

NATURAL COOL HOLDINGS LIMITED

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

- (1) PROPOSED JOINT VENTURE
 - (2) INCORPORATION OF NATURAL COOL ASIA PTE. LTD.
 - (3) APPOINTMENT OF NATURAL COOL ASIA PTE. LTD. AS DISTRIBUTOR
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Proposed Joint Venture

The Board of Directors (the “**Board**”) of Natural Cool Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that it has entered into a joint venture agreement dated 1 August 2017 (“**JVA**”) with JNVHC Pte. Ltd. (“**JNVHC**”) to undertake the sale and distribution of air-conditioning products outside of Singapore.

JNVHC is a company incorporated in Singapore and is in the business of the wholesale of lifts, escalators and industrial and office air-conditioning equipment, and its sole director and sole shareholder is an unrelated third party. The JVA was entered into to form a strategic alliance with JNVHC to tap in the larger overseas market for the sale and distribution of air conditioning products.

Incorporation of Natural Cool Asia Pte. Ltd.

Pursuant to the terms of the JVA, the Company and JNVHC has on 1 August 2017 incorporated a new joint venture company in Singapore known as Natural Cool Asia Pte. Ltd. (“**JV Company**”) with an initial issued and paid-up share capital of S\$100 comprising 100 ordinary shares and to be eventually increased to S\$300,000 comprising 300,000 ordinary shares as soon as practicable, but no later than one month from the date of incorporation of the JV Company. The Company and JNVHC will hold 51% and 49% of the share capital in the JV Company respectively.

The principal activities of the JV Company are wholesale, distribution and trading for air-conditioning and related products outside of Singapore.

Appointment of Natural Cool Asia Pte. Ltd. as Distributor

The Board also wishes to announce that its joint venture company, Natural Cool Asia Pte. Ltd., has on 1 August 2017, been appointed as a distributor by Panasonic for certain of its commercial air conditioning products in selected South East Asian and South Asian countries.

To learn more about Panasonic Air Conditioner Company visit: <http://aircon.panasonic.com>

The proposed joint venture, incorporation of the JV Company, and the appointment of Natural Cool Asia Pte. Ltd. as distributor by Panasonic, are not expected to have any material impact on the earnings per share or the net tangible assets per share of the Group for the current financial year ending 31 December 2017.

Save for their respective interest in the Company, none of the Directors or controlling shareholders of the Company has any direct or indirect interest in the abovesaid transactions.

BY ORDER OF THE BOARD

Wong Leon Keat
Managing Director

1 August 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 (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg)