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**HLN TAKES NEXT STEP IN ITS BUSINESS TRANSITION WITH  
PROPOSED DISPOSAL OF ELASTOMERIC BUSINESS**

- Proposes to sell 100% stake in HLN Rubber for S\$6.5 million
- Proposed sale in line with HLN's strategy to shift into property development
- HLN to change its name to reflect the Group's new business direction

**Singapore, 23 July 2012** – Mainboard-listed **HLN Technologies Limited** (“**HLN**”, and together with its subsidiaries, the “**Group**”) today proposed to dispose its 100% interests in HLN Rubber Products Pte. Ltd. (“**HLN Rubber**”) (“**Proposed Disposal**”) to Mr Wa Kok Liang, Leslie (“**the Purchaser**”) who is the Group's Chief Operating Officer.

The Proposed Disposal will be effected via the disposal of the Group's entire shareholding interests in HLN Rubber for S\$6.50 million, as well as the sale and assignment of a shareholder's loan of S\$1.25 million (“**Shareholder Loan**”) to the Purchaser (or its nominee). This will result in an aggregate consideration of S\$7.75 million payable by the Purchaser to HLN.

HLN Rubber, together with its subsidiaries, HLN (Suzhou) Rubber Products Co., Ltd., PT HLN Batam and HLN Rubber Industries Sdn Bhd, are collectively referred to as the Elastomeric Business unit. Upon completion of the Proposed Disposal, the companies in the Elastomeric Business unit will cease to be subsidiaries of the Group.

The Proposed Disposal is in line with HLN's business re-organisation strategy to exit the manufacturing business and gradually shift its business portfolio towards property development. With the sale of the Elastomeric Business unit, the Group intends to change its name as soon as practicable to reflect its new business direction.

Said **Mr Jeff Cheong, CEO of HLN**, “We have been making progress in our plans to gradually transform HLN into a property developer after the disposal of the metallic business in May 2011. The sale of the Elastomeric Business unit is part of our business transition plan to unlock the value of the manufacturing businesses' assets for re-investment in new growth areas. Ultimately, our aim is to build new sources of earnings to improve shareholder value.”

Since the disposal of the metallic business, the Group has made progress in its business portfolio with various potential prospects in the property development business. The Group's eventual business transition will depend on the performance of the property development business and new opportunities for investment.

The Proposed Disposal is expected to be completed by the end of 2012. As the Proposed Disposal constitutes an Interested Person Transaction and a Major Transaction under Chapters 9 and 10 of the Listing Rules, HLN will despatch a circular in relation to the Proposed Disposal and the proposed name change, together with a notice of the extraordinary general meeting to be convened, to shareholders in due course.

In compliance with Chapter 9 of the Listing Manual, HLN's audit committee will be appointing an independent financial advisor to advise the independent directors on whether the terms of the Proposed Disposal are on normal commercial terms and whether they are prejudicial to the interests of HLN and its minority Shareholders.

*This news release is to be read in conjunction with the Group's announcement posted on the SGX website on 23 July 2012.*

**About HLN Technologies Limited**

HLN Technologies Limited, together with its subsidiaries, is an integrated group of companies that manufactures and supplies mechanical components to a variety of industries, principally in the office automation, consumer electronics and automotive industries located mainly in the fast growing countries of Asia.

The Group offers an array of quality customized precision products such as bumper foos, pads, ink absorbers, seals and gaskets, adhesives and high grade aluminum plates and rods to multinational corporations and blue chip manufacturing enterprises. These parts are used in printers and copiers, vacuum cleaners and consumer appliances, automobiles, semiconductor equipment and other information technology and telecommunication devices.

HLN supports its wide base of customers through ten operating subsidiaries located in four countries, namely, Singapore, Indonesia (Batam), Malaysia (Johor) and China (Shenzhen and Suzhou). These operating subsidiaries are organized into three business units - elastomeric, polymeric and metallic.

HLN has been continually exploring opportunities to broaden and diversify the Group's business portfolio. In line with this strategy, the Group currently has an interest in Tianjin Swan Lake Real Estate Development Co., Ltd, the developer of Jing Jin Business Centre, which is a grade 5A office building in in Wuqing District, Tianjin, PRC.

In November 2011, the Group exited the metallic business by divesting HLN Metal Centre Group.

HLN is listed on the SGX-ST Main Board. For further information on HLN Technologies Limited, please visit the Group's website at [www.hlnitech.com](http://www.hlnitech.com)