

For immediate release

PROPOSED VOLUNTARY DELISTING OF CHALLENGER TECHNOLOGIES LIMITED

DIGILEAP CAPITAL LIMITED DECLARES EXIT OFFER PRICE FINAL

Singapore, 12 June 2019 – The Offeror and Challenger Technologies Limited (the “**Company**” or “**Challenger**”) jointly announced on 20 March 2019 (“**Joint Announcement**”) that the Offeror is seeking a voluntary delisting of Challenger from the Official List of the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual (the “**Delisting**”). In connection with the Delisting, DBS Bank Ltd. will make, for and on behalf of the Offeror, an exit offer (“**Exit Offer**”) in cash to acquire all the issued ordinary shares in the capital of Challenger (“**Shares**”), 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 Offeror will despatch an exit offer letter containing, *inter alia*, the terms and conditions of the Exit Offer (the “**Exit Offer Letter**”), together with relevant acceptance forms, today.

No Revision of Exit Offer Price

DBS Bank Ltd. has today announced, for and on behalf of the Offeror, that the Exit Offer Price is final and the Offeror does not intend to revise the Exit Offer Price.

The Offeror notes that in the Delisting Circular despatched to Shareholders today, the Independent Financial Adviser (“**IFA**”) to Challenger’s Non-conflicted Directors has opined that the financial terms of the Exit Offer are fair and reasonable, and has advised Challenger’s Non-conflicted Directors to recommend Shareholders to vote in favour of the Delisting and accept the Exit Offer. Following a review of the terms of the Delisting and the IFA’s advice, Challenger’s Non-conflicted Directors have, in the Delisting Circular, concurred with the IFA’s advice and recommended that Shareholders vote in favour of the Delisting and accept the Exit Offer.

As set out in the Joint Announcement and the Exit Offer Letter, the consideration for each Offer Share (the “**Exit Offer Price**”) is S\$0.560 in cash, which is the Exit Offer Price before the final one-tier tax exempt dividend (the “**FY2018 Final Dividend**”) of S\$0.020 per Share for the financial year ended 31 December 2018 was paid out on 3 June 2019. The Exit Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive and retain all dividends, rights and other distributions that may be declared, paid or made by the Company on or after the date of the Joint Announcement. As the FY2018 Final Dividend of S\$0.020 per Share was approved at the Annual General Meeting of the Company on 29 April 2019 and paid by the Company to Shareholders on 3 June 2019, the Exit Offer Price to be received by an accepting Shareholder will be S\$0.540 for each Offer Share.

Offer Intended to Provide Opportunity for All Shareholders to Exit

Mr Loo Leong Thye, Director of the Offeror (also Challenger’s Executive Director and Chief Executive Officer), said: “I began exploring the possibility of a Delisting after receiving two unsolicited offers from minority shareholder Pangolin Investment Management to sell its stake – the first offer was received in October 2017 wherein Pangolin offered to sell its stake at S\$0.435 per Share, and the second offer was received in March 2018 and did not state the price at which Pangolin would be willing to sell its Shares.

Instead of doing a transaction with a single Shareholder, I wanted to make an offer to all Shareholders and began looking for a partner to start this process.”

In view of the historical low trading liquidity of the Shares prior to the Joint Announcement, the Delisting represents an opportunity for all Shareholders who do not wish to bear business risks associated with weak retail sentiment and industry disruption to realise their investments in the Company by making a clean exit at a premium. The average daily trading volume of the Shares for the 12-month period up to and including 15 March 2019 (being the last full day of trading in the Shares on the SGX-ST prior to the Joint Announcement) was 38,501 Shares, representing approximately 0.011% of the total number of Shares.

If the Delisting is not approved by Shareholders, the Exit Offer will lapse and the Offeror and its concert parties will not be able to make another offer for the Shares for 12 months from the date the Exit Offer lapses.

Further Information

Further information on the Delisting and the Exit Offer is set out in (i) the Delisting Circular which contains, *inter alia*, information pertaining to the Delisting and the Exit Offer, the advice of the IFA and the recommendation of the Non-conflicted Directors; and (ii) the Exit Offer Letter which contains, *inter alia*, the terms and conditions of the Exit Offer.

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

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

Investor queries	Media queries
DBS Bank Ltd. Strategic Advisory Telephone: (65) 6878 6212	Newgate Communications Telephone: (65) 6532 0606

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 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 from such sources or, as the case may be, reflected or reproduced in this Press Release. The Offeror 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 current expectations, beliefs, hopes, intentions or strategies of the party making the statements 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 none of the Offeror, the Offeror Directors or DBS Bank Ltd. 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 Exit Offer Letter dated 12 June 2019. This Press Release should be read in conjunction with the full text of the Joint Announcement, the Delisting Circular, and the Exit Offer Letter, copies of which are available on www.sgx.com.