

CHALLENGER CAPITAL NOTES 3 BOOKBUILD RESULTS AND MARGIN SET

Challenger Limited (ASX: CGF) (Challenger) today announced that the bookbuild for the Challenger Capital Notes 3 offer (Offer) has been successfully completed and received strong demand from Syndicate Brokers and Institutional Investors.

Challenger has allocated \$305 million on a firm basis under the Broker Firm Offer and the Institutional Offer. The Margin has been set at 4.60% per annum, which is at the bottom of the expected range of 4.60% to 4.80% per annum. Investors should note that the Margin is set for the life of Challenger Capital Notes 3 regardless of any deterioration or improvement in market conditions.

The final size of the Offer will depend on the volume of Applications received and accepted under the Reinvestment Offer and the Securityholder Offer and will be determined following the close of those offers, which is expected at 5:00pm (Sydney time) on Friday 13 November 2020. Challenger reserves the right to allocate Challenger Capital Notes 3 and scale back Applications if necessary, as outlined in the Prospectus.

A replacement Prospectus (including the Margin and increased Offer size) will be lodged with the Australian Securities and Investment Commission (ASIC) and Australian Securities Exchange (ASX) on Wednesday 21 October 2020.

Eligible holders of Challenger Capital Notes 1 (CCN1) will receive a Prospectus and a personalised Application Form together with a copy of the Repurchase Booklet.

Applications for Challenger Capital Notes 3 under the Offer can only be made, after the Offer opens, by completing the Application Form accompanying the Prospectus or the online Application Form. The Offer opens on Wednesday 21 October 2020 and closes at 5:00pm (Sydney time) on Friday 13 November 2020.

A copy of the Prospectus, including a personalised Application Form for Eligible Securityholders (including Eligible CCN1 Holders), can be obtained by:

- calling the Offer & Repurchase Information Line (details are provided below); or
- registering at www.challengercapitalnotes.com.au, where a copy of the Prospectus is also available for download.

Investors should read and consider the Prospectus in full before deciding whether to invest in Challenger Capital Notes 3. Challenger strongly recommends that investors seek professional advice from a licensed adviser which takes into account their particular investment objectives and circumstances before deciding whether to participate in the Offer.

Terms used but not defined in this announcement are defined in the Challenger Capital Notes 3 Prospectus.

For further enquiries

Offer & Repurchase Information Line

1800 780 782 (within Australia) or
+61 3 9415 4065 (outside Australia)
Monday to Friday, 8:30am to 5:00pm (Sydney time)

Website

www.challengercapitalnotes.com.au

This release has been authorised by Challenger's Continuous Disclosure Committee.

ENDS

About Challenger

Challenger Limited (Challenger) is an investment management firm focusing on providing customers with financial security for retirement.

Challenger operates two core investment businesses, a fiduciary Funds Management division and an APRA-regulated Life division. Challenger Life Company Limited is Australia's largest provider of annuities.

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Disclaimer

This announcement does not constitute an offer of any securities (including Challenger Capital Notes 3) for sale or issue or for the purchase of any securities (including Challenger Capital Notes 1). No action has been taken to register or qualify Challenger Capital Notes 3 or the Offer or the Repurchase Invitation, or invitation to purchase Challenger Capital Notes 1, outside Australia. In particular, this announcement does not constitute an offer of securities for sale, or invitation to purchase securities, in the United States. Neither Challenger Capital Notes 3 nor the Challenger Capital Notes 1 have been or will be registered under the US Securities Act or the securities laws of any state of the United States, and they may not be offered or sold in the United States. Challenger Capital Notes 3 are being offered and sold in the Offer solely outside the United States pursuant to Regulation S under the US Securities Act.