HLN TECHNOLOGIES LIMITED
(Incorporated in Singapore on 26 February 2004)
(Company Registration Number 200402180C)

DISPOSAL OF 60% INTEREST IN PRI-V INTERNATIONAL PTE LTD

The Board of Directors of HLN Technologies Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that its wholly-owned subsidiary, Process Innovation Technology Pte Ltd ("**PIT**"), entered into a sale and purchase agreement on 16 November 2009 ("**SPA**") with Patrick Anthony Peh ("**Purchaser**") for the sale of its entire stake of 770,224 shares ("**Sale Shares**") representing 60% of the entire issued and paid up capital held in Pri-V International Pte Ltd ("**Pri-V**") (the "**Disposal**").

1. PRINCIPAL BUSINESS OF PRI-V

Pri-V is involved in the business of the manufacture and wholesale trade of nameplates and printed overlays and was incorporated in Singapore on 8 July 2004 with an issued and paid-up share capital of S$1,061,853. It is currently owned by PIT and IRB International Pte. Ltd. in the proportion of 60% and 40% respectively. PIT acquired the Sale Shares in 2006.

2. RATIONALE FOR AND BENEFITS OF THE DISPOSAL

The core business of the Group is the manufacture and sale of precision metallic, elastomeric and polymeric components for use principally in the office automation, consumer electronics and automotive industries while Pri-V belongs to the polymeric division of the Group and is in the business of manufacturing brand-identification name-plates.

Pri-V was in fact a customer of the Group, which was acquired by the Company with the plan of extending its business downstream by way of vertical integration. Pri-V's business operation is not integral to the core business nor critical to the Group's production of elastomeric and polymeric components.

As the Group restructures its business and operations with a view to improve its performance, it intends to hive out or divest certain non-core business activities which are not integral or critical to its core business activities in elastomeric molding and polymeric converting. This is to enable the Group to refocus on its core competencies and channel its limited resources to such core business activities. The Proposed Disposal will facilitate the restructuring of the Group's existing business and allow the Group to streamline its operations.

Currently, the business of Pri-V has only two or three major customers. In view that there is a trend in the market that name-plates will be phased out and replaced by tampo printing of brands directly onto customers' finished products, the name-plating industry is expected to become quite challenging in the future.

The minority shareholder of the Company has offered to buy over the share capital held by the Company representing 60% of the entire registered share capital of Pri-V. The management has considered the said offer to be timely and commercially beneficial to the Group, as such divestment will enable the management to channel its resources on the core business segments of elastomeric molding and polymeric converting.

The Disposal will result in a net gain of S$266,486 to the Company, improving cashflow and freeing up internal and external resources for the Group which would otherwise be required to fund Pri-V. The Disposal will free up vital financial and manpower resources which can be channeled to the Group. The Disposal will also allow the Group to better utilize its limited resources to turn around its business and enhance shareholder value.

Subsequent to the Disposal, the Company will continue to explore other suitable investment, business, merger and acquisition opportunities and will make the necessary announcement to apprise shareholders of any development in due course.

3. THE CONSIDERATION AND VALUE OF ASSETS

The Consideration is S$1,259,303.85 and is calculated based on the Company's share of the unaudited consolidated net tangible asset value of Pri-V and its subsidiary (based on the Company's shareholding of 60%) as at 31 October 2009 ("Oct 09 NTA"), which value is agreed to be S$1,554,696.11, plus a premium of 35% over the Oct 09 NTA. The Oct 09 NTA was agreed between the parties on an arm's length basis. 30% of the Consideration has been paid by way of cashier's order/banker's draft on the signing of the SPA. The balance 70% of the Consideration will be paid on the completion of the SPA.

The net book value/net asset value of the Sale Shares is $932,818, based on the unaudited consolidated financial statements of the Group as at 31 October 2009. There was no independent valuation conducted for the Sale Shares.

