary items forming part of net investment in foreign operations	(220)	-	NM
Exchange differences realised upon disposal of subsidiaries	637	-	NM
Total comprehensive income for the year	<u>6,458</u>	<u>3,003</u>	115.05
Total comprehensive income attributable to:			
Owners of the Company	6,482	3,050	112.52
Non-controlling interests	(24)	(47)	(48.94)
Total comprehensive income for the year	<u>6,458</u>	<u>3,003</u>	115.05

Note (i)

Discontinued operation

	Group Year Ended 31 December		Increase/ (Decrease)
	2015	2014	
	S\$'000	S\$'000	%
Results of discontinued operation			
Revenue	45,350	48,795	
Expenses	(51,058)	(46,795)	
Results from operating activities	(5,708)	2,000	NM
Income tax credit/(expense)	180	(6)	
Results from operating activities, net of tax	(5,528)	1,994	NM
Gain on disposal of discontinued operation	15,516	-	
Profit for the year	<u>9,988</u>	<u>1,994</u>	NM

NM - not meaningful

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1 (a) (ii) Other notes:

Profit from continuing operations is arrived at after (crediting)/charging the following items:

	Group Continuing Operations Year Ended 31 December	
	2015	2014
	S\$'000	S\$'000
Amortisation of deferred revenue	(1,300)	(1,300)
Amortisation of intangible assets	86	124
Depreciation for investment property	-	48
Depreciation for property, plant and equipment	1,537	1,061
Bad debts written-off	70	18
Impairment loss on trade and other receivables - net	118	149
Allowance for inventory obsolescence recognised	413	-
(Gain)/loss on foreign exchange - net	(237)	152
Gain on disposal of investment property	-	(4,758)
Loss/(gain) on disposal of property, plant and equipment	443	(15)
Plant and equipment written-off	33	337
Interest income	(20)	(6)

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1 (b) (i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	As at 31-Dec-15	As at 31-Dec-14	As at 31-Dec-15	As at 31-Dec-14
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	22,067	25,591	16	5
Intangible assets	1,066	8,078	45	-
Subsidiaries	-	-	6,899	15,007
Other investments	6,018	5,898	6,018	5,898
Deferred tax assets	1,023	1,405	-	-
	<u>30,174</u>	<u>40,972</u>	<u>12,978</u>	<u>20,910</u>
Current assets				
Inventories	14,492	16,785	-	-
Trade and other receivables	24,635	48,393	7,186	7,466
Cash and cash equivalents	36,900	14,490	28,364	643
	<u>76,027</u>	<u>79,668</u>	<u>35,550</u>	<u>8,109</u>
Current liabilities				
Trade and other payables	38,261	54,619	5,464	2,744
Loans and borrowings	8,473	6,367	2,700	3,450
Current tax payable	1,114	1,328	-	-
	<u>47,848</u>	<u>62,314</u>	<u>8,164</u>	<u>6,194</u>
Net current assets	28,179	17,354	27,386	1,915
Non-current liabilities				
Loans and borrowings	8,554	14,721	-	-
Deferred tax liabilities	300	370	-	-
	<u>8,854</u>	<u>15,091</u>	<u>-</u>	<u>-</u>
Net assets	<u>49,499</u>	<u>43,235</u>	<u>40,364</u>	<u>22,825</u>
Share capital	31,957	31,957	31,957	31,957
Reserves	(3,445)	(3,432)	300	300
Accumulated profits/(losses)	20,977	14,482	8,107	(9,432)
Equity attributable to owners of the Company	<u>49,489</u>	<u>43,007</u>	<u>40,364</u>	<u>22,825</u>
Non-controlling interests	10	228	-	-
Total equity	<u>49,499</u>	<u>43,235</u>	<u>40,364</u>	<u>22,825</u>

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1 (b) (ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

	Group	
	As at 31 December 2015 S\$'000	As at 31 December 2014 S\$'000
<i>Amount repayable in one year or less, or on demand</i>		
Unsecured		
Term loans	5,178	1,613
Convertible loan notes	2,700	3,450
	<u>7,878</u>	<u>5,063</u>
Secured		
Current portion of bank loans	420	808
Finance lease liabilities	175	496
	<u>595</u>	<u>1,304</u>
	<u>8,473</u>	<u>6,367</u>
<i>Amount repayable after one year</i>		
Unsecured		
Term loans	765	2,447
Secured		
Bank loans	7,233	11,253
Finance lease liabilities	556	1,021
	<u>7,789</u>	<u>12,274</u>
	<u>8,554</u>	<u>14,721</u>

Details of collateral:

The borrowings are secured on:-

- (i) property, plant and equipment with net book values as at 31 December 2015 of approximately S\$18.6 million (FY2014: S\$16.9 million); and
- (ii) corporate guarantees by Natural Cool Holdings Limited.

