

NZX/ASX release
1 October 2026

Heartland shareholders approve proposed TSB merger

Heartland Group Holdings Limited (**Heartland**) (NZX/ASX: HGH) is pleased to confirm that its shareholders have approved Heartland's proposal to acquire from Toi Foundation all TSB Bank Limited (**TSB**) shares on issue and subsequently merge Heartland Bank Limited (**Heartland Bank**) and TSB to create TSB Heartland Bank Limited (together, the **Proposed Transaction**).

At Heartland's Special Shareholder Meeting, held in Auckland and online on Wednesday 30 September 2026, Heartland shareholders were asked to vote on resolutions required to approve the Proposed Transaction.

Shareholders representing 58.09% of Heartland's issued capital voted on the Proposed Transaction, with 94.80% of the votes cast in favour.

Shareholder approval of the Proposed Transaction follows the completion of confirmatory due diligence, the entry by each of Heartland and Toi Foundation into warranty and indemnity insurance arrangements, completion of Toi Foundation's community consultation, and Toi Foundation trustee approval of the Proposed Transaction. Completion of the Proposed Transaction remains subject to satisfaction of the remaining conditions, including the Material Adverse Change condition, and receipt of the necessary regulatory approvals.

Heartland Group CEO Andrew Dixon said Heartland shareholder approval reflected confidence in Heartland's ability to deliver the merger successfully.

"Yesterday's approval is a strong endorsement from our shareholders of the strategic rationale for this transaction and the long-term value it is expected to create. It marks an important milestone towards bringing together two complementary banks to create a larger, more competitive New Zealand bank, with greater capacity to invest in future growth. We are grateful for the support shareholders have shown and will now focus on satisfying the remaining conditions and progressing towards completion.

Dixon acknowledged Heartland's respect for TSB's strong connection and longstanding commitment to Taranaki. "Subject to the remaining conditions being satisfied and the Proposed Transaction completing, Taranaki would remain a key operational hub for customer banking services, including through its local branch network and customer-facing roles. The merged bank would also retain Heartland Bank's existing nationwide network, creating a national bank with a clear regional commitment. Importantly, the transaction's structure would support Toi Foundation's ability to increase its investment back into the Taranaki community," said Dixon.

Addressing shareholders at the meeting, Heartland Board Chair Greg Tomlinson said the Proposed Transaction provides an opportunity for customers, employees, communities and shareholders to share in the growth of a larger New Zealand bank.

"Heartland's shareholders include many everyday New Zealanders who supported the business when it merged and listed in 2011," said Tomlinson. "Being part of a listed banking group gives customers and communities the chance to invest in the bank's success."

See Heartland's announcement dated 31 August 2026 for more information about the Proposed Transaction and the resolutions put to Heartland shareholders at the Special Shareholder Meeting.

Results of Special Shareholder Meeting

As required by NZX Listing Rule 6.1, all voting was conducted by a poll.

The resolutions passed by shareholders were:

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.

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.

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.

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\$2,350,000¹ (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

Resolution 1 was a special resolution, requiring approval by a special majority of 75% or more of the votes of those Heartland shareholders entitled to vote and voting. Resolutions 2 to 4 were ordinary resolutions, each requiring approval by a majority (being more than 50%) of the votes of those Heartland shareholders entitled to vote and voting.

The total number of votes cast during the meeting, by postal vote or by a proxy holder were as follows:

Special resolution	For	Against	Abstain
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.	520,505,170 94.80%	28,556,745 5.20%	204,659
Ordinary resolutions	For	Against	Abstain
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.	514,602,454 94.71%	28,732,760 5.29%	2,323,186
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.	534,960,799 98.10%	10,359,742 1.90%	3,946,033

¹ An AUD/NZD exchange rate of 0.90 has been applied on the basis that it provides a more representative estimate of the long-term exchange rate between the two currencies as compared to the spot rates in recent periods, having regard to historical AUD/NZD movements over the past decade.

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 non-executive directors as the Board may determine from time to time.	428,159,233 97.27%	12,012,902 2.73%	10,714,444
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In accordance with NZX Listing Rule 6.3.1 and as set out in the Notice of Meeting in connection with this Special Shareholder Meeting, certain persons were restricted from voting on certain resolutions. Heartland disregarded votes cast in favour of:

- Resolution 2 by Toi Foundation (and its Associated Persons, including Fisher Funds Management Limited), and
- Resolution 4 by any director of Heartland who is intended to receive directors' fees (and their respective Associated Persons),

unless such shareholder or person was casting a vote as a directed proxy for a person who was not disqualified from voting.

As at the commencement of the meeting, Heartland had 945,206,975 ordinary shares on issue excluding treasury stock.

– ENDS –

The person who authorised this announcement:

Andrew Dixon, Chief Executive Officer

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About Heartland

Heartland is an Australasian financial services group providing specialist banking products to New Zealanders and Australians. Heartland is listed on the New Zealand and Australian stock exchanges under the HGH ticker (NZX/ASX: HGH). Through its various predecessors, Heartland has a long history in financial services, stretching back to Ashburton, New Zealand in 1875.

Today, Heartland is the listed holding company for two banks – [Heartland Bank](#) in New Zealand and [Heartland Bank Australia](#). Each bank is focused on providing specialist banking products to enable better lives for New Zealanders and Australians. In both countries, these products include Reverse Mortgages, Livestock Finance, and Savings and Deposits. In New Zealand, Heartland Bank also offers Motor Finance and Asset Finance.

Heartland's role as the listed parent company is to ensure capital is allocated to the parts of its business which generate strong returns, and to set the strategy and risk appetite within which the group operates. This enables Heartland to maximise shareholder returns and for each bank to enhance the value it offers customers by helping more New Zealanders and Australians with their specialist banking needs.

More: heartlandgroup.info