



Hui ā-Tau
Notice of 2023
Annual Meeting

HEARTLAND
GROUP

Heartland Group Holdings Limited (Heartland) invites you, our shareholders, to join us at our hybrid Annual Meeting.



Dear Shareholders,

On behalf of Heartland's board of directors (**Board**), I am pleased to invite you to Heartland's 2023 Annual Meeting which is to be held online at virtualmeeting.co.nz/hgh23 and in person at Te Pae Christchurch Convention Centre, 188 Oxford Terrace, Christchurch, New Zealand on Thursday 9 November 2023, commencing at 2pm (New Zealand time).

At this year's Annual Meeting, we will be updating you on Heartland's performance for the financial year ended 30 June 2023 (**FY2023**) and discussing Heartland's strategy and plans for future growth.

I will be retiring by rotation and standing

for re-election at the Annual Meeting. Shareholders will be asked to vote on my re-election as a director. The Board unanimously supports my re-election. You can read about my background in the explanatory notes to this Notice of Meeting.

Shareholders will also be asked to vote on an increase to the pool available for directors' remuneration.

If you are unable to attend the Annual Meeting, I encourage you to cast a postal vote or appoint a proxy to attend and vote at the Annual Meeting on your behalf. Your personalised voting form accompanies this Notice of Meeting.

For those shareholders who are attending the Annual Meeting in person, please bring the enclosed voting form with you to assist with your registration.

You are invited to join the Board and senior management for light refreshments at the conclusion of the meeting.

On behalf of the Board,

A handwritten signature in black ink, appearing to read 'Greg Tomlinson', with a long horizontal stroke extending to the right.

Greg Tomlinson
Chair of the Board

Agenda for the Annual Meeting

- A. Chair's Welcome and Address
- B. Chief Executive Officer's Address
- C. Shareholder Discussion
- D. Formal Business

To consider, and if thought fit, to pass the following resolutions:

Resolution 1: Re-election of Greg Tomlinson

That Greg Tomlinson, who retires by rotation and is eligible for re-election, be re-elected as a director of Heartland.

Resolution 1 is an ordinary resolution, requiring approval by a majority (being more than 50%) of the votes of those shareholders entitled to vote and voting.

Resolution 2: Directors' remuneration

That the total annual remuneration available to all non-executive directors be increased from NZ\$1,600,000 or AU\$1,400,000 (whichever is the greater amount from time to time) to NZ\$2,400,000 or AU\$2,200,000 (whichever is the greater amount from time to time), an increase of NZ\$800,000 or AU\$800,000 (33% and 57% respectively) effective for the financial year ending 30

June 2024 and onwards, with such sum to be divided amongst the non-executive directors as the Board may from time to time determine.

Resolution 2 is an ordinary resolution, requiring approval by a majority (being more than 50%) of the votes of those shareholders entitled to vote and voting.

Resolution 3: Auditor's remuneration

That the Board be authorised to fix the remuneration of Heartland's auditor, PwC, for the financial year ending 30 June 2024.

Resolution 3 is an ordinary resolution, requiring approval by a majority (being more than 50%) of the votes of those shareholders entitled to vote and voting.

A brief description of each resolution is included in the explanatory notes. The Board unanimously supports each resolution.

Explanatory notes

Resolution 1:

Re-election of Greg Tomlinson (Chair and Non-Executive Director)

Heartland's constitution and the NZX Listing Rules require each director to retire by rotation at least every three years. This year Greg Tomlinson is retiring and standing for re-election.

A brief biography of Greg Tomlinson is set out on page 6, together with a list of his current directorships.

Resolution 2: Directors' remuneration

The Board is proposing to increase the

total annual remuneration available to all non-executive directors from NZ\$1,600,000 or AU\$1,400,000 (whichever is the greater amount from time to time) to NZ\$2,400,000 or AU\$2,200,000 (whichever is the greater amount from time to time), an increase of NZ\$800,000 or AU\$800,000 (33% and 57% respectively). If approved, the increase in remuneration would be effective for the financial year ending 30 June 2024 and onwards, with such sum to be divided amongst the non-executive directors as the Board may from time to time determine. Shareholder approval is required under NZX Listing Rule 2.11.1.

