



Special Shareholder Meeting 2026

30 September 2026

Agenda

01	Welcome and formalities
02	Chair's Address
03	CEO's Address
04	Shareholder discussion
05	Voting and conduct of poll

Other formalities

- **Proxies and postal votes received**
- **Meeting procedures**
- **Voting procedures and declaration of poll**
- **Notice of meeting**

Voting and asking questions



HELP NUMBER
0800 200 220

Ask a Question

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Exit Meeting 

Voting Card

Question box


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Ask a Question

 Downloads

-  Notice of meeting
-  Annual report
-  Virtual Meeting Guide

Virtual Meeting

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Other formalities

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02 Chair's Address

Greg Tomlinson Chair, Heartland Group

Creating a larger New Zealand banking platform

Combining two complementary banks to do more together than either could do alone.

	Heartland Bank	TSB	TSB Heartland Bank
 Legacy	A New Zealand bank with a rich Kiwi heritage dating back to Ashburton in 1875, focused on providing specialist banking products	Regional community roots since 1850, delivering award-winning banking solutions with exceptional customer service	Significant New Zealand challenger bank of scale, providing New Zealanders with greater choice and supporting a productive economy
 Customers	c. 160k customers ¹	c. 160k customers ²	c. 320k customers³
 Distribution	Digital channels, call centre, relationship managers, third party brokers / advisors, dealerships (franchise & non-franchise), branded vendor financing, stock agents and meat processors	12 branches, 5 banking hubs, digital channels, contact centre, business, commercial and property finance managers, home lenders, third party mortgage advisors and ATM network	Digital distribution strategy complemented by physical network across New Zealand with specialist product distribution capabilities
 Products⁴	Motor Finance, Reverse Mortgages, Rural, Business Finance, savings and deposits	Home Loans, Commercial Property, and Personal Lending, savings, deposits and everyday banking solutions	Full-service capable bank with specialist products and a broad funding mix

1 As at 30 June 2025 for Heartland Bank.
2 As at 31 December 2025 for TSB.
3 Pro forma without adjusting for any potential common customers.

4 Includes core product portfolios.

Proven M&A and integration experience

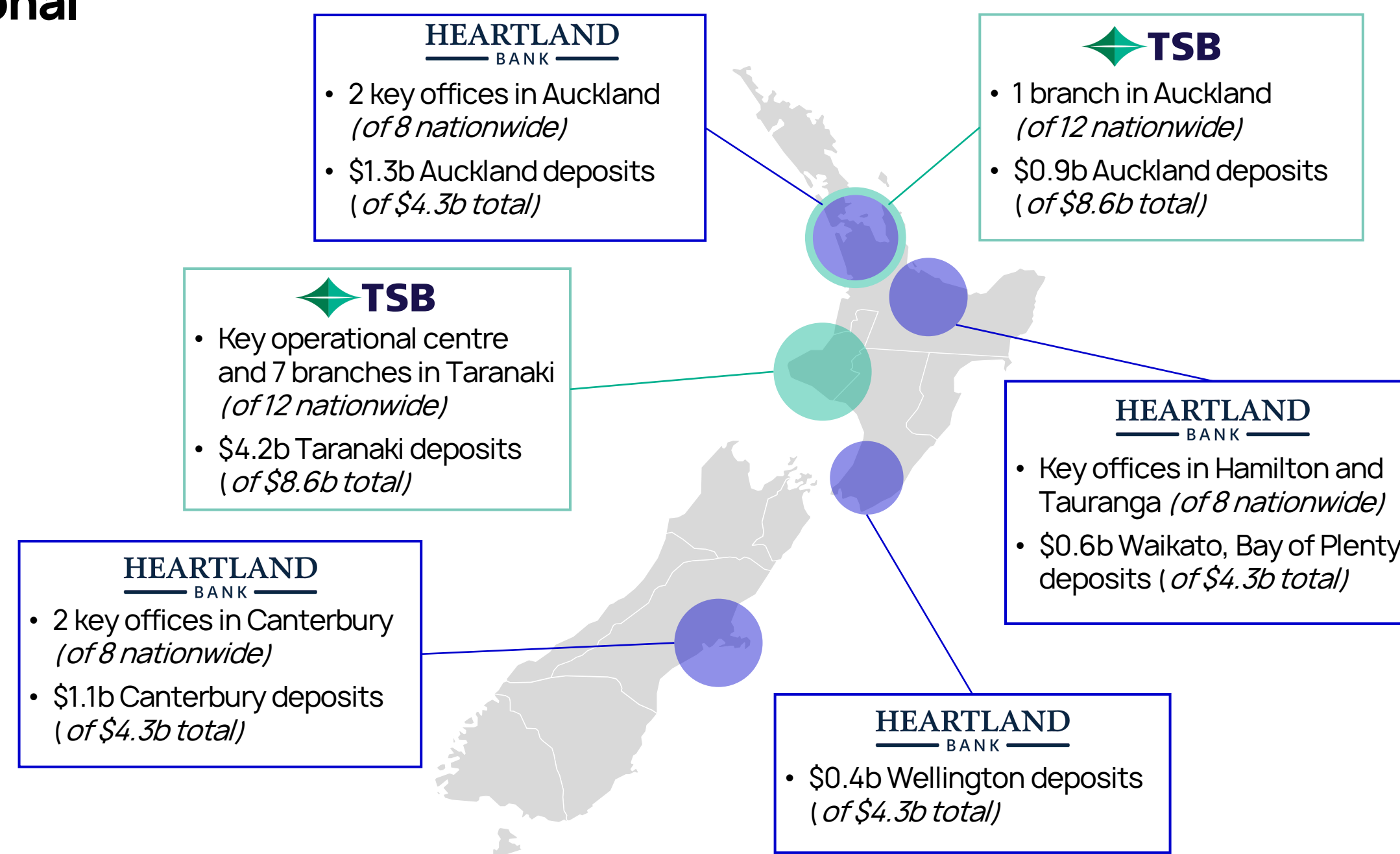
Heartland has grown by bringing businesses together.

