



CHALLENGER TECHNOLOGIES LIMITED

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

FOR IMMEDIATE RELEASE:
Half-year results for 6 months ended 30 June 2010

Higher Operating Profits with Continual Revenue Growth of 12%

	1H 2010	1H 2009	Change
	S\$'000	S\$'000	
Revenue	104,016	92,538	+12%
Profit before tax	7,138	7,595	- 6%
Net profit	5,875	6,090	- 4%
EPS	2.52	2.62	- 4%
Dividend/share	1.20	1.20	-
NAV/share	As at 30/6/10 12.67	As at 30/6/09 10.52	+20%

Highlights:

- Revenue increased by 12% even without any new store opening in 1H2010.
- IT retail business in Singapore to remain as key revenue contributor.
- Despite higher operating profit, net profit decreased 4% mainly due to exchange losses.
- Group declared an interim tax-exempt dividend of 1.2 cents per share.

Singapore, 11 August 2010 – SGX Mainboard-listed Challenger Technologies Limited (“Challenger” or the “Company”), a leading IT products & services provider in Singapore, today announced its financial results for half year ended 30 June 2010.

Revenue grew 12% to \$104.0 million in 1H 2010 from \$92.5 million in 1H 2009, driven by improved performance of existing stores and full operations of stores which opened during the first half of 2009.

Despite strong retail performance, net profit decreased slightly by 4% to \$5.9 million in 1H 2010. This was mainly due to exchange losses of about \$0.2 million compared to a gain of \$0.9 million in 1H 2009.

To date, the Group’s retail network has a total of 22 stores comprising 21 stores in Singapore and one store in Malaysia under the Challenger, Challenger Mini, Matrix IT Gallery and Pixels brands.

Chief Executive Mr. Loo Leong Thye said, “We are pleased with our continuous improved performance in 1H 2010. Stronger revenue comes primarily from better performance of our IT retail business in Singapore, with revenue growth of 15% compared to 1H 2009. Riding on the positive retail trend from the two recently opened integrated resorts and the Youth Olympic Games in August 2010, we are expecting better revenue growth based on the expected jump in tourism arrival and retail consumption.”

“To sustain growth, we will continue to strategically add new retail outlets in high-traffic areas in Singapore. Besides securing the lease at nex in Serangoon Central, we have recently secured two more leases in Plaza Singapura and Bedok Point. Totaling about 13,000 sq ft, these outlets are due to open by the end of this year,” Mr. Loo added.

To reward shareholders for their unwavering support, the Company has proposed an interim tax-exempt dividend of 1.2 cents per ordinary share for 1H 2010. This is payable to shareholders on 8 September 2010.

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 with an extensive network of 22 strategically-located retail outlets. The Group currently has one flagship megastore in Funan Digitalife Mall, 11 superstores and 10 specialty stores (under Challenger Mini, Matrix and Pixels brand name) throughout Singapore. It also operates one megastore in Malaysia. The Company offers a diverse range of IT products and services. Today, Challenger has over 210,000 members who regularly patronise its outlets.

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