HEARTLAND GROUP

NZX/ASX release
29 August 2024

Heartland announces solid FY2024 result, sets foundation for continued growth

Heartland Group Holdings Limited (**Heartland**) (**NZX/ASX: HGH**) has announced a net profit after tax (**NPAT**) of $74.5 million for the financial year ended 30 June 2024 (**FY2024**). On an underlying basis[1], FY2024 NPAT was $102.7 million.

In a challenging economic environment, Heartland achieved solid gross finance receivables (**Receivables**)[2] growth, up 6.4%[3] on the financial year ended 30 June 2023 (**FY2023**).[4] While some volatility is expected to continue through the remainder of the 2024 calendar year, the longer-term outlook for Heartland is positive. Having executed significant strategic milestones in FY2024 (see page 5), further growth is anticipated in the financial year ending 30 June 2025 (**FY2025**) as Heartland continues towards its ambitions for the financial year ending 30 June 2028 (**FY2028**).

Heartland's FY2024 result was impacted by the rapidly deteriorating economic conditions in May and June 2024 which saw the emergence of additional provisions primarily in Heartland Bank Limited's (**Heartland Bank**'s) Asset Finance, Motor Finance and Rural portfolios (see page 4). This resulted in a 4.9% shortfall to guidance. This late increase in provisions reflects (amongst other things) enhancements to Heartland Bank's Motor Finance provisioning model, a more conservative provisioning approach on certain Rural exposures, and the effect of the sustained inflationary environment on some consumer and business borrowers.

	NPAT	NIM[5]	Cost-to-income (CTI) ratio	Receivables
Reported	**$74.5m** ↓ 22.2% on FY2023	**3.39%** ↓ 58 basis points (**bps**) on FY2023	**48.0%** ↑ 311 bps on FY2023	**$7.2b** ↑ 6.4%[3] on FY2023
Underlying[1]	**$102.7m** ↓ 6.7% on FY2023	**3.64%** ↓ 36 bps on FY2023	**41.9%** ↑ 6 bps on FY2023	**11.8%** CAGR FY2020-FY2024[6]

Highlights

- Solid FY2024 result achieved in a challenging economic environment.
  - One-off or non-cash technical items had a $28.2 million impact on NPAT.
  - The shortfall to guidance was largely due to the late increase of $10.1 million of provisions, detailed on page 4, primarily in Heartland Bank's Asset Finance, Motor Finance and Rural portfolios (without which Heartland would have seen a result within guidance).
- Growth in Receivables of 6.4% ($432.1 million)[3] on FY2023 to $7.2 billion in FY2024.
  - Reverse Mortgages up 20.2% in New Zealand and 19.7%[3] in Australia.
  - Asset Finance up 8.0% in a market with difficult trading conditions.
  - Motor Finance up 3.8% in a market where total new and used car sales by dealers were down by 12.7%.[7]

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

- Significant strategic milestones set the foundation to achieve FY2028 growth ambitions.
    - Completed the acquisition of Challenger Bank Limited (**Challenger Bank**) and subsequently rebranded the authorised deposit taking institution (**ADI**) to Heartland Bank Australia Limited (**Heartland Bank Australia**).
    - Successfully completed a $210 million equity raise to fund the acquisition, with strong investor support.
    - Heartland Bank's core banking system was successfully upgraded, enabling increased digitalisation and automation.

FY2024 financial results

FY2024 reported results have been normalised to exclude one-off or non-cash technical items.[8]

	FY2024	FY2023
Reported NPAT	**$74.5m**	**$95.9m**
– De-designation of derivatives	$4.7m	$6.5m
– Fair value changes on equity investments held	$0.3m	$4.5m
– Bridging loan	n/a	$1.3m
– Australia Bank Programme transaction costs	$7.7m	$2.2m
– Other provisions	n/a	($0.5m)
– Other	$0.6m	$0.2m
Adjusted NPAT[1]	**$87.9m**	**n/a**
– Provisions for a subset of legacy lending	$11.5m	n/a
– Challenger Bank NPAT	$3.3m	n/a
Underlying NPAT[1]	**$102.7m**	**$110.2m**
Underlying NPAT guidance range	$108-112m	$109-114m

FY2024 financial performance

Growth

Consistent with the market, Heartland's growth in FY2024 was impacted by the challenging economic environment. Despite this, Heartland grew Receivables by 6.4% ($432.1 million)[3] to $7.2 billion.

