



Kāhui Puka Meka FY2023 Company Factsheet



HEARTLAND
GROUP

About Heartland

Heartland Group Holdings Limited (Heartland) is a specialist financial services group with 'best or only' products. Heartland is listed on the NZX Main Board and the ASX under a Foreign Exempt Listing (NZX/ASX: HGH).

FY2023 results at a glance

GROSS FINANCE RECEIVABLES¹

^
FY23 \$6.8b

FY22 \$6.2b

RETURN ON EQUITY

∨
FY23 10.4%
underlying return on equity 11.9%

FY22 12.1%
underlying return on equity 12.6%

EARNINGS PER SHARE

∨
FY23 14.0cps
underlying earnings per share 16.0cps

FY22 16.1cps
underlying earnings per share 16.3cps

NET INTEREST MARGIN

Consistently higher than banking peers²

∨
FY23 3.97%
underlying net interest margin 4.00%

FY22 4.05%
underlying net interest margin 4.16%

FINAL DIVIDEND DECLARED

FY23 6.0cps

FY22 5.5cps

TOTAL DIVIDEND FOR THE YEAR

FY23 11.5cps

FY22 11.0cps

¹Excludes the impact of changes in foreign currency exchange (FX) rates.

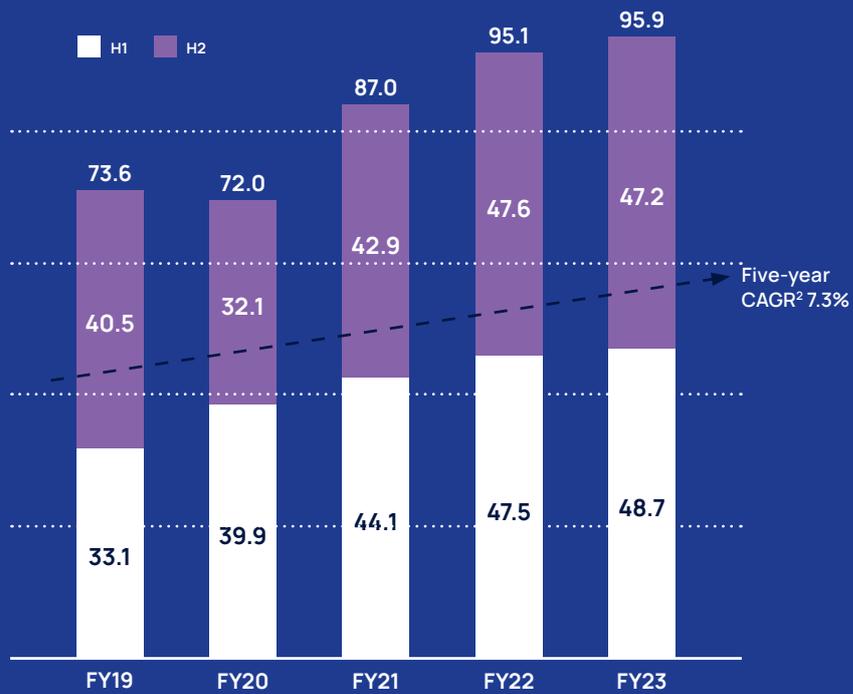
²KPMG FIPS Report March 2023.

FY2023 results at a glance

NET PROFIT AFTER TAX (NPAT)

^
FY23 **\$95.9m**
underlying NPAT \$110.2m

FY22 **\$95.1m**
FY22 underlying NPAT \$96.1m



Note: Financial results are presented on a reported and underlying basis. Reported results are prepared in accordance with NZ GAAP and include the impacts of positive and negative one-offs, which can make it difficult to compare performance. Underlying results (which are non-GAAP financial information) exclude any impacts of one-offs. This is intended to allow for easier comparability between periods, and is used internally by management for this purpose. A detailed reconciliation between reported and underlying financial information, including details about FY2023 and FY2022 one-offs, is set out in Heartland's FY2023 full year results investor presentation available at heartlandgroup.info. General information about the use of non-GAAP financial measures is also available in that presentation.

