



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

NEWS RELEASE - FOR IMMEDIATE RELEASE
Results for first quarter ended 31 March 2016 ("1Q2016")

Revenue grew 8% despite soft retail conditions

	1Q2016	1Q2015	Change
	S\$'M	S\$'M	
Revenue	90.4	83.8	+7.9%
Profit before tax	4.5	4.6	-2.2%
Profit after tax	3.7	3.8	-2.6%
EPS	1.09 cents	1.07 cents	+1.9%
NAV/share	As at 31/03/16 23.11 cents	As at 31/12/15 22.00 cents	+5.0%

Singapore, 9 May 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 first quarter ended 31 March 2016.

Net profit for 1Q2016 trimmed marginally by \$0.1 million or 2.6% compared to 1Q2015. This was mainly attributable to higher staff costs, premises and other operating expenses due to more store openings. The above were offset by higher gross profit, while gross margins remained constant for both periods.

Group revenue increased by about \$6.6 million or 7.9% to about \$90.4 million for the first quarter ended 31 March 2016. The increase was mainly due to higher revenue from corporate sales and contribution from trade show. This was partially offset by lower retail sales revenue.

In line with the Group's digital push, Hachi.tech was launched in April 2016 to provide consumers with a 24/7 touchpoint for shopping online. Chief Executive Mr. Loo Leong Thye said, "Online shopping is an additional and important growth engine for us. Hachi.tech will house many times more products than our physical retail stores, giving our customers more choice and convenience."

"We are also focus on our closure sale at Funan that is happening from now till 30 June 2016 when the mall will be closed for redevelopment," he added. "Many items are now available at Funan with huge discounts."

Currently, the Group has a total of 48 stores comprising one flagship Challenger megastore, 23 Challenger superstores and 24 small format stores in Singapore. Its extensive network of conveniently-located stores island-wide enables it to reach its half million members and customers where they live, work or play.

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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