



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 2019 ("1Q2019")

4% rise in sales, 21% drop in net profit for 1Q2019

	1Q2019	1Q2018	Change
	S\$'M	S\$'M	
Revenue	80.9	77.6	4%
Profit before tax	5.0	6.3	-21%
Profit after tax	4.1	5.2	-21%
Earnings per share	1.18	1.51	-22%
	Cents	cents	
	As at 31/3/19	As at 31/12/18	Change
NAV/share	27.83	26.65	4%

Singapore, 10 May 2019 – 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 2019.

1Q2019 revenue increased by 4% or \$3.3 million to \$80.9 million, mainly due to higher trade show sales. 1Q2019 net profit decreased by 21% or \$1.1 million to \$4.1 million. This was mainly due to lower gross profit margin brought on by the need to react to competitive pricing in the difficult IT retail market, as well as an increase in operating expenses.

"We expanded on our trade show participation and achieved our highest show sales ever in 1Q2019," said Chief Executive Mr Loo Leong Thye. "Despite higher sales achieved, gross profit margin dropped significantly although we managed to increase our retail and online sales slightly."

Challenger will be opening three new stores at Jewel Changi, West Coast Plaza and Paya Lebar Quarter by the second half of 2019. Two stores located at Great World City and Thomson Plaza will

be closed in the second half of 2019. “Even though the retail market continues to be tough, we hope to capture sales in new locations we are currently not present in,” said Mr Loo.

To date, the Group has a total of 39 stores comprising one flagship Challenger store, 25 Challenger superstores, one PIT.Money store, one Musica Boutique and 11 small format stores. Conveniently located island-wide, Challenger will continue to grow its retail footprint at available and suitable locations to serve its customers within close proximity.

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 half a million ValueClub members. Challenger also owns inCall System Pte Ltd, which provides extended warranty programs, IT repair as well as call centre services.

For further information, please contact:

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