- ✓ **Formed through the merger of several New Zealand financial institutions** in 2011, the addition of TSB extends Heartland Bank's scale and capability.
- ✓ **Strong M&A and integration track record**, including the recent acquisition of what is now known as Heartland Bank Australia – this acquisition made Heartland Bank the first New Zealand bank to acquire an Australian authorised deposit-taking institution.
- ✓ **Following completion of integration activities in relation to Heartland Bank Australia**, stronger trans-Tasman oversight arrangements and an improvement in the overall risk profile of the Banking Group, the RBNZ reduced Heartland Bank's transitional capital overlay (imposed after the acquisition of what is now Heartland Bank Australia) from 2.0% to 0.5%.

Continued regional focus and nationwide presence

Heartland Bank and TSB each have long histories and a deep connection to regional New Zealand, with each bank's portfolio reflecting its community roots.¹

- With its combined rich Kiwi heritage, TSB Heartland Bank will keep its focus on helping New Zealanders to meet their banking needs.
- TSB Heartland Bank will retain Heartland Bank's existing nationwide presence, with Taranaki as a key operational hub for customer-based banking services – including maintaining a local branch network and customer-facing roles in Taranaki.

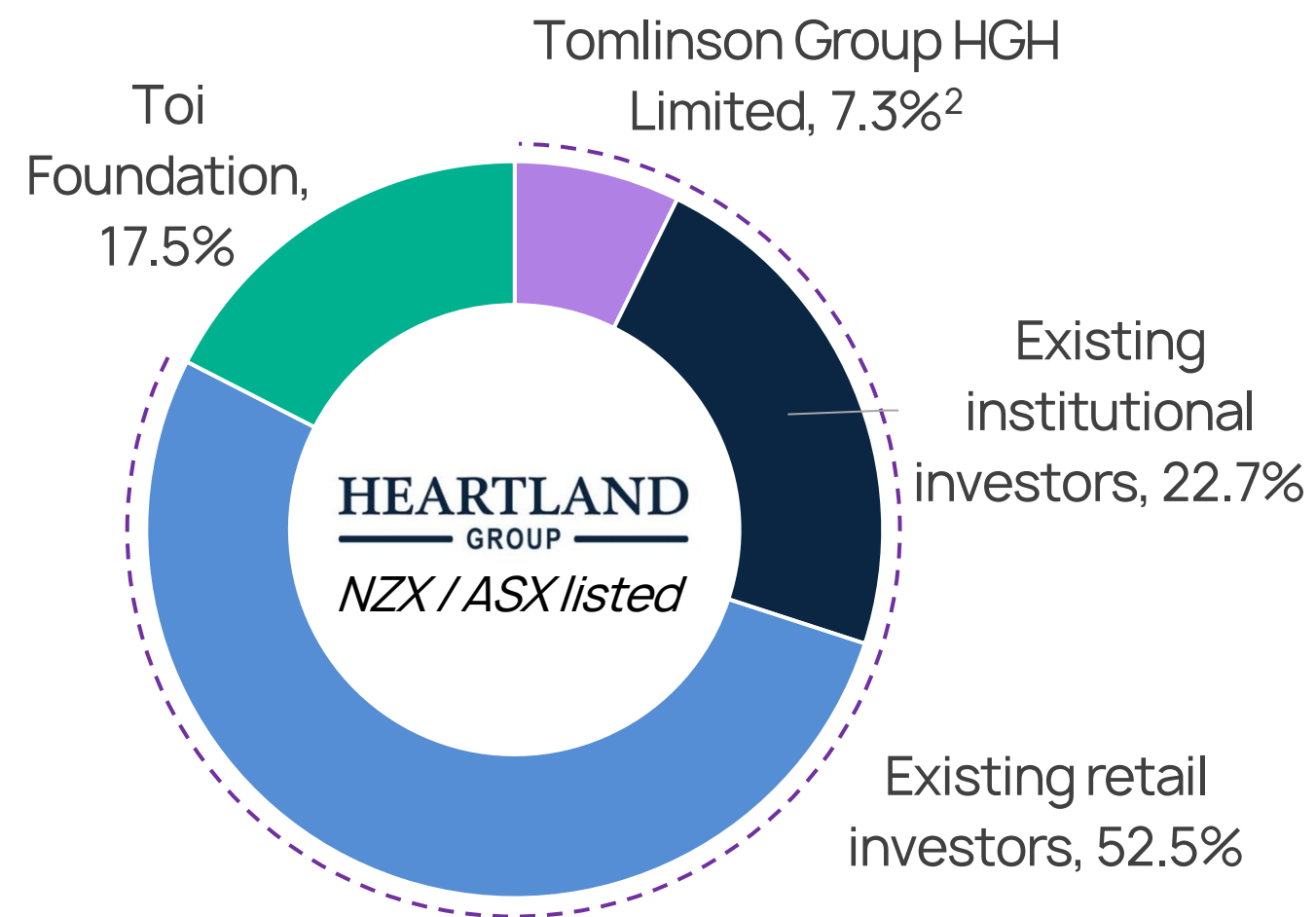


¹ Portfolio details as at 31 March 2025 for Heartland Bank and 31 December 2025 for TSB.

Heartland Group governance

Toi Foundation will hold 17.5% of the shares in Heartland. Toi has nominated Mark Darrow for appointment to the Heartland Board, subject to Heartland shareholder approval.

Heartland indicative shareholdings¹



Governance

- Toi Foundation is strongly aligned to the continued growth and prosperity of TSB Heartland Bank, and intends to be a long-term, supportive shareholder.
- As a condition of the MIA, and subject to Heartland shareholder approval of the proposed transaction and appointment, Toi Foundation has nominated Mark Darrow (current TSB Chair) to be initially appointed to the Heartland Board.³
- It is also expected that on completion of the proposed transaction, two existing TSB directors will initially join the TSB Heartland Bank Board.⁴

¹ Based on Heartland's share register at 30 April 2026.

² Related interest of Greg Tomlinson, Chair and Non-Executive, Non-Independent Director of Heartland.

³ With effect on completion, subject to Heartland shareholder approval.

⁴ Subject to the approval of the respective boards of Heartland Bank and TSB.

