13 November 2026

Heartland Group Annual Meeting 2026:
Heartland Bank AU Chief Executive Officer's Address

Michelle Winzer, Chief Executive Officer, Heartland Bank Australia Limited (**Heartland Bank Australia**)

Good morning. It is a pleasure to be here with you today. Our focus at Heartland Bank Australia is clear: contributing to Heartland's growth by delivering in high-value, specialist markets where we hold genuine expertise and deep customer relationships.

FY2026 summary

FY2026 proved that our foundations are delivering clear execution, expanded distribution, and earnings growth.

In FY2026:

- Total lending: Grew 16.4% to A$2.64 billion.
- NPAT: Rose 58.2% to A$43 million, driven by stronger net interest margins and improved operating efficiency.
- On funding: We achieved our strategic mix of funding to reduce our reliance on more expensive wholesale funding and provide a stable, cost-effective foundation of deposits to support lending growth.

Reverse mortgages remain our primary growth engine. The portfolio expanded 19.7% in FY2026 to reach A$2.37 billion, maintaining our position as Australia's leading specialist provider. Demand in this sector continues to be supported by long-term demographic tailwinds and a growing recognition of home equity as a core component of retirement planning.

In Livestock finance, following a range of global and climate headwinds, the business has stabilised and is positioned for portfolio growth in the year ahead.

FY2027 outlook

Our momentum in FY2026 has carried into the first quarter of this new financial year.

Margins and asset quality remained stable, and when comparing on a like-for-like basis with the final quarter of FY2026, we saw improvements in costs and the CTI ratio.

Significant growth continued in Reverse Mortgages, up 19.6% on an annualised basis, while Livestock Finance performance reflected the usual seasonal contraction.

Our overarching focus for FY2027 is on growing in specialist markets where our expertise supports attractive pricing and risk-adjusted margins, rather than pursuing volume in commoditised sectors.

Our operational priorities for the year rest on three core pillars:

1. First - broadening our distribution footprint is our most significant growth lever. Across Reverse Mortgages, Livestock Finance, and Deposits, we have deepened our engagement with broker networks, aggregators, and agent channels. In Livestock Finance, we are expanding our partnership arrangements with agricultural agent networks and commercial agri brokers, giving us direct access to farming communities.
2. Second - we have invested in elevating how we support both customers and distribution partners. Faster, more consistent service execution directly drives market share in specialist lending.
3. Third - maintaining a strong, diversified funding base is critical. By continuing to expand our retail deposit channels and maintaining direct relationships with our deposit customers, we ensure our lending growth is backed by stable, cost-effective funding.

Transformation

To support this growth efficiently, we are executing a deliberate transformation agenda. Our technology update is not about complexity or adopting tech for its own sake. It remains squarely focused on building a simpler, more scalable, and more efficient bank.

By streamlining our core operating systems and modernising our technology infrastructure, we are creating a platform capable of handling significantly higher volumes at lower incremental operating cost. This operational leverage will help drive long-term cost efficiencies and support sustainable margin improvement as we scale.

The transformation programme is progressing well, with new Reverse Mortgages from the direct channel, and selected brokers, now being processed on the Constantinople platform.

Conclusion

In conclusion, we have entered FY2027 with stable foundations, clear strategic direction, and a strong commitment to disciplined growth.

The market opportunity across our chosen specialist sectors remains significant.

As competition evolves, our advantage lies in our specialised focus, strengthened customer understanding and strategic distribution channels.

FY2027 is about execution. We will continue to focus on growing our core portfolios, executing our transformation programme, maintaining strict risk and capital discipline, and delivering sustainable value for our customers and partners.

Thank you for your continued support and commitment to Heartland.