Reverse Mortgages, Asset Finance and Motor Finance continued to perform well. Reverse Mortgage Receivables were up $179.6 million (20.2%) to $1.07 billion in New Zealand and $298.3 million (19.7%)[3] to $1.81 billion in Australia. Asset Finance Receivables increased $54.3 million (8.0%) to $737.0 million in a market with difficult trading conditions. Motor Finance growth of $59.0 million (3.8%) to $1.63 billion was pleasing in a market where total new and used car sales by dealers in New Zealand were down 12.7% in FY2024.[6]

Heartland's Australian Livestock Finance business was impacted largely by adverse weather and market conditions as Receivables decreased $103.0 million (27.5%)[3] to $272.0 million. Receivables balances stabilised in the second half of FY2024 (**2H2024**) (down $26.6 million in 2H2024 vs $76.4 million in the first half of FY2024 (**1H2024**)), in line with lower volatility in cattle and lamb pricing, and improved trading conditions in New South Wales and Queensland. However, 2H2024 growth was negatively impacted compared to forecast growth by unseasonably dry conditions across South Australia and Victoria, presenting limited opportunity for customers to trade livestock and accelerating repayments. Product development to meet the growing Australian feedlotting sector, in combination with new distribution partnerships, is expected to contribute to portfolio growth in FY2025.

NIM

Heartland's underlying NIM was 3.64%, a reduction of 36 bps from FY2023.[9]

Underlying NIM	FY2023	1H2024	2H2024	FY2024	FY2024 exit	FY2025 expectation
NZ Banking	4.11%	3.81%	3.79%	3.79%	**3.92%**	**4.00%**
AU Banking	3.62%	3.35%	3.22%	3.17%	**3.19%**	**3.40%**

NZ Banking

Underlying NIM for Heartland Bank was 3.79%, down 32 bps from FY2023 due to a higher cost of funds, the slower repayment of lower margin Asset Finance and Motor Finance loans as customers deferred asset upgrades, and a slower pass through of rate increases to Reverse Mortgage customers.

Underlying NIM stabilised during 2H2024 as cost of funds increases slowed and NIM improvement accelerated in Asset Finance and Motor Finance, assisted by the pass through of rate increases to New Zealand Reverse Mortgage customers late in the financial year. FY2024 exit underlying NIM was 3.92% and has improved early into FY2025.

Looking forward, underlying NIM expansion is expected to continue and is forecast to rise above 4% by the third quarter of FY2025 driven by:

- continued NIM improvement in fixed rate portfolios, primarily Motor Finance and Asset Finance
- a focus on core lending growth combined with active management of Non-Strategic Assets (see page 7)
- cost of funds benefits from a reducing rate environment.

AU Banking

Underlying NIM for Heartland Bank Australia was 3.17%, down 45 bps from FY2023 primarily due to the $103.0 million reduction in Australian Livestock Finance Receivables, of which $76.4 million occurred in 1H2024. This was compounded by the continued increase in wholesale cost of funding which was not passed onto Australian Livestock Finance customers. Australian Reverse Mortgage NIM was managed consistently to 3.00% across FY2024.

Base rate stability and an abatement in the retraction of Australian Livestock Finance saw underlying NIM stabilise across 2H2024. FY2024 exit underlying NIM was 3.19%.

Looking forward, underlying NIM expansion is expected and is forecast to rise above 3.40% for FY2025. An FY2025 exit underlying NIM above 4% is projected as:

- current excess liquidity in Heartland Bank Australia is consumed
- the transition from wholesale to retail funding largely concludes
- growth in Australian Livestock Finance is expected to return due to more favourable market conditions and the execution of product and distribution initiatives.