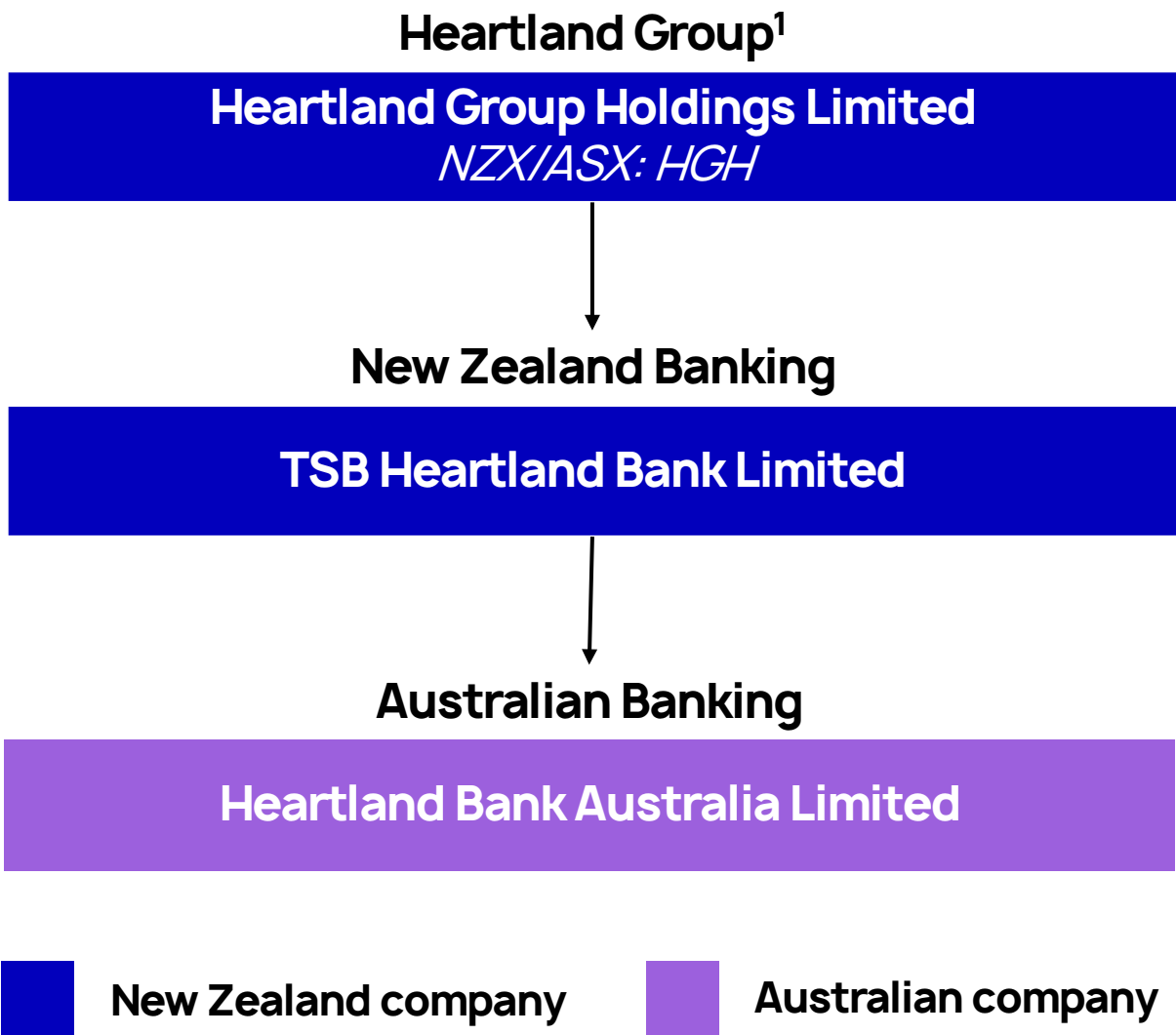
03 CEO's Address

Andrew Dixon Chief Executive Officer, Heartland Group

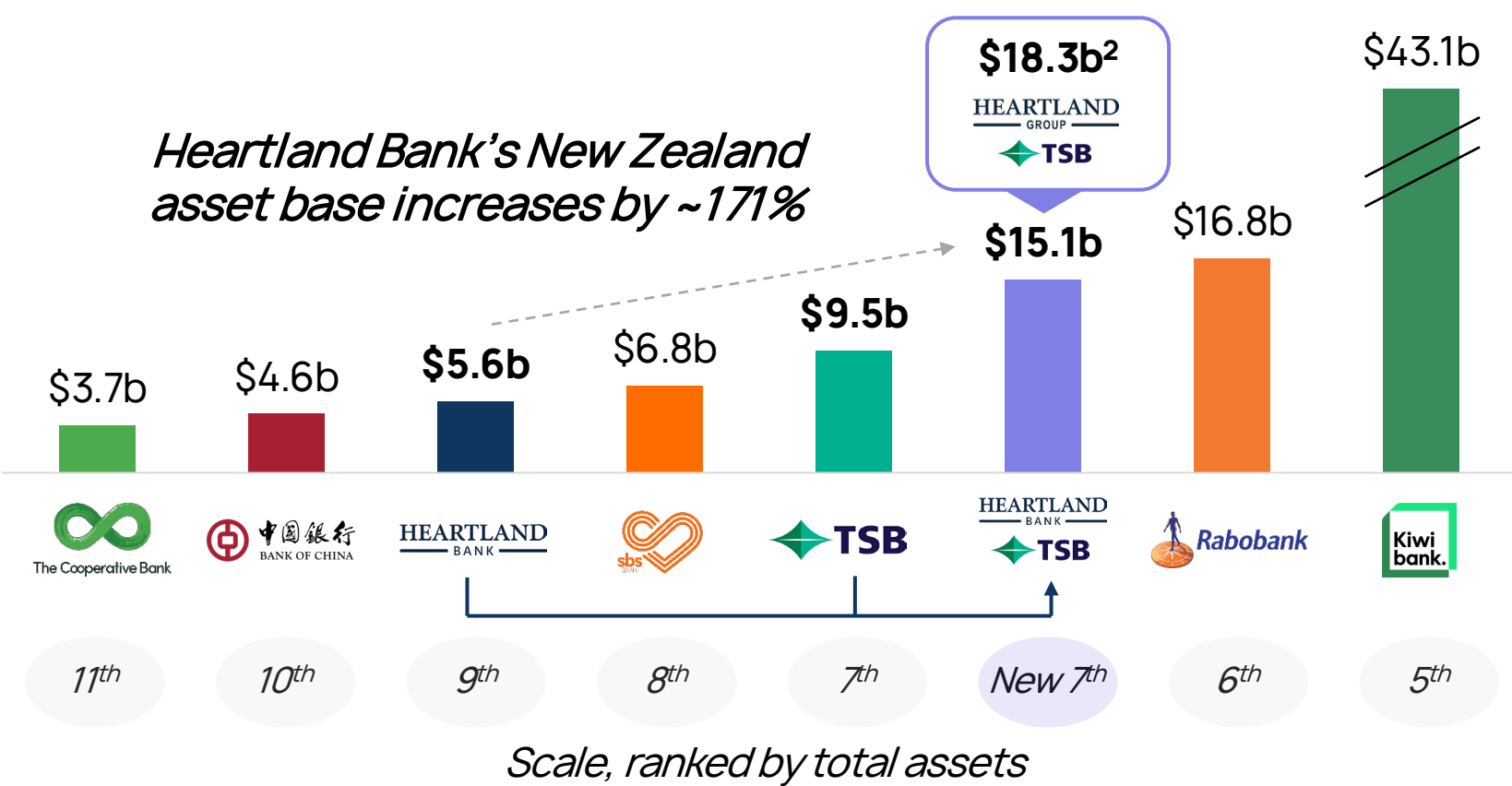
A bank with materially increased scale

Under the proposed transaction, Heartland would acquire all of the shares in TSB, and subsequently merge Heartland Bank and TSB, to create a larger New Zealand bank.

Proposed structure (post-merger)



Total New Zealand assets (NZ\$b)²



