

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

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## **USE OF PROCEEDS FROM THE RIGHTS ISSUE OF WARRANTS**

The Board of Directors ("**Board**") of Natural Cool Holdings Limited ("**Company**") refers to the announcement dated 17 December 2007 and the Offer Information Statement ("**OIS**") dated 9 June 2008 in relation to the renounceable non-underwritten rights issue of up to 31,728,024 warrants at an issue price of S\$0.06 for each warrant, each warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company at an exercise price of S\$0.10 for each new share, on the basis of three (3) warrants for every ten (10) existing ordinary shares in the capital of the Company ("**Rights Issue**"). The Board also wishes to refer to its earlier announcement on 15 October 2008 ("October 2008 Announcement") relating to the use of proceeds from the Rights Issue.

The Board wishes to inform that from the total net amount of the Rights Issue proceeds of approximately S\$1,600,000, S\$523,400.00 has been utilised to make repayment of a loan in relation to the purchase of property in Malaysia, for the expansion and development of the switchgear business, in accordance with the stated use of the proceeds in the OIS. As stated in the October 2008 Announcement, the Company had utilised approximately S\$518,200 of the Rights Issue proceeds to increase its investment in S-Team Switchgear (Malaysia) Sdn. Bhd., a subsidiary incorporated in Malaysia from RM 100.00 to RM 1,000,000.00. Subsequent to the aforesaid, the balance proceeds from the Rights Issue is approximately S\$558,400 which is currently being used as working capital while awaiting deployment.

The Company will continue to make periodic announcements on the utilisation of the balance of the proceeds when they are materially disbursed.

### **BY ORDER OF THE BOARD**

Yun Chee Keen  
Company Secretary  
14 January 2010

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### **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 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 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.