

CHALLENGER CAPITAL NOTES REPURCHASE INVITATION CLOSES

Challenger Limited (ASX: CGF) (Challenger) today announced it has completed the repurchase of 600,359 Challenger Capital Notes (ASX: CGFPA) (CCN1) that were offered by eligible holders of Challenger Capital Notes under the Repurchase Invitation.

Transfer and redemption of Reinvestment CCN1 and Repurchase CCN1

Today, approximately 2.375 million Reinvestment CCN1 and 0.60 million Repurchase CCN1 were repurchased for \$100 each by the CCN1 Nominated Purchaser. Challenger redeemed all Repurchase CCN1 and Reinvestment CCN1 in the hands of the CCN1 Nominated Purchaser by payment to the CCN1 Nominated Purchaser of an amount equal to the total face value in respect of the Repurchase CCN1 and the Reinvestment CCN1.

Following the completion of the Repurchase Invitation and Reinvestment Offer, approximately \$47.5 million of Challenger Capital Notes remain on issue. Any further repurchases of Challenger Capital Notes will require the approval of APRA. While Challenger will consider its options to reduce the remaining size of Challenger Capital Notes, including by undertaking further repurchases, there is no guarantee that Challenger will repurchase remaining Challenger Capital Notes.

Challenger Capital Notes holders who continue to hold their Challenger Capital Notes after today (because they did not participate in the Repurchase Invitation or the Reinvestment Offer) will continue to receive distributions on their Challenger Capital Notes, subject to the satisfaction of the distribution payment conditions in the CCN1 Terms.

Challenger Capital Notes will continue to trade on ASX until Wednesday 25 May 2022, at which point Challenger must convert any Challenger Capital Notes that remain outstanding into Challenger ordinary shares in accordance with the CCN1 Terms, subject to the mandatory conversion conditions under the CCN1 Terms.

Payment of distribution

Challenger Capital Notes holders on the Registry on the record date of Tuesday 17 November 2020 are also entitled to the distribution payment of \$0.62 per Challenger Capital Note for the distribution period from (and including) Tuesday 25 August 2020 to (but excluding) Wednesday 25 November 2020, subject to settlement of the conditions to payment set out in the CCN1 Terms.

Terms used but not defined in this announcement are defined in the Challenger Capital Notes Repurchase Booklet dated Tuesday 13 October 2020 and Challenger Capital Notes 3 Prospectus dated Wednesday 21 October 2020.

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.

For more information contact

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Disclaimer

This announcement does not constitute an offer of any securities for sale or issue. In particular, this announcement does not constitute an offer of securities for sale in the United States. The Repurchase Invitation and Reinvestment Offer were open to Eligible CCN1 Holders only.