

NZX/ASX release
27 October 2026

Heartland trading update

Heartland Group Holdings Limited (**Heartland**) (NZX/ASX: **HGH**) today provides a trading update for the three-month period ended 30 September 2026 (**1Q2027**).

Heartland is on track to deliver return on equity (**ROE**) of at least 7.5% and net profit after tax (**NPAT**) of at least \$102 million in the financial year ending 30 June 2027 (**FY2027**). Quarterly improvement in ROE and NPAT¹ continued, driven by strong Reverse Mortgage growth, stable operating expenses and improved asset quality. All key profitability metrics are aligned to Heartland's guidance for FY2027.

Heartland's FY2027 guidance is provided by Heartland on a reported basis, not an underlying basis, and excludes costs related to Heartland's proposal to purchase all of the shares in TSB Bank Limited (**TSB**) and subsequently merge Heartland Bank Limited (**Heartland Bank**) and TSB (the **Proposed Transaction**), where applicable. Heartland's FY2027 guidance will be updated on completion of the Proposed Transaction to reflect the impact of the merger of Heartland Bank and TSB, subject to all remaining conditions being satisfied.

Overview of 1Q2027 performance

- Average net interest margin (**NIM**) was 3.92%, above FY2027 guidance of greater than 3.88%.
- Heartland's cost-to-income (**CTI**) ratio was 54.7%, below FY2027 guidance of less than 55.7%.²
- Asset quality continued to improve, with Heartland Bank's total non-performing loan (**NPL**) ratio at 1.87% and Heartland Bank Australia Limited's (**Heartland Bank Australia**) NPL ratio at 1.78%.
- Strong Reverse Mortgage growth continued in both New Zealand and Australia.
- Heartland Bank's Rural³, Motor Finance⁴ and Business Finance⁵ portfolios contracted due to a large Rural borrower changing its funding strategy, competitive and timing impacts in Motor Finance primarily in the Wholesale Lending portfolio, and subdued Business Finance credit demand amid challenging conditions.
- Heartland Bank Australia's Livestock Finance portfolio contracted in line with usual seasonality.

Following Heartland shareholders' approval of the Proposed Transaction at its Special Shareholder Meeting on 30 September 2026, Heartland continues to target completion no earlier than December 2026, subject to satisfaction of all remaining conditions. The Proposed Transaction is expected to create a stronger New Zealand bank with greater scale, a broader customer offering and enhanced capacity to deliver long-term value for customers and shareholders. In 1Q2027, Heartland expensed \$0.9 million of costs associated with the Proposed Transaction, in line with expected FY2027 transaction costs of \$9.5 million.⁶

	Heartland	
	1Q2027	FY2027 guidance ⁷
Net operating income (NOI)	\$93.4m	No guidance provided
Operating expenses (OPEX)	\$51.1m	<\$212m
Impairment expense	\$6.7m	No guidance provided
NPAT excluding Proposed Transaction costs	\$25.5m	≥\$102m
Proposed Transaction costs	\$0.9m	\$9.5m
Reported NPAT	\$24.5m	No guidance provided
Average NIM	3.92%	>3.88%
CTI ratio ²	54.7%	<55.7%
Impairment expense ratio ⁸	0.34%	<0.32%
ROE ⁹	7.6%	≥7.5%

See the accompanying investor presentation (**IP**) for more detail.

Note: All figures in NZD unless otherwise stated. Endnotes are located at the end of this announcement.

Heartland Group Holdings Limited | NZX/ASX: HGH | PO Box 9919, Newmarket, Auckland 1149 | heartlandgroup.info

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NZ Banking

Heartland Bank¹⁰

	1Q2027	FY2027 guidance
Net operating income (NOI)	\$55.6m	No guidance provided
Operating expenses (OPEX) ¹¹	\$32.7m	<\$135m
Impairment expense	\$6.3m	No guidance provided
NPAT	\$12.2m	>\$48m
Average NIM	4.09%	>4.05%
CTI ratio ¹²	56.9%	<58.4%
Impairment expense ratio ⁸	0.55%	<0.48%
ROE	6.7%	>6.3%

Heartland Bank's 1Q2027 Average NIM remained consistent with previous quarters at 4.09%.

Costs remained stable and in line with expectations. OPEX in 1Q2027 was \$32.7 million¹¹, up \$0.7 million from the previous quarter (4Q2026). The CTI ratio was 56.9%¹², down from 57.4% in 4Q2026.

Asset quality continued to improve. Heartland Bank's total NPL ratio was 1.87% as at 30 September 2026, an improvement from 1.92% as at 30 June 2026. Heartland Bank's NPL ratio for its core lending portfolios (Reverse Mortgages, Motor Finance, Rural, and Business Finance) was stable, at 1.37% as at 30 September 2026, compared with 1.38% as at 30 June 2026. Economic conditions remain challenging for businesses in sectors served by Heartland Bank's Business Finance portfolio. Business Finance NPLs continue to be managed prudently, with the total value down \$0.8 million from 4Q2026.

Reverse Mortgage gross finance receivables (Receivables) increased \$46.9 million (12.9%)¹³ in 1Q2027 to \$1,487.6 million as at 30 September 2026. Growth was impacted during 1Q2027 by lower productivity as a result of the implementation of Heartland Bank's technology transformation programme. However, the Reverse Mortgage pipeline has rebounded, and early evidence of an improving application-to-settlement conversion timeline is emerging.

Rural Receivables were down \$50.6 million (-29.7%)¹³ in 1Q2027 to \$624.3 million as at 30 September 2026, reflecting a change in funding strategy for a single large borrower.

Motor Finance Receivables were down \$36.0 million (-8.3%)¹³ in 1Q2027 to \$1,683.5 million as at 30 September 2026. Wholesale Lending retracted \$28.4 million (-54.0%)¹³ due to the exit of a Wholesale Lending borrower combined with delayed shipping arrivals. Growth is expected further into FY2027, supported by strengthening existing and new franchise and strategic partnerships.

Business Finance Receivables decreased \$23.5 million (-14.6%)¹³ in 1Q2027 to \$615.3 million as at 30 September 2026. Heartland Bank maintained its focus on supporting small businesses to purchase new assets rather than refinancing existing assets, while continuing to apply a risk-based pricing model.

Heartland Bank's technology transformation programme is now live for all new Reverse Mortgage loans, bringing settlement and ongoing servicing in-house and introducing mobile app access. Early results indicate a meaningful reduction in the time from application to settlement, alongside positive customer feedback.

AU Banking

Heartland Bank Australia¹⁰

	1Q2027	FY2027 guidance ⁷
NOI	AU\$31.9m	No guidance provided
OPEX ¹¹	AU\$15.3m	<AU\$65m
Impairment expense	AU\$0.3m	No guidance provided
NPAT	AU\$11.3m	>AU\$46m
Average NIM	3.72%	>3.68%
CTI ratio ¹²	46.4%	<47.2%
Impairment expense ratio ⁸	0.05%	<0.10%
ROE	9.5%	>9.3%

In the financial year ended 30 June 2026 (**FY2026**), Heartland Bank Australia refined the accounting methodology used to recognise Reverse Mortgage intermediary commission costs. The updated methodology better aligns the recognition of customer acquisition costs with the expected loan life and portfolio behaviour. The change resulted in a one-off AU\$3.7 million uplift in NOI and a one-off AU\$2.9 million improvement in OPEX in 4Q2026. See page 33 of Heartland's FY2026 financial results IP for more information.¹⁴

Heartland Bank Australia's average NIM in 1Q2027 was 3.72%, compared with 3.63% in 4Q2026, or 3.81% on a like-for-like basis adjusting for the accounting change.

OPEX in 1Q2027 was AU\$15.3 million¹¹, compared with AU\$12.6 million in 4Q2026, or favourable AU\$0.2 million on a like-for-like basis adjusting for the accounting change. The CTI ratio in 1Q2027 was 46.4%¹², compared with 34.5% in 4Q2026, or 47.6% on a like-for-like basis adjusting for the accounting change.

