

ASX Release

Growth in wholesale investment management platform with launch of \$2.5bn Charter Hall Convenience Retail Fund (CCRF) and \$2.1bn Challenger mandate

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Charter Hall Group (ASX:CHC) (Charter Hall or the Group) announces the launch of the \$2.5bn Charter Hall Convenience Retail Fund (CCRF or the Fund) and, in addition, its appointment to manage a \$2.1bn investment mandate for Challenger Life (Challenger or the mandate).

Launch of CCRF with initial investment capacity of \$2.5bn¹

CCRF is a newly created wholesale pooled fund with a strategy to invest in metropolitan convenience shopping centres and select metropolitan net-lease retail assets throughout Australia.

CCRF adds to Charter Hall's suite of wholesale pooled funds, including the \$14bn prime industrial and logistics focussed Charter Hall Prime Industrial Fund (CPIF) and the \$8bn prime office focussed Charter Hall Prime Office Fund (CPOF).

Charter Hall manages Australia's largest convenience retail property platform, with over \$16bn in convenience retail assets.

CCRF has commenced with an initial \$1.35bn gross asset value portfolio, with assets sourced from both off market transactions and the transfer of assets and equity investments in existing retail partnerships from Charter Hall Retail REIT (ASX: CQR), as outlined in the CQR ASX release of 8 August 2025.

Growth in Charter Hall's wholesale pooled fund platform

The investment strategy complements the Group's series of sector specific wholesale pooled funds initially created in 2006 with CPOF and expanded in 2007 with CPIF. Both CPIF and CPOF are included in the MSCI/Mercer Australia Core Wholesale Property Fund Index, which is widely adopted as the pre-eminent benchmark by institutional investors. Charter Hall intends to apply for inclusion of CCRF in the MSCI/Mercer Wholesale Core Property Fund Index, alongside CPOF and CPIF, both of which are prominent investment funds in this national property benchmark. In total, should CCRF be included in the Index, Charter Hall funds would represent over 20% of the benchmark.

With the establishment of CCRF, the Group's wholesale pooled fund platform now invests across office, industrial and convenience retail sectors with total assets of \$24bn and additional capacity to grow.

¹ Investment capacity of \$2.5bn is based on foundation equity committed and debt capacity of the Fund with a target loan-to-value ratio ('LVR') of 30%

CCRF's foundation equity raising totals \$1.75bn, inclusive of a \$100m co-investment from Charter Hall and a \$385m foundation investment from CQR. The balance of equity committed to the Fund has been secured from an additional 12, predominantly domestic, institutional/wholesale investors. Initially, CCRF will be unlevered and, over time with new acquisitions, will move towards a long term gearing target of up to 30%.

\$1.35bn initial gross asset value portfolio

The initial gross asset value of the CCRF portfolio at its establishment is \$1.35bn with 16 assets. The Fund has the potential to grow to \$2.5bn based on the foundation equity raising, plus debt capacity within the Fund's investment guidelines. The Fund also remains open for new equity commitments, and several wholesale investors are in advanced due diligence for further investment during this calendar year.

Commenting on CCRF, Managing Director & Group CEO, David Harrison, said "Throughout our history, we have endeavoured to provide wholesale investors the opportunity to partner with Charter Hall by investing in our high conviction strategies across multiple sectors."

"As the leading owner of convenience retail assets nationally with a \$16 billion platform, we aim for CCRF to deliver outperformance for our investors within a sector dominated by non-discretionary retailers, with strong tenant covenants from anchors and major chain specialties, providing income growth and strong expectations of capital growth."

Appointment to Challenger Life \$2.1bn investment mandate

Charter Hall confirms that it has reached final terms for the appointment to manage Challenger Life's direct Australian property assets. This mandate comprises \$2.1bn in property assets and will be managed within the Group's wholesale investment management platform.

Commenting on the Challenger mandate, David Harrison said, "We are pleased to be appointed to manage the \$2.1bn Challenger Life property investment mandate. We welcome Challenger as a valued wholesale client of Charter Hall and look forward to implementing strategies to maximise long-term value for this quality core portfolio."

Charter Hall Group will announce its Financial Year 2025 Results on Thursday 21 August 2025.

Announcement Authorised by Group Chair and Managing Director and Group Chief Executive Officer.

Charter Hall Group (ASX:CHC)

Charter Hall is Australia's leading fully integrated diversified property investment and funds management group. We use our expertise to access, deploy, manage and invest equity to create value and generate superior returns for our investor customers. We've curated a diverse portfolio of high-quality properties across our core sectors – Office, Industrial & Logistics, Retail and Social Infrastructure. With partnerships and financial discipline at the heart of our approach, we create and invest in places that support our customers, people and communities to grow.

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