

HLN Technologies Limited

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

Update on use of proceeds from the placement

The Board of Directors (the "**Board**") of HLN Technologies Limited (the "**Company**") refers to the placement of 24,600,000 ordinary shares in the capital of the Company which was completed on 25 October 2010 and wishes to update the use of the share placement proceeds as at 22 December 2010.

Amount of share placement proceeds raised

Gross placement proceeds	S\$6.42 million
Less: Placement expenses	S\$0.34 million
Net placement proceeds	<u>S\$6.08 million</u>

As at 22 December 2010, the Company has used the placement proceeds as follows:-

<u>Planned use of proceeds</u>	<u>Allocated</u>	<u>Utilized</u>	<u>Balance</u>
To fund the Company's future merger and acquisition, and investment activities	<u>S\$6.08 million</u>	<u>S\$5.93 million</u>	<u>S\$0.15 million</u>

The Company refers to its announcement on 20 December 2010 and wishes to announce that pursuant to the Term Sheet in relation to the proposed acquisition by the Company of up to 58.33% shareholding interest in Greatly Holdings Investments from Mr Tan Jian You (the "Vendor"), the Company shall pay RMB30 million to the Vendor as a refundable deposit upon signing the Term Sheet. Under the terms of the Term Sheet, if a definitive Sale and Purchase Agreement ("SPA") is not entered into between the Company and the Vendor on or before 31 March 2011 (unless the deadline is extended by mutual agreement), the Vendor shall refund the deposit to the Company in full. The Term Sheet was signed on 19 December 2010 and the Company has on 22 December 2010 paid out the refundable deposit. The balance of S\$0.15 million is proposed to be used to pay for costs associated with this proposed acquisition.

By Order of the Board

Cheong Weixiong, Jeff
Group Chief Executive Officer
22 December 2010