Asset quality remained stable, with a 1Q2027 impairment expense ratio of 0.05% and an NPL ratio of 1.78%.

Significant growth continued in Australian Reverse Mortgages, with Receivables up AU\$117.0 million (19.6%)¹³ in 1Q2027 to AU\$2,488.1 million as at 30 September 2026. Australian Livestock Finance Receivables were down AU\$21.3 million (-33.8%)¹³ in 1Q2027 to AU\$228.3 million as at 30 September 2026, reflecting the portfolio's usual seasonal contraction.

Heartland Bank Australia's technology transformation programme continues with the transition to the Constantinople platform. New Reverse Mortgage loans from the direct channel and selected brokers are now being processed successfully on the platform, improving digital banking for customers, and workflows and credit decisioning for employees.

– ENDS –

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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

Endnotes

¹ Taking into account a \$4.5 million positive impact to NOI, \$3.5 million positive impact to OPEX, and \$5.6 million positive impact to NPAT from Heartland Bank Australia's Reverse Mortgage accounting change made in FY2026. For more information, see page 33 of Heartland's FY2026 financial results IP, and Endnote 14 below.

² 1Q2027 and FY2027 guidance CTI ratio excludes Proposed Transaction costs. Reported CTI ratio for 1Q2027 was 55.7%.

³ Rural includes Rural Relationship, Rural Direct and Livestock Finance. Excludes residual non-strategic assets of \$23.8 million.

⁴ Motor Finance includes Motor Lending through Intermediary and Direct distribution channels, and Wholesale Lending.

⁵ Business Finance includes Asset Finance and Business Relationship. Excludes residual non-strategic assets of \$12.2 million.

⁶ The majority of the Proposed Transaction costs are expected on successful completion.

⁷ Heartland's FY2027 guidance has been set using a foreign currency exchange (**FX**) rate of 1.2055, which is based on a published forecast from a New Zealand economist. Movements in FX rates contributed \$0.1 million to 1Q2027 NPAT.

⁸ Impairment expense as a percentage of average Receivables.

⁹ 1Q2027 and FY2027 guidance ROE excludes Proposed Transaction costs. Reported ROE for 1Q2027 was 7.3%.

¹⁰ 1Q2027 results and FY2027 guidance are provided on a reported basis.

¹¹ OPEX for Heartland Bank and Heartland Bank Australia includes intercompany group charges.

¹² CTI ratio for Heartland Bank and Heartland Bank Australia excludes intercompany group charges.

¹³ Annualised growth.

¹⁴ Refer to "Changes in accounting estimates" in Note 20 – Fair Value of Heartland's FY2026 Financial Statements.

HEARTLAND
— GROUP —

Investor Presentation

1Q2027 Trading Update

For the quarter ended 30 September 2026

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Disclaimer

This presentation has been prepared by Heartland Group Holdings Limited (**NZX/ASX: HGH**) (the **Company** or **Heartland**) for the purpose of briefings in relation to an update on 1Q2027 trading.

Important notice

The presentation and the briefing (together the **Presentation**) contain summary information only, which should not be relied on in isolation.

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The information in this presentation is general in nature and does not constitute financial product advice, investment advice or any recommendation. Nothing in this presentation constitutes legal, financial, tax or other advice.

Presentation of financial information

The financial information presented in this document has been prepared in accordance with NZ GAAP, with any exceptional items disclosed where applicable. In particular, Heartland's NPAT, ROE and CTI ratio are presented on a reported basis and excluding Proposed Transaction costs. It is expected that transaction costs relating to the Proposed Transaction of approximately \$9.5m will be expensed and reflected in Heartland's NPAT for FY2027, subject to the Proposed Transaction completing in FY2027.

Review status

All amounts are in New Zealand dollars unless otherwise indicated. Unless otherwise stated, financial data is as at 30 September 2026. It has not been audited or reviewed by any independent registered public accounting firm.

1Q2027 summary

Continued quarterly improvement in NPAT¹ and ROE driven by strong Reverse Mortgage growth, stable operating expenses and improved asset quality.

- Average NIM, CTI ratio and impairment expense remain within expectations, with asset quality continuing to improve.
- OPEX was stable, despite continued investment in Heartland Bank and Heartland Bank Australia's technology transformation programmes.
- Strong Reverse Mortgage growth continued in both New Zealand and Australia.
- Heartland Bank's Rural², Motor Finance³ and Business Finance⁴ portfolios contracted due to:
 - a large Rural borrower changing its funding strategy
 - competitive and timing impacts in Motor Finance, primarily in the Wholesale Lending portfolio
 - subdued Business Finance credit demand amid challenging conditions.
- Heartland Bank Australia's Livestock Finance contracted in line with usual seasonality.
- Proposed Transaction costs are tracking to expectations.
- Heartland continues to target completion of the Proposed Transaction no earlier than December 2026, subject to satisfaction of all remaining conditions.

Consolidated group key financial metrics

	1Q2026	2Q2026	3Q2026	4Q2026	1Q2027	FY2027 guidance ⁵
NOI	\$89.6m	\$85.7m	\$90.1m	\$96.5m	\$93.4m	No guidance provided
OPEX	\$46.3m	\$48.2m	\$49.1m	\$46.9m	\$51.1m	< \$212m
Impairment expense	\$7.0m	\$5.8m	\$10.8m	\$10.0m	\$6.7m	No guidance provided
NPAT excluding Proposed Transaction costs	\$26.7m	\$22.1m	\$21.4m	\$28.5m	\$25.5m	≥ \$102m
Proposed Transaction costs ⁶	-	-	-	\$5.5m	\$0.9m	\$9.5m
Reported NPAT	\$26.7m	\$22.1m	\$21.4m	\$23.0m	\$24.5m	No guidance provided
Average NIM	3.89%	3.96%	4.06%	3.90%	3.92%	> 3.88%
CTI ratio ⁷	51.6%	56.2%	54.6%	48.6%	54.7%	< 55.7%
Impairment expense ratio ⁸	0.39%	0.31%	0.59%	0.52%	0.34%	< 0.32%
ROE ⁹	8.6%	6.9%	6.7%	7.4%	7.6%	≥ 7.5%
Receivables ^{7, 10}	\$7,250m	\$7,312m	\$7,585m	\$7,804m	\$7,876m	

1. Taking into account the one-off impacts in 4Q2026 following Heartland Bank Australia's Reverse Mortgage accounting change made in FY2026. See page 33 of Heartland's FY2026 financial results IP for more information.
2. Rural includes Rural Relationship, Rural Direct and Livestock Finance. Excludes residual NSAs of \$23.8m.
3. Motor Finance includes Motor Lending through Intermediary and Direct distribution channels, and Wholesale Lending.
4. Business Finance includes Asset Finance and Business Relationship. Excludes residual NSAs of \$12.2m.
5. Heartland's FY2027 guidance has been set using a FX rate of 1.2055, which is based on a published forecast from a New Zealand economist. Movements in FX rates contributed \$0.1m to 1Q2027 NPAT.

