

Challenger

Technologies

Limited



FULL YEAR FINANCIAL STATEMENT

AND DIVIDEND ANNOUNCEMENT

FOR THE FINANCIAL YEAR ENDED

31 DECEMBER 2006

CHALLENGER TECHNOLOGIES LIMITED

FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2006

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Income Statement for 12 months ended 31 December 2006

	Group		Change %
	12 months ended		
	31.12.2006 \$'000	31.12.2005 \$'000	
Revenue	92,311	77,497	19
Financial income [note (A)]	491	427	15
Financial expense [note (A)]	(34)	(275)	(88)
Changes in inventories	695	742	(6)
Cost of goods purchased	(74,106)	(62,687)	18
Other consumables used	(285)	(277)	3
Employee benefits expense including Directors' remuneration	(6,143)	(5,184)	18
Depreciation expense	(608)	(354)	72
Other operating expenses [note (B)]	(5,768)	(5,061)	14
Other (charges) / credits [note (C)]	(484)	(143)	238
Share of loss of associates	-	(53)	(100)
Profit before tax	6,069	4,632	31
Income tax expense	(1,538)	(901)	71
Profit for the year	4,531	3,731	21
Attributable to:			
Equity holders of the company	4,532	3,792	20
Minority interests	(1)	(61)	(98)
	4,531	3,731	21

N.M. = not meaningful

Note (A) - Financial Income and (Expenses)

Bad debts written off other receivables	(15)	-	100
Bad debts recovered from trade receivables	-	1	(100)
Bank overdraft interest	(1)	(1)	-
Foreign exchange transaction (losses)	(18)	(263)	(93)
Hire purchase interest	-	(3)	(100)
Interest income from financial institutions	437	383	14
Other interest paid	-	(8)	(100)
Sundry income	54	43	26
	457	152	201

Presented in the income statement as:

Financial income	491	427	15
Financial expense	(34)	(275)	(88)
	457	152	201

Note (B) - Other Operating Expenses

Rental expenses	(3,662)	(3,178)	15
Selling and distribution costs	(1,203)	(1,082)	11
Other operating expenses	(903)	(801)	13
	(5,768)	(5,061)	14

Note (C) - Other (Charges) / Credits

Amortisation of master franchise fee	(5)	(17)	(71)
Gain on disposal of subsidiaries	28	540	(95)
Loss on disposal of plant and equipment	(198)	(29)	583
Provision for impairment of goodwill on consolidation	-	(6)	(100)
Provision for impairment of investments in associates	-	(271)	(100)
Inventories written off	(121)	(14)	764
Reversal / (Provision) for inventories	5	(39)	(113)
Provision for loyalty program	(193)	(307)	(37)
	(484)	(143)	238

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1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	31.12.2006 \$'000	31.12.2005 \$'000	31.12.2006 \$'000	31.12.2005 \$'000
Current assets				
Cash and cash equivalents	11,359	10,666	10,796	10,349
Trade receivables	2,477	1,711	2,841	1,792
Other receivables	1,124	605	867	546
Inventories	7,196	6,479	6,168	5,818
	<u>22,156</u>	<u>19,461</u>	<u>20,672</u>	<u>18,505</u>
Non-current assets				
Plant and equipment	3,120	1,092	2,771	840
Investments in subsidiaries	-	-	889	889
Investments in associates	-	-	51	51
Available-for-sale investment	1,208	-	1,208	-
Other assets	-	5	-	-
	<u>4,328</u>	<u>1,097</u>	<u>4,919</u>	<u>1,780</u>
Total assets	<u>26,484</u>	<u>20,558</u>	<u>25,591</u>	<u>20,285</u>
Current liabilities				
Short-term borrowings	-	20	-	-
Short-term provisions	500	307	500	307
Trade payables	9,021	5,370	8,683	5,197
Other payables	287	228	262	189
Current tax payable	1,693	1,001	1,582	999
Current portion of deferred income	545	-	532	-
Current portion of finance leases	-	8	-	-
	<u>12,046</u>	<u>6,934</u>	<u>11,559</u>	<u>6,692</u>
Non-current liabilities				
Finance leases	-	35	-	-
Deferred income	274	-	261	-
Deferred tax liabilities	162	127	138	124
	<u>436</u>	<u>162</u>	<u>399</u>	<u>124</u>
Total liabilities	<u>12,482</u>	<u>7,096</u>	<u>11,958</u>	<u>6,816</u>
Equity				
Share capital (Note D)	11,295	6,140	11,295	6,140
Other reserves	(2)	5,152	-	5,155
Retained earnings	2,704	2,163	2,338	2,174
Total shareholders' funds	<u>13,997</u>	<u>13,455</u>	<u>13,633</u>	<u>13,469</u>
Minority interests	5	7	-	-
Total equity	<u>14,002</u>	<u>13,462</u>	<u>13,633</u>	<u>13,469</u>
Total liabilities and equity	<u>26,484</u>	<u>20,558</u>	<u>25,591</u>	<u>20,285</u>

