

For immediate release

**PROPOSED VOLUNTARY DELISTING  
OF  
CHALLENGER TECHNOLOGIES LIMITED**

- Digileap Capital Limited ("**Offeror**") has proposed to delist Challenger Technologies Limited ("**Company**" or "**Challenger**") from the Official List of the SGX-ST and make a cash Exit Offer to acquire all the issued and paid-up ordinary shares of Challenger ("**Shares**").
- Exit Offer Price of **S\$0.56** in cash per Share:
  - ✓ exceeds the highest closing price of the Shares since 9 May 2014, being more than four (4) years prior to and including 15 March 2019, being the last full day of trading immediately prior to the Joint Announcement Date (the "**Last Full Market Day**");
  - ✓ represents a premium of approximately 15.1% over the volume weighted average price ("**VWAP**") of S\$0.487 for the 12-month period up to and including the Last Full Market Day;
  - ✓ represents an attractive premium of approximately 110.1% to the net tangible asset value of Challenger as at 31 December 2018; and
  - ✓ represents an opportunity for Shareholders to realise their entire investment in Challenger, which may otherwise be difficult due to the low trading liquidity of the Shares.
- Undertaking Shareholders collectively owning 78.64% of Challenger have given their irrevocable undertakings to vote all their Shares in favour of the Delisting Resolution and accept the Exit Offer.

**Singapore, 20 March 2019** – Digileap Capital Limited ("**Offeror**") is seeking a voluntary delisting of Challenger Technologies Limited ("**Challenger**" or "**Company**") from Official List of the SGX-ST pursuant to Rules 1307 and 1309 of the listing manual of the SGX-ST ("**Delisting**"). DBS Bank Ltd. will make, for and on behalf of the Offeror, an exit offer ("**Exit Offer**") in cash, to acquire all the Shares of Challenger, other than those held by the Company as treasury shares and those held, directly or indirectly, by the Offeror as at the date of the Exit Offer ("**Offer Shares**").

The Delisting and the Exit Offer will be conditional upon (i) the SGX-ST agreeing to an application by Challenger to delist from the Official List of the SGX-ST; and (ii) the resolution to approve the Delisting (the "**Delisting Resolution**") being passed at an extraordinary general meeting of Challenger.

Should the Delisting Resolution be passed, Challenger will be delisted from the SGX-ST irrespective of the number of acceptances received by the Offeror in respect of the Exit Offer.

Mr. Loo Leong Thye, Ms. Ong Sock Hwee, Ms. Loo Pei Fen and Mr. Loo Wei Kiat (collectively, the "**Loo Family**") and Mr. Ng Leong Hai (together, the "**Undertaking Shareholders**") have provided undertakings to the Offeror to, *inter alia*, vote all their Shares in favour of the Delisting Resolution and accept the Exit Offer in respect of all their Shares. The Undertaking Shareholders hold approximately 78.64% of the total number of issued Shares.

The Offeror is a partnership between the Loo Family and Dymon Asia Private Equity, via Dymon Asia Private Equity (S.E. Asia) Fund II Pte. Ltd. ("**DAPE II**"). DAPE II is managed by Dymon Asia Capital (Singapore) Pte. Ltd., a Singapore-based fund manager licensed by the Monetary Authority of Singapore which manages several alternative investment funds. DAPE II has commitments of US\$450 million and invests in small and medium-sized companies across Southeast Asia.