The finance lease liabilities are secured by motor vehicles, equipment and machines under the leases.

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1 (c) A statement of cash flows for the group (both continuing and discontinued operations), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	Full year ended 31 December	
	2015	2014
	S\$'000	S\$'000
Operating activities		
Profit for the year	6,471	3,047
<u>Adjustments for:</u>		
Amortisation of deferred revenue	(1,300)	(1,300)
Amortisation of intangible assets	668	625
Depreciation of investment property	-	48
Depreciation of property, plant and equipment	2,837	2,961
Gain on disposal of investment property - net	-	(4,758)
Gain on disposal of subsidiaries	(15,516)	-
Loss/(gain) on disposal of property, plant and equipment	443	(14)
Plant and equipment written-off	33	393
Intangible assets written-off	-	1
Interest expenses	1,448	1,216
Interest income	(25)	(7)
Income tax (credit)/expense	(164)	237
Unrealised foreign currency gain on convertible bond	(120)	-
	(5,225)	2,449
<u>Changes in working capital:</u>		
Inventories	(5,131)	(375)
Trade and other receivables	3,200	732
Trade and other payables	5,689	(2,762)
Cash flows generated from operations	(1,467)	44
Income taxes paid	(74)	(182)
Cash flows used in operating activities	(1,541)	(138)

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CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

Investing activities

Interest received	25	7
Improvement to investment property	-	(256)
Proceeds from disposal of investment property – net	-	15,345
Proceeds from disposal of discontinued operation, net of cash disposed of – Note (ii)	31,846	-
Proceeds from disposal of property, plant and equipment	69	37
Purchase of computer software	-	(37)
Purchase of industrial certificates	(146)	(1,435)
Purchase of property, plant and equipment	(1,062)	(10,219)
Acquisition of other investments	-	(2,148)
Acquisition of subsidiary, net of cash acquired – Note (iii)	(7,317)	-
Cash flows generated from investing activities	23,415	1,294

Financing activities

Fixed deposits pledged	-	(36)
Interest paid	(1,148)	(1,029)
Non-trade amounts due from related party	36	(35)
Repayment of convertible loan notes redeemed	(3,750)	-
Proceeds from issue of convertible loan notes	2,700	-
Proceeds from bank borrowings	6,000	10,740
Repayment of bank borrowings	(3,329)	(6,047)
Repayment of finance lease liabilities	(236)	(1,624)
Net cash generated from financing activities	273	1,969

Net increase in cash and cash equivalents

Effect on changes in foreign exchange rate	263	67
Cash and cash equivalents at beginning of year	14,490	11,048
Cash and cash equivalents at end of year	36,900	14,240

Cash and cash equivalents on balance sheet	36,900	14,490
Fixed deposits pledged	-	(250)
Cash and cash equivalents in the statement of cash flows	36,900	14,240

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Note (ii)

Effect of disposal of discontinued operation:

	Group Year Ended 31 December 2015 S\$'000
Property, plant and equipment	7,747
Intangible assets	8,727
Other investment	62
Deferred tax assets	262
Inventories	7,742
Trade and other receivables	19,298
Cash and cash equivalents	1,702
Trade and other payables	(22,400)
Loans and borrowings	(5,529)
Deferred tax liabilities	(22)
Net assets disposed	17,589
Less: Non-controlling interests	(194)
Realisation of foreign currency translation reserves	637
Gain on disposal of discontinued operation	15,516
Consideration received, satisfied in cash	33,548
Cash and cash equivalents disposed of	(1,702)
Net cash inflow	31,846

Note (iii)

Effect of acquisition of subsidiary:

	Group Year Ended 31 December 2015 S\$'000
Property, plant and equipment	6,024
Inventories	317
Cash and cash equivalents	-
Total identifiable net assets	6,341
Goodwill*	976
Acquisition of subsidiary, net of cash acquired	7,317

*Provisional goodwill of \$0.98 million was recognised on the acquisition, which represents the expected benefits to the Group from the expansion into the Paint business. Goodwill is provisional pending the finalisation of the purchase price allocation.

