



[Unofficial Translation]

June 17th, 2025

## TAL to acquire additional minority investment in Challenger

TAL, a subsidiary of Dai-ichi Life Holdings, Inc. ( Representative Director, President, Group CEO: Tetsuya Kikuta) in Australia, announced it has agreed to acquire a shareholding of 4.8% of issued shares (33,234,618 shares) in Challenger (ASX: CGF) (CEO and Managing Director, Nick Hamilton), a finance group with businesses including annuities and fund management, for approx. AUD 247million (approx. ¥22.9 billion<sup>1</sup>) from AP Liberty GP, LLC as general partner of AP Liberty, L.P. controlled by Apollo Global Management, Inc. (CEO & Chair of the Board :Mark Rowan). The transaction is subject to TAL obtaining regulatory approvals, and will only complete upon the regulatory approvals being obtained in conjunction with the transaction announced on April 7, 2025<sup>2</sup> and this transaction. Through both transactions, we will acquire a total of 19.9% of Challenger's issued shares, and we will seek to equity account our holding in Challenger.

TAL recognizes the evolving needs of Australia's retirement market, and the minority investment in Challenger reflects TAL's long-term commitment to the retirement income solutions sector, where we expect to benefit from the anticipated market growth.

### < Overview of Challenger >

Company name	Challenger Limited
Representative	CEO and Managing Director, Nick Hamilton
Location	Sydney, New South Wales, Australia
# of employees	566 Total Full Time Equivalents (FTEs) <sup>3</sup>
Year of Establishment	1985
Description of Business	Annuities and investment management business
Assets Under Management	AUD 131.44 billion <sup>3</sup>
Contributed equity	AUD 2,547 million <sup>3</sup>
Rating (at 18 December 2024)	S&P: Challenger Limited — 'BBB+' rating with a stable outlook Challenger Life Company — 'A' rating with a stable outlook.
Listed on	ASX

<sup>1</sup> Converted at the TTM rate at the end of May 2025

<sup>2</sup> [https://www.dai-ichi-life-hd.com/en/newsroom/newsrelease/2025/pdf/index\\_001.pdf](https://www.dai-ichi-life-hd.com/en/newsroom/newsrelease/2025/pdf/index_001.pdf)

<sup>3</sup> Figures from Challenger Half Year 2025 report as of 31 December 2024.

# 【Update】Investment in Challenger Limited through our Australian subsidiary, TAL



Dai-ichi Life  
Holdings

(Blue: Updated parts from the Financial Analyst Conference Call presentation on June 2)

- ▶ TAL, our subsidiary in Australia, will acquire 15.1% of the issued shares of Challenger Limited (“Challenger”) from MS&AD Insurance Group Holdings, Inc. TAL also decided to acquire 4.8% from a fund under the umbrella of Apollo Global Management, Inc. <sup>(4)</sup>.
- ▶ Challenger is a leading company in the Australian individual annuity market. By investing in Challenger, we expect to benefit from the growth potential of the retirement market. (Assuming equity-method accounting, the investment is expected to contribute roughly ¥8–11 bn to annual earnings)

## Details (Combined figures for April 7, 2025 release and June 17, 2025 release)

Investment Target	Challenger Limited (An Australian financial group with life insurance and asset management businesses under its umbrella)
Listing Market	Australian Securities Exchange (ASX)
Investment Amount	JPY 103.0bn (Full amount will be covered by TAL's available funds.)
Investment Ratio	19.9% (The equity method is expected to be applied after receiving regulatory approval.)
Estimated Closing Date	Scheduled for the second half of FY2025 <sup>(1)</sup>
Impact on Group ESR	Limited impact expected

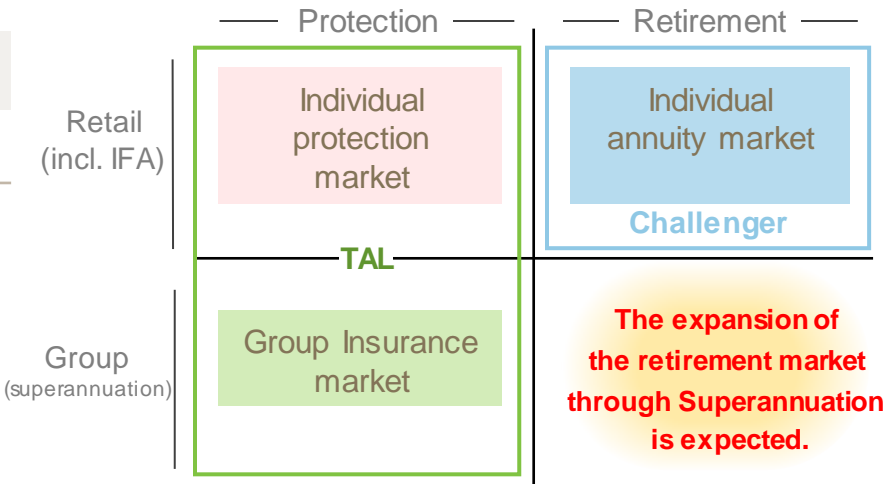
## Profile of Challenger

Net Assets	AU\$ 3,848m <sup>(2)</sup>
Number of Employees	566 <sup>(2)</sup>
Adjusted Profit (After Tax)	AU\$ 417m (FY2024)
AUM	AU\$ 127bn (FY2024)