Note D:

With changes to the Companies Act, Cap 50, effective from 30 January 2006, there is the removal of the concept of par value and authorised capital and there is no share premium account. The Company had a share premium account balance of \$5,155,000 as at 31 December 2005. This amount has now been included in the share capital as required by the changes to the Companies Act in 2006.

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

31.12.2006 \$'000		31.12.2005 \$'000	
Secured	Unsecured	Secured	Unsecured
-	-	28	-

Amount repayable after one year

31.12.2006 \$'000		31.12.2005 \$'000	
Secured	Unsecured	Secured	Unsecured
-	-	35	-

Details of any collateral

Not applicable.

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FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2006

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated cash flows statement

	31.12.2006 \$'000	31.12.2005 \$'000
Cash flow from operating activities		
Profit for the year	4,531	3,731
Adjustments for:		
Amortisation of master franchisee fee	5	17
Depreciation expense	608	354
Gain on disposal of subsidiaries	(28)	(540)
Loss on disposal of plant and equipment	198	29
Goodwill on consolidation written off	-	6
Income tax expense	1,538	901
Provision for impairment of investment in associates	-	271
Share of losses of associates	-	53
Operating profit before working capital changes	<u>6,852</u>	<u>4,822</u>
Trade and other receivables	(1,392)	2
Inventories	(720)	(722)
Short-term provisions	193	307
Trade and other payables	4,673	122
Decrease in restricted fixed bank deposits	-	600
Cash generated from operations	<u>9,606</u>	<u>5,131</u>
Interest received	437	383
Interest paid	(1)	(12)
Income tax paid	<u>(811)</u>	<u>(863)</u>
Net cash generated from operating activities	<u>9,231</u>	<u>4,639</u>
Cash flows from investing activities		
Increase in investments in associates	-	(11)
Disposal of subsidiaries	-	(166)
Interest income	(437)	(383)
Proceeds from disposal of plant and equipment	53	-
Purchase of other investment - non-current	(1,208)	-
Purchase of plant and equipment	<u>(2,893)</u>	<u>(374)</u>
Net cash used in investing activities	<u>(4,485)</u>	<u>(934)</u>
Cash flows from financing activities		
Dividends paid	(3,991)	(4,912)
Decrease in short-term borrowings	-	(315)
Interest expense	1	12
Issue of shares to minority shareholders by a subsidiary	-	25
Decrease in finance leases	<u>(43)</u>	<u>(10)</u>
Net cash used in financing activities	<u>(4,033)</u>	<u>(5,200)</u>
Net effect of exchange rate changes in consolidating foreign subsidiaries	-	4
Net increase / (decrease) in cash and cash equivalents	713	(1,491)
Cash and cash equivalents at beginning of year	<u>10,646</u>	<u>12,137</u>
Cash and cash equivalents at end of year	<u>11,359</u>	<u>10,646</u>

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Notes to the consolidated cash flow statement

Disposal of Subsidiaries

During the year, the group disposed a subsidiary, 60% interest in CBD eVision (M) Sdn Bhd in Dec 2006. The net liabilities at the date of disposal were as follows:

	\$'000
Plant and equipment	6
Inventories	3
Trade and other receivables	22
Cash and cash equivalents	-
Trade and other payables	(144)
	(113)
Total consideration	-
Gain on disposal	(113)
Less: Trade and other receivables written off by the Group	85
Net gain on disposal	(28)

* Cash proceeds amounted to \$1.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Changes in Equity

	Share capital \$'000	Share premium \$'000	Translation reserve \$'000	Retained earnings \$'000	Total \$'000	Minority interests \$'000	Total equity \$'000
GROUP							
Balance at 1 January 2006	6,140	5,155	(3)	2,163	13,455	7	13,462
Changes in equity for 2006							
Transfer (Note D)	5,155	(5,155)	-	-	-	-	-
Exchange difference on translating foreign operations	-	-	1	-	1	(1)	-
Net income recognised directly in equity	-	-	1	-	1	(1)	-
Profit for the year	-	-	-	4,532	4,532	(1)	4,531
Total recognised income and (expense) for the year	-	-	1	4,532	4,533	(2)	4,531
Dividends	-	-	-	(3,991)	(3,991)	-	(3,991)
Balance at 31 December 2006	11,295	-	(2)	2,704	13,997	5	14,002
Balance at 1 January 2005	6,140	5,155	(5)	3,283	14,573	35	14,608
Changes in equity for 2005							
Exchange difference on translating foreign operations	-	-	2	-	2	2	4
Gain on dilution of interest	-	-	-	-	-	6	6
Net income recognised directly in equity	-	-	2	-	2	8	10
Profit for the year	-	-	-	3,792	3,792	(61)	3,731
Total recognised income and (expense) for the year	-	-	2	3,792	3,794	(53)	3,741
Issue of share capital by a subsidiary	-	-	-	-	-	25	25
Dividends	-	-	-	(4,912)	(4,912)	-	(4,912)
Balance at 31 December 2005	6,140	5,155	(3)	2,163	13,455	7	13,462
COMPANY							
Balance at 1 January 2006	6,140	5,155	-	2,174	13,469	-	13,469
Changes in equity for 2006							
Transfer (Note D)	5,155	(5,155)	-	-	-	-	-
Profit for the year	-	-	-	4,155	4,155	-	4,155
Total recognised income and (expense) for the year	-	-	-	4,155	4,155	-	4,155
Dividends	-	-	-	(3,991)	(3,991)	-	(3,991)
Balance at 31 December 2006	11,295	-	-	2,338	13,633	-	13,633
Balance at 1 January 2005	6,140	5,155	-	3,947	15,242	-	15,242
Changes in equity for 2005							
Profit for the year	-	-	-	3,139	3,139	-	3,139
Total recognised income and (expense) for the year	-	-	-	3,139	3,139	-	3,139
Dividends	-	-	-	(4,912)	(4,912)	-	(4,912)
Balance at 31 December 2005	6,140	5,155	-	2,174	13,469	-	13,469

Note D:

With changes to the Companies Act, Cap 50, effective from 30 January 2006, there is the removal of the concept of par value and authorised capital and there is no share premium account. The Company had a share premium account balance of \$5,155,000 as at 31 December 2005. This amount has now been included in the share capital as required by the changes to the Companies Act in 2006.

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- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-back, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

There has not been any change in the Company's number of shares issued and share capital since the end of the previous financial year. The details of the number of shares issued and share capital are as follows:

	Number of Shares	Issued Share Capital in \$
Issued and paid-up share capital		
As at 31 December 2005	153,500,000	6,140,000
Transfer of share premium	-	5,155,000
As at 31 December 2006	<u>153,500,000</u>	<u>11,295,000</u>

We have submitted an application dated 15 January 2007 to SGX for a proposed renounceable non-underwritten rights issue of up to 46,050,000 new ordinary shares in the capital of the Company at an issue price of S\$0.10 for each rights share with up to 30,700,000 free detachable warrants, each warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company at an exercise price of S\$0.10 for each new share, on the basis of three (3) rights shares with two (2) free warrants for every ten (10) existing ordinary shares held by shareholders of the Company as at the books closure date, fractional entitlements to be disregarded. On 7 February 2007, we had received the in-principle approval of the SGX on the above mentioned listing. The SGX's in-principle approval is not to be taken as an indication of the merits of the rights issue, the warrants, the new shares, the Company or its subsidiaries.