The Board proposes the increase in total remuneration to address two matters.

1. Additional fees needed to attract and retain suitably qualified non-executive directors to the board of Challenger Bank Limited (**Challenger Bank**), an Australian Prudential Regulation Authority (**APRA**) regulated authorised deposit-taking institution (**ADI**), from the date of completion of the acquisition, which remains subject to receipt of the requisite regulatory approvals.
2. Increasing the fees payable to Heartland's existing non-executive directors.

Proposed acquisition of Challenger Bank

Heartland's strategic vision has involved expansion in Australia for some time. As outlined in Heartland's 2023 Annual Report, in 2023, Heartland signed a share purchase agreement for the acquisition of Challenger Bank from Challenger Group, and began engagement with the Reserve Bank of New Zealand (**RBNZ**) and APRA on seeking the requisite regulatory approvals to complete the acquisition. Heartland's desire is to complete the acquisition within calendar year 2023.

Challenger Bank is an established ADI and has recently undertaken a programme of significant investment to build out its digital capability. Its current place in the market as a small, digitally focused bank fits well with Heartland's long-term strategy of digitalisation on both sides of the Tasman. The acquisition of Challenger Bank remains subject to regulatory approvals. Part of this involves determining the most appropriate group structure to accommodate the Challenger Bank acquisition. The final group structure is now expected to include Heartland Bank Limited (**Heartland Bank**) acquiring Challenger Bank. If this occurs, Heartland Banking Group's business would be carried out in both New Zealand and Australia.

Heartland Bank has achieved significant success in New Zealand since becoming a registered bank in December 2012. It has been awarded Canstar New Zealand's Savings Bank of the Year for six consecutive years (2018- 2023) and received the award for

Outstanding Value Home Lender in 2023. In the first and second quarters of FY2023, Heartland Bank also experienced the highest growth rate in retail deposits of all main and domestic banks in New Zealand.¹

It is this expertise that Heartland intends to leverage to extend its 'best or only' product offering into new sectors in Australia. The opportunity that the Challenger Bank acquisition presents is considerable. With an ADI licence, growth will be possible through various avenues, positioning Heartland well to provide increased financial services to markets that are underserved by traditional financial institutions.

In order to support Heartland's growth aspirations in Australia and the continued operation of Challenger Bank in a highly regulated environment, the Board considers it essential that a high calibre of Australian independent, non-executive directors are appointed to the board of Challenger Bank on completion of the acquisition, and expects that regulatory approvals will be contingent on such appointments.

The Board proposes the following annual fee allocations for directors of Challenger Bank from completion of the acquisition:

Challenger Bank Board role	Proposed fee
Board Chair ²	AU\$320,000
Board Member – Independent, non-executive directors	AU\$155,000
Board Member – Heartland Bank non-executive director ³	AU\$35,000
Board Member – Heartland executive ⁴	Nil
Chair Challenger Bank Audit Committee	AU\$25,000
Member Challenger Bank Audit Committee	Nil
Chair Challenger Bank Risk Committee	AU\$25,000
Member Challenger Bank Risk Committee	Nil

In setting the proposed rates for Challenger Bank non-executive directors, the Board considered Australian market data provided

¹ Based on balance sheet data from the RBNZ.

² Geoff Summerhayes is proposed to chair Challenger Bank from completion of the acquisition. Further details regarding Mr Summerhayes' remuneration were included in Heartland's 2022 Notice of Meeting.

³ It is anticipated that a Heartland Bank non-executive director will sit on the board of Challenger Bank and be paid an additional fee above the fees paid for his or her role on the Heartland Bank board to reflect the increased workload.

⁴ It is anticipated that two Heartland Bank or Group executives will sit on the board of Challenger Bank. These executives will not be paid any additional fee for this role.

by Ernst & Young (**EY**) based on a comparator group of organisations of a similar size and scope to Heartland's anticipated Australian operations. The Board has also considered the significant regulatory complexity of the Australian banking industry requiring independent board oversight and Heartland's growth strategy in this market, driving the need to attract and retain non-executive directors of a high calibre.