Credit quality

Reflecting the challenging economic conditions, Heartland's overall credit quality deteriorated year-on-year during FY2024. The underlying impairment expense ratio increased to 0.44% in FY2024, up 8 bps compared with FY2023.[10]

NZ Banking

Heartland Bank's non-performing loans ratio deteriorated from 2.56% to 3.66% in FY2024. Most of this deterioration occurred in 1H2024 which saw an increase of 104 bps. 2H2024 saw a relative stabilisation with only a 6 bps increase on 1H2024. The trend in total arrears showed a similar pattern with 1H2024 witnessing a 230 bps deterioration (to a peak of 7.6%) but an improvement of 70 bps in 2H2024 to 6.9%. This deterioration primarily originated from the Motor Finance and Asset Finance portfolios which remain under pressure.

In contrast, New Zealand's Reverse Mortgage credit quality continues to be strong, with a weighted average loan-to-value ratio (**LVR**) of 23.5%. Given house prices are expected to have troughed and interest rates are beginning to fall, this portfolio is expected to remain strong in FY2025 and beyond. Heartland Bank's Online Home Loans portfolio is similarly robust with a low arrears rate of 0.4%.

Nevertheless, due to the challenging economic conditions, provisions increased by $22 million in FY2024. This included the $16 million provision raised by Heartland Bank in December 2023 which was utilised to cover enhanced provision modelling outcomes and to write-off longer standing loans in Motor Finance and Business lending. As a result, Heartland Bank reduced the subset of longer standing Motor Finance arrears by 58% between December 2023 and June 2024.

The Reserve Bank of New Zealand's (**RBNZ**) August 2024 Monetary Policy Statement noted a significant deterioration in domestic economic conditions during May and June 2024. During this period, Heartland Bank witnessed the emergence of additional specific and collective provisions totalling $10.1 million as follows.

- Specific provisions increased by $7.3 million across the Asset Finance and Rural portfolios as the incidence of businesses that entered voluntary liquidation, receivership, or ceased to trade increased. Furthermore, recent reductions in land prices led to a more conservative provisioning approach on certain Rural exposures.

- Collective provisions increased by $2.8 million, primarily across the Motor Finance and Open for Business portfolios as customer arrears spiked, and enhancements to the Motor Finance provisioning model (implemented in June 2024) took effect.

Heartland Bank remains committed to ongoing investment in operational process efficiency and systems automation within the Collections & Recoveries area, thereby maintaining the positive momentum evidenced in 2H2024. Heartland Bank will continue to closely manage Business and Rural loans, supporting creditworthy customers through the end of a challenging economic cycle. The recent reduction in the rate of inflation and the associated fall in the Official Cash Rate signals a positive change for the New Zealand economy. While this is encouraging, the projected unemployment rate and the lag between interest rates and business outcomes means Heartland Bank expects some volatility to continue through FY2025.

AU Banking

As farmers responded to extreme weather conditions, many held onto livestock for longer periods of time through FY2024 to gain weight and recoup value. Heartland expects these remaining livestock to be sold and replaced through the first half of FY2025. While conditions are improving, Heartland Bank Australia is continuing to work closely with customers who may be experiencing stress in the current market conditions. Despite the extreme market and seasonal conditions that Australian Livestock Finance customers have endured, the relatively low level of provisioning (A$1.2 million) is an indication of the credit strength and resilience of the portfolio and more broadly the sector.

Whilst in Australia interest rate and cost of living pressures will likely remain until the second half of FY2025, Australian Reverse Mortgage credit quality is strong, with a weighted average LVR of 23.5% and only 0.6% of loans with an LVR over 50%.

Costs

While underlying costs in FY2024 were controlled (underlying OPEX decreased by $1.3 million (1.0%)[11]), the CTI ratio was flat year-on-year despite the reduction in net operating income which was largely due to NIM compression and is expected to correct during FY2025.

Staff expenses decreased by $6.1 million due to lower discretionary payments following the shortfall to underlying NPAT guidance.

IT costs increased by $1.9 million due to inflationary pressures influencing higher licensing and service charges, alongside increased investment in IT security.

Other operating expenses increased $2.1 million due to a combination of higher legal and professional fees and occupancy expenses.

Heartland's underlying CTI ratio is expected to increase in FY2025 as the full cost base of the ADI is absorbed, and Heartland Bank's core banking system upgrade commences amortisation (adding approximately $5.4 million of non-cash operating expenditure per annum over a seven-year period).

