



Investor Presentation

1Q2026 Trading Update

For the quarter ended 30 September 2025

Disclaimer

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Non-GAAP measures

Certain financial measures in this investor presentation are presented on a reported and underlying basis. Reported results are prepared in accordance with NZ GAAP and include the

impacts of one-offs, both positive and negative, which can make it difficult to compare performance between periods.

This presentation contains references to non-GAAP measures including underlying profit or loss, underlying OPEX, underlying impairment expense, underlying NIM, underlying CTI ratios, underlying impairment expense ratios and underlying ROE.

Because Heartland complies with accounting standards, investors know that comparisons can be made with confidence between reported profits and those of other companies, and there is integrity in Heartland's reporting approach. These non-GAAP figures are provided as a supplementary measure for readers to assess Heartland's performance alongside NZ GAAP reported measures, where one-offs, both positive and negative, can make it difficult to compare profits between years. However, these non-GAAP measures do not have standardised meanings prescribed by GAAP and should not be viewed in isolation nor considered a substitute for measures reported in accordance with NZ GAAP. All amounts are in New Zealand dollars unless otherwise indicated. Financial data in this presentation is as at 30 September 2025 unless otherwise indicated. It has not been audited or reviewed by any independent registered public accounting firm.

1Q2026 underlying results (which are non-GAAP financial information) exclude the impact of fair value changes on equity investments held. This is intended to allow for easier comparability between periods and is used internally by management for this purpose.

The investor presentation of Heartland's FY2025 financial results released on 21 August 2025 includes at page 7 details of the FY2025 one-offs and at page 48 general information about Heartland's use of non-GAAP financial measures.

1Q2026 summary

Heartland delivers a solid performance for 1Q2026, improving profitability and ROE across the quarter.

- Overall NIM continued to expand, and cost growth has remained stable.
- Asset quality for Heartland Bank's Motor Finance portfolio has demonstrated consistent improvement as a result of enhanced collections, recoveries and write-off strategies.
- As NZ business conditions remain challenging, Heartland Bank's Business Finance NPLs have increased – the portfolio remains appropriately provisioned, and Heartland Bank expects an improvement in NPLs in Q2.
- Livestock Finance seasonal impacts have affected Heartland Bank Australia's NPL ratio and are also expected to improve in Q2.
- Strong momentum was maintained in Reverse Mortgages within both banks, while subdued markets and usual seasonal contractions impacted growth in Heartland's other core lending portfolios.
- Lending performance is expected to improve as FY2026 progresses.
- Strong progress has been made in the realisation of Heartland's NSAs, surpassing quarterly estimates.

Consolidated group key financial metrics

	Reported			Underlying			Underlying guidance
	3Q2025	4Q2025	1Q2026	3Q2025	4Q2025	1Q2026	FY2026
NOI	\$81.4m	\$85.7m	\$89.6m	\$81.4m	\$83.9m	\$86.5m	No guidance provided
OPEX	\$46.9m	\$47.7m	\$46.3m	\$46.3m	\$44.9m	\$46.3m	
Impairment expense	\$11.1m	\$10.0m	\$7.0m	\$11.1m	\$10.0m	\$7.0m	
NPAT	\$16.6m	\$17.8m	\$26.7m	\$17.1m	\$18.4m	\$23.6m	≥\$85m
Average NIM	3.69%	3.87%	3.89%	3.69%	3.87%	3.89%	>3.90%
Exit NIM	3.66%	3.93%	3.85%	3.66%	3.93%	3.85%	>3.95%
CTI ratio	57.6%	55.5%	51.6%	56.8%	53.5%	53.5%	<53.5%
Impairment expense ratio ¹	0.63%	0.56%	0.39%	0.63%	0.56%	0.39%	<0.55%
ROE	5.4%	5.9%	8.6%	5.6%	6.1%	7.6%	≥7%
Receivables ²	\$7,224m	\$7,156m	\$7,250m				

Note: See page 2 for a definition of underlying financial metrics. Refer to page 2 for details on one-offs in the periods covered in this investor presentation.

¹ Impairment expense as a percentage of average Receivables.

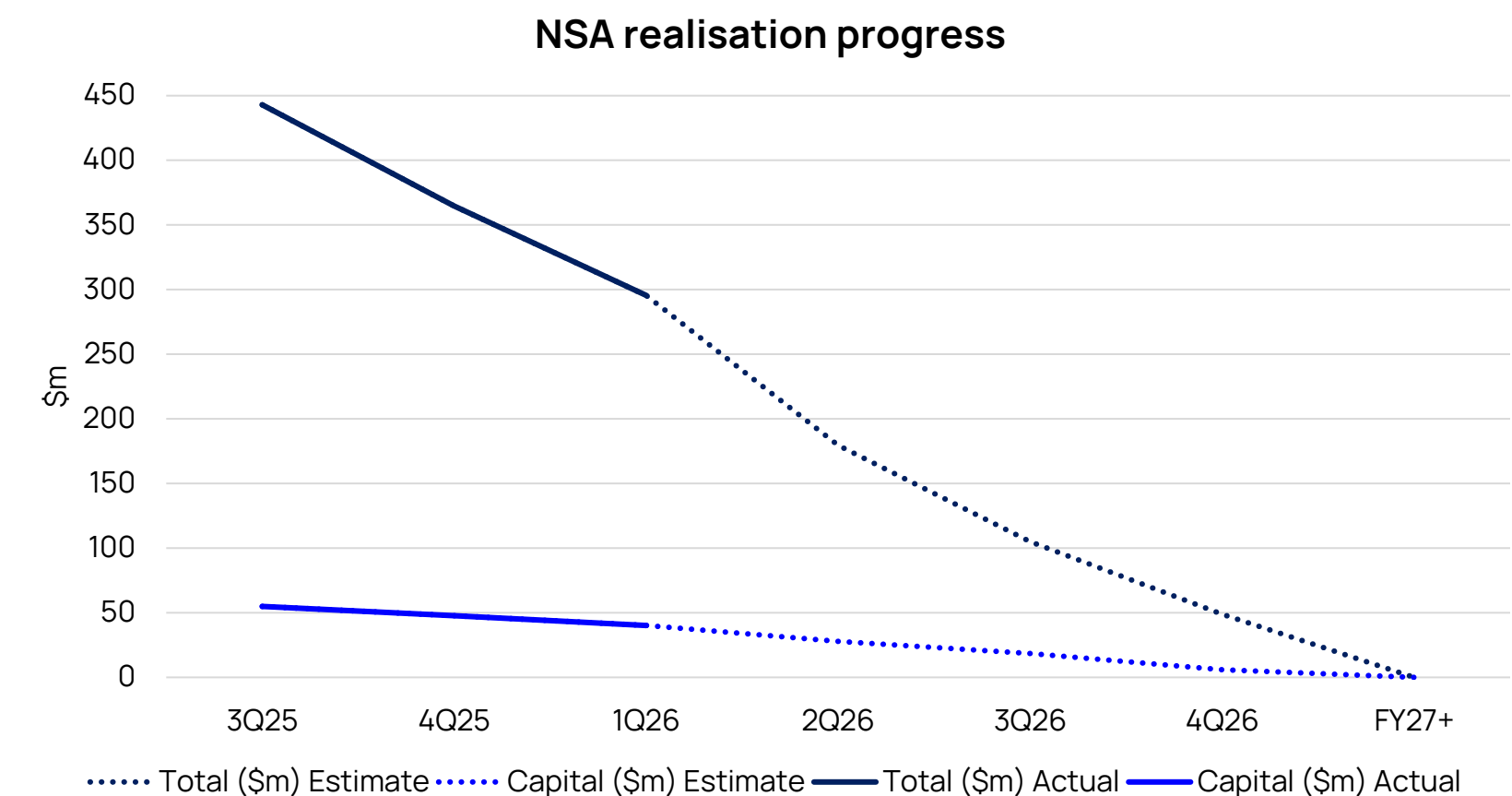
² Receivables also includes Reverse Mortgages and the impact from FX changes.