Greater scale and product diversification will improve financial efficiency and resilience.

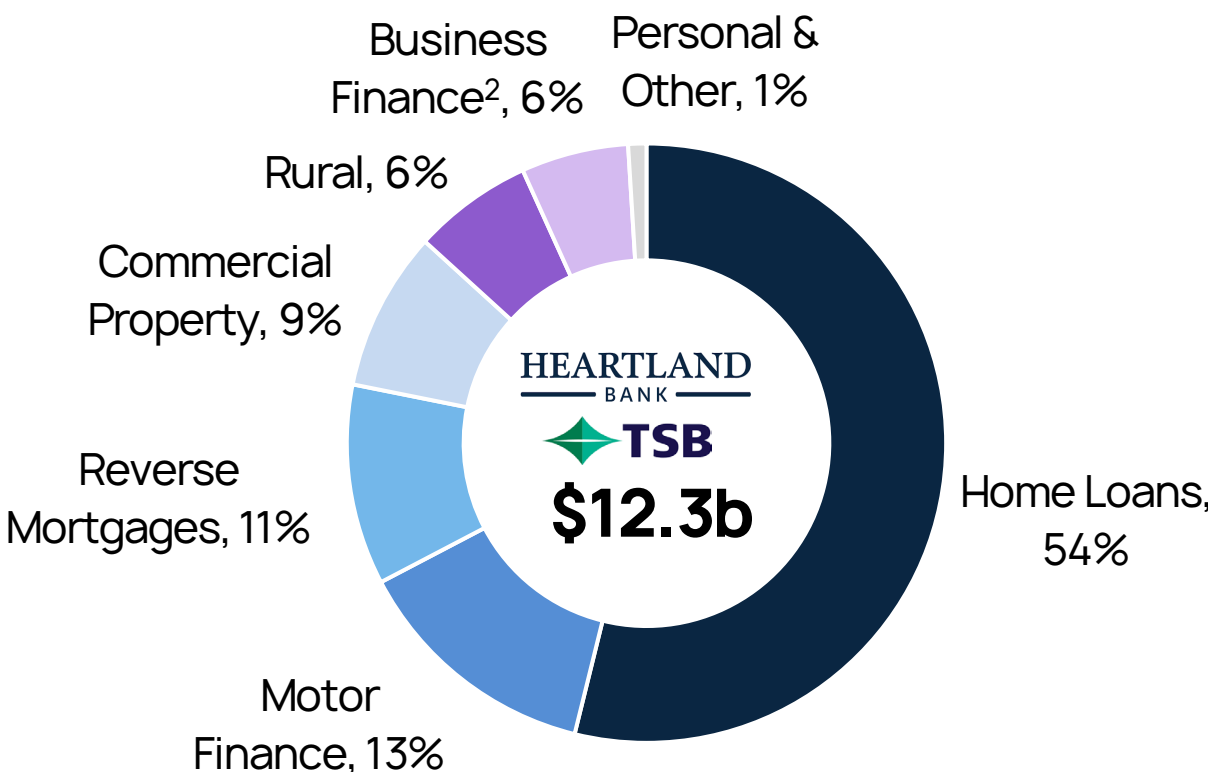
¹ Heartland and its subsidiaries.
² As at 31 December 2025 per RBNZ Banking Dashboard.
³ Including Heartland Bank Australia's assets, held in a subsidiary of Heartland Bank.

Snapshot of TSB Heartland Bank

TSB Heartland Bank will operate as a full-service capable bank with specialist products and a cost-effective funding platform.

