NZX/ASX release
27 August 2026

Heartland confirms receipt of Toi Foundation trustee approval of the proposed TSB transaction

Heartland Group Holdings Limited (**Heartland**) (**NZX/ASX: HGH**) welcomes the Toi Foundation's announcement today that the trustees have voted in favour of the sale of all of the shares in TSB Bank Limited (**TSB**) to Heartland.

Under the proposed transaction, Heartland will acquire from Toi Foundation all TSB shares on issue for an aggregate consideration of $620 million. Immediately following the acquisition, Heartland Bank Limited (**Heartland Bank**) and TSB will merge to create TSB Heartland Bank Limited (**TSB Heartland Bank**) (together, the **Proposed Transaction**).

The Proposed Transaction remains subject to satisfaction of the remaining conditions in the merger implementation agreement (**MIA**), including Heartland shareholder approval and any necessary regulatory approvals.

Heartland's Special Shareholder Meeting to vote on the proposed transaction is scheduled for 30 September 2026 and completion is targeted for December 2026.

Heartland CEO Andrew Dixson said Toi Foundation trustee approval is an important milestone in the transaction timeline.

"Heartland respects the importance of TSB's connection with Taranaki and preserving this through the proposed merger. Taranaki will remain a key operational hub for customer-based banking services, including maintaining a local branch network and customer-facing roles in Taranaki. In recognition of each bank's long history and deep connection to regional New Zealand, the Heartland Bank and TSB brands will be reflected in the merged bank's name and branding strategies.

"TSB Heartland Bank will be a stronger New Zealand challenger bank with the potential to deliver greater value for customers, shareholders and communities across New Zealand, including Taranaki," said Mr Dixson.

For more information about the Toi Foundation trustees' decision, see the Toi Foundation announcement attached.

On Monday 31 August 2026, Heartland expects to submit its RBNZ application and dispatch to Heartland shareholders its notice of meeting for its Special Shareholder Meeting.

– ENDS –

The person who authorised this announcement:
Andrew Dixson, Chief Executive Officer

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