4. MATERIAL TERMS OF THE DISPOSAL

(a) Conditions Precedent

(i) the approval of the shareholders of the Company being obtained for the Disposal and the entry into the SPA, or the receipt of confirmation from SGX-ST that no such shareholders' approval is required;

(ii) consents from banks, financial institutions and/or third parties (where relevant) having been obtained for the entry into of the SPA;

(iii) the UOB Loan (as defined in the SPA) has been fully repaid by the Subsidiary (as defined in the SPA);

(iv) written confirmation of the full and unconditional release and discharge of the Guarantees (as defined in the SPA) having been obtained;

(v) the representations and warranties of the Vendor and the Purchaser as set out in the SPA being true and accurate in all material respects;

(vi) there being no breach of any of the Vendor's or Purchaser's obligations or undertakings under the SPA;

(vii) there being no governmental or court act, decree or order is made which may materially hinder the completion of the SPA or the performance by the Vendor or Purchaser of their obligations under the SPA; and

(viii) there being no material adverse change in the prospects, operations or financial conditions and results of operations of the Group occurring on or before the completion of the SPA and no event having occurred which would affect or would be likely to affect generally all companies carrying on similar business in a material and adverse way.

(b) Other Key Commercial Terms

(i) The sale and purchase of the Sale Shares will be completed on the fourteen day after the fulfilment of the conditions precedent.

(ii) The effective date of the SPA shall be 1 November 2009 notwithstanding that completion of the Disposal may take place at a later date.

(iii) Pri-V shall procure the discharge and release from various banks, financial institutions and third parties of the indebtedness of Pri-V prior to completion of the Disposal.

5. FINANCIAL EFFECTS OF THE DISPOSAL

(a) Net Tangible Assets ("NTA")

Assuming that the Disposal had been completed on 31 December 2008 and based on the Group's audited consolidated financial statements for the financial year ended 31 December 2008, the financial effects of the Disposal on the unaudited consolidated NTA of the Group for the financial year ended 31 December 2008 would be as follows:

As at 31 December 2008	Before Disposal	After Disposal
NTA (S$000)	23,922	24,188
NTA per share (cents)	19.00	19.21

(b) Earnings Per Share

Assuming that the Disposal had been completed on 1 January 2008 and based on the Group's audited consolidated financial statements for the financial year ended 31 December 2008, the financial impact on the unaudited consolidated earnings of the Group would be as follows:

As at 31 December 2008	Before Disposal	After Disposal
Profit after tax and minority interests ($000)	496	639
Earnings per share (cents)	0.43	0.55

6. RELATIVE FIGURES OF THE DISPOSAL UNDER CHAPTER 10 OF THE LISTING MANUAL

Based on the unaudited consolidated financial statements of the Group for the half year ended 30 June 2009, the relative figures computed on the bases set out in Rule 1006 of the Listing Manual are as follows:

(a) Rule 1006(a)

Based on the unaudited consolidated financial statements of the Group for the most recently announced consolidated accounts ended 30 June 2009, the net asset value of the assets to be disposed of being approximately S$679,294 represents approximately 3.20% of the Group's net asset value of approximately S$21,244,454.

(b) **Rule 1006(b)**

Based on the unaudited consolidated financial statements of the Group for the most recently announced consolidated accounts ended 30 June 2009, the net profit attributable to the assets disposed of being approximately S$165,301, represents approximately -6.57% of the Group's net loss of approximately S$2,515,610.

(c) **Rule 1006(c)**

The Purchase Consideration of S$1,259,304 represents approximately 2.87% of the Company's market capitalisation of approximately S$43,828,627 as at 30 October 2009 (the market day preceding the effective date of the SPA).

(d) **Rule 1006(d)**

This test is not applicable as no equity securities will be issued by the Company as consideration for the Disposal.

7. NET PROFIT ATTRIBUTABLE TO THE DISPOSAL AND USE OF PROCEEDS

The excess of the proceeds over the book value and the gain on the Disposal is approximately S$266,486.

PIT expects to receive net proceeds of approximately S$1,200,000 from the Disposal. The net proceeds from the Disposal will be used for working capital within the Group.

8. DIRECTORS AND CONTROLLING SHAREHOLDERS' INTERESTS

None of the directors or the controlling shareholders of the Company has any interest, direct or indirect, in the Disposal.

9. SERVICE AGREEMENTS

No person will be appointed to the Board in connection with the Disposal and no service contracts in relation thereto will be entered into by the Company.

10. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the SPA is available for inspection at the Company's registered office at 16 Kallang Place, #01-18, Kallang Basin Singapore 339156 during normal business hours for a period of three months from the date of this Announcement.

By Order of the Board

Cheong Weixiong, Jeff
Executive Director
17 November 2009