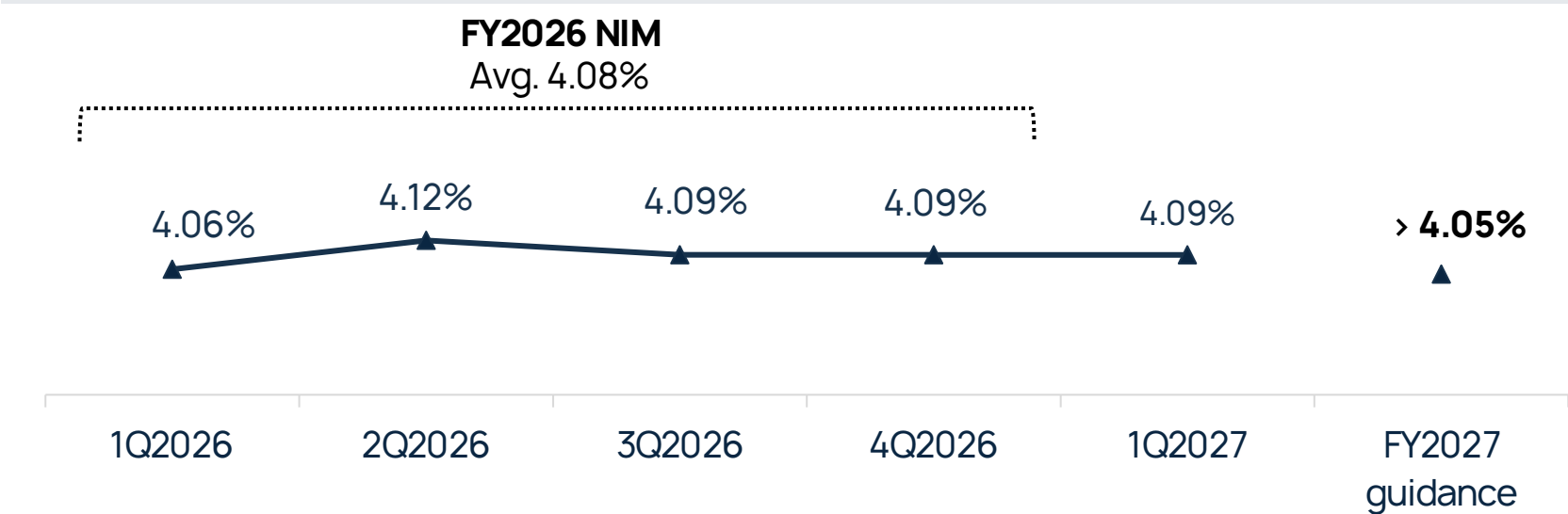
Excluding the impact of changes in FX, Receivables grew 1.7% (annualised).
6. Costs related to the Proposed Transaction.
7. 1Q2027 and FY2027 guidance CTI ratio excludes Proposed Transaction costs. Reported CTI ratio for 1Q2027 was 55.7%.
8. Impairment expense as a percentage of average Receivables.
9. 1Q2027 and FY2027 guidance ROE excludes Proposed Transaction costs. Reported ROE for 1Q2027 was 7.3%.
10. Receivables includes Reverse Mortgages and the impact from FX changes.

NZ banking

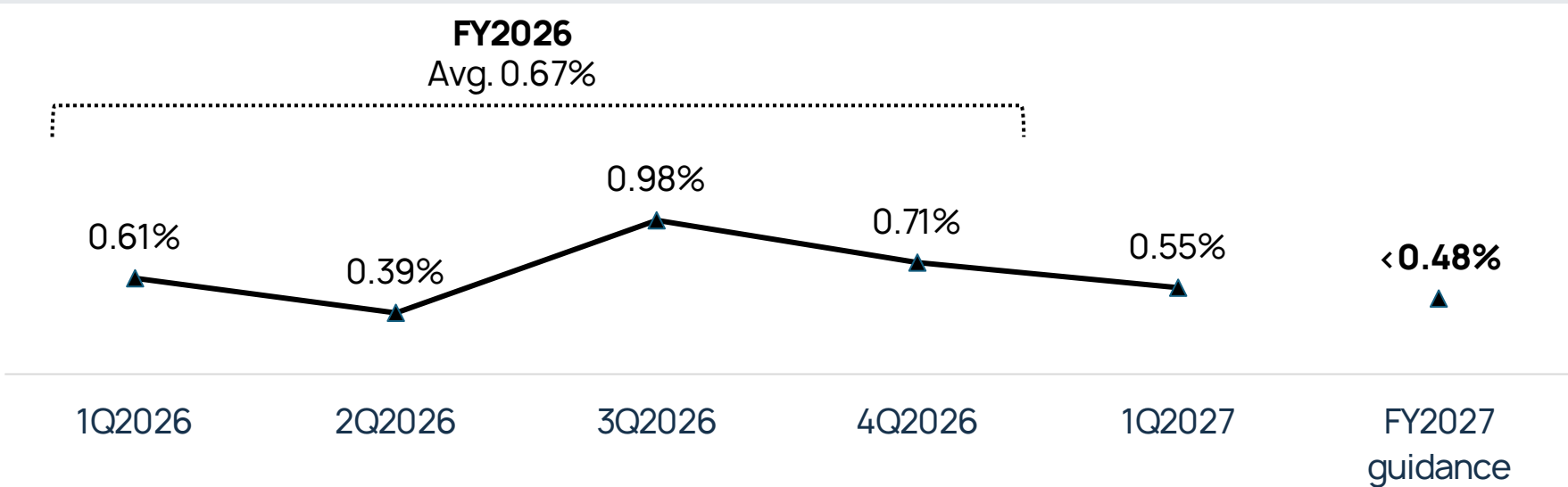
NPAT

1Q2026	2Q2026	3Q2026	4Q2026	1Q2027	FY2027 guidance
\$17.1m	\$13.9m	\$8.2m	\$10.6m	\$12.2m	>\$48m

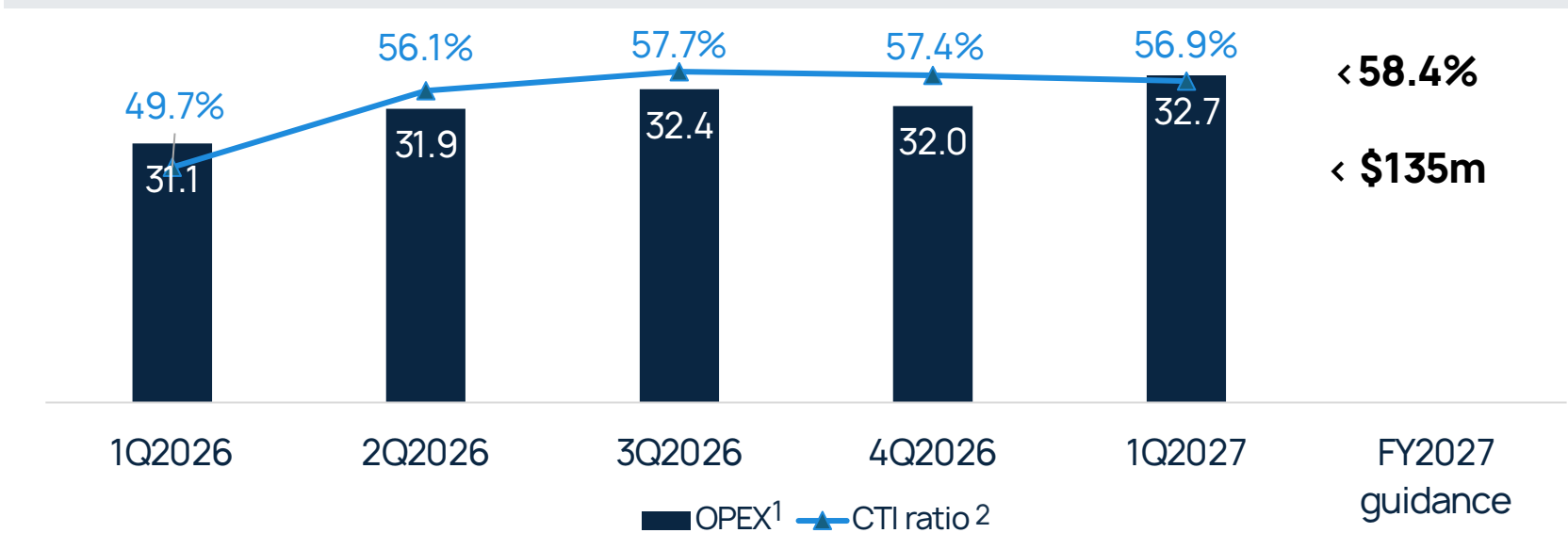
Average NIM



Impairment expense ratio



OPEX (\$m) & CTI ratio



Receivables³ \$4,444m as at 30 Sep 2026 ↑ \$113m, 2.6% since 30 Sep 2025

Lending growth ⁴	1Q26	2Q26	3Q26	4Q26	Receivables as at 30 Sep 2026		1Q27	FY2027 guidance
Reverse Mortgages	14.0%	15.8%	15.1%	18.5%	\$1,488m	↑ \$47m	12.9%	>18.0%
Rural ⁵	-19.2%	-0.7%	27.9%	36.8%	\$624m	↓ \$51m	-29.7%	>5.0%
Motor Finance ⁶	-2.5%	-7.1%	9.9%	6.1%	\$1,684m	↓ \$36m	-8.3%	>3.5%
Business Finance ⁷	-22.8%	-24.2%	0.0%	-29.7%	\$615m	↓ \$24m	-14.6%	< -7.5%
Unsecured Lending ⁸	-39.9%	-53.5%	-38.4%	-55.7%	\$34m	↓ \$4m	-43.5%	N/A

