

(Incorporated in the Republic of Singapore) Company Registration No. 200509967G

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BUSINESS UPDATE

The Board of Directors (the "Board") of Natural Cool Holdings Limited (the "Company" and together with its subsidiaries, the "Group") would like to announce that the Group is expecting to report a net loss for the 6 months ended 30 June 2011. For the comparative period ended 30 June 2010, the Group reported a profit of \$\$125,000.

Full details of the Group's financial performance will be disclosed by 14 August 2011 when the Group announces its unaudited consolidated financial results for the 6 months ended 30 June 2011.

BY ORDER OF THE BOARD

Yun Chee Keen Company Secretary 20 July 2011

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 Malaysia and India. 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.