²Compound annual growth rate (CAGR) for the five years from FY2019–FY2023.

Our business

Our people

535
employees



492
New Zealand



43
Australia

15 locations



female

52

male

47

gender
diverse

1

13,000+
shareholders
🌐=1,000



^
Customers

7.8%

Our funding

\$4.1B

Retail
deposits

\$1.7B

Securitisation
facilities

\$0.5B

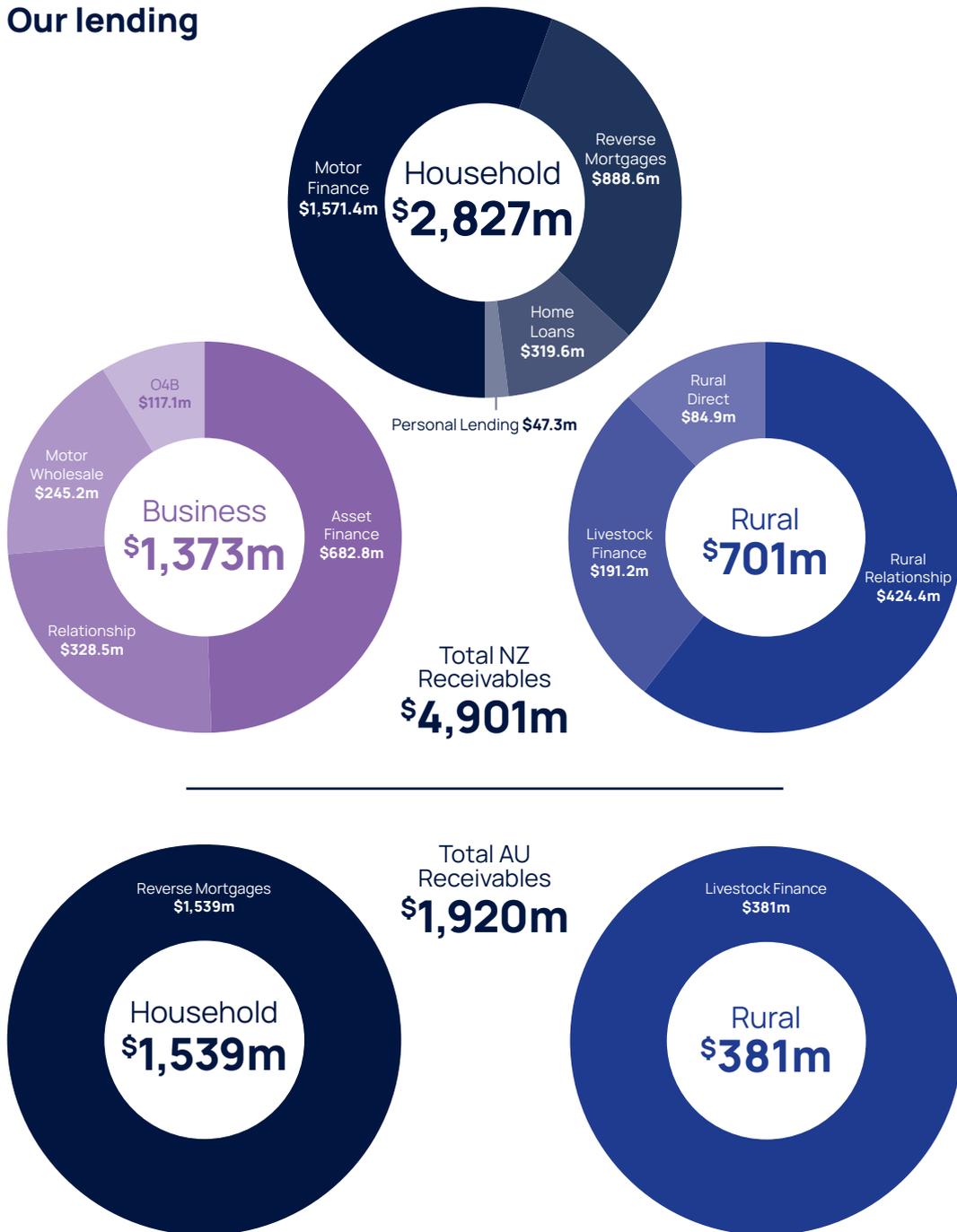
Bonds and
notes

\$0.3B

Other
borrowings

Our business

Our lending



¹ All lending portfolio figures exclude FX impact.

