

## **INVESTMENT IN SHARES OF SPHOMES PTE. LTD.**

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The board of directors (the “**Board**” or the “**Directors**”) of Natural Cool Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 19 July 2019 entered into a shareholders’ agreement (“**Agreement**”) with Goh Siok Teng (“**Goh**”), Seah Hock Thiam (“**Seah**”), Cultural Performing Art (“**CPA**”) and SPHomes Pte. Ltd. (“**SPHomes**”).

Pursuant to the Agreement, each of the Company, Goh, Seah and CPA (collectively, the “**Parties**”) will subscribe, via cash, for 200,000, 549,998, 150,000 and 100,000 new ordinary shares in the capital of SPHomes (“**New SPHomes Shares**”) at S\$1.00 each (“**Subscription Price**”), representing 20%, 55%, 15% and 10% shareholding interests in SPHomes post completion of subscription, respectively.

SPHomes is a private company limited by shares incorporated in Singapore on 10 May 2019 and has an existing issued and paid up share capital of S\$2.00. The current shareholder of SPHomes is Goh. SPHomes will be engaged in the business of a manufacturing, distribution and installation of customised furniture.

The Agreement is intended to give effect to the Parties’ intentions and to govern their respective rights and obligations, and regulate their relationship *inter se* in the conduct of SPHomes’ business and related affairs. The Company, its subsidiaries, its Directors and their respective associates are not related to Goh, Seah, CPA and SPHomes.

The Company’s subscription in the New SPHomes Shares (“**Investment**”) presents an opportunity for the Group to gain exposure to the customised home furniture manufacturing business and work with SPHomes on joint sales and marketing opportunities. The Investment is also expected to provide an investment return to the Group.

The Subscription Price was arrived at based on mutual agreement between the Parties. The Parties have also separately agreed among themselves to provide funding to SPHomes by way of shareholders’ loans of up to S\$4,500,000, as and when needed, in proportion to their respective shareholding percentage (“**Shareholders’ Loan**”) in SPHomes. Assuming the Shareholders’ Loan is disbursed in full, the Company’s obligation will amount to S\$900,000. The Investment and the Company’s portion of the Shareholders’ Loan (when disbursed) will be funded by internal resources of the Group.

The Investment is not expected to have any material impact on the net tangible assets per share and the earnings per share of the Group for the current financial year ending 31 December 2019.

None of the Directors of the Company has any interest, direct or indirect, in the Investment, other than through their respective shareholding interests in the Company, if any. To the best of the Company’s knowledge, none of the substantial shareholders has any interest, direct or indirect, in the Investment.

### **By Order of the Board**

Wong Leon Keat  
Managing Director  
19 July 2019

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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 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.

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*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"), in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.*

*This announcement has not been examined or approved by the SGX-ST. The SGX-ST assume no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Ms Tan Pei Woon, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).*

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