Non-strategic asset (NSA) realisation progress

NSA realisation accelerated in Q1 and is exceeding Heartland's estimates, with momentum continuing early into Q2.

- Good progress in achieving accelerated exits from Rural and Business Relationship borrowers primarily through sale of security and refinance:
 - the largest Relationship exposure partially settled in Q1 with the residual refinance now unconditional and expected to settle in October 2025
 - the third largest Relationship exposure went unconditional in September 2025 and was repaid in early October 2025.
- Home Loans¹ continues to wind down ahead of expectations through early repayments.
- The unconditional sale of one of the two dairy farms which make up the Properties NSA – settlement is expected in October 2025.
- The full exit of Heartland's Harmoney Corp Limited shareholding, significantly above carrying value as at 30 June 2025 – this generated a fair value gain of \$3.1m which is the key difference between underlying and reported results in 1Q2026.
- The sale of Heartland Bank Australia's shareholding in Alex Bank settled in October 2025.

Asset	NZ (\$m)	Outstanding balance		1Q2026 realisation	
		30 June 2025	30 Sep 2025	Actual	Target
Rural Relationship	Total (\$m)	112.0	102.9	9.1	13.9
	Capital (\$m)	17.1	16.0	1.1	1.8
Business Relationship	Total (\$m)	47.8	39.3	8.4	3.4
	Capital (\$m)	6.9	6.7	0.2	0.3
Home Loans ¹	Total (\$m)	171.7	125.7	46.0	33.1
	Capital (\$m)	10.2	7.5	2.7	1.6
Properties	Total (\$m)	16.2	16.1	0.1	-
	Capital (\$m)	2.6	2.7	-	-
Investment Properties	Total (\$m)	4.4	4.4	-	2.0
	Capital (\$m)	0.6	0.6	-	0.2
Equity Investments (NZ)	Total (\$m)	7.0	1.1	5.9	-
	Capital (\$m)	4.5	0.7	3.8	-
Equity Investments (AU)	Total (\$m)	5.7	6.0	-	-
	Capital (\$m)	5.7	6.0	-	-
Total NSAs	Total (\$m)	364.8	295.5	69.6	52.4
	Capital (\$m)	47.6	40.1	7.8	3.9



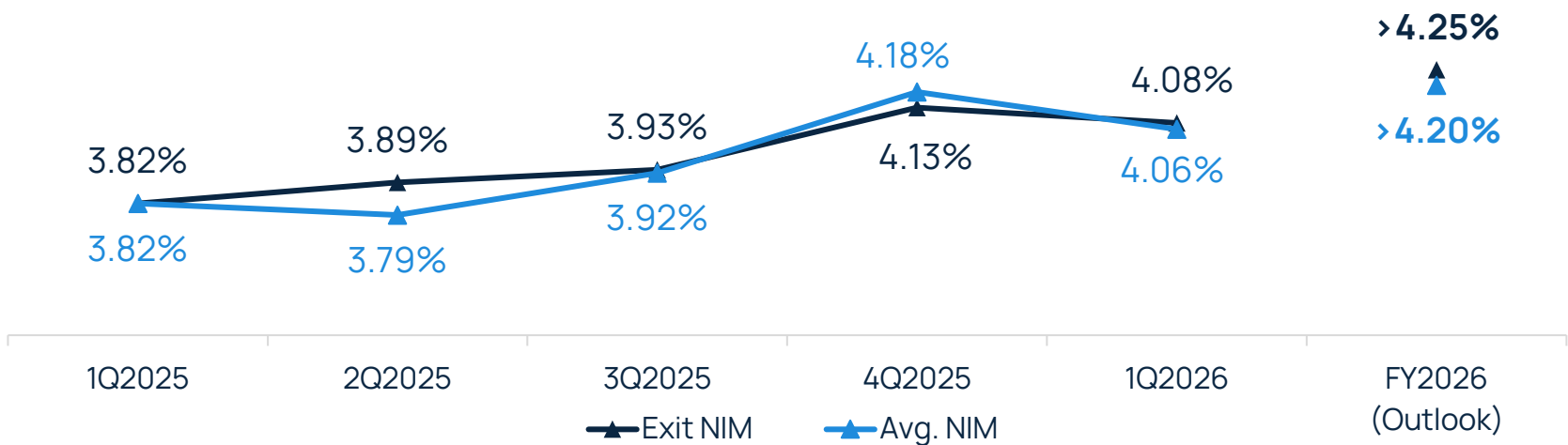
Note: NSAs are primarily NZ assets that are outside of Heartland's core lending strategy, or do not deliver threshold ROE. For more information, see Heartland's FY2025 investor presentation available at heartlandgroup.info.

¹ Includes Online Home Loans and old residential mortgages.

