

NEWS RELEASE

NATURAL COOL AWARDED S\$7 MILLION CONTRACT AT RESORTS WORLD SENTOSA

- ***Achieves healthy order book of S\$53 million***
- ***Acquires construction player to enhance business offerings***

Singapore, August 19, 2008 – Natural Cool Holdings Limited (“Natural Cool” or the “Group”) today announced that its wholly-owned subsidiary S-Team Switchgear Private Limited (“S-Team”), has been awarded a S\$7 million contract for the supply and delivery of low voltage switchboards to the proposed Resorts World at Sentosa, a 49-hectare integrated resort on Sentosa scheduled to open in early 2010.

CEO of Natural Cool Holdings, Mr Steven Chen Choon Khee, said: “We are delighted and encouraged to have been awarded this contract as it reflects recognition for S-Team’s growing track record and proven commitment to deliver quality products and services.

“With this project, we have achieved a healthy order book of S\$53 million. Moving forward, we will leverage on our wealth of experience and strong technical expertise as we continue to expand the Group’s operations.”

This contract is not expected to have a material impact on the Group’s financial performance for the current financial year ending December 31, 2008 as deliveries under the contract awarded is expected to formally commence within the first quarter of 2009. In this connection, the contract will have a material impact on the Group’s performance for the financial year ending December 31, 2009.

Acquisition of Construction Player - Lifa Engineering Pte Ltd

The Group also announced yesterday that its wholly-owned subsidiary Natural Cool Investments Pte. Ltd. (“NCI”), has entered into a sale and purchase agreement for the acquisition of 510,714 ordinary shares, representing 51% of the issued share capital in Lifa Engineering Pte Ltd (“LEP”), for a total consideration of S\$500,000.

Commented Mr Steven Chen: “LEP is involved in the business of mixed construction activities. We believe that the proposed acquisition of LEP will enhance our business offerings and complement our vision of becoming a one-stop integrated Building Solution provider. It will provide us with an opportunity to enlarge our operation base as well as provide opportunities for the Group to leverage on the experience and expertise of LEP’s senior management to grow our business.”

The proposed acquisition will be funded through funds generated from its internal resources.

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 include 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 also manufactures and sells switchgears through mechanical and electrical (“M&E”) contractors to public and private property developments. Started in 2003, the Group’s switchgear division, S-Team Switchgear Private Limited, designs and manufactures switchgear products customised to meet specific requirements of its customers.

The Group has extended its geographical reach into the region since 2005 and now has a presence in China, India, Cambodia and Vietnam. Its subsidiary, VNS Manufacturing (S) Pte Ltd, the Group's switchgear division that specialises in the design, manufacture and sale of switchgear products, was recently awarded an exclusive distributorship by Indian-based, Larsen & Toubro Limited ("L & T") for the exclusive marketing of L & T's electrical standard products in Singapore. Founded in 1938, L & T is India's largest engineering and construction conglomerate with interests in electrical, electronics and information technology.

ISSUED ON BEHALF OF : Natural Cool Holdings Limited
BY : Citigate Dewe Rogerson, i.MAGE Pte Ltd
1 Raffles Place
#26-02 OUB Centre
SINGAPORE 048616
CONTACT : Ms Dolores Phua / Ms Carol Wee
at telephone
DURING OFFICE HOURS : 6534-5122 (Office)
AFTER OFFICE HOURS : 9750-8237 / 9730-5754 (Handphone)
EMAIL : dolores.phua@citigatedrimage.com
carol.wee@citigatedrimage.com

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