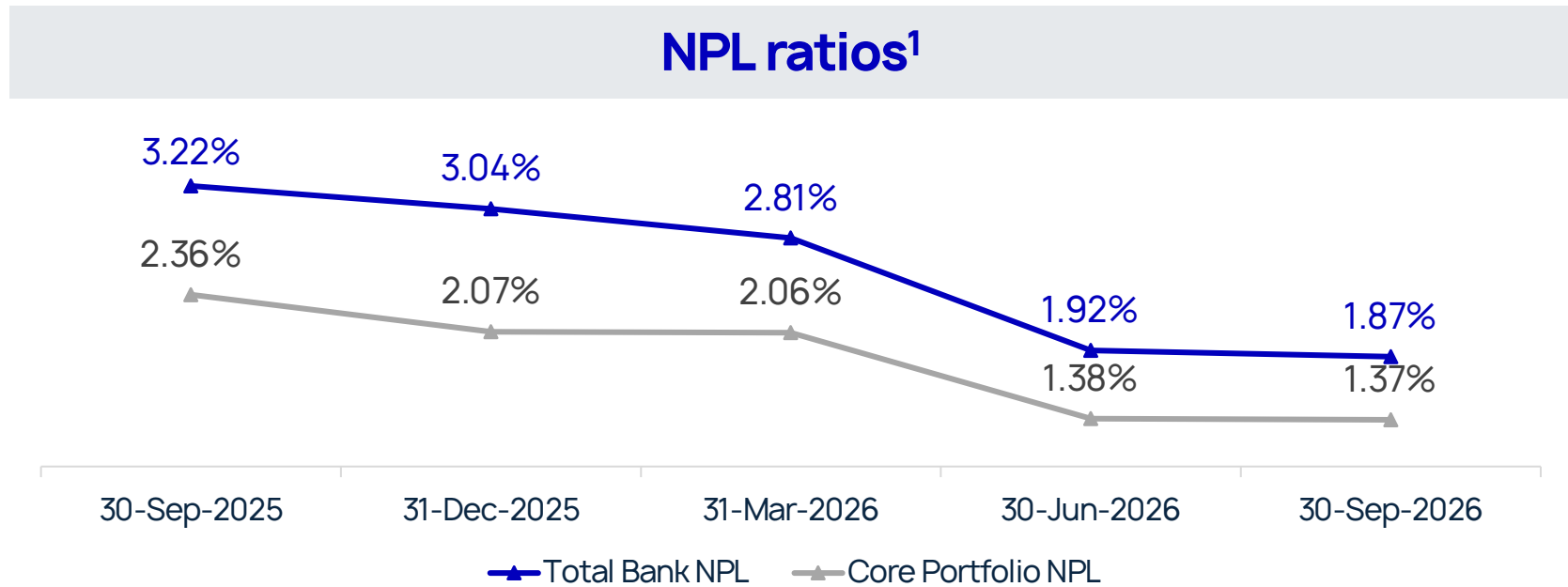
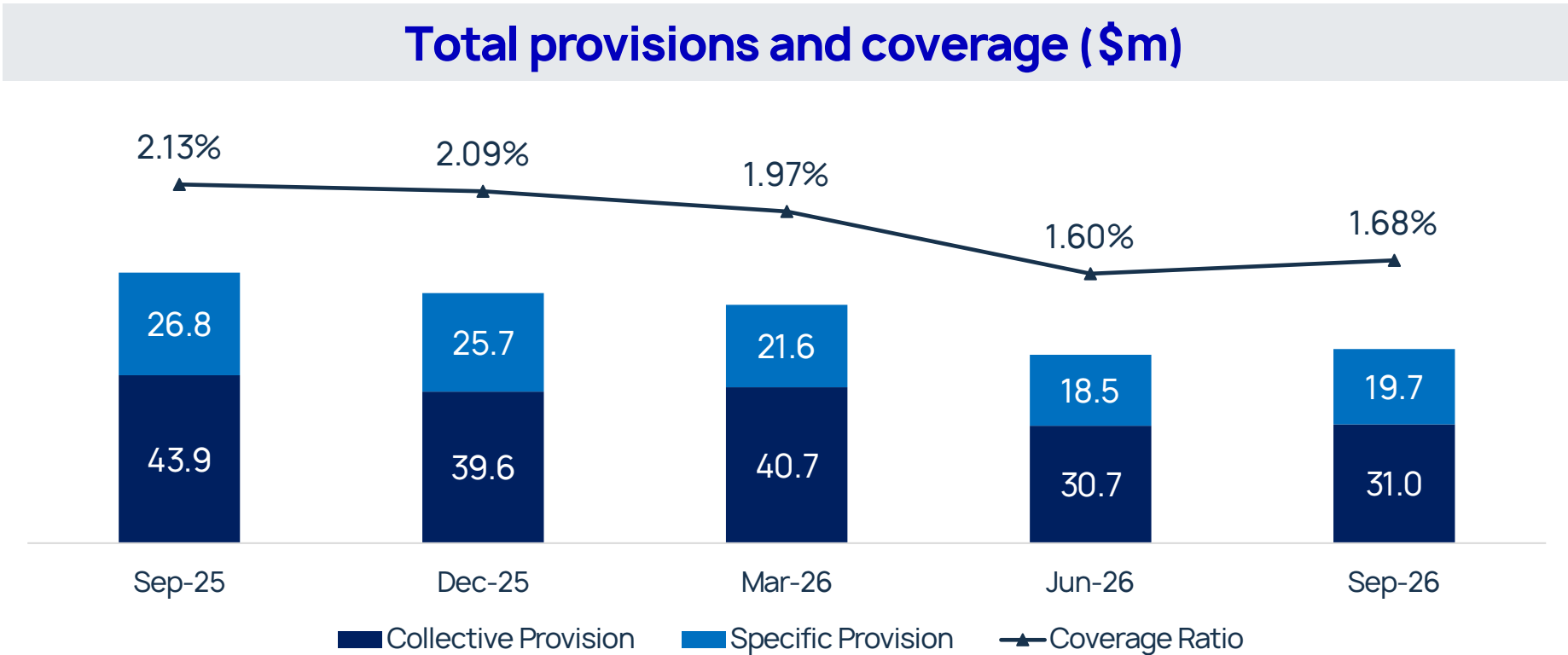
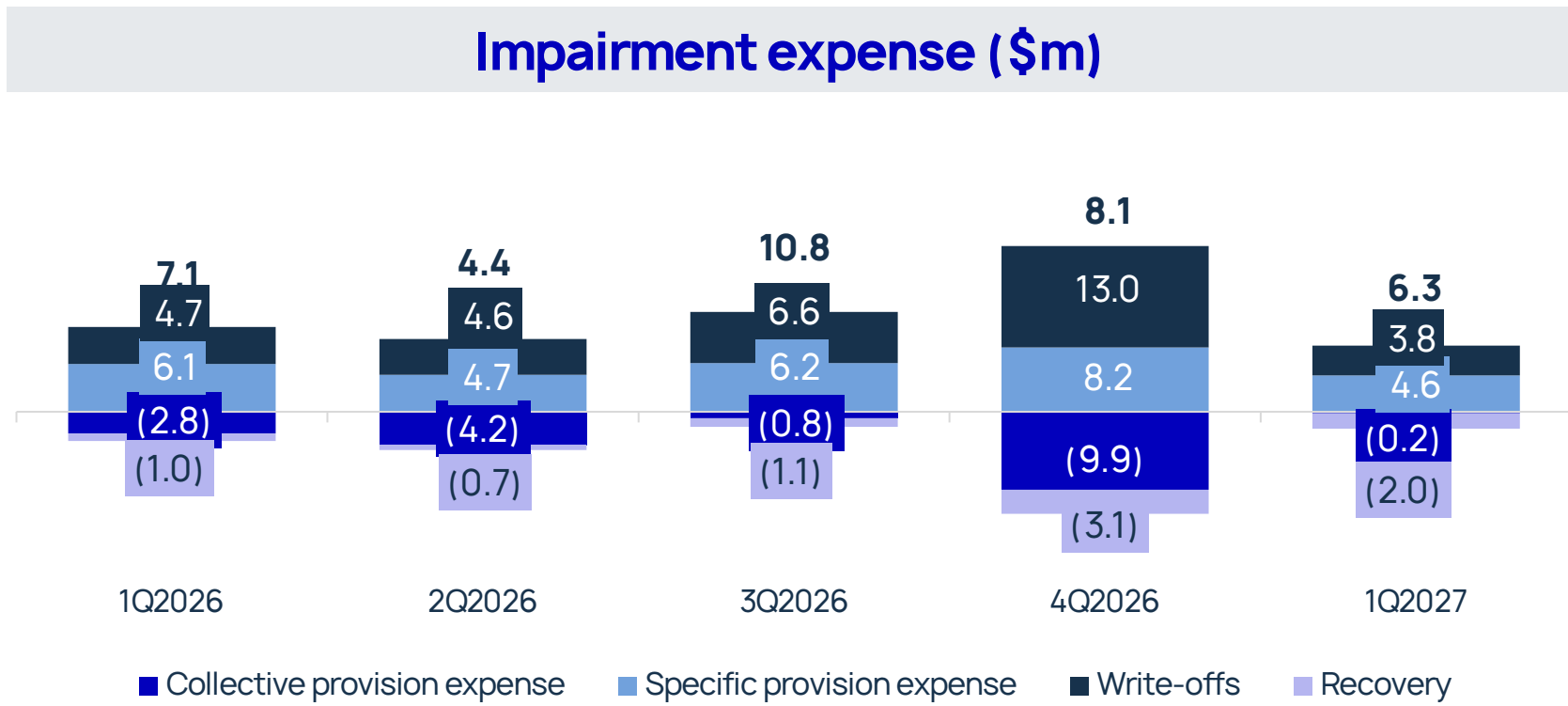
Note: 1Q2027 results and FY2027 guidance are provided on a reported basis.