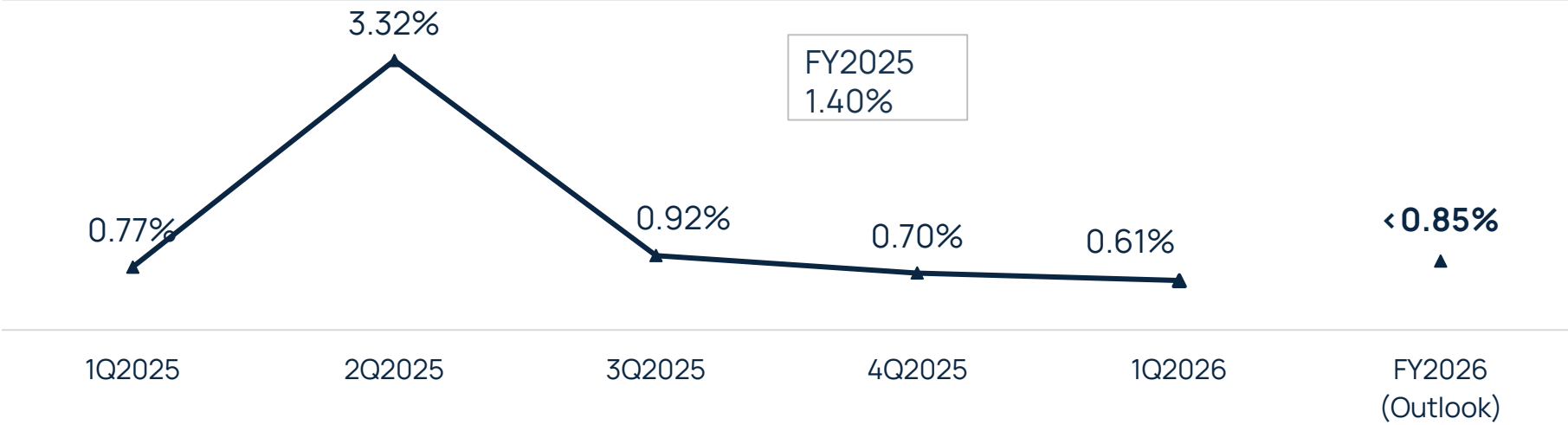
NZ banking

NPAT	Reported			Underlying			Underlying guidance
	3Q2025	4Q2025	1Q2026	3Q2025	4Q2025	1Q2026	FY2026
	\$10.2m	\$10.8m	\$17.1m	\$10.6m	\$10.8m	\$14.0m	>\$45m

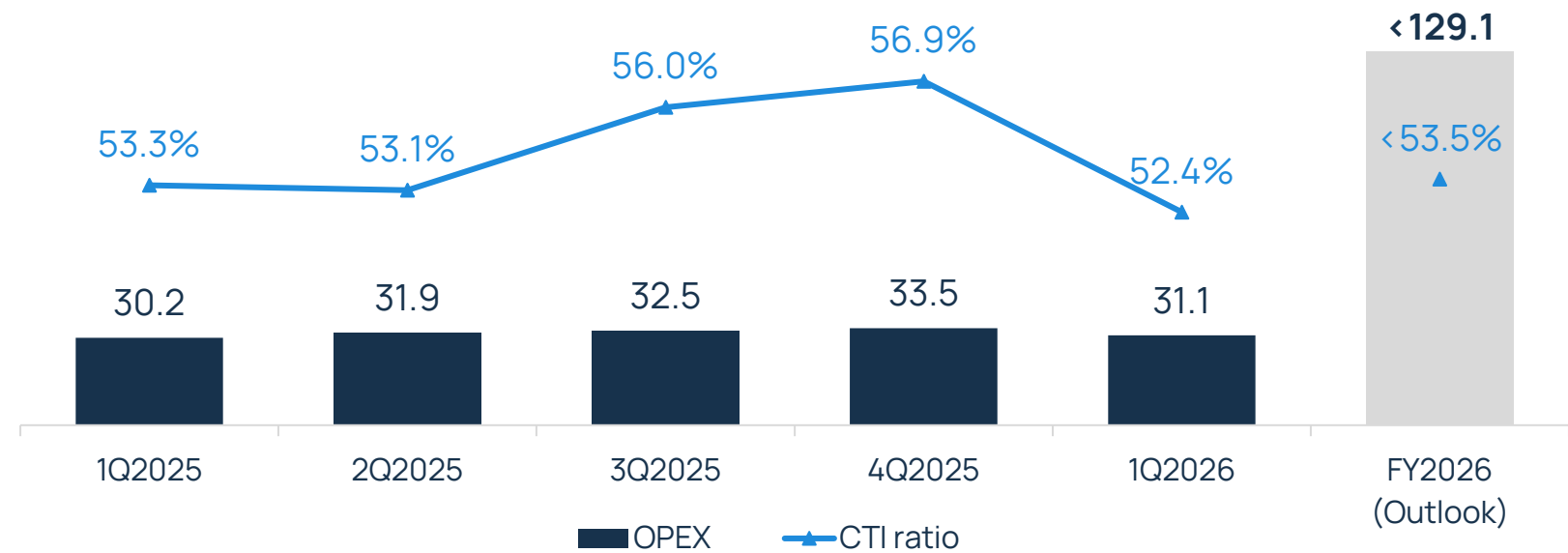
NIM



Underlying impairment expense ratio



Underlying OPEX (\$m) & CTI ratio⁶



Receivables \$4,598m as at 30 Sep 2025 ↓ \$363m, -7.3%¹ since 30 Sep 2024

Lending	3Q2025 growth ¹	4Q2025 growth ¹	Receivables at 30 Sep 2025		1Q2026 growth ¹	FY2026 (Outlook)
Reverse Mortgages	14.7%	13.8%	\$1,276.9m	↑ \$43.6m	14.0%	>18%
Rural ^{2,7}	18.7%	27.0%	\$579.4m	↓ \$29.4m	-19.2%	>6%
Motor Finance ³	-1.1%	-5.1%	\$1,683.6m	↓ \$10.8m	-2.5%	>3%
Business Finance ⁴	-21.4%	-24.7%	\$734.9m	↓ \$44.8m	-22.8%	< -9%
Unsecured Lending ⁵	-34.7%	-65.2%	\$56.1m	↓ \$6.3m	-39.9%	No outlook provided
NSAs	-23.2%	-76.6%	\$267.6m	↓ \$64.0m	-76.6%	

Note: See page 2 for a definition of underlying financial metrics.

¹ Annualised growth.

² Rural includes Rural Relationship, Rural Direct and Livestock Finance. Excludes NSAs.

³ Motor Finance includes Wholesale Lending.

