

NATURAL COOL HOLDINGS LIMITED

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

UPDATE ON INVESTMENT IN HMK ENERGY PTE. LTD. - EXTENSION OF BONDS' MATURITY DATE

The Board of Directors (the "**Board**") of Natural Cool Holdings Limited (the "**Company**") refers to its announcement "Subscription of Zero Coupon Unsecured Convertible Bonds Due 2017 to be issued by HMK Energy Pte. Ltd." dated 18 August 2014.

The Board wishes to announce that further to a meeting of Bondholders held on 17 July 2017, the maturity date of the US\$1.68 million in principal value of zero coupon convertible bonds ("**Bonds**") which the Company had subscribed and which are due in August 2017, has been extended to August 2018.

It has also come to the attention of the Company that its interest in the shares of HMK Energy Pte. Ltd. has been diluted from 16.0% as at the beginning of the financial year, to 10.4% as of the date of this announcement as a result of some Bondholders having converting their Bonds into shares of the company. Consequently, the Company's holdings in the Bonds have increased from 16.0% to 25.0% of the total aggregate value.

This decision to extend the maturity date of the Bonds was approved by a super-majority vote of the bondholders of the Bonds, with the Company abstaining from the decision.

The Company notes that there is a delay in the execution of the exploration program by its subsidiary, PT Harpindo Mitra Kharisma – which was one of the principal uses of the funds when it issued the Bonds in August 2014.

The abovesaid extension of Bonds' maturity date is not expected to have any material impact on the Company's financials for the financial year ending 31 December 2017.

Save for Wong Leon Keat who is a director and shareholder of Rhodus Capital Ltd (a shareholder of HMK Energy Pte Ltd), none of the Directors or controlling shareholders of the Company has any direct or indirect interest in the abovesaid transaction.

Wong Leon Keat did not participate in deliberations and the decision regarding the extension of maturity date of the Bonds.

BY ORDER OF THE BOARD

Tsng Joo Peng
Chief Executive Officer

18 July 2017

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 Lance Tan, Director, Continuing Sponsorship at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, email: sponsorship@ppcf.com.sg
