

## **HLN TECHNOLOGIES LIMITED**

(Incorporated in Singapore on 26 February 2004)

(Company Registration Number 200402180C)

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### **TERMINATION OF WA KOK LIANG, LESLIE AS GROUP CHIEF OPERATING OFFICER**

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The Board of Directors (the "**Board**") of HLN Technologies Limited (the "**Company**") refers to the announcement of the Company dated 14 December 2012 in relation to the suspension of Mr Wa Kok Liang, Leslie ("**Mr Wa**") as Group Chief Operating Officer ("**Group COO**") pending an internal investigation requested by the Board (the "**Internal Investigation**") as well as the outcome of the dispute between the Company and Mr Wa in respect of the proposed disposal by the Company of its entire shareholding interests in HLN Rubber Products Pte. Ltd. (the "**Proposed Disposal**") under the sale and purchase agreement dated 20 July 2012 (the "**SNP Agreement**") between the Company as vendor and Mr Wa as purchaser.

The Company carried out the Internal Investigation with the assistance of its professional advisers, Messrs PricewaterhouseCooper LLP ("**PwC**"), and in consultation with Messrs Allen & Gledhill LLP ("**A&G**"). In connection with the Internal Investigation, the Company looked into certain transactions in respect of HLN Rubber Products Pte. Ltd ("**HRP**") and HLN Rubber Industries Sdn Bhd ("**HRI**"), which involved Mr Wa.

The Company has concluded that Mr Wa has committed acts of grave misconduct as Group COO in connection with HRP and HRI.

The Board wishes to announce that following the Internal Investigation by the Board, the Company, in consultation with A&G, has terminated the services of Mr Wa as Group COO for breach of his service agreement dated 5 August 2011 between the Company, HRP and Mr Wa (the "**Service Agreement**") with immediate effect on 12 April 2013. The grounds of termination are that Mr Wa has committed acts of grave misconduct, breached his duties and/or obligations and/or otherwise neglected his responsibilities as Group COO in connection with the Elastomeric Business Unit (which includes HRP and HRI) and/or committed material or persistent breaches of the provisions of the Service Agreement.

At present, the Board is of the view that no material financial impact on the Company arises from the findings of the Internal Investigation and the termination of Mr Wa,

The Company is now considering its options against Mr Wa in consultation with its professional advisers with a view to protecting the Company's interests. Mr Ng Khoon Seng (executive director of the Company and deputy chief operating officer) will continue as acting Group COO until further notice.

For completeness, further to the announcements of the Company dated 23 July 2012, 21 August 2012, 23 October 2012, 12 November 2012, 16 November 2012, 3 December 2012, 13 December 2012, the circular to the Shareholders dated 12 November 2012 (the "**Circular**") and the corrigendum to the Circular dated 19 November 2012 in relation to the Proposed Disposal, the Board wishes to announce that the Company had exercised its right to forfeit the deposit paid by Mr Wa to the Company on 20 July 2012 and had notified Mr Wa by a letter dated 30 January 2013 from A&G to Mr Wa's lawyers.

Although the Board understands that Mr Wa appears to dispute the Company's right to forfeit the deposit, the Company has not heard further from Mr Wa or his lawyers in relation to the Proposed Disposal since A&G's letter of 30 January 2013.

The Board will provide shareholders of the Company with timely updates on its next course of action, including their progress and outcome.

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By Order of the Board

Cheong Weixiong  
Group Chief Executive Officer  
15 April 2013