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FORMATION OF SUBSIDIARY – BUY AND FIX PTE. LTD.

The Board of Directors of Natural Cool Holdings Limited ("Company") wishes to announce that its wholly owned subsidiary, Natural Cool Airconditioning & Engineering Pte Ltd, has formed a wholly owned subsidiary known as Buy And Fix Pte. Ltd. with an issued and paid up capital of S\$1.00.

The principal activities of Buy and Fix Pte. Ltd. are those relating to trading and supply of airconditioning of all kinds and parts including manufacturing of airconditioning products, installation, repair and maintenance of airconditioning of all kinds.

The formation of the above subsidiary is not expected to have any material impact on the earnings per share or the net tangible assets per share of the Company for the current financial year.

None of the Directors or substantial shareholders of the Company have any direct or indirect interest in the abovesaid transaction.

By Order of the Board

Yun Chee Keen
Company Secretary
23 June 2010

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. Its subsidiary, VNS Manufacturing 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.