Diversified and differentiated product set

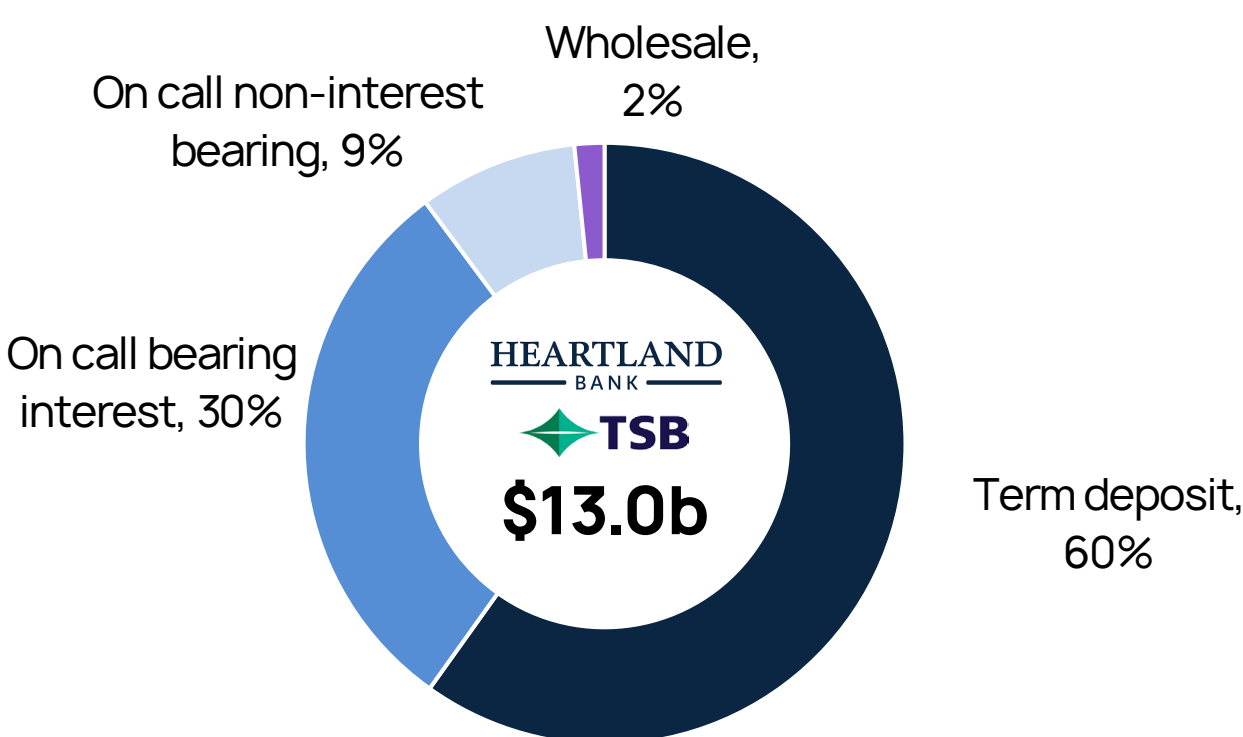
Gross receivables¹



Full-service capable banking with specialist products, underpinned by low-risk reverse mortgages and home loans.

Optimised funding mix

Funding¹



Optimised funding base through a greater proportion of non-interest and interest bearing on call products.

¹ Pro forma TSB Heartland Bank. As at 31 December 2025 for Heartland Bank and TSB. Gross receivables include Heartland Bank's NSAs. As at 30 June 2026, the NSA realisation programme had successfully concluded (for more information, see Heartland's FY2026 financial results announcement and accompanying investor presentation, available at heartlandgroup.info).

² Business Finance includes Heartland Bank's Asset Finance and Business Relationship portfolios.

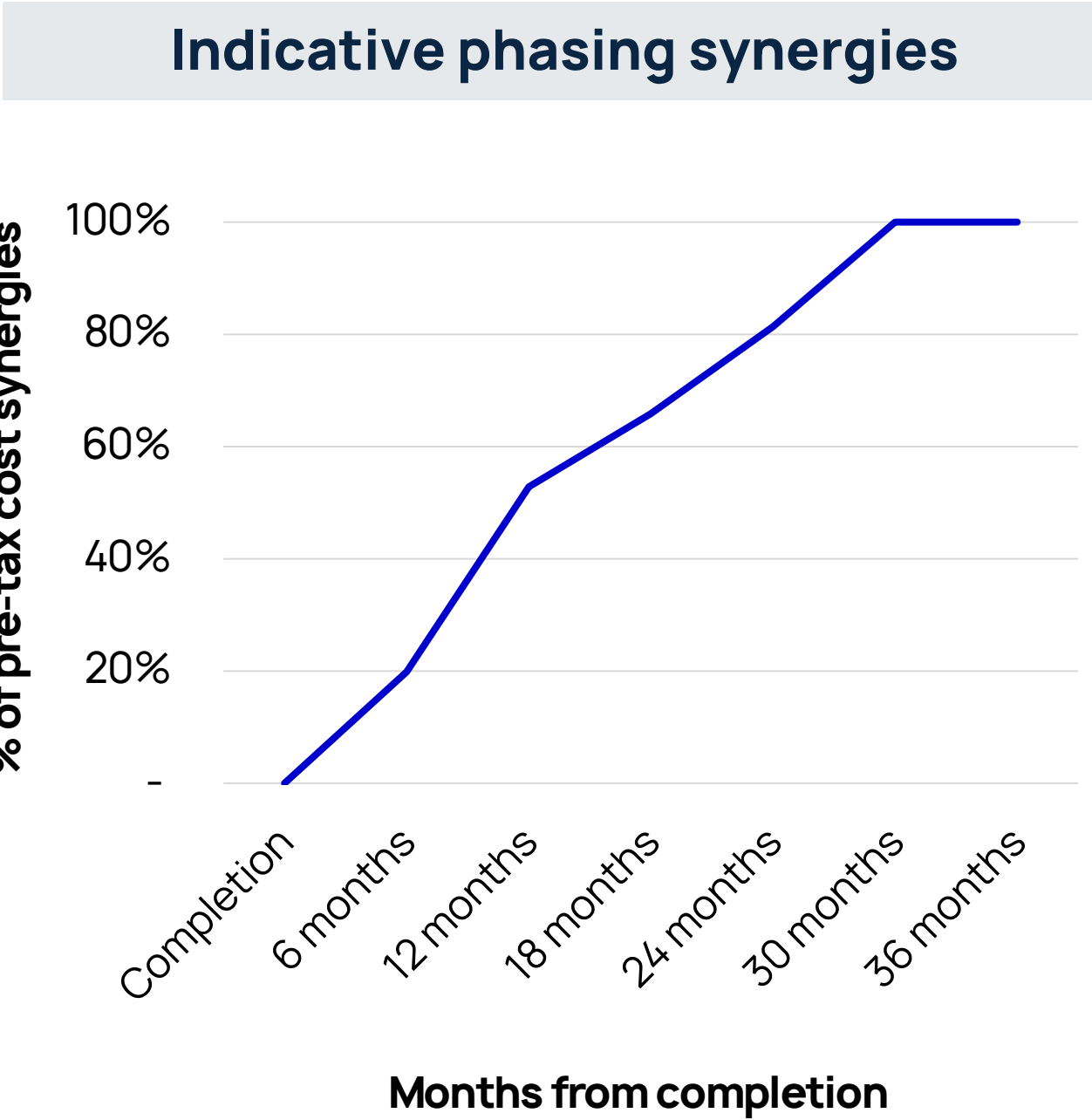
Significant synergies available

Cost synergies are expected to be realised over a three-year period across TSB Heartland Bank.

