

CHALLENGER IM LiFTS 1 NOTES

Monthly Interest* | Term Maturity | ASX-listed access

A UNIQUE OFFERING

Challenger IM Capital Limited's **Listed Floating Rate Term Securities (LiFTS)** are unsecured, deferrable*, redeemable*, floating rate notes, backed by a diversified portfolio of public and private credit exposures.

Designed to deliver monthly interest payments* with the benefit of a limited first loss buffer, LiFTS combine the benefits of a fixed-term debt investment with the flexibility of trading on ASX. LiFTS will pay monthly interest* of 1-month BBSW plus 2.75% p.a. with a target repayment date in 6 years and a 7 year final maturity.

WHY LiFTS?



Backed by a diversified portfolio of public and private credit assets



Managed by a trusted institutional team with 20 years' experience



Monthly interest* of 1-month BBSW + 2.75% p.a.



Fixed term



A limited first loss buffer for Noteholders in the event of a shortfall in income



Listed on ASX with daily liquidity

KEY FEATURES OF LiFTS

Target Return	1-month BBSW + 2.75% p.a.
Step Up Margin	1-month BBSW + 3.75% p.a. paid after the Target Repayment Date
Interest Payment frequency	Paid monthly*
Liquidity	Listed on ASX – daily trading
Expected Maturity	7 years from issue date, with Target Repayment Date after 6 years
First Loss Buffer	Refer to Prospectus for details
Note Price	Daily via ASX
Manager	Challenger Investment Partners Limited (Challenger IM)
Note Trustee	Equity Trustees Limited
ASX Code once listed	CIMHA
Face Value per Note	\$100
Minimum Notes Issued	2,000,000 (\$200,000,000)
Maximum Notes Issued	3,500,000 (\$350,000,000)

*Interest deferrable (in limited circumstances) and cumulative, and redeemable by the Issuer

KEY RISKS AND MITIGANTS

No guarantees

- Notes are not guaranteed by Challenger IM or any other party
- A capital buffer and subordination structure act as a limited first loss buffer for the benefit of Noteholders

Market volatility

- Note prices may fluctuate due to changes in interest rates, inflation, credit spreads, or investor sentiment
- Floating rate (1-month BBSW + margin) moves with changing interest rates

Interest rate and credit margin risk

- Shifts in interest rates or credit margins can affect pricing
- Active portfolio management and short duration help manage sensitivity

Please refer to the Prospectus for LiFTS issued by Challenger IM Capital Limited on 11 August 2025, for a full description of the risks involved in investing in LiFTS.

ABOUT CHALLENGER IM

Challenger Investment Management (Challenger IM), a wholly owned subsidiary of Challenger Group, is an alternative credit manager with a strong pedigree in global developed credit markets. Challenger IM currently managing \$16.3¹ bn across multiple credit strategies including the Challenger IM Credit Income Fund, the Challenger IM Multi-Sector Private Lending Fund, the Challenger IM Global ABS Fund and the Challenger IM Private Lending Opportunities Fund plus tailored separate accounts for sophisticated institutional investors including Challenger Life Company.

The Challenger IM team has been managing both public and private credit since 2005 specialising in asset backed finance, corporate direct lending, commercial real estate debt and bank capital. The team of over 40 investment professionals based in Australia and the United Kingdom has extensive experience across multiple credit cycles and is supported by the wider infrastructure of the \$125 bn ASX-listed Challenger Group².

For over twenty years the team has accessed attractive investment opportunities across a broad spectrum of both public and private credit markets by aligning Challenger's capital with their clients. By having broad mandates, scale of capital and incorporating both public and private sector credit, the team seeks to identify and benefit from pricing inefficiencies across credit, liquidity, and complexity risks.

LiFTS are available through participating brokers for a limited time.

- **Talk to your broker today**
- **Visit www.fidante.com/challenger-im-lifts to learn more and view the full offer documents**

Once listed, LiFTS can be bought and sold on the ASX through any licensed broker.

1. Assets Under Management for fixed income division of Challenger Investment Management as at 31 December 2024

2. As at 31 Dec 2024.

Important Notices

Unless otherwise specified, any information contained in this material is current as at 11 August 2025 and has been prepared by Challenger IM Capital Limited ACN (687 738 263) (**Issuer**), a wholly owned subsidiary of Challenger Limited. Challenger Investment Partners Limited (also referred to as "Challenger Investment Management" or "CIM") (ABN 29 092 382 842, AFSL 234 678) provides investment management and other services to the Issuer.

The Issuer does not hold an Australian Financial Services Licence (**AFSL**) under the Corporations Act. Accordingly, to make offers to arrange for the issue of the Notes, the Issuer has appointed Fidante Partners Services Limited ABN 44 119 605 373 AFSL 320505 as its authorised intermediary to make offers to arrange for the issue of the Notes, pursuant to section 911A(2)(b) of the Corporations Act 2001 (Cth).

This material is provided for general information purposes only. It is not a prospectus, product disclosure statement, disclosure document or other offer document under Australian law or under any other law. This material is not, and does not constitute, financial product advice, an offer to sell or the solicitation, invitation or recommendation to purchase any securities and neither this material nor anything contained within it will form the basis of any contract or commitment. This material does not directly or indirectly contain any offer or intended offer of securities and is not intended to induce anybody to make an investment in any securities. To the extent permitted by law, no liability is accepted for any loss or damage as a result of reliance on this information.

Past performance is not a reliable indicator of future performance. Investments in the Notes are subject to investment risk, including possible delays in repayment and loss of income or principal invested. Accordingly, the performance, the repayment of capital or any particular rate of return on your investments are not guaranteed by any member of the Challenger Group or any other person.

This information must not be distributed, delivered or otherwise disclosed to any investor. It has been prepared without taking into account any person's objectives, financial situation or needs. Investors should consider whether the information is suitable to their circumstances.

The Prospectus for the offer of the Notes and the Target Market Determination, available at www.fidante.com/challenger-im-lifts should be obtained and read in their entirety by an investor before making a decision to acquire the Notes. An investor who has received an invitation to participate from their broker and wish to apply for Notes under the broker firm offer must complete the application form that will accompany the Prospectus. No cooling off rights will apply to an investment in Notes issued pursuant to the offer. This means that an investor would be unable to withdraw its application once it has been accepted. No representation or warranty, express or implied, is made as to the fairness, accuracy, adequacy, reasonableness, completeness or reliability of any statements, estimates or opinions or other information contained in this material. Any forward-looking statements, including projections, guidance on future revenues, earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

Challenger Investment Management is the investment manager of the Challenger IM Credit Income Fund ARSN 620 882 055, Challenger IM Multi-Sector Private Lending Fund ARSN 620 882 019, Challenger IM Private Lending Opportunities Fund (each an **Existing Australian Fund**) and Challenger IM Global Asset Backed Securities Fund (minimum investment amount in Australia of A\$500,000) (**GABS**). Fidante Partners Limited ABN 94 002 835 592 AFSL 234668 is the responsible entity and issuer of interests in each Existing Australian Fund. GABS is a sub-fund of the FundRock QIAIF Platform I ICAV. The information related to the Existing Australian Funds and GABS is provided by Challenger Investment Management.

This material does not contain an offer to acquire an interest in any Existing Australian Fund or GABS (together the Existing Funds) and their information is only provided for general information purposes. Should you require more information about the Existing Funds, including access to Target Market Determinations and Product Disclosure Statements (PDS) where relevant, please visit www.challengerim.com.au.

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