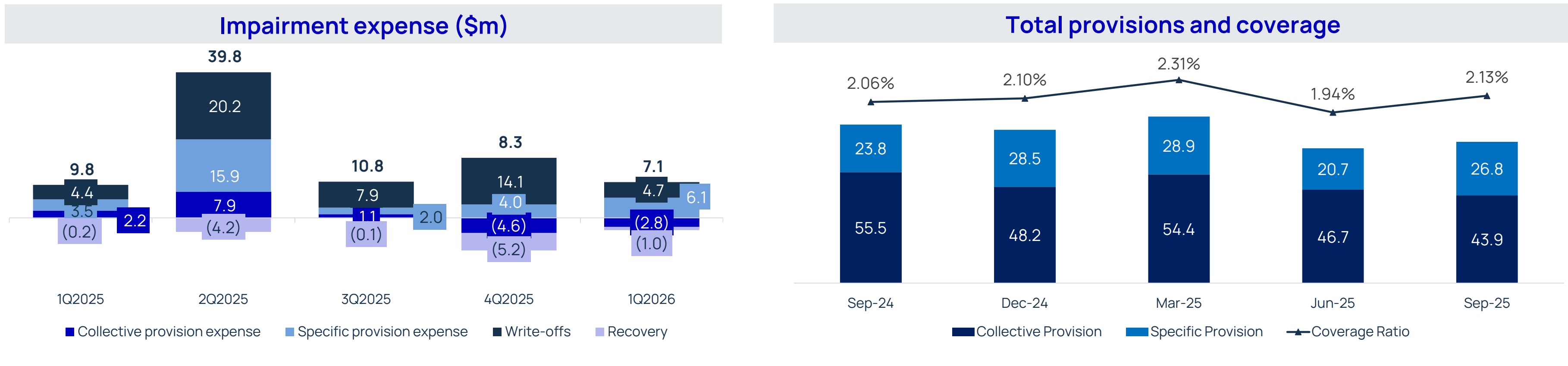
⁴ Business Finance includes Asset Finance and Business Relationship. Excludes NSAs.

⁵ Unsecured Lending includes Personal Lending and Open for Business which are winding down.

⁶ CTI ratio for 1Q2026 and FY2026 outlook exclude intercompany group charges.

⁷ 1Q2026 reflects seasonal Livestock Finance contraction. Excluding Livestock Finance, the Rural portfolio grew by \$5.8m, representing 6.1% annualised growth.

NZ banking: Impairment and provisioning



Heartland Bank’s overall asset quality continues to improve.

- The total NPL ratio of 3.22% was flat on 4Q2025, however the value of NPLs reduced by \$3.5m from 30 June 2025 to \$148.2m as at 30 September 2025 as overall asset quality continued to improve.
- Excluding NSAs and Unsecured Lending¹, Heartland Bank’s NPL ratio improved, reducing by 4 bps to 2.36% as at 30 September 2025.

The following slide outlines the trend in asset quality across Heartland Bank’s core lending portfolios of Motor Finance², Business Finance³ and Rural^{4,5}

- **Motor Finance:** Late-stage arrears have seen further improvement in 1Q2026, and recoveries continue to perform as expected. Heartland Bank maintains its expectation that it will have no arrears greater than 180 DPD by 30 June 2026. Motor Finance arrears continue to outperform the industry average – see page 10.
- **Rural:** Arrears remain low within this portfolio with the positive trading environment within the sector.
- **Business Finance:** Trading conditions remained challenging for the business sector, resulting in elevated arrears within this portfolio. Arrears were up \$2.9m from 30 June 2025 and are being carefully managed. Heartland Bank is working closely with customers and expects to see a reduction in NPLs in 2Q2026. The portfolio remains appropriately provisioned recognising the secured nature of this lending.

¹ Unsecured Lending includes Personal Lending and Open for Business which are winding down.

² Motor Finance includes Wholesale Lending.

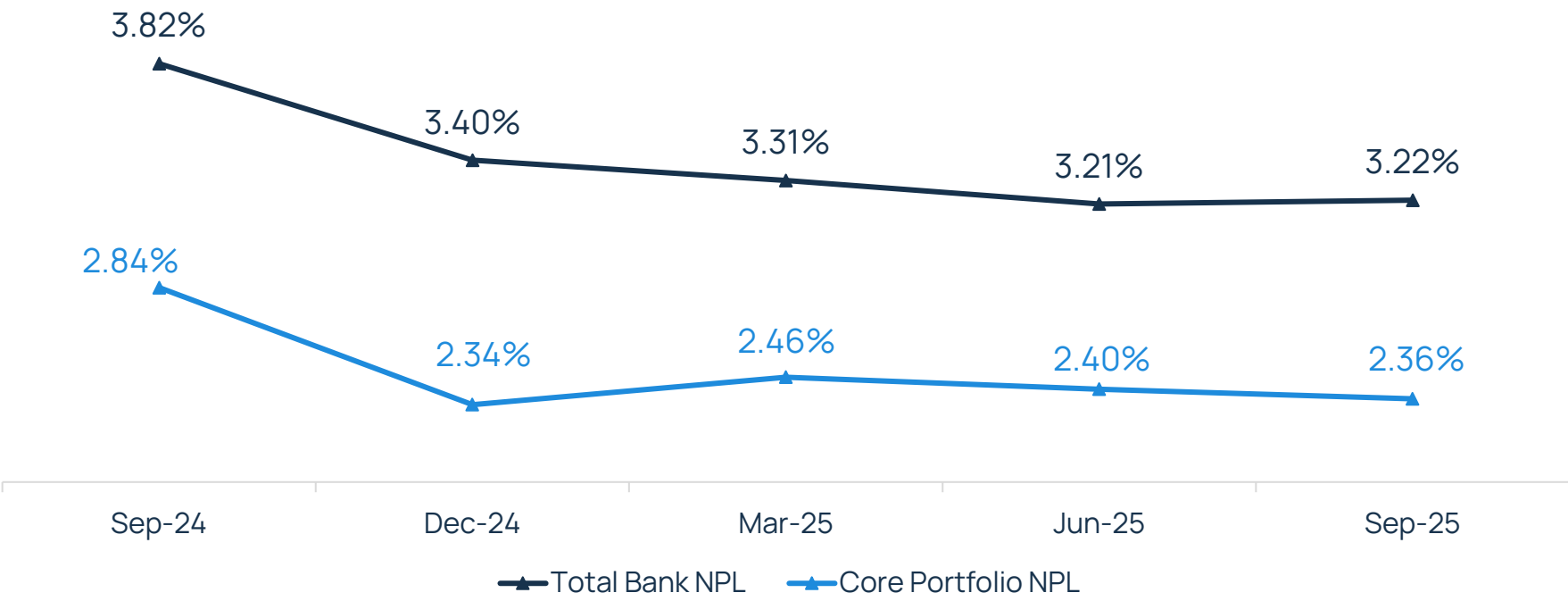
³ Business Finance includes Asset Finance and Business Relationship. Excludes NSAs.