Despite this, Heartland remains committed to its ambition of an underlying CTI ratio of less than 35% by the end of FY2028. Several initiatives are underway to achieve this, including:

- a strategy to transition from wholesale to retail funding, particularly in Australia
- realising cost savings through digitalisation and automation
- creating structural efficiencies in New Zealand and Australia as the banking group matures to build the capacity for growth.

A year of significant strategic milestones

Heartland achieved significant strategic milestones in FY2024, positioning it well for continued growth as the economy improves. This includes:

- completing the Challenger Bank acquisition on 30 April 2024 and raising $210 million to fund the acquisition through an equity raise in April 2024, with strong investor support
- subsequently rebranding the ADI to Heartland Bank Australia
- the successful pre-acquisition deposit raising campaign by Challenger Bank, accelerating Heartland Bank Australia's cost of funds reduction strategy
- completing the upgrade of Heartland Bank's core banking system in November 2023 and accelerating Heartland Bank's digital programme of work.

The achievement of these strategic milestones strengthens the foundation required for Heartland to achieve its FY2028 ambitions of an underlying NPAT of more than $200 million, underlying CTI ratio of less than 35% and underlying return on equity (**ROE**) of 12-14%, to which Heartland remains committed.

Heartland's pathway to achieving these ambitions is driven by modest Receivables growth, NIM expansion, cost savings from automation, and an improvement in impairments. See page 18 of the FY2024 IP for more detail on Heartland's FY2028 ambitions.

Successful completion of Challenger Bank acquisition enabling expansion in Australia

A successful $210 million equity raise in April 2024 enabled the completion of Heartland Bank's acquisition of Challenger Bank.

The acquisition made Heartland Bank the first New Zealand registered bank to acquire an Australian ADI. Importantly, it has created a pathway for further growth and product expansion in the Australian market.

Post-completion, Heartland transferred its existing Australian businesses (Heartland Finance and StockCo Australia) to the ADI and rebranded Challenger Bank to Heartland Bank Australia. It is now the only ADI to offer both reverse mortgages and specialist livestock finance (which it continues to provide under the StockCo brand).

Heartland Bank Australia has a highly experienced Board and management team to drive expansion within specialist banking markets. On 22 July 2024, Michelle Winzer commenced her appointment as Chief Executive Officer of Heartland Bank Australia. Michelle joined Heartland Bank Australia from her role as Chief Executive Banking of RACQ Bank in Queensland and brings more than 30 years' experience in banking and financial services, including as Chief Executive Officer of Bank of Melbourne, and senior roles at Bankwest, the Commonwealth Bank of Australia and Westpac.

With an ADI licence and access to retail deposits, Heartland Bank Australia can now more sustainably fund its Reverse Mortgage and Livestock Finance lending portfolios. This is expected to have a positive effect on NIM as Heartland Bank Australia transitions its funding base from 100% wholesale to a retail and wholesale funding mix, driving a reduction in Heartland Bank Australia's cost of funds.

Deposit raising campaign accelerating funding transition

Heartland Bank Australia's funding mix is expected to be predominantly retail deposits (circa 90%) by the end of FY2025, with wholesale funding sources maintained in the minority for diversification and additional liquidity support.

Heartland Bank Australia's transition to retail funding was accelerated in FY2024 by Challenger Bank's pre-completion deposit raising programme which enabled the full repayment of a CBA Reverse Mortgage facility prior to completion. From 1 January 2024 to 30 June 2024, the ADI achieved deposit growth of A$1,147 million at a weighted average rate of 4.85%, 2.03% lower than Heartland Australia's (comprising Heartland Australia Holdings Pty Ltd and its subsidiaries) cost of funds across the same period.

Since completion, Heartland Bank Australia has been originating and funding all lending through deposits on its own balance sheet while its wholesale facilities continue to repay, including the repayment of Heartland Australia's A$75 million Medium-Term Note on 9 July 2024.

