

CHALLENGER TECHNOLOGIES LIMITED
Company Registration No.: 198400182K

DISPOSAL OF SHARES IN CBD EVISION (M) SDN BHD

The Board of Directors of Challenger Technologies Limited ("the Company") wishes to announce that the Company's wholly-owned subsidiary, CBD eVision Pte Ltd, has sold its entire shareholding in the capital of CBD eVision (M) Sdn Bhd ("CBDM"), comprising of 90,000 shares of Malaysian Ringgit ("RM") 1 each, amounting to 60% of the issued share capital of CBDM to Mr Neoh Cheow Jin who is not related to any director or substantial shareholder of the Company.

The consideration for the aforesaid disposal is \$1.00 because CBDM was in a net tangible liability position of about RM267,000 which is about S\$120,000.

The above transaction is not expected to have any material impact on the earnings per share and the net tangible assets per share of the Company for the financial year ending 31 December 2006.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transactions.

By Order of the Board

Loo Leong Thye
Chief Executive Officer