



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 2013 (“FY2013”)

Proposed final dividend up 14% year-on-year
Record revenue achieved of \$385 million for FY2013

	FY2013	FY2012	Change	4Q2013	4Q2012	Change
	\$'M	\$'M		\$'M	\$'M	
Revenue	385.4	337.3	+14%	94.1	90.8	+4%
Profit before tax	20.8	19.5	+7%	5.6	5.7	-2%
Profit after tax	17.3	16.4	+6%	4.6	4.9	-6%
Earnings per share	4.96 cents	4.69 cents	+6%	1.32 cents	1.40 Cents	-6%
Dividend per share	2.52 cent	2.25 cent	+12%	1.42 cent	1.25 cent	+14%
	As at 31/12/13	As at 31/12/12	Change			
NAV/share	17.42 cents	14.79 cents	+18%			

Highlights:

- FY2013 revenue grew by 14% to \$385.4M and gross profit margins remained consistent compared to FY2012.
- FY2013 net profit increased by 6% to \$17.3M. The percentage growth has not been as much as revenue due to higher expenses.
- Proposed final dividend per ordinary share of 1.42 cents gives a total of 2.52 cents of dividend per ordinary share for FY2013, which is 50.8% of total Group's net profit attributable to equity holders of the Company.

Singapore, 12 February 2014 – SGX Mainboard-listed Challenger Technologies Limited (“Challenger” or the “Company”), the largest IT products and services provider in Singapore, today announced its results for the year ended and fourth quarter ended 31 December 2013.

Group revenue grew by about \$48.1 million or 14% to about \$385.4 million for the financial year ended 31 December 2013. This has been mainly boosted by higher sales from the retail business in Singapore.

Fourth quarter revenue grew by \$3.3 million or 4% mainly due to higher sales from the retail business in Singapore.

Net profit increased by \$0.9 million or 6% to \$16.4 million. This was backed by higher gross profit and interest income, partly offset by higher depreciation charge, rental, staff costs and other operating expenses. Gross profit margins have been noted to be consistent both years.

Net profit for 4Q2013 decreased by \$0.3 million or 5% compared to Q42012 mainly due to increase in Singapore retail revenue and gross profits which was offset by higher depreciation charge, rental, staff costs and other operating expenses.

To date in Singapore, the Group has a total of 40 stores comprising one flagship Challenger megastore, 22 Challenger superstores, 10 mini stores, five Valore concept stores and two Musica concept stores. In Malaysia, the Group operates one flagship Challenger megastore and two Challenger superstores.

Mr. Loo Leong Thye, the Chief Executive of the Company, said, “Q4 for 2013 has been a mixed quarter as business for the first two months of the quarter was slow. The Group’s revenue and profit were also evenly split between the first and second half of FY2013. We normally see stronger second half performance due to the festive season shopping in prior years.”

He further added, “We think 2014 will continue to be challenging for us. 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 1.42 cents per ordinary share for FY2013. This, together with the interim dividend of 1.10 cent paid for 2Q2013, gives a total of 2.52 cents per ordinary share for the FY2013. This is an increase of 12% over a total of 2.25 cents paid for FY2012. The amount paid and proposed for FY2013 will be equivalent to 50.8% of the Group's net profit attributable to equity holders of the Company. This is in line with our last quarter's press release which mentioned that we will pay at least 50% of the net profit for FY2013, FY2014 and FY2015.

About Challenger Technologies Limited

Incorporated in 1984, listed on the SGX in January 2004, Challenger operates a chain of IT retail stores and lifestyle retail concepts such as audio specialty store, Musica and mobility & lifestyle private label, Valore in Singapore and Malaysia. With an extensive network of strategically-located retail stores, Challenger has over half a million ValueClub members. Challenger also owns end-to-end integrated marketing solutions provider, inCall System Pte Ltd and LED signage and services provider, CBD eVision Pte Ltd.

For further information, please contact:

Mr Tan Wee Ko

Executive Director & Chief Financial Officer

Tel: (65) 6318-9800

Email: wktan@challenger.sg