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1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Capital reserve	Foreign currency translation reserve	Accumulated profits	Total attributable to owners of the Company	Non- controlling interests	Total equity
<u>Group</u>	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2014	31,957	(3,078)	(306)	11,384	39,957	275	40,232
Total comprehensive income for the year							
-Profit for the year	-	-	-	3,098	3,098	(51)	3,047
Other comprehensive income							
-Foreign currency translation differences relating to financial statements of foreign operations	-	-	(48)	-	(48)	4	(44)
Total comprehensive income for the year	-	-	(48)	3,098	3,050	(47)	3,003
At 31 December 2014	31,957	(3,078)	(354)	14,482	43,007	228	43,235

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Share capital	Capital reserve	Foreign currency translation reserve	Accumulated profits	Total attributable to owners of the Company	Non- controlling interests	Total equity
<u>Group</u>	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2015	31,957	(3,078)	(354)	14,482	43,007	228	43,235
Total comprehensive income for the year							
-Profit for the year	-	-	-	6,495	6,495	(24)	6,471
Other comprehensive income							
-Foreign currency translation differences relating to financial statements of foreign operations	-	-	(430)	-	(430)	-	(430)
-Exchange differences on monetary items forming part of net investment in foreign operations	-	-	(220)	-	(220)	-	(220)
-Exchange differences on disposal of discontinued operation	-	-	637	-	637	-	637
Total comprehensive income for the year	-	-	(13)	6,495	6,482	(24)	6,458
Changes in ownership interests in subsidiaries							
-Disposal of discontinued operation	-	-	-	-	-	(194)	(194)
At 31 December 2015	31,957	(3,078)	(367)	20,977	49,489	10	49,499

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STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Share capital	Capital reserve	Accumulated (losses)/ profits	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Company</u>				
At 1 January 2014	31,957	300	(7,185)	25,072
Total comprehensive income for the year				
-Loss for the year	-	-	(2,247)	(2,247)
At 31 December 2014	31,957	300	(9,432)	22,825
Total comprehensive income for the year				
-Profit for the year	-	-	17,539	17,539
At 31 December 2015	31,957	300	8,107	40,364

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1. (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in the issued and paid-up share capital of the Company from 31 December 2014 up to 31 December 2015. The Company's share capital was S\$31,956,902 comprising 205,447,985 shares as at 31 December 2014 and as at 31 December 2015.

During the full year ended 31 December 2014, the Company issued convertible loan notes amounting to S\$3,750,000 to HT Holdings (HK) Ltd. The convertible loan notes were subsequently transferred to Rhodus Capital Limited in August 2013. Both HT Holdings (HK) Ltd and Rhodus Capital Limited are owned by the same shareholders with the same shareholding structure.

The above convertible loan notes have matured on 2 April 2015 and was not converted into shares in the capital of the Company. The Company redeemed all outstanding notes on 2 May 2015.

The Company issued convertible loan notes amounting to S\$2,700,000 to Rhodus Capital Limited in June 2015. The notes are convertible into 18,000,000 shares in the capital of the Company. The convertible loan notes were subsequently transferred to Mr. Lim Teck Chuan in November 2015.

As at 31 December 2015, the convertible loan notes can be fully converted into 18,000,000 shares in the capital of the Company at a conversion price of S\$0.15 per share (As at 31 December 2014: 25,000,000 shares).

Save as disclosed, the Company did not have other outstanding options, convertibles or treasury shares as at 31 December 2015 and as at 31 December 2014.

1. (d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The total numbers of issued shares (excluding treasury shares) were 205,447,985 as at 31 December 2015 and 31 December 2014.

There were no treasury shares as at 31 December 2015 and 31 December 2014.

- (d) (iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have neither been audited nor reviewed by the auditors.

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3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as in those of the audited financial statements for the year ended 31 December 2015.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted the new and/or revised Financial Reporting Standards (FRSs) and interpretations that are effective for annual periods beginning 1 January 2015. Presently, the Group does not expect the adoption of the new and/or revised FRS and the interpretations to have any material impact on the financial statements of the Group for the current reporting period.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:

(a) based on the weighted average number of ordinary shares on issue; and

(b) on a fully diluted basis (detailing any adjustments made to the earnings).

