



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

**NEWS RELEASE - FOR IMMEDIATE RELEASE**  
**Results for first half ended 30 June 2016 (“1H2016”)**

**Revenue and profit grew despite overall tough retail climate**

	<b>1H2016</b>	<b>1H2015</b>	<b>Change</b>	<b>2Q2016</b>	<b>2Q2015</b>	<b>Change</b>
	<b>S\$'M</b>	<b>S\$'M</b>		<b>S\$'M</b>	<b>S\$'M</b>	
<b>Revenue</b>	181.6	168.5	8%	91.2	84.7	8%
<b>Profit before tax</b>	9.1	9.0	1%	4.6	4.4	5%
<b>Profit after tax</b>	7.3	7.2	1%	3.6	3.5	3%
<b>Earnings per share</b>	2.18 cents	2.06 cents	6%	1.09 cents	0.99 cents	10%
<b>Dividend per share</b>	1.1 cents	1.1 cents	-	--	--	--
	<b>As at 30/06/16</b>	<b>As at 31/12/15</b>	<b>Change</b>			
<b>NAV/share</b>	22.61 cents	19.98 cents	13%			

**Singapore, 2 August 2016** – SGX Mainboard-listed Challenger Technologies Limited (“Challenger” or the “Group”), the largest IT products and services provider in Singapore, today announced its results for the half year and second quarter ended 30 June 2016.

The Group posted 8% higher revenue in both 1H2016 and 2Q2016 compared with the same corresponding period last year. This was driven by improved performance from corporate sales, tradeshow activities and growing sales from its Hachi.tech online marketplace launched in April this year.

Net profit for 1H2016 and 2Q2016 increased marginally by 1.0% and 3.0% respectively. This was mainly attributable to stronger gross profit, reduced rental from rental rebate given by Funan DigitaLife Mall and higher government grants received. The above were offset by higher staff costs and other operating expenses incurred to start and grow Hachi.tech.

Chief Executive Mr. Loo Leong Thye said, “Hachi.tech presents a strong platform for us to reach a wider market and an evolving customer base which shops via multiple channels today. Today, we don’t have the physical constraints of a brick-and-mortar store because we can list an ever-growing range of products that a customer can buy anytime, anywhere. In the coming months, Hachi.tech will see more improvements in order to better serve our members.”

With the closure of its flagship megastore in Funan DigitaLife Mall on 30 June 2016, the Group now operates a total of 44 stores comprising 23 Challenger superstores and 21 small format stores in Singapore. “We had a successful closing sale after operating in Funan for more than 20 years. Despite Funan’s closure, we did not experience a significant revenue drop as our customers are already familiar with our large network of over 40 other stores where they can shop at,” Mr Loo said. “We will continue to open new retail stores that have suitable locations and rentals, as well as right-size or end leases on stores that are not performing up to our expectations in this soft retail climate.”

### **About Challenger Technologies Limited**

Incorporated in 1984 and listed on the SGX in January 2004, Challenger Technologies Limited operates the Challenger chain of IT retail stores and online tech marketplace Hachi.tech. With an extensive network of strategically-located retail stores, Challenger has over half a million ValueClub members. Challenger also owns Challenge Ventures Pte Ltd, supporting investments in digital platforms such as pre-owned IT marketplace Andios Pte Ltd and extended warranty and services provider inCall System Pte Ltd. This digital lifestyle ecosystem enables Challenger’s vision of becoming a large online and offline player.

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