1. Including intercompany group charges.
2. Excluding intercompany group charges.
3. Receivables as at 30 September 2026 excludes \$65m of residual NSAs. Including NSAs, Receivables as at 30 September 2026 were \$4,510m.
4. Quarterly growth rates are annualised.

5. Rural includes Rural Relationship, Rural Direct and Livestock Finance. Excludes residual NSAs of \$23.8m. Quarterly growth for Rural is affected by usual seasonal contractions.
6. Motor Finance includes Motor Lending through Intermediary and Direct distribution channels, and Wholesale Lending.
7. Business Finance includes Asset Finance and Business Relationship. Excludes residual NSAs of \$12.2m.
8. Unsecured Lending includes Personal Lending and Open for Business which are winding down.

NZ banking: Impairment and provisioning

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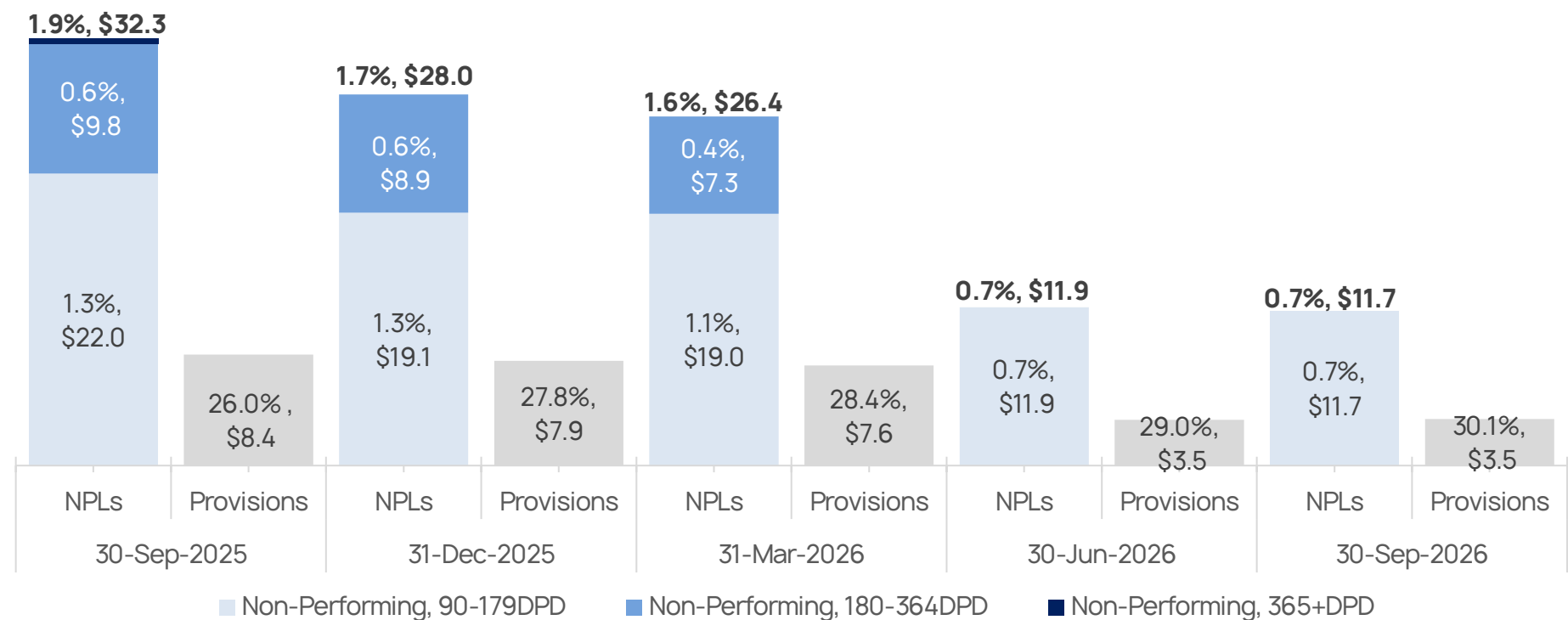
Asset quality continued to improve

- The total NPL ratio improved 5 bps from 30 June 2026 to 1.87% as at 30 September 2026.
- Heartland Bank’s NPL ratio for its core lending portfolios (Reverse Mortgages, Motor Finance, Rural, and Business Finance) was stable, at 1.37% as at 30 September 2026, compared with 1.38% as at 30 June 2026.
- Of the \$6.3m of impairment expense in 1Q2027, \$3.4m was for Motor Finance write-offs as Heartland Bank maintained Motor Finance NPLs below 180 DPD.

1. Total Bank NPL includes NSAs and Unsecured Lending (which includes Personal Lending and Open for Business which are winding down). Core Portfolio NPL includes Motor Finance, Rural, Business Finance and Reverse Mortgages.