	Group	
	Full year ended 31 December 2015	2014
Net (loss)/profit attributable to shareholders-continuing operations (S\$'000)	<u>(3,493)</u>	<u>1,104</u>
Weighted average number of ordinary share in issue (No. of shares) - basic	205,447,985	205,447,985
Earnings per share (Singapore cents) - basic	(1.70)	0.54
Weighted average number of ordinary share in issue (No. of shares) - diluted	205,447,985	205,447,985
Earnings per share (Singapore cents) - diluted	(1.70)	0.54

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Net profit attributable to shareholders-discontinued operation (S\$'000)	<u>9,988</u>	<u>1,994</u>
Weighted average number of ordinary share in issue (No. of shares) - basic	205,447,985	205,447,985
Earnings per share (Singapore cents) - basic	4.86	0.97
Weighted average number of ordinary share in issue (No. of shares) - diluted	205,447,985	205,447,985
Earnings per share (Singapore cents) - diluted	4.86	0.97

Note:

As at 31 December 2015 and 31 December 2014, the conversion effect of the convertible loan notes were excluded from the calculation of diluted weighted average number of ordinary share as their effects would have been anti-dilutive.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year:

	Group		Company	
	As at 31 December 2015	As at 31 December 2014	As at 31 December 2015	As at 31 December 2014
Net assets attributable to shareholders (S\$'000)	<u>49,489</u>	<u>43,007</u>	<u>40,364</u>	<u>22,825</u>
Net asset value per share (Singapore cents)	<u>24.09</u>	<u>20.93</u>	<u>19.65</u>	<u>11.11</u>

Note:

The total numbers of issued shares (excluding treasury shares) were 205,447,985 as at 31 December 2015 and 31 December 2014, respectively.

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8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Review of Income Statement

The Group achieved revenue of S\$108.98 million in the full year ended 31 December 2015 ("FY2015"), an increase of S\$15.40 million, or 16.45% as compared to S\$93.58 million in the full year ended 31 December 2014 ("FY2014"). This was due mainly to higher revenue registered by the Group's Aircon division.

Other income decreased by S\$4.88 million or 91.27% to S\$0.47 million due mainly to absence of gain on disposal of Benoi factory which occurred in FY2014.

Distribution expenses decreased by S\$0.20 million or 12.20% to S\$1.41 million due mainly to lower advertisement costs by the Group's Aircon division.

Administrative expenses decreased by S\$0.47 million or 3.37% to S\$13.56 million due mainly to payment of profit incentive to top management in accordance to their respective service agreements in FY2014 in relation to the gain on disposal of the Group's investment property at Benoi.

Other expenses increased by S\$0.48 million or 65.93% to S\$1.20 million due mainly to loss on disposal of property, plant and equipment, allowance for inventory obsolescence and impairment loss on trade and other receivables.

Finance costs increased by S\$0.24 million or 36.52% to S\$0.89 million due mainly to the unwinding of the discount of the convertible loan notes of S\$0.3 million.

The Group recorded an income tax expense of S\$0.02 million due to tax savings derived from certain new tax incentives introduced by the government.

Profit from discontinued operation increased by S\$7.99 million to S\$9.99 million. This was due mainly to gain on disposal of Gathergates Group and offset by payment of profit incentive to top management in accordance to their respective service agreements and one-off special bonus paid to employees of Gathergates Group by Natural Cool Holdings.

Arising from the above, the Group reported a profit attributable to owners of the Company of S\$6.50 million in FY2015.

Review of Statements of Financial Position

Property, plant and equipment decreased by S\$3.52 million to S\$22.07 million as at 31 December 2015 due mainly to disposal of Gathergates Group and partially offset by acquisition of Loh & Sons Paint Co (S) Pte Ltd ("Loh & Sons").

Intangible assets decreased by S\$7.01 million to S\$1.07 million as at 31 December 2015 due mainly to disposal of Gathergates Group and partially offset by the goodwill arising from the acquisition of Loh & Sons.

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Inventories decreased by S\$2.29 million to S\$14.49 million as at 31 December 2015 due mainly to disposal of Gathergates Group and partially offset by increase in inventories from Group's Aircon division in anticipation of higher revenue in next financial year.

Trade and other receivables decreased by S\$23.76 million to S\$24.64 million as at 31 December 2015 due mainly to disposal of Gathergates Group.

