

CHALLENGER COMPLETES SALE OF EQUITY INTEREST IN WHITEHELM CAPITAL TO PATRIZIA

Challenger Limited (ASX: CGF) today announced the completion of the sale of its 30% equity interest in Whitehelm Capital (Whitehelm), a Fidante Partners infrastructure affiliate manager, to PATRIZIA AG (PATRIZIA) for €32 million (~A\$50 million) following receipt of all regulatory approvals¹. This follows the announcement that Challenger entered into an agreement with PATRIZIA on 13 September 2021.

The sale consideration will be paid in cash from PATRIZIA.

“The sale provided a unique and compelling opportunity for Challenger to deliver value to Challenger’s shareholders whilst ensuring continuity for Whitehelm’s clients and business operations,” Acting Chief Executive Funds Management, Michael Clarke said.

“Fidante Partners has launched multiple new affiliates in the past 5 years and has an exciting pipeline of opportunities, and Challenger will continue to invest into our leading Funds Management platform to support its future growth.”

As previously noted, following completion, Funds Management will derecognise \$5 billion² of funds under management and record a ~A\$44 million gain on sale, which will be reported by Challenger as a significant item in the second half of the 2022 financial year. Funds Management earnings expectations for the 2022 financial year remain unchanged following the sale.

ENDS

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

¹ Regulatory approval has been provided by the Foreign Investment Review Board (FIRB) and the Financial Conduct Authority (FCA).

² As at 31 December 2021.

About Challenger

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

Challenger operates three core investment businesses – a fiduciary Funds Management division, an APRA-regulated Life division and an APRA regulated authorised deposit-taking institution. Challenger Life Company Limited (Challenger Life) is Australia's largest provider of annuities.

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