NZ banking: Asset quality

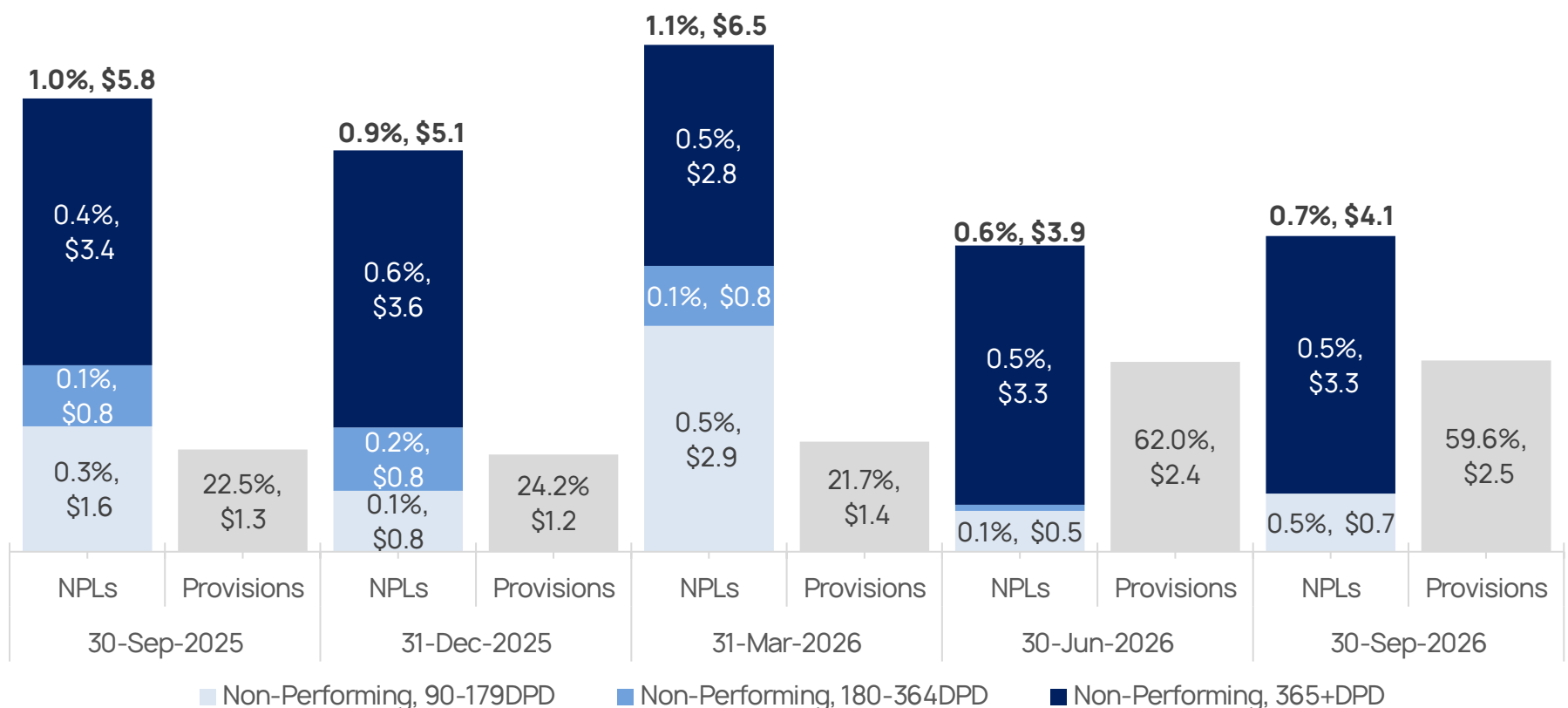
Motor Finance¹ (\$m)



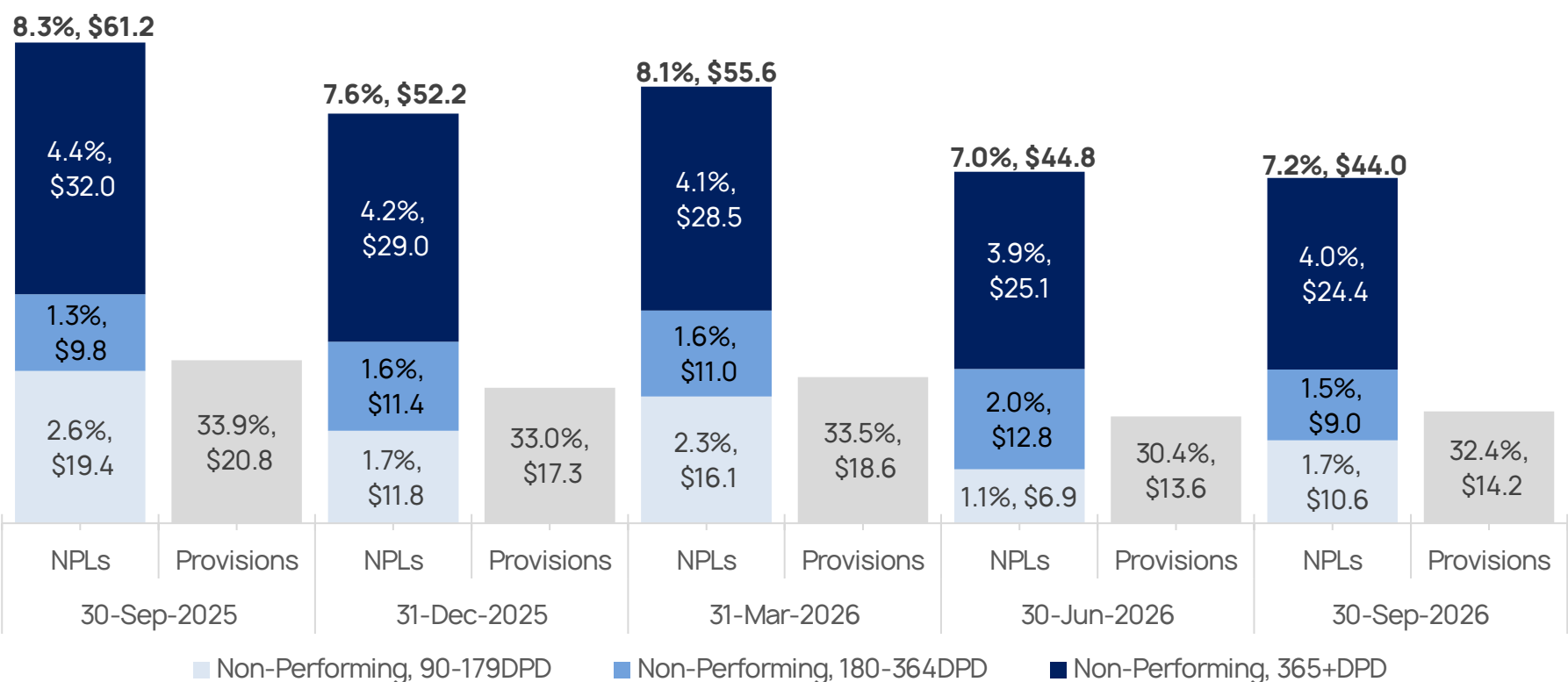
Asset quality within Heartland Bank's core lending portfolios continued to improve in 1Q2027.

- Heartland Bank continued to maintain Motor Finance NPLs under 180 DPD.
- Economic conditions remain challenging for businesses in sectors served by Heartland Bank's Business Finance portfolio. Business Finance NPLs continue to be managed prudently, with the total value down \$0.8m from 4Q2026.

Rural² (\$m)



Business Finance³ (\$m)



1. Motor Finance includes Motor Lending through Intermediary and Direct distribution channels, and Wholesale Lending.
2. Rural includes Rural Relationship, Rural Direct, and Livestock Finance. Excludes residual NSAs of \$23.8m.
3. Business Finance includes Asset Finance and Business Relationship. Excludes residual NSAs of \$12.2m.