Trade and other payables decreased by S\$16.36 million to S\$38.26 million as at 31 December 2015 due mainly to disposal of Gathergates Group.

Total loans and borrowings decreased by S\$4.06 million to S\$17.03 million as at 31 December 2015 due mainly to disposal of Gathergates Group.

Review of Statement of Cash Flows

Cash flows from operating activities were an outflow of S\$1.54 million for FY2015. This was due mainly to increase in inventories by Aircon division.

Cash flows from investing activities were an inflow of S\$23.42 million for FY2015. This was due mainly to proceeds from disposal of the Gathergates Group.

Cash flows from financing activities were an inflow of S\$0.27 million for FY2015. This was due mainly to proceeds from bank borrowings and issue of convertible loan notes and offset by repayment of convertible loan notes redeemed, repayment of bank borrowings and interest costs.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No specific forecast or prospect statement for the current financial period was previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Board of the Directors of the Company expects the Group's operating environment and conditions to be challenging for the next 12 months. However, the Group will continue to enhance its operating margins by improving operational efficiency and rationalising cost structure in order to enhance its competitiveness.

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11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividend was declared for the corresponding period of the immediately preceding financial year

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, a statement to that effect.

Not applicable.

13. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable.

Unaudited Full Year Financial Statements and Dividend Announcement for the financial year ended 31 December 2015

PART II-ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

(a) Operating segments

2015	Aircon S\$'000	Switchgear* S\$'000	Investment S\$'000	Total S\$'000
Revenue and expenses				
External revenue	104,445	45,350	3,323	153,118
Inter-segment revenue	60	110	1,094	1,264
Total revenue of reportable segments	104,505	45,460	4,417	154,382
Finance income	13	5	2	20
Finance costs	412	519	42	973
Depreciation and amortisation	1,244	1,904	355	3,503
Reportable segment profit/(loss) before income tax	1,020	8,437	(1,891)	7,566
Other material non-cash items:				
-Bad debts written-off	36	16	34	86
-Impairment loss on trade and other receivables - net	118	241	-	359
-Allowance for inventory obsolescence	413	26	-	439
-Plant and equipment written-off	33	-	-	33
-Amortisation of deferred revenue	-	-	(1,300)	(1,300)
Reportable segment assets	53,509	-	11,418	64,927
Capital expenditure	929	914	431	2,274
Reportable segment liabilities	35,470	-	17,639	53,109

2014	Aircon S\$'000	Switchgear* S\$'000	Investment S\$'000	Total S\$'000
Revenue and expenses				
External revenue	88,914	48,795	4,668	142,377
Inter-segment revenue	78	79	1,215	1,372
Total revenue of reportable segments	88,992	48,874	5,883	143,749
Finance income	1	1	5	7
Finance costs	379	561	89	1,029
Depreciation and amortisation	1,199	1,999	434	3,632
Reportable segment profit before income tax	1,436	475	3,618	5,529
Other material non-cash items:				
-Bad debts written-off	11	137	7	155
-Impairment loss on trade and other receivables - net	149	(6)	-	143
-Allowance for inventory obsolescence	-	155	-	155
-Plant and equipment written-off	337	56	-	393
-Amortisation of deferred revenue	-	-	(1,300)	(1,300)
Reportable segment assets	55,356	43,988	16,998	116,342
Capital expenditure	10,149	2,174	439	12,762
Reportable segment liabilities	38,701	27,960	16,415	83,076

* Discontinued operation

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b) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

	2015	2014
	S\$'000	S\$'000
Revenue		
Total revenue for reportable segments	154,382	143,749
Other revenue	1,210	-
Elimination of inter-segment revenue	(1,264)	(1,372)
Elimination of discontinued operation	(45,350)	(48,795)
Consolidated revenue	108,978	93,582

Profit or loss before income tax

Total profit or loss before income tax for reportable segments	7,566	5,529
Other income/(losses)	(1,259)	(2,240)
	6,307	3,289
Elimination of inter-segment profits	-	(5)
Elimination of discontinued operation	(9,808)	(2,000)
Consolidated (loss)/profit before income tax	(3,501)	1,284

	2015	2014
	S\$'000	S\$'000
Assets		
Total assets for reportable segments	64,927	116,342
Other assets	49,208	29,020
Elimination of inter-segment assets	(7,934)	(24,722)
Consolidated total assets	106,201	120,640