The Offeror is seeking to delist Challenger for the following reasons:

- Challenger has not carried out any exercise to raise cash funding on the SGX-ST since 2007 and is unlikely to require access to Singapore capital markets to finance its operations in the foreseeable future. The Delisting will eliminate the costs of compliance with the listing rules and regulations, thereby allowing Challenger to focus its resources on its business operations;
- Due to the low trading liquidity of the Shares, the Exit Offer will provide an exit option for shareholders of Challenger ("**Shareholders**") who wish to realise their investment in Challenger at a premium over the historical transacted prices (as disclosed below) without incurring brokerage and other trading costs. Average daily trading volume amounted to approximately 38,501 Shares over the 12-month period immediately preceding the Last Full Market Day, representing less than 0.011% of the total Shares as at the Joint Announcement Date;
- The Delisting will provide the Offeror and the management of the Company with greater operational flexibility to manage the business, optimise the use of its management and capital resources, and facilitate the implementation of any operational changes; and

- The Company is facing challenges due to weak retail sentiment and industry disruption. To navigate this challenging environment, changes to the business may need to be implemented and dividends could be affected during such time.

The Exit Offer Price of S\$0.56 per Share represents the following premia over the historical traded prices of the Shares:



Notes:

- (1) The historical market prices and the corresponding premiums are computed based on data extracted from Bloomberg L.P.
- (2) The VWAP comparisons are with reference to the relevant periods up to and including 18 March 2016, being the last full Market Day immediately prior to the Offer Announcement Date.

The Exit Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any and retain all dividends, rights and other distributions ("**Distribution**") that may be declared, paid or made by the Company on or after the Joint Announcement Date. As stated in the announcement by the Company dated 15 February 2019, the directors of the Company ("**Directors**") have proposed that a final one-tier tax exempt dividend of S\$0.02 per Share be paid for the financial year ended 31 December 2018. If the settlement date falls after the books closure date for the determination of entitlements to the Distribution, the Exit Offer Price shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Share.

The Exit Offer Price represents an attractive premium of approximately 110.1% to the net tangible asset value of Challenger as at 31 December 2018.

Further information on the terms and conditions of the Exit Offer will be set out in (i) the circular to the Shareholders which will contain, *inter alia*, information pertaining to the Delisting and the Exit Offer and will incorporate the advice of the independent financial adviser to the independent directors and the recommendation of the independent directors; and (ii) the letter to Shareholders setting out the terms and conditions of the Exit Offer.

DBS Bank Ltd. has been appointed as financial advisor to the Offeror for the Delisting and the Exit Offer.

Any enquiries relating to the Exit Offer should be directed during office hours to:

DBS Bank Ltd.  
Strategic Advisory  
Telephone: (65) 6878 6212

### Responsibility Statements

*The directors of the Offeror (the "Offeror Directors") (including any Offeror Director who may have delegated detailed supervision of this Press Release) have taken all reasonable care to ensure that the facts stated and opinions expressed herein (other than those relating to the Company and any opinion expressed by the Company) are fair and accurate and that there are no material facts have been omitted from this Press Release, the omission of which would make any statement in this Press Release misleading. Where any information in this Press Release has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the Offeror Directors has been to ensure, through reasonable enquiries, that such information is accurately extracted or reproduced in this Press Release. The Offeror Directors jointly and severally accept responsibility accordingly.*

*The Directors (including any Director who may have delegated detailed supervision of this Press Release) have taken all reasonable care to ensure that the facts stated and opinions expressed herein (other than those relating to the Delisting Proposal, the Offeror, and persons acting in concert with it, including the Relevant Persons) are fair and accurate and that no material facts have been omitted from this Press Release, the omission of which would make any statement in this Press Release misleading. Where any information in this Press Release has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror or persons acting in concert with it, including the Relevant Persons, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Press Release. The Directors jointly and severally accept responsibility accordingly.*

### Forward-Looking Statements

*All statements other than statements of historical facts included in this Press Release are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "aim", "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information.*

*Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror nor DBS Bank undertakes any obligation to update publicly or revise any forward-looking statements.*

***Unless otherwise defined herein, all capitalised terms which are used in this Press Release shall bear the same meanings ascribed to them in the Joint Announcement dated 20 March 2019 made by DBS Bank Ltd. for and on behalf of Digileap Capital Limited. This Press Release should be read in conjunction with the full text of the Joint Announcement. A copy of the Joint Announcement is available on [www.sgx.com](http://www.sgx.com).***