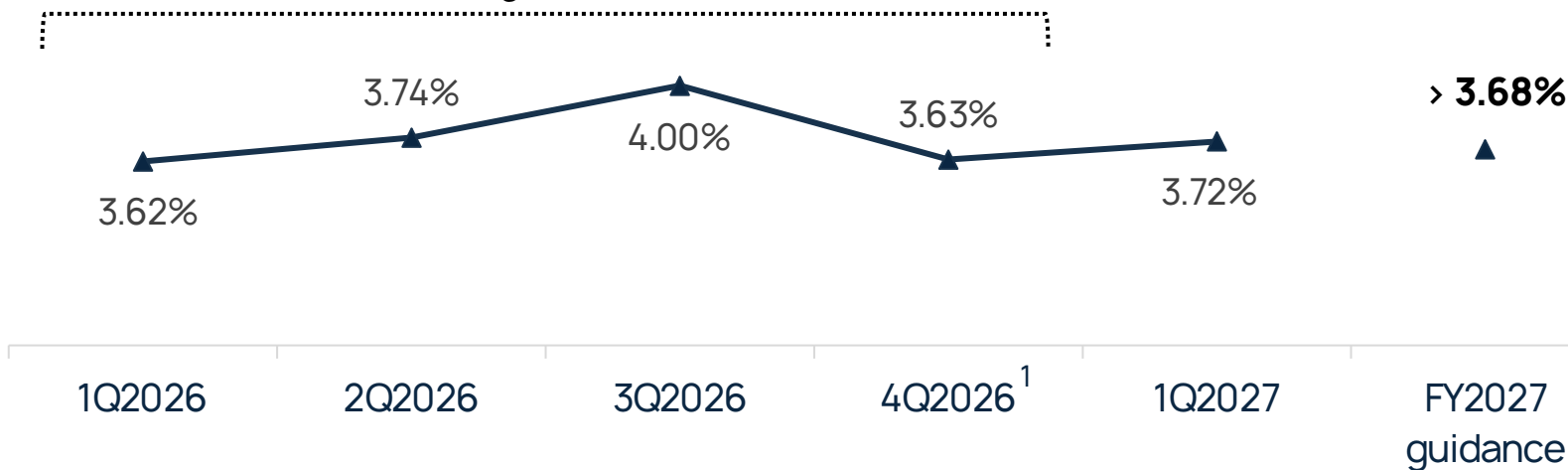
AU banking

NPAT

1Q2026	2Q2026	3Q2026	4Q2026 ¹	1Q2027	FY2027 guidance
AU\$9.1m	AU\$7.6m	AU\$11.5m	AU\$14.8m	AU\$11.3m	>AU\$46m

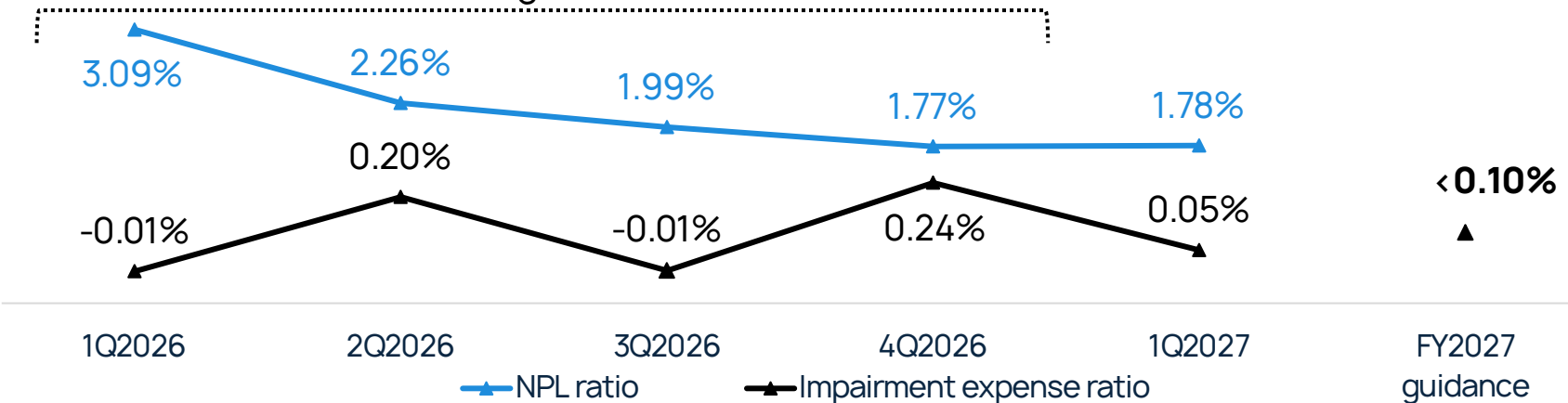
Average NIM

FY2026 NIM
Avg. 3.74%

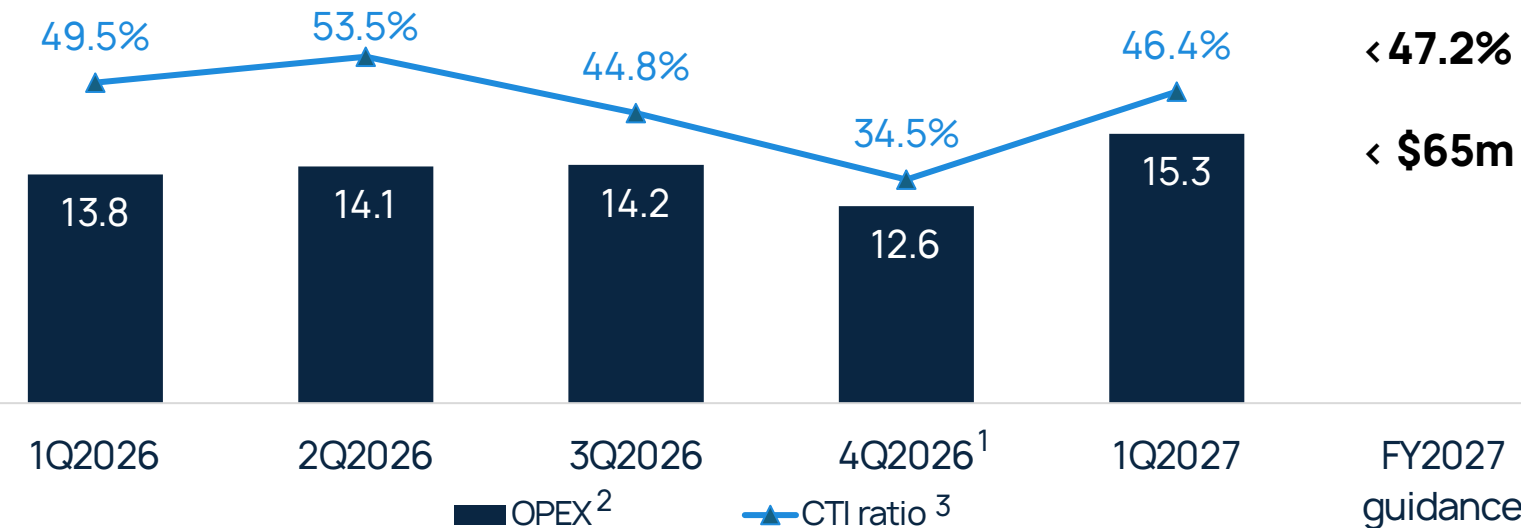


Asset quality

FY2026 impairment expense ratio
Avg. 0.11%



OPEX (AU\$m) & CTI ratio



Receivables⁴ AU\$2,730m as at 30 Sep 2026 ↑AU\$407m, 17.5% since 30 Sep 2025

Lending growth ⁵	1Q26	2Q26	3Q26	4Q26	Receivables as at 30 Sep 2026		1Q27	FY2027 guidance
Reverse Mortgages	17.2%	19.6%	17.9%	18.9%	\$2,488m	↑ \$117m	19.6%	>20.0%
Livestock Finance ⁶	-34.7%	70.7%	-38.9%	4.6%	\$228m	↓ \$21m	-33.8%	>10.0%

Note: 1Q2027 results and FY2027 guidance are provided on a reported basis. All figures on this page are in AUD.

- Heartland Bank Australia's 4Q2026 result was impacted by an update to the accounting methodology used to recognise Reverse Mortgage intermediary commission costs. See page 33 of Heartland's FY2026 financial results IP for more information.
- Including intercompany group charges.
- Excluding intercompany group charges.

- Receivables as at 30 September 2026 includes AU\$14m of Other AU lending (which includes Home Loans and Consumer & Other loan portfolios acquired through the authorised deposit-taking institution) which are in run down.
- Quarterly growth rates are annualised growth.
- Quarterly growth for Livestock Finance is affected by usual seasonal contractions.