The Board notes that in the event that the necessary regulatory approvals are not obtained or the acquisition of Challenger Bank does not otherwise proceed, it does not intend to utilise the amount of remuneration being sought that relates to additional fees payable for additional non-executive directors proposed to be appointed to Challenger Bank on completion (approximately AU\$550,000). However, should the acquisition proceed, Heartland will need to be in a position to be able to commence paying such fees immediately on completion

in order to secure the necessary high calibre of directors. Accordingly, shareholder approval is being sought now.

Increased non-executive director fees

Heartland has not changed the fee allocations for non-executive directors since 30 June 2018. Between 30 June 2018 and 30 June 2023, there has been a 21.3% increase in the Consumer Price Index. This inflation has been accompanied by increasing demands on directors generally, as well as increased regulation for businesses in the banking and financial services industry. The workload and expectations for directors has also increased significantly over this time.

Heartland has undergone significant growth and is now a much more complex business than when those fee allocations were set.

The current fee allocations and proposed fee allocations are summarised in the following table.

Table 1: Current and proposed Board fees⁵

Role	Current fee	Proposed fee	% change
Board Chair	NZ\$150,000	NZ\$175,000	16.7%
Board Member	NZ\$100,000	NZ\$120,000	20%
Board Member of Heartland Bank Board, where also a member of Heartland Board	N/A	NZ\$25,000	N/A
Chair Heartland Audit and Risk Committee	NZ\$15,000	NZ\$20,000	33.3%
Member Heartland Audit and Risk Committee	Nil	Nil	Nil
Chair Corporate Governance, People, Remuneration and Nominations Committee	NZ\$15,000	NZ\$20,000	33.3%
Member Corporate Governance, People, Remuneration and Nominations Committee	Nil	Nil	Nil
Chair Heartland Sustainability Committee ⁶	N/A	NZ\$20,000	N/A
Member Sustainability Committee	Nil	Nil	Nil
Chair Heartland Bank Audit Committee	NZ\$15,000	NZ\$20,000	33.3%
Member Heartland Bank Audit Committee	Nil	Nil	Nil
Chair Heartland Bank Risk Committee	NZ\$15,000	NZ\$20,000	33.3%
Member Heartland Bank Risk Committee	Nil	Nil	Nil

⁵ See the explanation above regarding the director's fees payable to Mr Summerhayes, which are in addition to those referenced in this table.

⁶ The Board has agreed in principle to establish a Heartland Sustainability Committee, which is expected to be established during calendar year 2023.

Prior to setting the proposed rates for non-executive directors outlined above, the Board commissioned an independent benchmarking review of the current fee allocations by EY. A summary of EY's report is appended to this Notice of Meeting. The Board notes that the proposed Board Chair fees are in line with the changes recommended by EY having regard to a comparator group of organisations in a similar industry and, in the case of Heartland, also having regard to general market comparators of organisations with a similar size and scope.

In setting the proposed fees for Heartland and Heartland Bank non-executive directors and Committee Chairs⁷, the Board has considered the recommendations of EY, but also the significant regulatory complexity of the New Zealand banking and financial services industry, the high calibre of directors needed and the time commitment required of Heartland and Heartland Bank's non-executive directors. The Board has also considered the additional time commitment required of those directors who are members of both the Heartland and Heartland Bank Boards, those directors having previously received no additional fee reflecting their dual directorships.

The Board considers that, taking these factors into account, the fee increases proposed are reasonable.

At the conclusion of the meeting, Heartland and Heartland Bank will have 8 non-executive directors in office. As noted above, it is intended that an additional three independent, non-executive directors will be appointed to the board of Challenger Bank on completion of the acquisition by Heartland (subject to regulatory approval), following the conclusion of the Annual Meeting.

The updated total remuneration will apply to these directors (and in the case of the Challenger Bank board, from completion of the acquisition by Heartland, subject to regulatory approval), assuming Greg Tomlinson, being the director seeking re-election at the meeting, is re-elected.