- When fully realised, these synergies are expected to deliver a ~\$34m p.a. benefit to profit before tax.
- Total one-off integration costs to realise the synergies are estimated at ~\$34m and are expected to be incurred over a three-year period post-completion.

Potential further upside

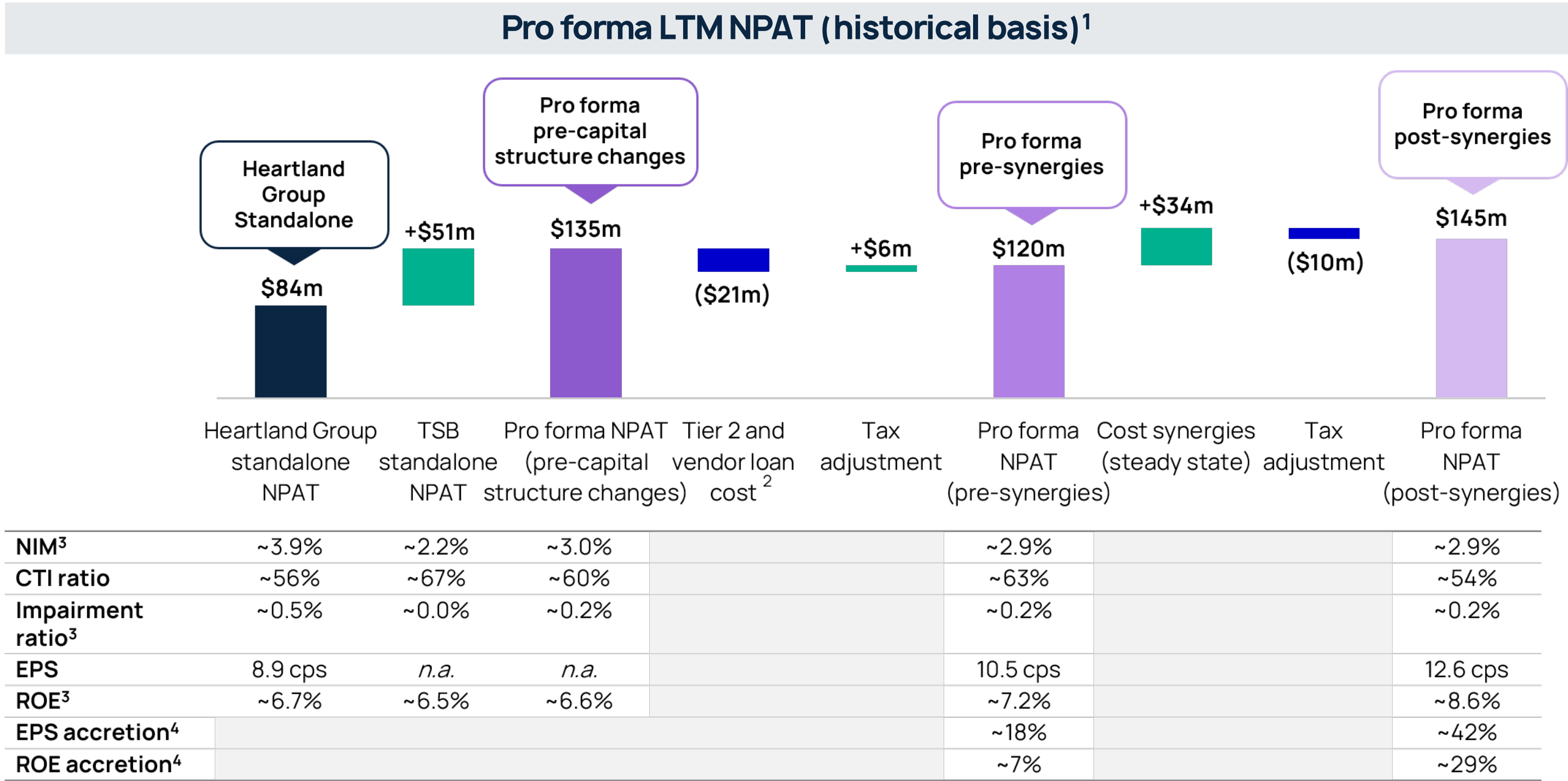
- Enhanced ability to serve evolving customer needs throughout their financial lifecycle.
- Funding synergies based on access to TSB’s cost-effective deposit base.
- Liquidity synergies based on optimising TSB Heartland Bank’s liquid asset base post-completion.
- Ability to further leverage Heartland’s investment in current and future technology programmes. Work remains ongoing in relation to technology integration costs and potential technology synergies, however these are not expected to materially impact the transaction economics.



1 EY was engaged by Heartland and Toi Foundation to assist in identifying and quantifying synergies, the pace at which they could be realised, and the cost of extracting them.
2 Assessed synergies and one-off integration costs exclude technology-related items.

Estimated synergies are management estimates prepared for transaction evaluation purposes and are forward-looking. Cost synergies (~\$34m p.a.) represent expected annual pre-tax run-rate benefits anticipated to be progressively realised within 3 years post-completion, subject to execution risk, regulatory requirements, market conditions and final integration design. Synergy estimates have not been audited and may differ materially from actual outcomes.