Additional information

Key financial metrics: NZ banking and AU banking

NZ Banking	1Q2026	2Q2026	3Q2026	4Q2026	1Q2027	FY2027 guidance
NOI	\$60.7m	\$56.3m	\$54.6m	\$54.2m	\$55.6m	No guidance provided
OPEX ¹	\$31.1m	\$31.9m	\$32.4m	\$32.0m	\$32.7m	< \$135m
Impairment expense	\$7.1m	\$4.4m	\$10.8m	\$8.1m	\$6.3m	No guidance provided
NPAT	\$17.1m	\$13.9m	\$8.2m	\$10.6m	\$12.2m	> \$48m
Average NIM	4.06%	4.12%	4.09%	4.09%	4.09%	> 4.05%
CTI ratio ²	49.7%	56.1%	57.7%	57.4%	56.9%	< 58.4%
Impairment expense ratio	0.61%	0.39%	0.98%	0.71%	0.55%	< 0.48%
ROE	9.3%	7.5%	4.5%	5.8%	6.7%	> 6.3%
Receivables ³	\$4,598m	\$4,456m	\$4,546m	\$4,589m	\$4,510m	

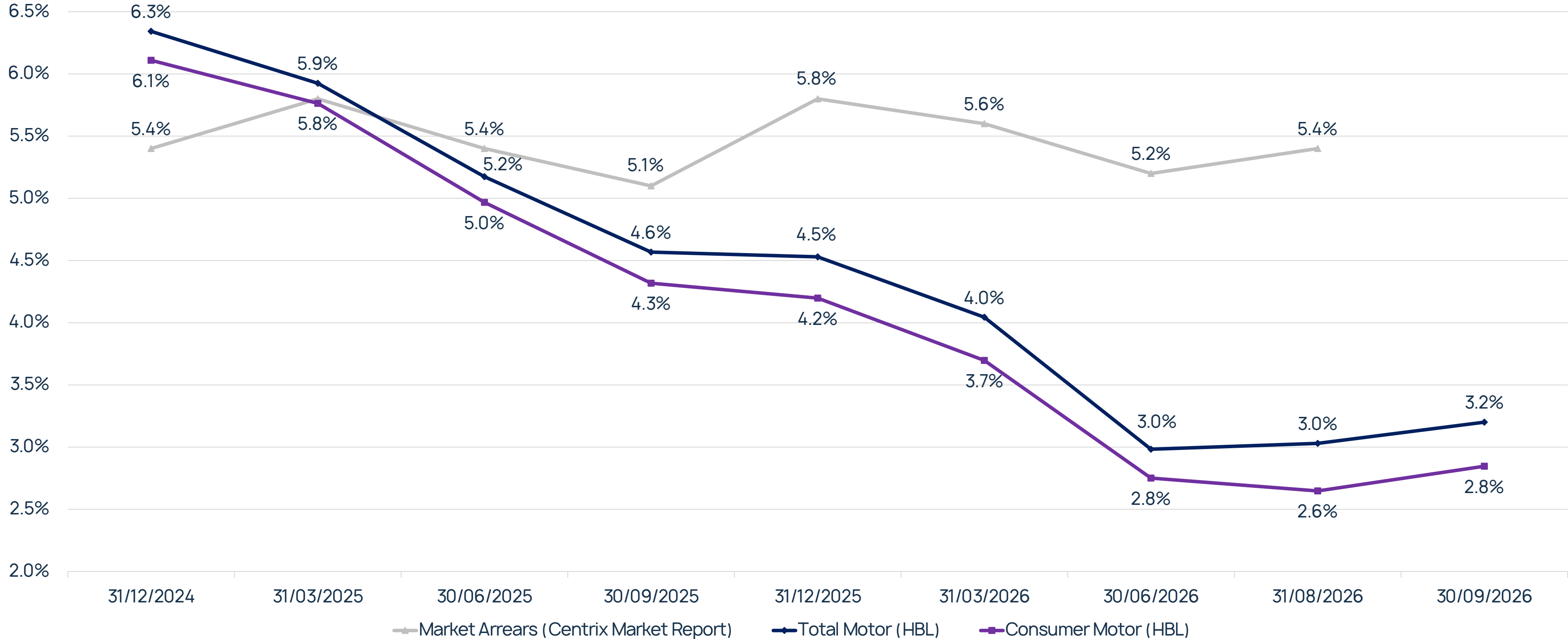
AU Banking (\$AUD)	1Q2026	2Q2026	3Q2026	4Q2026	1Q2027 ⁴	FY2027 guidance ⁵
NOI	\$26.8m	\$26.2m	\$30.6m	\$35.3m	\$31.9m	No guidance provided
OPEX ¹	\$13.8m	\$14.1m	\$14.2m	\$12.6m	\$15.3m	< AU\$65m
Impairment expense	(\$0.1m)	\$1.2m	(\$0.1m)	\$1.5m	\$0.3m	No guidance provided
NPAT	\$9.1m	\$7.6m	\$11.5m	\$14.8m	\$11.3m	> AU\$46m
Average NIM	3.62%	3.74%	4.00%	3.63%	3.72%	> 3.68%
CTI ratio ²	49.5%	53.5%	44.8%	34.5%	46.4%	< 47.2%
Impairment expense ratio	(0.01%)	0.20%	(0.01%)	0.24%	0.05%	< 0.10%
ROE	8.4%	6.9%	10.5%	12.9%	9.5%	> 9.3%
Receivables ³	\$2,323m	\$2,464m	\$2,531m	\$2,638m	\$2,730m	

Note: 1Q2027 results and FY2027 guidance are provided on a reported basis.

- 1. Including intercompany group charges.
- 2. Excluding intercompany group charges.
- 3. Receivables includes Reverse Mortgages.

- 4. Heartland Bank Australia’s 4Q2026 result was impacted by an update to the accounting methodology used to recognise Reverse Mortgage intermediary commission costs. See page 33 of Heartland’s FY2026 financial results IP for more information.
- 5. Heartland’s FY2027 guidance has been set using a FX rate of 1.2055, which is based on a published forecast from a New Zealand economist.

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).
- Auto industry arrears are sourced from the Centrix Credit Indicator Report, where 31/12/2024, 31/03/2025, 30/06/2025, 30/09/2025, 31/12/2025, 31/03/2026, 30/06/2026, 31/08/2026 uses the January, April, July, October 2025, and January, April, July and September 2026 Insights Reports, respectively.
- The 30/09/2026 Centrix Motor Arrears metric is not yet available, thereby, only Heartland Bank's metrics have been provided.
- Consumer Motor are Motor Finance loans to individuals rather than businesses.

Glossary

CTI ratio	Cost-to-income ratio	OPEX	Operating expenses
DPD	Days past due	Proposed Transaction	The proposed acquisition by Heartland of all TSB shares on issue from Toi Foundation, and subsequent merger of Heartland Bank and TSB Bank Limited
FX	Foreign currency exchange	Receivables	Gross Finance Receivables (includes Reverse Mortgages)
Heartland, Heartland Group, HGH	Heartland Group Holdings Limited or the Company	ROE	Return on Equity
Heartland Bank, HBL, NZ Banking	Heartland Bank Limited	FY2027	Financial year ending 30 June 2027 (1 July 2026 to 30 June 2027)
Heartland Bank Australia, HBAL, AU banking	Heartland Bank Australia Limited	1Q27, 1Q2027	First quarter of FY2027 (1 July 2026 to 30 September 2026)
NIM	Net interest margin	FY2026	Financial year ended 30 June 2026 (1 July 2025 to 30 June 2026)
NOI	Net operating income	4Q26, 4Q2026	Fourth quarter of FY2026 (1 April to 30 June 2026)
NPAT	Net profit after tax	3Q26, 3Q2026	Third quarter of FY2026 (1 January to 31 March 2026)
NPL	Non-performing loan	2Q26, 2Q2026	Second quarter of FY2026 (1 October to 31 December 2025)
NSA	Non-strategic assets	1Q26, 1Q2026	First quarter of FY2026 (1 July to 30 September 2025)

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