As noted in the 2022 Notice of Meeting, given the continued expansion of Heartland into Australia, including via the acquisition of Challenger Bank (subject to regulatory approval), and the need to therefore attract and retain directors with experience within the Australian market, the Board proposes that the fees payable to the Board be fixed in both New Zealand and Australian dollars, with whichever is the greater amount from time to time being the limit. This will minimise the risk of unfavourable currency movements which may adversely impact the ability to continue to pay Board fees at a level that will enable Heartland to attract and retain directors with the necessary experience.

The proposed increase in directors' remuneration has the unanimous support of the Board.

The NZX Listing Rules require that remuneration of directors be authorised by an ordinary resolution. In accordance with NZX Listing Rule 6.3.1, Heartland will disregard any votes cast in favour of Resolution 2 (Directors' Remuneration) by any director who is intended to receive directors' fees (and their respective Associated Persons), unless such shareholder is casting a vote under an expressly directed proxy of a person who is not disqualified from voting.

Resolution 3:

Auditor's remuneration

PwC will be automatically reappointed as Heartland's auditor under section 207T of the Companies Act 1993. It is proposed that the Board be authorised to fix PwC's remuneration for the year ending 30 June 2024 in accordance with section 207S of the Companies Act 1993.



Greg Tomlinson

AME
Chair and Non-Executive Director

Term of office

Appointed 31 October 2018⁷

Board committees

Acting Chair of the Heartland Corporate Governance, People, Remuneration and Nominations Committee, and member of the

Heartland Audit and Risk Committee.

Greg is a Christchurch-based businessman and investor with 40 years' experience owning, managing and building businesses. Tomlinson Group has active investments in the aged care, animal pharmaceuticals, finance and wine sectors.

Greg is currently a director of a number of companies including Oceania Healthcare Limited, Tomlinson Group Investments Limited and Indevin Group Limited. For a full list of Greg's directorships, please refer to Heartland's 2023 Annual Report.

Greg is a non-independent director of Heartland as he has a beneficial interest in the 69,335,936 Heartland shares held by Harrogate Trustee Limited, which is currently Heartland's largest shareholder.

Procedural notes

Voting

Each shareholder will be entitled to one vote for every share held as at 5pm (New Zealand time) on 7 November 2023.

Your right to vote may be exercised by:

- attending the meeting and voting in person
- attending the online meeting and voting online
- submitting a postal vote
- appointing a proxy (or representative) to attend the meeting and vote in your place (**Proxy**).

If you are attending the meeting in person, please bring the enclosed voting form that will act as your admission card to the meeting.

How to submit a postal vote or appoint a Proxy

If you are not able to attend the Annual

Meeting, either in person or online, but wish to submit a postal vote or appoint a Proxy to attend the online meeting and vote on your behalf, you can:

- lodge your postal vote or appoint a Proxy online at vote.linkmarketservices.com/HGH. You will be required to enter your CSN/Holder Number and Authorisation Code (**FIN**). If you do not have a FIN number, please contact Link Market Services at 09 375 5998 or enquiries@linkmarketservices.co.nz
- complete and return your voting form in accordance with the instructions on the voting form.

Your completed voting form must be received by Link Market Services, or your postal vote or your Proxy appointment lodged online, by no later than 2pm (New Zealand time) on 7 November 2023.

If you wish, you may appoint the Chair of the meeting as your Proxy. To do so, please

⁸ Greg Tomlinson was also a director of Heartland Bank limited, Heartland's predecessor entity, before the corporate restructure of the Heartland group on 31 October 2018. On that date, he ceased to be a director of Heartland Bank Limited and began his appointment on the Heartland Board.

write “Chair of the meeting” in the relevant section. The Chair will vote according to your instructions. If the Chair is not instructed how to vote, the Chair intends to vote in favour of each of the resolutions (other than resolution 2 due to the voting restrictions outlined in the explanatory notes).

