



For Immediate Release

Challenger Technologies Limited's FY2005 Net Profit Soars 33% to \$3.7 million

SINGAPORE, 23 February 2006- SGX-Sesdaq listed Challenger Technologies Limited, a Singapore-incorporated company involved in the principal businesses of IT products and services and electronic signage services, today reported achieving net profit of \$3.7 million for the financial year ended 31 December 2005 ("FY2005"), an increase of 33% or \$0.9 million, compared to \$2.8 million for the financial year ended 31 December 2004. This has been mainly due to higher retail revenue generated for FY2005, which rose 7% or \$5.2 million from \$70.8 million in FY2004 to \$76.0 million in FY2005. This resulted in higher profit recorded for our retail operations.

A final tax dividend of 1.0 cent per ordinary share and a final tax-exempt-one tier dividend of 0.8 cent per ordinary share have been proposed. This is subject to shareholders' approval at the Annual General Meeting ("AGM") to be held on 18 April 2006. The company had earlier declared and paid out an interim tax dividend on 9 September 2005 of 1.0 cent per ordinary share, bringing the total net dividend to 2.4 cents per ordinary share for FY2005. If the proposed final dividend is approved at the AGM, the company would have paid about 99% of its FY2005 profit as dividend to shareholders.

About Challenger Technologies Limited

Established in 1984 as a retailer of IT products, Challenger Technologies has grown from one outlet to two superstores and two small format outlets ("Matrix Business Units") in Singapore. Challenger Technologies offers a diverse range of IT products and services, as well as on-site IT solutions and services through our Itechcare subsidiary. In 1994, we also expanded into the electronic signage business, CBD eVision. Today, our Group counts amongst its customers well known corporate clients as well as walk-in customers.