
RECEIPT OF NOTICE OF CLAIM – SIGNING OF NON BINDING TERM SHEET

Unless otherwise defined, all terms and references used in the announcement shall bear the same meaning ascribed to them in the Company's announcement dated 4 December 2017 entitled "Receipt of Notice of Claim".

The Board of Directors (the "**Board**") of Natural Cool Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to announce that the Company has, on 12 April 2018 entered into a non-binding term sheet to settle the claim with Nitto ("**Proposed Settlement**").

The Proposed Settlement is subject to a definitive agreement to be entered into between the parties, and the Company will make further announcement if the definitive agreement is entered into.

Based on the terms of the Proposed Settlement under the non-binding term sheet, the Company does not expect the terms to have a material impact on the financial performance or financial position of the Group for the current financial year ending 31 December 2018.

Shareholders are advised to read this announcement and any further announcement(s) by the Company carefully. Shareholders are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

Wong Leon Keat
Managing Director

13 April 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 Tan Pei Woon, Senior Manager, Continuing Sponsorship at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg