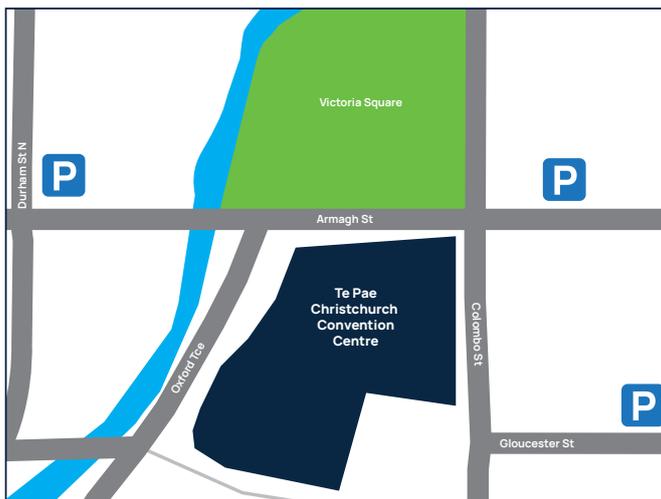
How to attend the online meeting

To attend the online meeting, please go to virtualmeeting.co.nz/hgh23. Shareholders attending online will be able to vote during the Annual Meeting. **Shareholders who will be attending the online meeting and wish to ask a question are encouraged to submit their question(s) prior to the Annual Meeting in accordance with the instructions below.** More information regarding virtual attendance at the Annual Meeting (including how to vote during the meeting) is available in the Virtual Annual Meeting Online Portal Guide available at bcast.linkinvestorservices.co.nz/generic/docs/OnlinePortalGuide.pdf.

Shareholder questions prior to the Annual Meeting

Shareholders present at the Annual Meeting will have the opportunity to ask questions during the meeting. If you cannot attend the annual meeting but would like to ask a question, you can submit a question by going to vote.linkmarketservices.com/HGH or emailing your Proxy Form with your question to meetings@linkmarketservices.com (please put the words *Heartland Group Holdings Proxy Form* in the subject line for easy identification). Shareholder questions will need to be submitted by 2pm (New Zealand time) on 7 November 2023. Questions should relate to matters being addressed at the Annual Meeting.

Venue and parking information



The physical meeting is being held in the Bealey rooms at **Te Pae Christchurch Convention Centre, Christchurch.**

Multiple off-street parking sites are available nearby. The closest is the Wilsons car park on the corner of Armagh and Colombo Street (opposite Victoria Square).

For more information about getting to the venue, visit: tepae.co.nz/visiting-te-pae-christchurch.

Review of Current Non-Executive Director Fee Practices: Summary report

Heartland Group Holdings Limited

10 October 2023

Introduction

The Board of Heartland Group Holdings Limited (HGH) has engaged Ernst & Young Limited (EY) to prepare a report in relation to Non-Executive Directors' (NED) fees in the New Zealand and Australian markets. We confirm that our report has been prepared independently and is not subject to any influence from the management or any Board member of HGH, its subsidiaries or any third party.

The findings summarise the market positioning of HGH and HBL's Chair, the other NED fees for both Boards, committee Chair fees for HGH's Audit & Risk Committee and Corporate Governance, People, Remuneration & Nominations Committee and committee Chair fees for HBL's Audit Committee and Risk Committee compared to the market data. Fees are 'at' the relevant market reference point if positioned within 10% of the market data reference point.

Comparator group

The market information pertaining to fee practices within the two New Zealand comparator groups (NZ industry and NZ general market) has been sourced from EY's Directors' fees database, supplemented with data from the most recent financial year end annual reports. Both comparator groups are important - one reflects industry practice, whilst the other considers NED fees for listed organisations of a similar size and scope. The organisations in both comparator groups are set out in the Appendix.

The market information pertaining to fee practices for the Australian comparator group is provided as a reference point for HGH due to the signing of a share purchase agreement for the acquisition of Challenger Bank, conditional on regulatory approvals. The data has been sourced from the most recent financial year end reports. The information from annual reports is publicly available information. The three comparator groups were discussed and agreed with HGH as the basis on which to perform our analysis. The full list of comparator organisations is in the Appendix of this report.