- 2 Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited nor reviewed by the Group auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has applied the same accounting policies and methods of computation in the financial statements for the current period as compared with the audited financial statements for the year ended 31 December 2005.

- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Not applicable.

- 6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Group	
	31.12.2006	31.12.2005
	cents	cents
Earnings per share based on consolidated profit after taxation and minority interest		
- on weighted average number of shares	2.95	2.47
- on a fully diluted basis	2.95	2.47

The basic and fully diluted earnings per share for the 12 months ended 31 December 2006 and 31 December 2005 have been calculated based on 153,500,000 ordinary shares.

There will be a potential dilutive effect arising from the rights issue as mentioned under point 1(d)(ii) above.

- 7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
	cents	cents	cents	cents
Net asset value per share based on existing issued share capital as at the end of the respective period	9.12	8.77	8.88	8.77

The net asset value per ordinary share at the end of the current period and the immediately preceding financial year have been calculated based on 153,500,000 ordinary shares.

There will be a potential dilutive effect arising from the rights issue as mentioned under point 1(d)(ii) above.

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- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

Income statement

Revenue

Revenue for the Group of \$92.3 M was 19.1% higher than the corresponding period last year.

The increase in group revenue was largely due to additional revenue contributed by 7 new outlets (which opened since April 2006) and consistent improved performance of our existing megastore in Funan and small format outlets.

IT products and services business segment increased 19.5% to \$90.8 M due to higher retail revenue at all our retail outlets. Currently, the Group has a total of 1 megastore, 5 superstores and 5 small format outlets. Two more superstores are due to be opened by April 2007.

Revenue from electronic signage services business segment increased 16.6% to \$1.5 M. This was contributed by revenue growth from Singapore operation.

Profit after taxation

The increase in profit after taxation of \$0.8 M has been mainly attributable to the following:

- i) Gross profit increased about \$3.3 M due to stronger retail sales.
- ii) Lower financial expenses of \$0.2 M as compared to last year mainly due to appreciation of Australian dollar against Singapore dollar during the year.
- iii) Lower provision for redemption for members' loyalty program of about \$0.1 M as compared to last year.
- iv) One-time provision for impairment of investments in associates of about \$0.3 M in last year.

The above items have been offset by:

- i) Increase in employee benefits expense by \$1.0 M mainly due to increase in headcount, staff bonus and incentive as a result of higher sales achieved.
- ii) Increase in premises expenses of \$0.5 M due to increased number of stores.
- iii) Increase in depreciation expenses of about \$0.3 M as a result of acquisition of plant and equipment during the year.
- iv) Higher loss on disposal of plant and equipment of \$0.2 M.
- v) Reduced gain on disposal of a subsidiary of about \$0.5 M.
- vi) Higher income tax provision of \$0.6 M.

Working capital, assets and liabilities

Cash generated from operating activities amounted to about \$9.2 M. This has resulted mainly from the followings:

- a) operating profit derived for the full year of \$6.8 M
- b) increase of trade / other payables and accrued liabilities of \$4.7 M
- c) increase of short-term provisions of \$0.2 M
- d) increase of trade / other receivables of \$1.4 M
- e) increase in inventory of \$0.7 M
- f) net interest received of \$0.4 M
- g) income tax paid of \$0.8 M

The net cash outflow from investing activities of about \$4.5 M was mainly due to the increase in renovation costs incurred at our new retail outlets and purchase of long-term investment. In addition, the Group also paid dividends of about \$4.0 M during the year resulting in net cash outflow from financing activities. With the higher operating profit achieved, cash and cash equivalents increased by about \$0.7 M for the year ended 31 December 2006.