Liabilities

Total liabilities for reportable segments	53,109	83,076
Other liabilities	8,302	6,194
Elimination of inter-segment liabilities	(4,709)	(11,865)
Consolidated total liabilities	56,702	77,405

Other material items in 2015	Reportable segment totals	Adjustments	Consolidated totals
	S\$'000	S\$'000	S\$'000
Finance income	20	5	25
Finance costs	973	475	1,448
Depreciation and amortisation	3,503	2	3,505
Bad debts written-off	86	-	86
Impairment of trade and other receivables - net	359	-	359
Allowance for inventory obsolescence	439	-	439
Plant and equipment written-off	33	-	33
Amortisation of deferred revenue	1,300	-	1,300
Capital expenditure	2,274	7,266	9,539

Unaudited Full Year Financial Statements and Dividend Announcement for the financial year ended 31 December 2015

Other material items in 2014	Reportable segment totals S\$'000	Adjustments S\$'000	Consolidated totals S\$'000
Finance income	7	-	7
Finance costs	1,029	187	1,216
Depreciation and amortisation	3,632	2	3,634
Bad debts written-off	155	-	155
Impairment of trade and other receivables - net	143	-	143
Allowance for inventory obsolescence	155	-	155
Plant and equipment written-off	393	-	393
Amortisation of deferred revenue	1,300	-	1,300
Capital expenditure	12,762	-	12,762

(b) Geographical information

	2015		2014	
	S\$'000	%	S\$'000	%
Revenue				
Singapore	149,544	96.90	139,473	97.96
Malaysia	3,886	2.52	1,370	0.96
India	430	0.28	724	0.51
Others*	468	0.30	810	0.57
	154,328	100.00	142,377	100.00
Discontinued operation	(45,350)		(48,795)	
Total	108,978		93,582	
Non-current assets**				
Singapore	29,151	100.00	32,752	82.78
Malaysia	-	-	6,359	16.07
India	-	-	456	1.15
Total	29,151	100.00	39,567	100.00

* Others include Sri Lanka, Hong Kong, Thailand, Vietnam, Indonesia and etc.

** Non-current assets consist of property, plant and equipment, intangible assets and other investments.

Major Customer

Revenue from one customer of Group's Aircon segment represents approximately S\$4.21 million (FY2014: S\$3.41 million) of the Group's total revenue.

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to paragraph 8.

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16. A breakdown of sales as follows:

	Group	
	2015	2014
	S\$'000	S\$'000
		(Decrease)/ Increase
		%
(a) Sales reported for first half year	73,734	66,525
		10.84
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	479	352
		36.08
(c) Sales reported for second half year	80,594	75,852
		6.25
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	5,992	2,695
		122.34

17. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

During FY2015, the following interested person transaction was carried out in the normal course of business (excluding transaction less than S\$100,000) on normal commercial terms agreed between Tsng Joo Ann and the Company's wholly-owned subsidiary Natural Cool Air-conditioning and Engineering Pte Ltd for the sale of air-conditioners and parts.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review excluding transactions less than \$100,000 and excluding transactions conducted under shareholders' mandate pursuant to Rule 920	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Tsng Joo Ann ¹	S\$245,732	-

Note:-

1 – Brother of Tsng Joo Peng, the Chief Executive Officer of the Company

The Company does not have a general mandate from shareholders for interested person transactions.

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18. **Disclosure of persons occupying managerial positions in the issuer or any of its principal subsidiaries who are relatives of a director, chief executive officer or substantial shareholder of the Company pursuant to Rule 704(10) in the format set out below.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Yap Geok Khim	51	Spouse of Joseph Ang Choon Cheng, Executive Chairman and substantial shareholder Sister-in-law of Eric Ang Choon Beng, Executive Director	Administrative Manager of Loh & Sons Co (S) Pte Ltd ("Loh & Sons") Responsible for overall administrative and human resource matters in Loh & Sons Madam Yap Geok Khim is reassigned to Loh & Sons on 4 January 2016 from Gathergates Group where she was Manager for Gathergates Switchgear Private Limited ("Gathergates") and responsible for overall administrative matters in Gathergates Madam Yap Geok Khim joined the Group on 2 March 2006.	Wef 30 Nov 2015, Gathergates Switchgear Pte Ltd has ceased to be a subsidiary of Natural Cool Holdings Limited

BY ORDER OF THE BOARD
Joseph Ang Choon Cheng
Executive Chairman

Singapore
24 February 2016