We acknowledge that there is a time lag in remuneration disclosures from the chosen organisations. Generally, EY does not support 'ageing' market data to account for this time lag. Therefore, the data used in this analysis is factual and has not been aged.

Board Chair and other NED fee positioning

Table 1 below compares HGH's Chair and other NED fees to the market data for the two New Zealand (NZ) comparator groups.

Table 1: HGH Board Chair and Other NEDs policy positioning		
Comparator group	Chair fee policy	Other NED fee policy
NZ industry	Aligned to the 25 th percentile and the median. We note that the interquartile range is small.	Aligned to the 75 th percentile. We note that the interquartile range is small.
NZ general market	Aligned to the 25 th percentile.	Aligned to the 75 th percentile. We note that the interquartile range is small.

Table 2 below compares HGH's two Committee Chair fees to the market data for the two New Zealand (NZ) comparator groups.

Table 2: HGH Committee Chairs policy positioning		
Comparator group	Audit & Risk Committee Chair	Corporate Governance, People, Remuneration & Nominations Committee
NZ industry	-	Aligned to the median.
NZ general market	Aligned to the 25 th percentile.	Aligned to the 75 th percentile.

Table 3 below compares HBL's Chair and other NED fees to the market data for the New Zealand (NZ) industry comparator group.

Table 3: HBL Board Chair and Other NEDs policy positioning		
Comparator group	Chair fee policy	Other NED fee policy
NZ industry	Aligned to the 25 th percentile and the median. We note that the interquartile range is small.	Aligned to the 75 th percentile. We note that the interquartile range is small.

Table 4 below compares HBL's two Committee Chair fees to the market data for the New Zealand (NZ) industry comparator group.

Table 4: HBL Committee Chairs policy positioning		
Comparator group	Audit Committee Chair	Risk Committee Chair
NZ industry	Aligned to the 75 th percentile.	Above the median.

Recommendations

The following factors have been considered when recommending changes to HGH and HBL's fee policy:

- ▶ HGH and HBL's current fee practices, including the fact that neither HGH nor HBL pay committee member fees. The majority of the entities in the listed entity sample pay separate committee fees, but this was only the case for two of the entities in the NZ Banks sample
- ▶ The relative market positioning of HGH and HBL's Director and Chair committee fees, compared to current fee practices in the relevant comparator group(s) for each entity
- ▶ The size and complexity of HGH and HBL relative to peers in the primary comparator group (NZ industry) and in relation to organisations in the general market comparator group
- ▶ The time commitments required of both HGH and HBL's NEDs in comparison to the comparator group organisations
- ▶ HGH's revenue: positioned between the median and 75th percentile of the NZ industry comparator group and aligned to the median of the NZ general market comparator group
- ▶ HGH's assets: aligned to the 75th percentile of the NZ industry comparator group and above the 75th percentile of the NZ general market comparator group
- ▶ HGH's market capitalisation: aligned to the median of the NZ general market comparator group
- ▶ HBL's revenue: positioned between the 25th percentile and median of the NZ industry comparator group
- ▶ HBL's assets: positioned between the median and 75th percentile of the NZ industry comparator group.

Based on our understanding of current director workloads and positioning of fees relative to market, our recommended fee structure for HGH and HBL is set out below.

Table 5: Recommended fee increases			
Role	Current practice (\$)	Recommended fee (\$)	Increase (%)
Heartland Group Limited (HGH)			
Chair Base Fee	150,000	175,000	16.7
NED Base Fee	100,000	105,000	5.0
Committee Fees			
Audit & Risk Committee - Chair	15,000	15,000	-
Corporate Governance, People, Remuneration & Nominations Committee - Chair	15,000	15,000	-
Heartland Bank Limited (HBL)			
Chair Base Fee	150,000	175,000	16.7
NED Base Fee	100,000	100,000	-
Committee Fees			
Audit Committee - Chair	15,000	15,000	-
Risk Committee - Chair	15,000	15,000	-

If adopted, these recommendations will:

- ▶ Align HGH's Chair and NED fees to the median of the general market data sample, and 108% of the median of the industry data sample
- ▶ HBL's Chair fee will equate to 108% of the median of the industry data sample.