Expected to materially enhance earnings and ROE



1 LTM as at 31 December 2025 for Heartland and TSB.

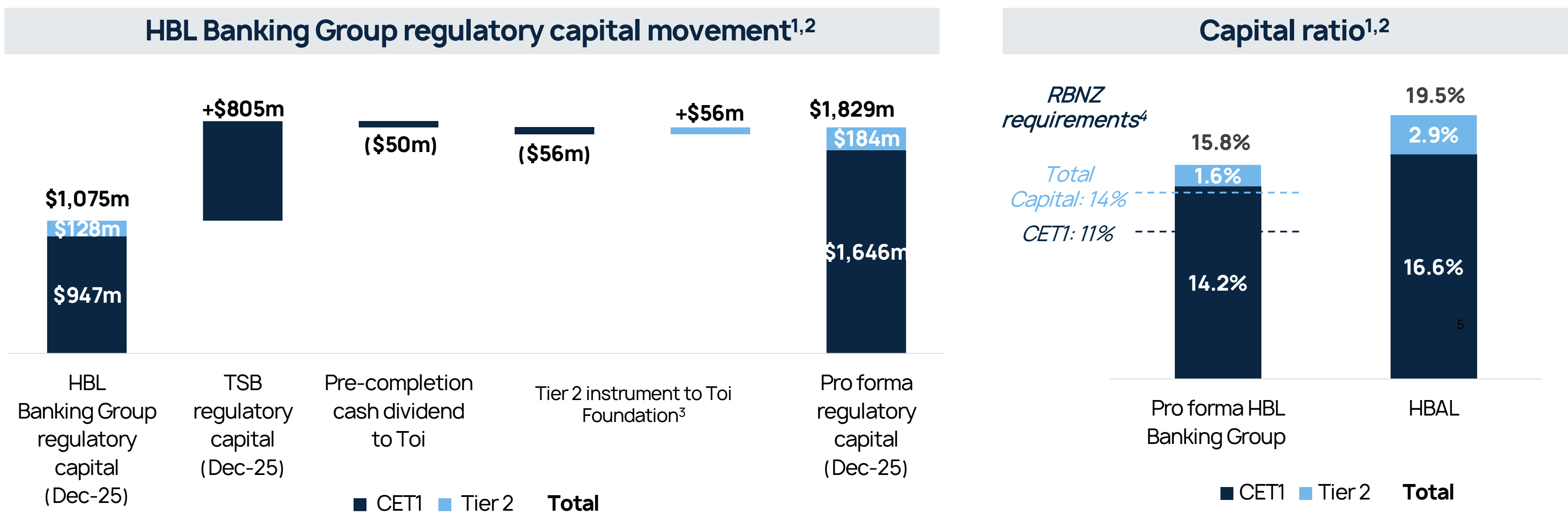
2 Base rates based on average 1m BKBM bid for 2025.

3 Average balances used in ratio calculations are based on period-end balances as at 31 December 2024 and 31 December 2025.

4 Percentage change relative to Heartland Group standalone.

Pro forma capital impact

Heartland will remain well capitalised post-transaction. No ordinary equity share capital issuances by Heartland are expected to be needed to meet future capital requirements.

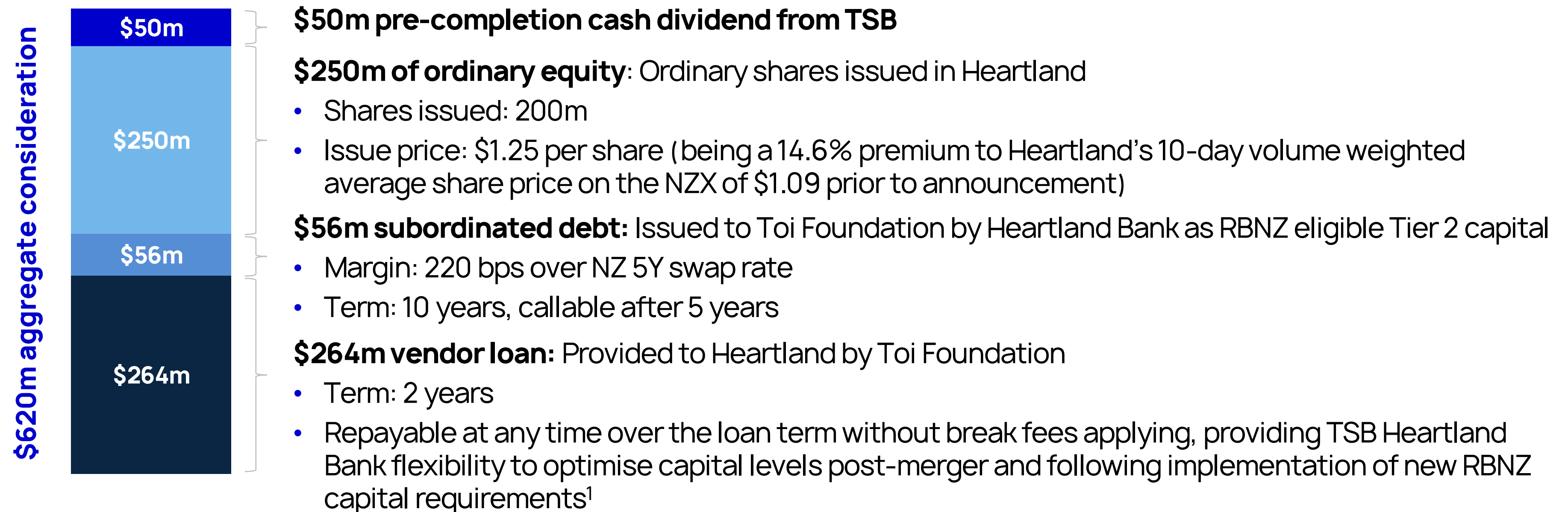


¹ As at 31 December 2025 for Heartland and TSB, assuming no pre-completion dividend above \$50m.
² HBL Banking Group includes all of Heartland Bank's subsidiaries, including Heartland Bank Australia and Marac Insurance Limited.
³ As the \$56m Tier 2 instrument is issued by Heartland Bank (rather than by Heartland as purchaser), a corresponding liability arises from Heartland to Heartland Bank. Heartland Bank intends to declare a \$56m dividend, reducing CET1 by \$56m, which will be set off against that Heartland liability.