Other than the above, no significant difference was noted for other working capital, assets and liabilities.

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9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

In our last results announcement for the period ended 30 June 2006, the Board of Directors stated that the Group should be able to remain profitable in the current financial year.

In line with the expectations of the Directors, we have achieved net profit of \$4.5 M for the full year ended 31 December 2006.

10 A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

a. IT products and services

We have opened 8 outlets totalling about 25,000 sq ft as at today. However, in November 2006, we have also closed our Tampines outlet with approximately 12,000 sq ft due to redevelopment of the building. We will be opening another 2 outlets in February and April 2007 at United Square and Hougang Mall respectively. This will add approximately 6,400 sq ft and will bring our total retail area in Singapore to about 80,000 sq ft.

We will continue to focus on our retail business in Singapore. Whenever there are any suitable locations available for expansion, we will assess their feasibility.

With the impending increase in GST in Singapore, our profitability would be affected if we are unable to pass on the increase to our customers.

b. Electronic signage services

With the disposal of our Malaysia subsidiary, we intend to concentrate solely on the Singapore market. Although there is keen competition in this segment of our business, we believe that there would be more opportunities if we can work with the right partners to secure bigger projects.

c. Group

The directors expect the Group to remain profitable in the financial year 2007.

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11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

Proposed final dividend to be paid for the year ended 31.12.2006.

Name of Dividend: Final Tax Exempt Dividend
Dividend type: Cash
Dividend amount per share (in cents): 1.00
Tax rate: Tax-exempt one-tier

Interim dividend for the half year ended 30.06.2006 paid on 12.09.2006 as noted below.

Name of Dividend: Interim Tax Exempt Dividend
Dividend type: Cash
Dividend amount per share (in cents): 1.00
Tax rate: Tax-exempt one-tier

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of Dividend: Final Tax Dividend
Dividend type: Cash
Dividend rate (in cents): 1.00
Tax rate: 20%

Name of Dividend: Final Tax Exempt Dividend
Dividend type: Cash
Dividend rate (in cents): 0.80
Tax rate: Tax-exempt-one tier

Name of Dividend: Interim Tax Dividend
Dividend type: Cash
Dividend rate (in cents): 1.00
Tax rate: 20%

(c) Date Payable

10 May 2007.

(d) Books Closure Date

Notice is hereby given that the Share Transfer Books and Register of Members will be closed on 27 April 2007 for the purpose of determining members' entitlements to the tax-exempt one-tier final dividend of 1.0 cents. Duly completed registerable transfers in respect of the shares in the Company received by the Company's Share Registrar, Lim Associates (Pte) Ltd, 3 Church Street #08-01 Samsung Hub Singapore 049483, by the close of business at 5.00 pm on 26 April 2007 will be registered to determine the members' entitlements to such dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 pm on 26 April 2007 will be entitled to such dividend.

12 If no dividend has been declared/recommended, a statement to that effect

Not applicable.

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13 Additional Information for Full Year Announcement

Segment Revenue and Results for Business Segment

Group

Financial Year Ended 31 December 2006

	IT products and services \$'000	Electronic signage \$'000	Office supplies \$'000	Elimination \$'000	Total \$'000
Revenue					
External sales and services	90,799	1,512	-	-	92,311
Inter-segment sales and services	-	34	-	(34)	-
Total revenue	<u>90,799</u>	<u>1,546</u>	<u>-</u>	<u>(34)</u>	<u>92,311</u>
Results					
Segment results	<u>6,064</u>	<u>32</u>	<u>-</u>	<u>-</u>	<u>6,096</u>
Financial income					491
Financial expense					(34)
Other (charges) / credits					<u>(484)</u>
Profit before tax					6,069
Income tax expense					<u>(1,538)</u>
Profit after tax					4,531
Minority interests					<u>1</u>
Profit for the year					<u>4,532</u>
Assets					
Segment assets	<u>16,336</u>	<u>402</u>	<u>-</u>	<u>-</u>	<u>16,738</u>
Unallocated assets					<u>9,746</u>
Consolidated total assets					<u>26,484</u>
Liabilities					
Segment liabilities	<u>10,551</u>	<u>76</u>	<u>-</u>	<u>-</u>	<u>10,627</u>
Unallocated liabilities					<u>1,855</u>
Consolidated total liabilities					<u>12,482</u>
Other information					
Capital expenditure	2,891	2	-	-	2,893
Depreciation expense	594	14	-	-	608
Amortisation of master franchise fee	5	-	-	-	5