⁴ Rural includes Rural Relationship, Rural Direct and Livestock Finance. Excludes NSAs.

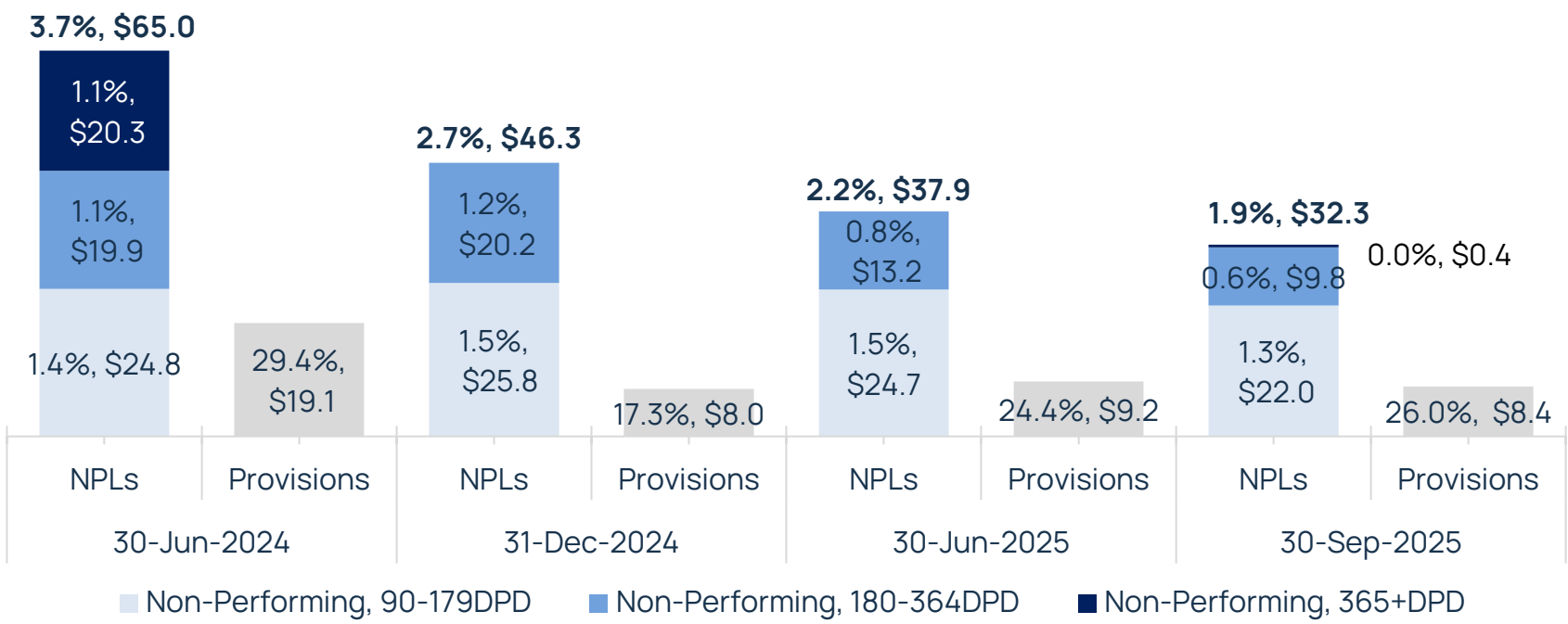
⁵ Reverse Mortgage NPLs arise due to late settlement (90 days after the 12-month repayment period) after the departure of the borrower from the property. As at 30 September 2025, this included 8 loans with a total NPL value of \$1.5m and a weighted average LVR of 32.54%.