⁴ Based on RBNZ's final decisions on key capital settings for deposit takers (see next page for further detail).
⁵ HBAL includes Heartland Bank Australia and its subsidiaries.

Proposed transaction funding

As part of the consideration, Toi Foundation will receive a diversified range of banking investments with greater flexibility and liquidity than is currently possible through its ownership of TSB.



¹ The RBNZ has confirmed that banks may apply any of the new standardised credit risk weights from 1 October 2026. The first annual step change in capital ratios is also taking place on 1 October 2026.

Independent Expert Report

On balance, Calibre Partners considers the positives of the proposed transaction outweigh the negatives for Heartland shareholders, and that the proposed consideration for TSB is reasonable.

Value for money

- ✓ Aggregate consideration implies a price to book value multiple of approximately 0.76x, within the range of approximately 0.70x to 0.80x that Calibre Partners considers reasonable for TSB.
- ✓ Heartland acquires TSB at a discount to book value, reflecting benefit of economies of scale.
- ✓ Effectively acquires regulatory capital at a discount, more cheaply than Heartland could generate organically or raise externally, providing capacity for future lending growth.

Scale and diversification

- ✓ More diversified loan book across the expanded Heartland Group, reducing concentration risk.
- ✓ Better positioned to deliver operating leverage benefits.

Financial benefits and other considerations

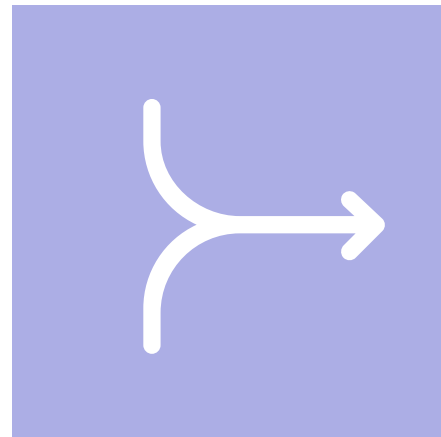
- ✓ Expected to be meaningfully EPS and DPS accretive for existing Heartland shareholders, with an improved ROE supportive of a higher valuation multiple over time.
- ✓ Existing shareholders' proportional ownership will reduce by approximately 17.5% (however, this dilution is not expected to be value dilutive).

Transaction progress

Several conditions have now been satisfied. Subject to completion, the two banks would be integrated progressively over a period of up to three years.

Condition	Status	Commentary
Initial conditions	<i>Satisfied</i>	• Confirmatory due diligence has been completed by both Heartland and Toi Foundation. The W&I deed has been executed and W&I insurance has been obtained by both parties.
Rating condition	<i>In progress</i>	• Heartland has engaged Fitch Ratings. The point-in-time assessment is expected to be provided immediately following completion.
Regulatory and approval conditions	<i>In progress</i>	• Toi Foundation's trustees have approved the sale of the TSB Shares. • The RBNZ application has been submitted. • Heartland shareholder approval will be sought at its special shareholder meeting on 30 September 2026.
Material adverse change	<i>No change</i>	• No material adverse change has occurred or come to the attention of either party as at the date of this presentation.

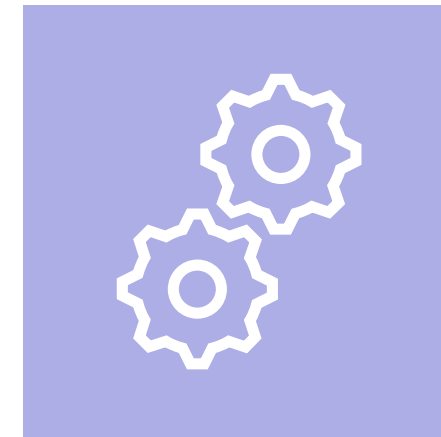
Strategic rationale



**Materially
increases scale
in New Zealand**



**Diversified and
differentiated
product set**



**Material
synergies
available**



**Significant
shareholder
value creation**

04 Shareholder discussion

05 Voting and conduct of poll

Resolution 1:

Merger of Heartland Bank and TSB

That the acquisition by Heartland of all of the shares in TSB and the subsequent amalgamation of Heartland Bank and TSB (with Heartland Bank being the amalgamated company) under the merger implementation agreement dated 1 June 2026 between Heartland, Toi Foundation and Toi Foundation Holdings Limited be approved, confirmed and ratified for all purposes, including section 129 of the Companies Act 1993 and NZX Listing Rule 5.1.1.

Resolution 2:

Issue of consideration shares

That the issue of 200,000,000 fully paid ordinary shares in Heartland to Toi Foundation at an issue price of NZ\$1.25 per share on completion of, and as partial consideration for, the acquisition by Heartland of all of the shares in TSB be approved, confirmed and ratified for all purposes, including NZX Listing Rule 4.1.1.

Resolution 3:

Election of Mark Darrow as a Heartland Director



That Mark Darrow, having been nominated by the Board of Heartland in each director's capacity as a shareholder of Heartland, be elected as a director of Heartland with effect on and from the completion of the acquisition by Heartland of all of the shares in TSB.

Resolution 4:

Directors' remuneration

That the total annual remuneration available to all non-executive directors of Heartland and its subsidiaries be increased from NZ\$2,400,000 or AU\$2,200,000 (whichever is the greater amount from time to time) to NZ\$2,600,000 or AU\$2,350,000 (whichever is the greater amount from time to time), an increase of NZ\$200,000 or AU\$150,000 (8.33% and 6.82% respectively) effective for the financial year ending 30 June 2027 onwards, with such sum to be divided amongst the nonexecutive directors as the Board may determine from time to time.

Voting and polling procedures

Mark your intention on your Voting Card by selecting “**For**”, “**Against**” or “**Abstain**” for each resolution.

For those online, please click “**Submit Vote**” on the bottom of the voting card to lodge your vote.

Once you have voted:

- Place your Voting Card in the ballot boxes as they are passed around. If you need help, please raise your hand.
 - Voting will be open until the close of the meeting.
 - The results of the poll will be advised on the NZX and ASX on Thursday 1 October 2026.
-

Thank you

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Investor information

For more information
heartlandgroup.info/investor-information

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