

NEWS RELEASE

NATURAL COOL TAPS ON SKILLS PROGRAMME FOR UPGRADING AND RESILIENCE TO RE-TRAIN WORKERS

- ***800 workers to benefit from better skills***
- ***Committed to non-retrenchment of Singapore Citizens and Permanent Residents in 2009***

Singapore, January 19, 2009 – Natural Cool Holdings Limited (“Natural Cool” or the “Group”), a leading provider of integrated climate management, switchgear and interior fit-out solutions, today announced that it is tapping on two training programmes under the Skills Programme for Upgrading and Resilience (“SPUR”) rolled out by the Singapore Workforce Development Agency’s (“WDA”).

Through SPUR, Natural Cool is able to access high quality and industry-relevant Continuing Education and Training (“CET”) programmes. This has enabled Natural Cool to upgrade its workforce in relevant generic skills applicable for all staff from various departments, equipping them with skills from teamwork, quality systems, as well as the ability to apply 5S techniques.

CEO of Natural Cool, Mr Steven Chen Choon Khee, said: “We applaud WDA's effort in coming up with the SPUR initiative to help companies manage excess manpower and save jobs and are delighted that we are able to retrain all of our workers to build up our capabilities. At Natural Cool, we value the importance of staff development. We strongly believe that training not only serves to motivate employees during uncertain times, but will also ensure that they will be kept up to date with the latest developments and skills to provide unparalleled service to our customers and as such help the Company stay competitive. In line with our expansion plans, we also believe that this is an opportune

time to upgrade the skills level of our Company's workforce for the various occupational levels."

Natural Cool has committed 800 employees, which include Singapore Citizens, Permanent Residents as well as foreign workers, to NTUC LearningHub Pte Ltd for Certificate in Generic Manufacturing Skills ("CGM") and Certified Operations Specialist ("COS") training over the next six to 12 months. As SPUR is applicable only for Singapore Citizens and Permanent Residents, the Group will be sponsoring the training of its foreign workers. Moving forward, it will also be sending its employees to attend other WSQ courses.

Natural Cool is committed to non-retrenchment of staff who are Singapore Citizens and Permanent Residents in 2009.

Ms Julia Ng, Director of Manufacturing and Construction Division, WDA, said: "We are glad that Natural Cool is benefiting from SPUR and encourage more companies to tap on SPUR as they implement long-term manpower strategies to upskill and reskill their workers during the downturn. This building up of manpower capabilities could very well turn into a competitive edge for companies when the economy recovers."

CEO of NTUC LearningHub Pte Ltd, Mr Zee Yoong Kang said: "NTUC LearningHub is working with many companies to leverage on SPUR to improve the skills of their workforce, while lowering their cost of operations to cope with the current difficult economic situation. Natural Cool sees WSQ certification as a key strategy to enhance its long term competitiveness. The workers themselves are also happy to be trained and certified with WSQ qualifications to enhance their personal credentials. This is a win-win for employers and workers."

Executive Director of the Singapore National Employers Federation ("SNEF"), Mr Koh Juan Kiat, said: "SNEF applauds Natural Cool for taking advantage of SPUR to upgrade their workforce capability. This forward looking strategy will strengthen its competitive edge. SNEF encourages more companies to follow the example of Natural Cool."

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, Cambodia and Vietnam. 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.

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January 19, 2009