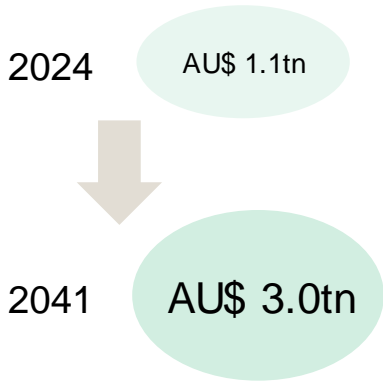
## Key Aspects of the Australian Retirement Market

- ✓ Australia has one of the world's leading retirement annuity markets, ranking 4th globally.<sup>(3)</sup>
- ✓ The asset size of participants aged 65 and over has recently exceeded AU\$ 1.1tn (ca. JPY 110tn)
- ✓ The population aged 65 and over is expected to continue increasing, along with their assets, reaching over AU\$ 3tn by 2041.

### 【Life insurance market in AUS】



### 【Outlook for the retirement market in AUS】



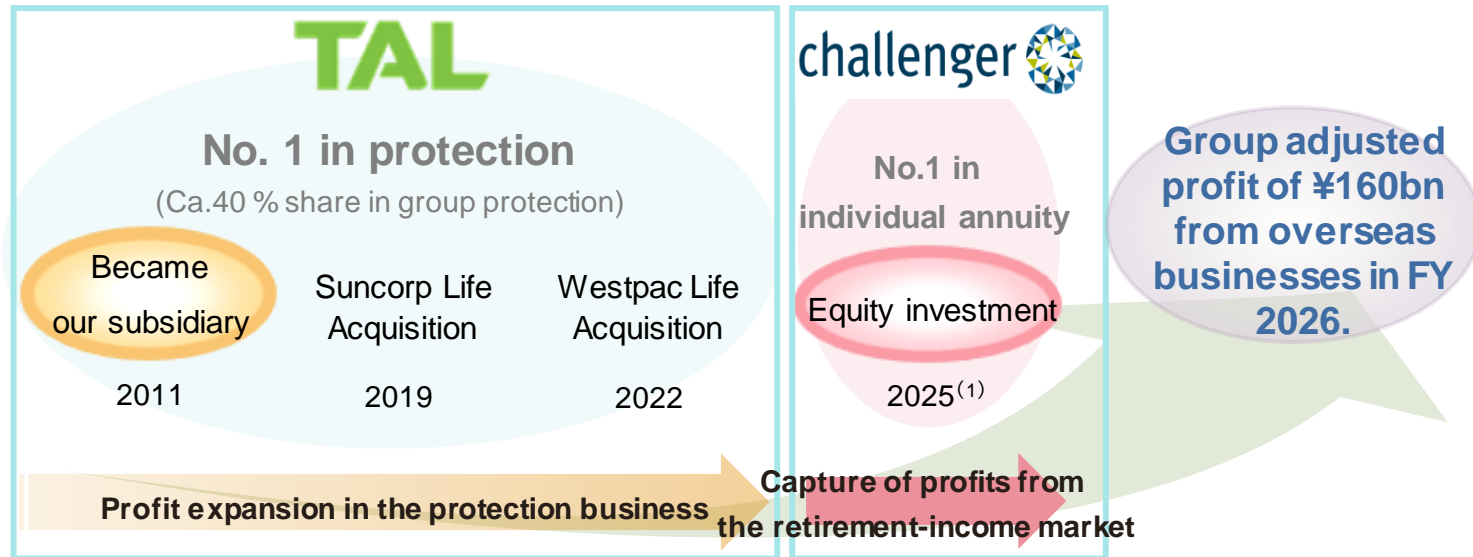
(1) Subject to approval and authorization from relevant authorities (2) As of the end of Dec 2024 (3) Ranking of pension market asset size (4) AP Liberty GP, LLC as general partner of AP Liberty, L.P.

## Strategic Significance

- ▶ By entering the retirement-income business—expected to grow as the population ages—TAL can capitalize on its strong competitive position in group insurance while capturing new earnings opportunities in this market.
- ▶ Sharing TAL's strong relationships with pension funds and its administrative expertise with Challenger's capabilities in product development, ALM, and asset management will enable both companies to respond quickly to the anticipated market expansion.

### TAL's Growth Trajectory

- ✓ Since joining our Group, TAL has solidified its No. 1 share in Australia's protection market through:
  - Offering group insurance within superannuation funds, and
  - Two major acquisitions—Suncorp Life and Westpac Life.
- ✓ To drive the next stage of domestic growth, TAL aims to capture profits from the promising retirement-income market.



### Strategic Significance for TAL

- ✓ By drawing on each other's strengths, the two companies will seek to collaborate on complementary propositions that will result in the growth of both companies in Australia's insurance and retirement markets.