NZ banking: Asset quality

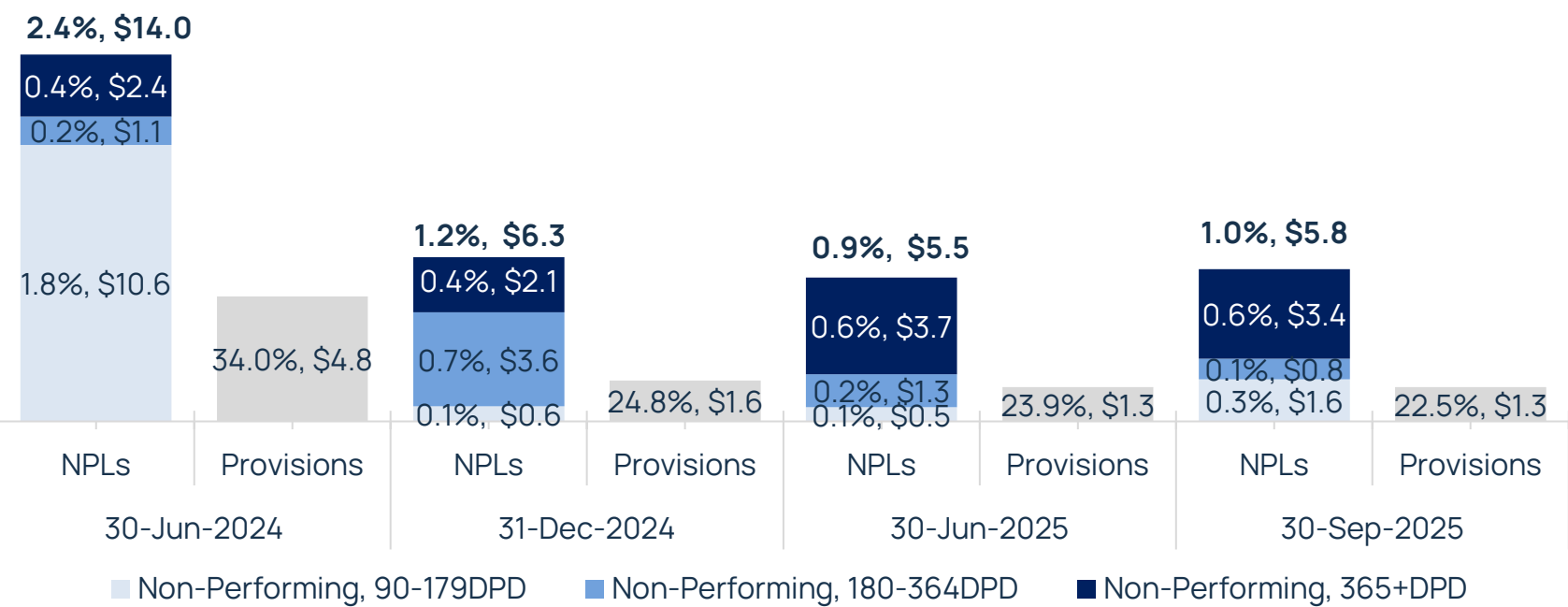
NPL ratios¹



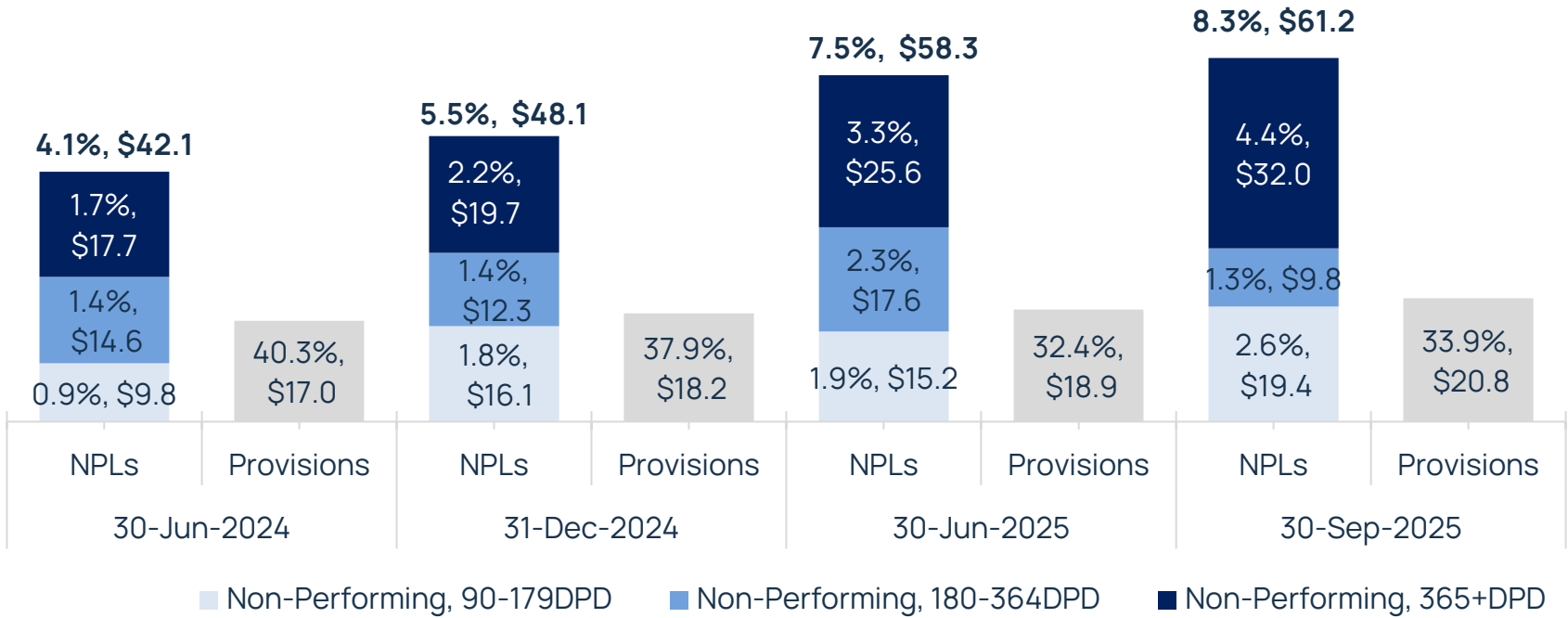
Asset quality – Motor Finance³



Asset quality – Rural²



Asset quality – Business Finance⁴

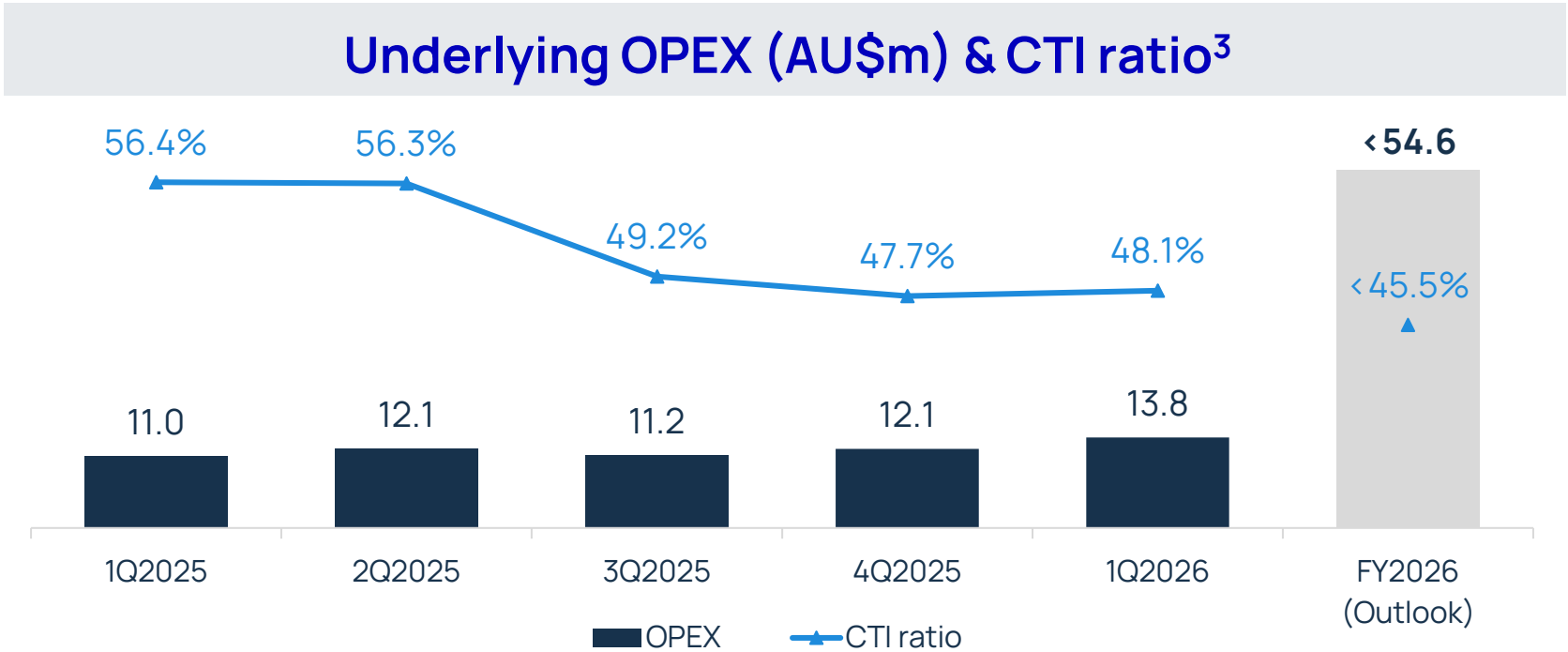
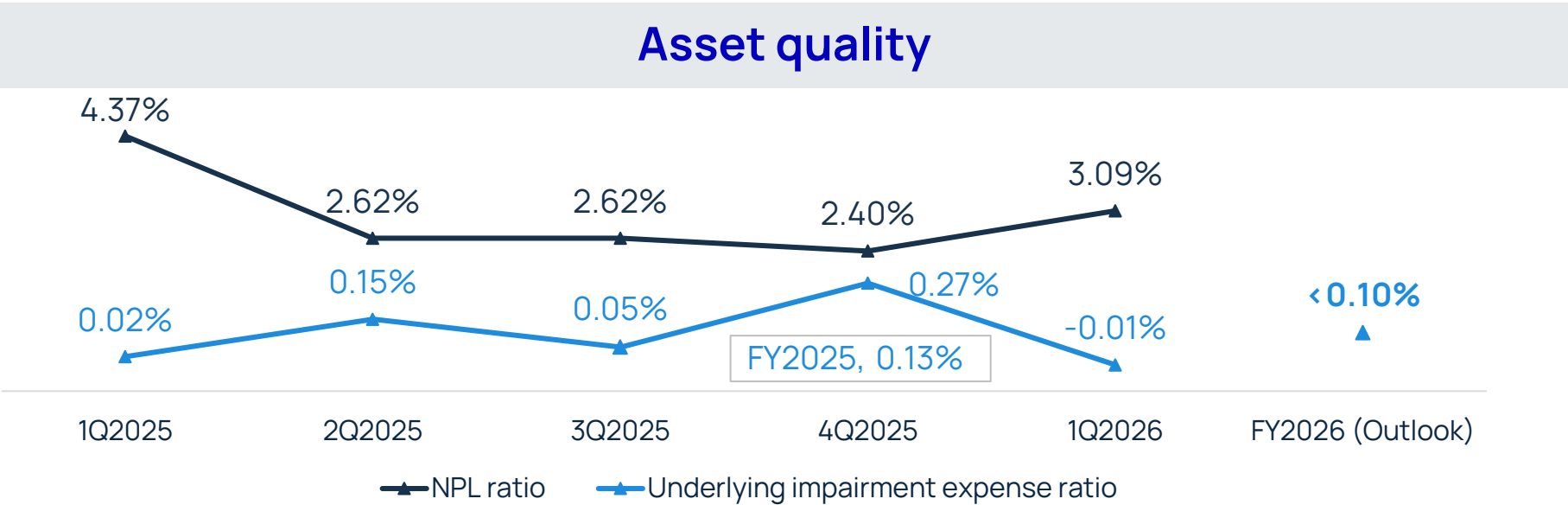
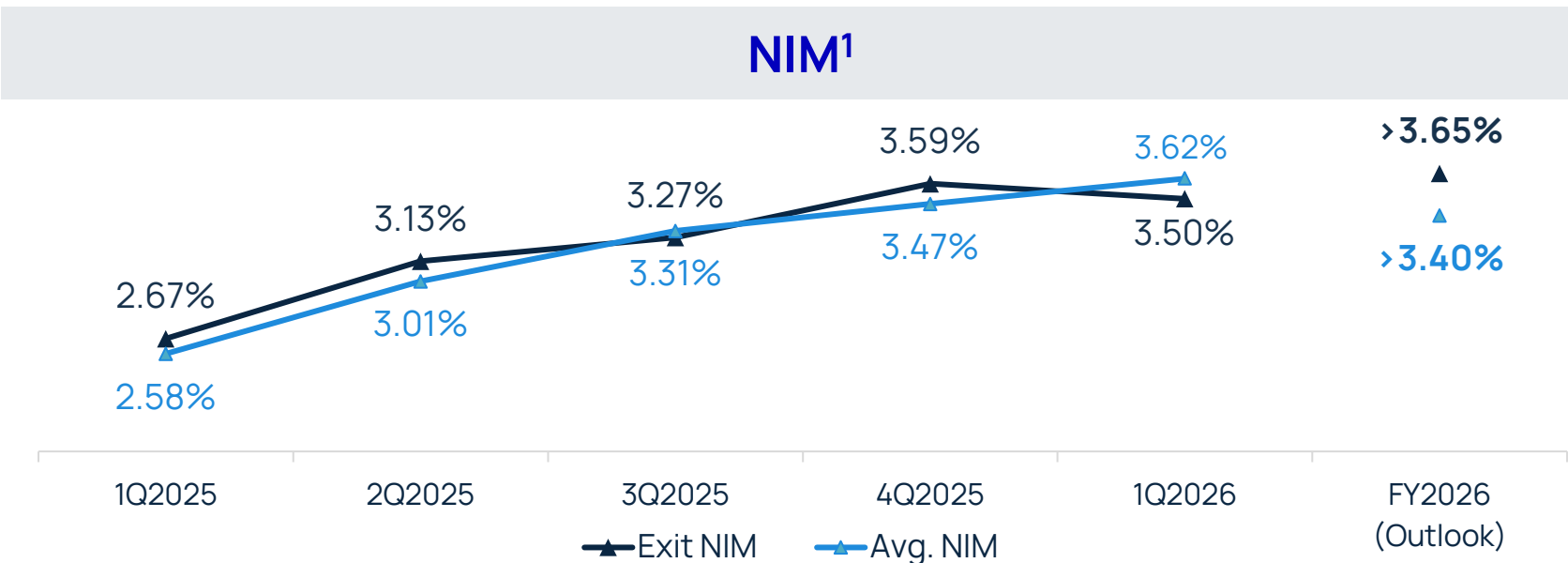


¹Total Bank NPL includes NSAs and Unsecured Lending (which includes Personal Lending and Open for Business which are winding down).
²Rural includes Rural Relationship, Rural Direct and Livestock Finance. Excludes NSAs.

³Motor Finance includes Wholesale Lending.
⁴Business Finance includes Asset Finance and Business Relationship. Excludes NSAs.

