



HLN TECHNOLOGIES LIMITED

16 Kallang Place

#01-16/18

Kallang Basin Industrial Estate

Website: www.hlnotech.com

(Registration No. 200402180C)

NEWS RELEASE

HLN Introduces New Initiatives to Focus on Profit-Making Businesses

- Disposed certain assets in wholly owned subsidiary, HLN Metal
- Incorporated wholly-owned subsidiary in China for its Polymeric Division
- Both initiatives are part of Group's strategy to re-align its business and focus on profit-making and cash generating businesses

Singapore, September 17, 2008 – Mainboard listed HLN Technologies Limited (“HLN” or the “Group”), a manufacturer of a diverse range of customised precision metallic, elastomeric, and polymeric components, is pleased to announce the introduction of two initiatives under the re-alignment of its business strategy – the disposal of assets in HLN Metal Centre Pte. Ltd. (“HLN Metal”), and the incorporation of a wholly-owned subsidiary, Process Innovation Technology (Suzhou) Co., Ltd (“Process Innovation Technology (Suzhou)”) in Suzhou, China.

HLN Metal is 75%-owned by HLN Micron Pte. Ltd., a subsidiary of the Group, and 25%-owned by Ms Tay Mun Hwa. It's primary business lies in the process and distribution of customised material machining and sawing of metal products and components.

HLN Metal has on 13 September 2008 entered into an asset purchase agreement (the “Asset Purchase Agreement”) with Reliance Metalcenter Asia



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Pacific Pte. Ltd. (“Reliance”), a wholly-owned subsidiary of Reliance Steel & Aluminium Co., to dispose certain assets of HLN Metal to Reliance for an aggregate consideration of US\$2.64 million (the “Proposed Disposal”), to be paid in cash within two days from the date of the Asset Purchase Agreement. The Proposed Disposal has been completed on 16 September 2008.

The assets sold are aluminium products comprising the entire inventory of HLN Metal, together with the equipment and machinery comprising its fixed assets. Net proceed from the disposal of the assets is approximately US\$2.64 million and will be used for general working capital.

After the disposal of certain assets in HLN Metal, the Group will continue to re-align its Metallic Division in the foreseeable future, including reviewing the business value proposition of other companies within the Metallic Division.

Mr Leslie Wa, Executive Director and Chief Executive Officer of HLN, explained, “This divestment is part of the Group’s strategy of re-aligning its business in order to meet the challenging demands of an increasingly difficult operating environment. After re-assessing our business structure, we have decided to exit the metals service centre business in Singapore and focus on our profit-making and cash generating polymeric and elastomeric businesses.”

In addition, the Group has through its wholly-owned subsidiary, Process Innovation Technology Pte Ltd, established Process Innovation Technology (Suzhou) Co., Ltd (“PIT Suzhou”) in China. Being the Group’s first polymeric production facility located in China, the new facility will be used to support the increase in outsourcing activities of HLN’s customers based in Shanghai, Suzhou, Wuxi and Kunshan, as well as, enlarge its geographical footprint in China.



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PIT Suzhou will have a registered capital of US\$700,000 and the investment will be financed from the proceeds of the Group's recent share placement.

Mr Wa commented, "By moving our production lines closer to an expanding customer base, this will help us save costs by reducing unnecessary expenditures such as distribution expenses. We also intend to use this facility as our production and marketing headquarters and are expecting it to be one of our consistent revenue drivers in future. Moreover, the new facility will also free up production capacity in HLN's current factories in Singapore to focus on the production of high-end products."

This new polymeric production facility is expected to be operational towards the end of the year 2008.

None of the Directors or substantial shareholders of the Group has any interest, direct or indirect, in the above transactions.

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About HLN Technologies Limited

HLN Technologies Limited is involved in the manufacture and sale of a wide range of customised precision metallic, elastomeric and polymeric components. Our products are used in a variety of industries, principally in the office automation, consumer electronics, and automotive industries. With our very own in-house material formulation and compounding facilities, we are able to create important raw materials that are used in the production of our components. Coupled with our specialised polymeric die-cutting services, HLN serves as a One-Stop Solutions Provider for all of our customers' components needs.

HLN was listed on the then SESDAQ (now Catalyst) of the Singapore Exchange on 25 November 2005, and was subsequently upgraded to the Mainboard on 22 January 2008.

We have production facilities in Singapore, Johor, Batam, Shenzhen and Suzhou located near to our primary customer base.

For more information, please refer to our website at www.hlnotech.com.

About Reliance Steel & Aluminium Co.



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Headquartered in Los Angeles, California, Reliance Steel & Aluminium Co. is one of the largest metals service center in the United States listed on the New York Stock Exchange. It provides value-added metals processing services and distributes a full line of over 100,000 metal products to more than 125,000 customers in a broad range of industries. Reliance has a local network of more than 200 locations in 38 states, with global offices in Belgium, Canada, China, Mexico, South Korea, and the United Kingdom.

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