Strategic vision

To create sustainable growth and differentiation by providing products that are the 'best or only' of their kind, through scalable digital platforms. This is underpinned by three key strategic pillars:



1. Business as usual growth

Continuing to maximise current positioning while expanding product variations.



2. Frictionless service at the lowest cost

Investing in technology and improving customer experience while lowering costs through removing 'friction' (processes and tasks that can be automated or accessed through self-service platforms).



3. Expansion in Australia

Growing Reverse Mortgages while broadening our offering both to the senior demographic and in areas where we have expertise, and where it meets our 'best or only' model, e.g. Livestock Finance and, following completion of the Challenger Bank acquisition (subject to APRA and RBNZ approval), Motor Finance and Asset Finance.

Sustainability framework

“Putting our people and environment at the heart of what we do, to build a sustainable future.”



Environment

- Support the just transition to a net-zero economy.



People

- Create a pathway and place for Heartland's people to grow, thrive and be empowered to achieve Heartland's goals as one team.
- Care for the communities Heartland operates in.
- Care for Heartland's customers.



Financial wellbeing

- Support the financial wellbeing of Heartland's customers and communities.

More at

www.heartlandgroup.info/sustainability

Share information

NZX/ASX code	HGH
First listed on the NZX	1 February 2011 (HBL), 1 November 2018 (HGH)
First listed on the ASX	1 November 2018 (HGH)
Share price at 30 June 2023	\$1.70
Shares on issue at 30 June 2023	709,658,200
Market capitalisation at 30 June 2023	\$1,206.42m
Average daily trading for 90 days to 30 June 2023	336,064 shares (on-market, NZ and AU listings)
Share price low/high for 12 months to 30 June 2023	NZD \$1.50/NZD \$2.16
Financial year end	30 June 2023
NZX industry sector	Finance & other industries

Research coverage

Company	Analyst	Email
Craigs Investment Partners	Wade Gardiner	wade.gardiner@craigsip.com
Forsyth Barr	Andrew Harvey-Green Mark Robertson	andrew.harvey-green@forsythbarr.co.nz mark.robertson@forsythbarr.co.nz
Jarden	Grant Lowe James Stanners	grant.lowe@jarden.co.nz james.stanners@jarden.co.nz
Macquarie	Stephen Hudson	stephen.hudson@macquarie.com

Long term issuer default ratings

Heartland Group Holdings Limited BBB (outlook negative)

Heartland Bank Limited BBB (outlook stable)

Heartland Australia Group Pty Ltd BBB- (outlook negative)

Directors

Heartland Group Board

Gregory Tomlinson

Chair and Non-Executive Director

Jeff Greenslade

CEO and Executive Director

Ellen Comerford

Independent Non-Executive Director

Kathryn Mitchell

Independent Non-Executive Director

Geoff Summerhayes

Independent Non-Executive Director

Heartland Bank Board

Bruce Irvine

Chair and Independent Non-Executive Director

Jeff Greenslade

Executive Director

Edward John Harvey

Independent Non-Executive Director

Kathryn Mitchell

Non-Independent Non-Executive Director

Shelley Ruha

Independent Non-Executive Director

Simon Tyler

Independent Non-Executive Director

Management

Jeff Greenslade

Group CEO

Chris Flood

Deputy Group CEO

Leanne Lazarus

Heartland Bank CEO

Andrew Dixson

Chief Financial Officer

Michael Drumm

Group Chief Operating Officer

Mike Grenfell

Heartland Bank Chief Operating Officer

Aleisha Langdale

Head of Strategic Execution & Analysis

Doug Snell

StockCo Australia CEO

Lana West

Group Chief People & Culture Officer

Andy Wood

Heartland Bank Chief Risk Officer