

NZX/ASX release
15 April 2024

Capital Change Notice for Placement and Institutional Entitlement Offer

Heartland Group Holdings Limited (**Heartland**) (NZX/ASX: HGH) provides the attached Capital Change Notice pursuant to NZX Listing Rule 3.17. This notice relates to the issue of 131,949,647 ordinary shares under the placement and institutional entitlement offer announced on 8 April 2024, and as consideration for the acquisition of shares in Alex Corporation Limited.

For the purposes of NZX Listing Rule 4.17.9(c), Heartland notes that, consistent with the Corporate Action Notice released on 8 April 2024, eligible institutional shareholders were invited to participate in the placement component of the offer. As such, one of Heartland's key objectives and criteria used in determining allocations in the offer was a best effort to allocate on a pro rata basis to existing Heartland shareholders who were invited to participate in the placement and who bid for at least that many shares. As confirmed on 9 April 2024, existing eligible institutional shareholders who bid for their pro-rata allocation of the Placement were allocated at least that amount of new shares. Other key objectives and criteria included seeking to introduce and encourage new institutional investors, including in particular investors based in Australia to further diversify Heartland's share register, who are likely to be high quality, long-term supporters of Heartland, as well as those who showed a high degree of engagement with the offer and Heartland.

There were no significant exceptions or deviations from those objectives and criteria when a subcommittee of the Heartland board and senior management agreed allocations with Jarden Securities Limited.

Heartland reminds shareholders that under the retail component of the ANREO, existing eligible retail shareholders may oversubscribe up to 100% of their entitlements which (subject to available shortfall) would prevent dilution by the Placement component of the offer.

In relation to those shares issued as consideration for the acquisition of shares in Alex Corporation Limited, those shares were issued under a targeted placement to a single vendor following a negotiation on arm's length terms as to the basis of participation. As such, using a best effort to allocate on a pro rata basis to existing shareholders was not an objective of this placement, and the allocation of shares to a single vendor was consistent with Heartland's objectives and criteria in making a decision to offer shares as consideration for the acquisition.

– ENDS –

The person(s) who authorised this announcement:

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Currency

Unless otherwise stated, all references to “\$” are to the New Zealand dollar.

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