As noted earlier, Australian market data is provided as a reference point. EY is not providing a remuneration recommendation for Challenger Bank, consistent with the provisions of Section 300A of the Australian Corporations Act.

Thank you for the opportunity to assist HGH with this assignment.



Una Diver
Partner - People Advisory Services
Ernst & Young Limited

Appendix

Comparator groups company financial comparisons

New Zealand industry (n = 6)

Organisation	Revenue / net interest income (\$millions)	Total Assets (\$millions)	Market capitalisation (\$millions)
Kiwibank Limited	673	31,547	-
nib NZ Limited	278	202	-
SBS Bank	98	6,005	-
The Co-Operative Bank	89	3,343	-
Tower Limited	352	804	239
TSB Bank Limited	213	8,960	-
25 th percentile	127	1,439	-*
Median	246	4,674	-*
75 th percentile	334	8,221	-*
Heartland Group Holdings Limited	<i>Between the median and the 75th percentile</i>	<i>Aligned to the 75th percentile</i>	-
	282	7,700	-
Heartland Bank Limited	<i>Between the 25th percentile and median</i>	<i>Between the median and the 75th percentile</i>	-
	215	5,562	-

*EY is unable to provide the median and interquartile range due to insufficient data.

New Zealand general market (n = 11)

Organisation	Revenue (\$millions)	Total Assets (\$millions)	Market capitalisation (\$millions)
Argosy Property Limited	113	2,213	1,025
Arvida Group Limited	193	3,397	917
Briscoe Group Limited	786	717	1,001
Freightways Group Limited	873	1,089	1,509
Kiwi Property Group Limited	259	1,495	1,495
Manawa Energy Limited	437	1,507	1,507
Precinct Properties New Zealand Limited	129	2,108	2,108
Property for Industry Limited	111	1,229	1,229
SkyCity Entertainment Group Limited	639	1,685	1,685
Tourism Holdings Limited	346	742	742
Vital Healthcare Limited	123	3,400	1,578
25th percentile	126	1,596	1,013
Median	259	2,213	1,495
75 th percentile	538	3,318	1,543
Heartland Group Holdings Limited	<i>Aligned to the median</i>	<i>Above the 75th percentile</i>	-*
	282	7,700	-*
Heartland Bank Limited	<i>Between the 25th percentile and median</i>	<i>Above the 75th percentile</i>	-*
	215	5,562	-*

*We cannot disclose anticipated market capitalisation, however this comparator group acknowledges the three-year growth plan of the ADI acquisition.

Australian general market (n = 13) (AUD)

Organisation	Revenue (\$millions)	Total Assets (\$millions)	Market capitalisation (\$millions)
Abacus Property Group	320	5,407	1,080
AUB Group Limited	334	1,640	3,090
Australian Finance Group Limited	871	6,400	492
Centuria Capital Group	300	2,700	1,270
Cromwell Property Group	378	5,054	1,370
Growthpoint Properties Australia	304	5,500	2,010
Ingenia Communities Group	338	2,183	1,720
Jervois Global Limited	168	797	157
Judo Capital Holdings Limited	173	9,415	1,360
MA Financial Group	236	873	767
MyState Limited	141	8,100	395
National Storage REIT	279	4,100	2,960
Netwelath Group Limited	170	136	3,630
25 th percentile	173	1,640	767
Median	300	4,100	1,360
75 th percentile	334	5,500	2,010
Heartland's anticipated Australian operations	<i>Aligned to the median</i>	<i>Aligned to the median</i>	-*
	270	4,200	-*

*We cannot disclose anticipated market capitalisation, however this comparator group acknowledges the three-year growth plan of the ADI acquisition.

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

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Our report may be relied upon by Heartland Group Holdings Limited for the purpose of understanding market remuneration only pursuant to the terms of our engagement letter dated 5 July 2023. We disclaim all responsibility to any other party for any loss or liability that the other party may suffer or incur arising from or relating to or in any way connected with the contents of our report, the provision of our report to the other party or the reliance upon our report by the other party.

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