AU banking

NPAT	Reported			Underlying			Underlying guidance
	3Q2025	4Q2025	1Q2026	3Q2025	4Q2025	1Q2026	FY2026
	AU\$7.9m	AU\$8.0m	AU\$9.1m	AU\$7.9m	AU\$8.2m	AU\$9.1m	>AU\$37m (NZ\$40m)



Receivables AU\$2,323m as at 30 Sep 2025 ↑AU\$301m, 14.9%² since 30 Sep 2024

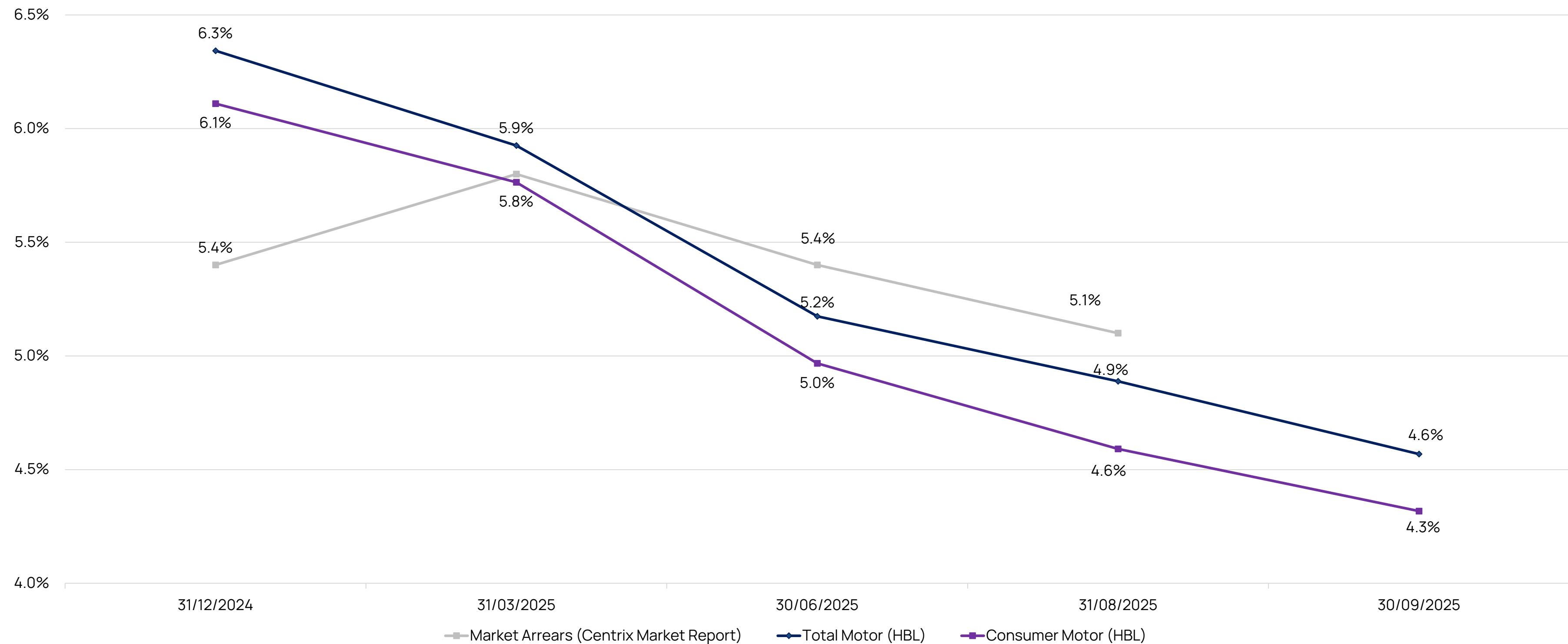
Lending	3Q2025 growth ²	4Q2025 growth ²	Receivables at 30 Sep 2025	1Q2026 growth ²	FY2026 (Outlook)
Reverse Mortgages	19.7%	20.5%	AU\$2,066.3m ↑ AU\$85.9m	17.2%	>19%
Livestock Finance ⁴	59.3%	-43.8%	AU\$231.7m ↓ AU\$22.2m	-34.7%	>20%

Note: All figures on this page are in AUD (including prior periods). See page 2 for a definition of underlying financial metrics.
¹ NIM is calculated as net interest income/average gross interest earning assets.
² Annualised growth.
³ CTI ratio for 1Q2026 and FY2026 outlook exclude intercompany group charges.

⁴ Quarterly growth for Livestock Finance is affected by usual seasonal contractions.

Additional information

Motor Finance arrears vs. auto industry average



Note:

- For the purpose of this comparison, Heartland Bank’s total Motor Finance arrears are calculated using the calculation method used by Centrix (arrears greater than or equal to 14 DPD) as at 31 August 2025.
- Auto industry arrears are sourced from the Centrix Credit Indicator Report, where 31/12/2024, 31/03/2025, 30/06/2025, and 31/08/2025 uses the January, April, July, and September 2025 Insights Report, respectively.
- Consumer Motor are Motor Finance loans to individuals rather than businesses.

Glossary

bps	Basis points	Receivables	Gross Finance Receivables (includes Reverse Mortgages)
cps	Cents per share	ROE	Return on Equity
CTI ratio	Cost-to-income ratio	4Q26+	Fourth quarter of FY2026 (1 April to 30 June 2026) and onwards
DPD	Days past due	3Q26	Third quarter of FY2026 (1 January to 31 March 2026)
Exit NIM	NIM on the last day of the reporting period.	2Q26	Second quarter of FY2026 (1 October to 31 December 2025)
Heartland, Heartland Group, HGH	Heartland Group Holdings Limited or the Company	1Q26, 1Q2026	First quarter of FY2026 (1 July to 30 September 2025)
Heartland Bank, HBL, NZ Banking	Heartland Bank Limited	FY2026	Financial year ending 30 June 2026 (1 July 2025 to 30 June 2026)
Heartland Bank Australia, HBAL, AU banking	Heartland Bank Australia Limited	4Q2025	Fourth quarter of FY2025 (1 April to 30 June 2025)
LVR	Loan-to-value ratio	3Q2025	Third quarter of FY2025 (1 January to 31 March 2025)
NIM	Net interest margin	2Q2025	Second quarter of FY2025 (1 October to 31 December 2024)
NPAT	Net profit after tax	1Q2025	First quarter of FY2025 (1 July to 30 September 2024)
NPL	Non-performing loan	FY2025	Financial year ended 30 June 2025 (1 July 2024 to 30 June 2025)
NSA	Non-strategic assets		
OPEX	Operating expenses		

Thank you

Investor & media relations

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