



For Immediate Release

Champion Technology Reports Interim Profit of HK\$368 Million, Up 21.5%

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Hong Kong (18 March 2008) - Champion Technology Holdings Limited (SEHK: 092) announced today that the unaudited Group profit attributable to equity holders for the six months ended 31 December 2007 amounted to HK\$368 million, an increase of 21.5% as compared with the previous year. EBITDA was HK\$826 million, up 31.1%. Turnover rose 17.4% to HK\$1,840 million. Earnings per share was HK22.8 cents.

The board of directors have declared an interim dividend of HK2.45 cents per share (2006: HK2.4 cents) in the form of new shares of the Company, with an option to shareholders to receive the dividend in cash. Total interim dividend amounts to HK\$40.6 million, up 21.6%.

Commenting on the result, Champion Technology Chairman Paul Kan said the Group had benefited from a stable economy in China; continuing demand in the global markets for the Group's customised products and solutions; as well as returns from its strategic investment portfolio. "To pursue margin improvement, we have continued to rationalise our business structure by increasing our focus on higher value-add services and software solutions."

During the period, China market maintained its momentum in line with the country's thriving economy. The Group continued to enjoy preferred supplier status among its customers with an established relationship and proven track record as a reliable technology partner. Champion Homeland Security, a new division within the Group, has been working with international vendors to offer comprehensive customised solutions for integrated security systems, and products have been exhibited at a number of trade shows and exhibitions in China. Sales from China for the period increased by 17% to HK\$1,363 million.

In Europe, the Group reported satisfactory growth in business, thanks to strong performance in emergency services and fire control projects, as well as the relaxation of spending constraints on NHS (National Health Services) projects. Several long-term contracts related to mobilising the communications systems for the fire brigades in England and Scotland have been secured. Strong growth was also reported in the sales of the Group's new Lone Worker and Personal Security solutions as a result of changes in the UK and European legislation concerning corporate liability for personal injuries which raised the level of responsibility for the protection of employees in the workplace. European sales increased by 15% to HK\$304 million.

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The parent company of Kantone Holdings Limited, DIGITALHONGKONG.COM, and Multitone Electronics Plc.

Outlook

Recent global stock market volatility and tighter credit conditions arising from the worsening US sub-prime lending situation could pose potential risks to the global economy. In Mainland China, macro-economic measures targeted at reining in the overheating economy are expected to continue. On the other hand, as China enjoys a degree of insulation and resilience due to stronger domestic demand and economic resurgence, its growth momentum is likely to be maintained, although at a lower but hopefully more wholesome rate. Against this very challenging and complex environment, the directors will continue to exercise prudence in managing investment risks and take critical review of the Group's investment portfolio, making provisions and write-downs where deemed appropriate in response to changes in market conditions.

With Mainland China accounting for a significant portion of our operations, we expect to continue to benefit from China's continued robust economic growth and influence in the global arena. In line with market trends, the Group's business strategy going forward will be driven by a focus on high margin and high growth sectors to pursue margin improvement. In terms of business focus, customised communications solutions and integrated security services for applications in multiple markets and sectors will be our direction for growth and expansion. That will include a comprehensive portfolio that embraces different technologies and wide-ranging applications, covering biometric identification, smartcard solutions, fraud detection systems, and mobile-based applications using video and audio compression technologies in telematics control, public safety, and personal security. Meanwhile, as information technology is widely adopted today across industries and businesses, as well as our daily lives, new and emerging opportunities, especially in fast growing China, may arise where we can leverage our IT expertise to engage selectively in new projects with attractive returns and good prospects.

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About Champion Technology (stock code 092)

Champion Technology Holdings Limited (www.championtechnology.com) is a global technology group offering innovative solutions in the areas of communications software, wireless, telematics, e-commerce, security, online entertainment and e-gaming. The Group's solutions are dedicated to bettering the lives of people, enriching lifestyles, promoting health consciousness, preventing accidents, saving lives, as well as promoting probity and responsibility in the conduct of the online industry. Such solutions include software-enhanced wireless messaging, radio products and systems, spark proof intrinsically safe communications systems, responsible gaming solutions, as well as networking and Internet access products for customers, network operators, and commercial, government and industrial clients.

With total assets of about \$8 billion, the Group has a global presence in more than 50 markets through a network of regional offices and distributors. It includes 3 Hong Kong listed companies, namely Champion Technology Holdings Limited and Kantone Holdings Limited, whose shares are traded on the main board of The Stock Exchange of Hong Kong Limited (the "Exchange"), and DIGITALHONGKONG.COM, whose shares are traded on the Growth Enterprise Market ("GEM") of the Exchange. The Group also includes a UK subsidiary, which was previously listed on the London Stock Exchange.

Champion Technology Holdings Limited (Listed on the Exchange in August 1992)
Ten-Year Financial Summary

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
(in HK\$ million)										
Year ended 30 June										
Turnover	3,164	2,997	2,462	2,250	1,874	1,633	1,511	1,457	1,394	1,277
Operating Profit (before other operating items)	923	762	610	468	368	205	296	436	304	293
Profit for the year	823	704	573	363	239	132	290	350	211	205
Dividends	97	73	60	55	28	23	16	25	14	8
EBITDA	1,327	1,099	785	697	670	563	633	596	492	416

Turnover and profit attributable to equity holders for 6 months ended 31 December 2007 were HK\$1,840 million and HK\$368 million respectively.

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