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13 Additional Information for Full Year Announcement (cont'd)

Segment Revenue and Results for Business Segment (cont'd)

Group

Financial Year Ended 31 December 2005

	IT products and services \$'000	Electronic signage \$'000	Office supplies \$'000	Elimination \$'000	Total \$'000
Revenue					
External sales and services	76,002	1,314	181	-	77,497
Inter-segment sales and services	-	12	-	(12)	-
Total revenue	<u>76,002</u>	<u>1,326</u>	<u>181</u>	<u>(12)</u>	<u>77,497</u>
Results					
Segment results	<u>4,963</u>	<u>(153)</u>	<u>(134)</u>	<u>-</u>	<u>4,676</u>
Financial income					427
Financial expense					(275)
Other (charges) / credits					(143)
Share of loss of associate					(53)
Profit before tax					<u>4,632</u>
Income tax expense					(901)
Profit after tax					<u>3,731</u>
Minority interests					61
Profit for the year					<u>3,792</u>
Assets					
Segment assets	<u>10,565</u>	<u>597</u>	<u>-</u>	<u>(80)</u>	<u>11,082</u>
Unallocated assets					<u>9,476</u>
Consolidated total assets					<u>20,558</u>
Liabilities					
Segment liabilities	<u>5,778</u>	<u>270</u>	<u>-</u>	<u>(80)</u>	<u>5,968</u>
Unallocated liabilities					<u>1,128</u>
Consolidated total liabilities					<u>7,096</u>
Other information					
Capital expenditure	362	12	-	-	374
Depreciation expense	315	33	6	-	354
Amortisation of master franchise fee	17	-	-	-	17

CHALLENGER TECHNOLOGIES LIMITED

FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2006

13 Additional Information for Full Year Announcement (cont'd)

Segment Revenue and Results for Geographical Segment

Group
Financial Year Ended 31 December 2006

	Revenue		Total Assets		Capital Expenditure	
	31.12.2006 \$'000	31.12.2005 \$'000	31.12.2006 \$'000	31.12.2005 \$'000	31.12.2006 \$'000	31.12.2005 \$'000
Singapore	92,209	76,990	26,356	20,269	2,893	362
Malaysia	102	495	128	289	-	12
Thailand	-	12	-	-	-	-
	92,311	77,497	26,484	20,558	2,893	374
	Associate		-	-		
			26,484	20,558		

14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

As disclosed in para 8 above.

15 A Breakdown of Sales

		FY2006 \$'000	FY2005 \$'000	Increase / (Decrease) %
(a)	Sales reported for the first half year	41,957	37,262	13%
(b)	Operating profit after taxation before minority interests reported for first half year	2,235	1,952	14%
(c)	Sales reported second half year	50,354	40,235	25%
(d)	Operating profit after taxation before minority interests reported for second half year	2,296	1,779	29%

16 A breakdown of the Total Annual Dividend for Latest Full Year and its Previous Full Year

	Latest Full Year \$'000	Previous Full Year \$'000
Ordinary	3,070	3,684
Preference	0	0
Total	3,070	3,684

17 Interested Person Transactions

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000) \$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$'000
Columbia Computer Products, Inc - Purchases	656	813
Total	656	813

Note: Mr Ng Leong Hai, our non-executive director, is also the director of Columbia Computer Products, Inc.

BY ORDER OF THE BOARD

LOO LEONG THYE
DIRECTOR AND CHIEF EXECUTIVE OFFICER
DATE: 14 February 2007