



**CHALLENGER TECHNOLOGIES LIMITED**  
(Incorporated in the Republic of Singapore on 14 January 1984)  
(Registration No. 198400182K)

**NEWS RELEASE - FOR IMMEDIATE RELEASE**  
**Results for the year ended 31 December 2012 (“FY2012”)**

**Full year revenue and net profit for the Group grew by 6% and 4% respectively despite tough business environment for retailers**

	<b>FY2012</b>	<b>FY2011</b>	<b>Change</b>	<b>4Q2012</b>	<b>4Q2011</b>	<b>Change</b>
	<b>\$'M</b>	<b>\$'M</b>		<b>\$'M</b>	<b>\$'M</b>	
<b>Revenue</b>	337.3	316.9	+6%	90.8	78.1	+16%
<b>Profit before tax</b>	19.5	19.0	+3%	5.7	5.5	+4%
<b>Profit after tax</b>	16.4	15.7	+4%	4.9	4.4	+11%
<b>Earnings per share</b>	4.69 cents	4.53 cents	+4%	1.40 cents	1.28 cents	+9%
<b>Dividend per share</b>	2.25 cent	2.20 cent	+2%	1.25 cent	1.20 cent	+4%
	<b>As at 31/12/12</b>	<b>As at 31/12/11</b>	<b>Change</b>			
<b>NAV/share</b>	14.79 cents	12.37 cents	+20%			

**Highlights:**

- Revenue grew by 6% or \$20.4M to \$337.3M and gross profit margins remain unchanged for FY2012 compared to FY2011.
- Net profit increased by 4% or \$0.7M to \$16.4M, in line with the growth in revenue noted for the year.

**Singapore, 7 February 2013** – SGX Mainboard-listed Challenger Technologies Limited (“Challenger” or the “Company”), a leading IT products and services provider in Singapore, today announced its results for the year ended and fourth quarter ended 31 December 2012.

Group revenue grew by about \$20.4 million or 6% to about \$337.3 million for the year ended 31 December 2012. This has been mainly due to higher sales from retail businesses in Singapore and Malaysia by about \$21.3 million which was offset by a decrease in sales from the signage business by about \$1.9 million.

Higher sales from retail businesses in Singapore and Malaysia can be attributed to the opening of new stores in 2011 and 2012. The decrease in sales for our signage business was due to the completion of more projects and their higher value noted for the previous year.

Net profit increased by \$0.7 million or 4% to \$16.4 million for the year ended 31 December 2012. This was due to higher gross profit by about \$3.2 million, exchange differences of about \$0.9 million and lower income tax expenses of about \$0.1 million. This was offset by higher depreciation charge, rental, staff and other operating expenses by about \$3.5 million. Gross profit margins have been noted to be same for both years.

Revenue for 4Q2012 increased by \$12.7 million compared to 4Q2011 mainly due to increase in retail revenue of the Group. Net profit increased by 11% to \$4.9 million for the fourth quarter of this year due to higher gross profit. This was offset by higher depreciation charge, rental, staff and other operating expenses.

To date in Singapore, the Group has a total of 29 stores comprising one flagship Challenger megastore, 20 Challenger superstores and eight mini stores. In Malaysia, the Group operates one flagship Challenger megastore and three Challenger superstores.

Mr. Loo Leong Thye, the Chief Executive of the Company, said, “As expected, Q4 was the best quarter for us in 2012. This has somewhat made up for the slow retail sales noted for the first three quarters of FY2012.”

He further added, “We think 2013 will continue to be tough for retailers, at least for the first half of the year. However, we will continue to expand our retail space in Singapore and Malaysia so as to serve and reach out to a wider customer base.”

To reward shareholders for their unwavering support, the Company had proposed a final tax-exempt dividend of 1.25 cents per ordinary share for FY2012. This, together with the interim dividend of 1.00 cent paid for 1H2012, gives a total of 2.25 cents for the full year ended 31 December 2012. This is an increase of 2% over 2.20 cents paid for FY2011.

### **About Challenger Technologies Limited**

Incorporated in 1984, listed on the SGX-Sesdaq in January 2004 and upgraded to the SGX Mainboard in August 2007, Challenger is the leading IT products and services provider in Singapore and Malaysia with extensive network of strategically located retail outlets. Today, Challenger has approximately 362,000 members who regularly patronise its stores.

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