To further diversify and strengthen its capital base, in June 2024, Heartland Bank Australia successfully completed an inaugural A$50 million Tier 2 Subordinated Note transaction (**Subordinated Notes**). The transaction received strong support from a broad range of institutional investors, with demand for the offer nearly three times oversubscribed. The Subordinated Notes qualified as Tier 2 Capital under the Australian Prudential Regulation Authority's capital adequacy framework for ADIs, and were priced at 370 bps over the 3-month Bank Bill Swap Rate.

All of this leaves Heartland Bank Australia well capitalised, profitable and with strong access to retail deposits to fund its future growth expectations.

Heartland Bank core banking system upgrade accelerating digitalisation programme
The upgrade of Heartland Bank's core banking system was completed in November 2023. The upgrade positions Heartland Bank for increased scalability in the future by enabling greater levels of digitalisation and automation not possible in the previous version of the system.

Since completion of the upgrade, Heartland Bank has accelerated its digitalisation programme of work and expects to see the impact of this activity through FY2025. As part of this, several features have been released to the Heartland Bank Mobile App, including functionality to increase login security and risk detection, and features to enable increased customer self-service for many of the reasons for customer inbound calls. Digitalisation combined with employee training and customer awareness campaigns to increase adoption contributed to a 6% reduction in Retail calls and a 9% reduction in Customer Service calls in FY2024 compared with FY2023. In addition, most customer letters and statements will soon be available from the Heartland Bank Mobile App as the primary method of distribution – this is expected to deliver substantial cost benefit through the reduction of postage.

Non-Strategic Assets

Heartland Bank has a pool of assets it has accumulated through to its current state of maturity that are no longer a strategic fit for the organisation. These Non-Strategic Assets (**NSAs**) earn little or no income or are returning less than Heartland Bank's cost of capital.[12] See page 23 of the FY2024 IP for more detail.

NSAs will be managed and reported separately in FY2025 to provide greater transparency and enable more focused resolution strategies to be adopted. This will enable underlying capital to be redeployed to support Heartland Bank's growth ambitions. Heartland intends to rationalise these assets over a responsible period of time.

FY2025 outlook

While Heartland expects volatility to continue through the remainder of the 2024 calendar year, Heartland's long-term outlook is positive as it continues towards its ambition of an underlying NPAT of at least $200 million by the end of FY2028.

Looking towards the end of FY2025, Heartland expects to realise the benefits from the significant strategic milestones achieved in FY2024. This includes from the acquisition of an ADI which provides a pathway for sustainable growth and increased profitability in Australia. In combination with that, contributors to growth are expected to include ongoing strong demographic demand for Reverse Mortgages in both countries and a turnaround in conditions for Australian Livestock Finance.

Heartland's growth in New Zealand and Australia continues to be driven by Reverse Mortgages, with CAGR for the period from 1 July 2020 to 30 June 2024 of 17.5% and 17.8% respectively. Ongoing demographic demand is expected to drive further expansion within each of these portfolios in FY2025.

Heartland Bank Australia is well positioned for growth beyond FY2025. While Australian Livestock Finance Receivables decreased in FY2024, a turnaround is expected in FY2025 as market confidence in the sector returns, supported by the execution of product development initiatives and distribution network expansion. Australian portfolio growth is expected to be coupled with improvements in underlying NIM through a combination of cost efficiencies and the conversion of Heartland Bank

Australia's funding base from its historic 100% wholesale to a predominantly (circa 90%) retail funding base.

In New Zealand, Heartland Bank's FY2025 focus is on simplification, including through the rationalisation of NSAs as described above. In doing so, Heartland Bank expects to improve its underlying NIM, leading to an increase in underlying ROE and underlying NPAT.

As Heartland Bank focuses on simplification and working towards its FY2028 ambitions, it remains cautious around growth expectations within Motor Finance and Asset Finance given the economic conditions and recent deterioration in credit quality. Overall growth in core lending is expected to be coupled with the realisation of cost efficiencies through automation and digitalisation initiatives, stabilisation of impairments over the period, and underlying NIM expansion.

Heartland expects further volatility in the markets within which it operates for the remainder of the 2024 calendar year as rate reductions bed in and the New Zealand and Australian economies recover. In Heartland's view, this creates too much uncertainty at this stage to provide an accurate underlying NPAT guidance range for FY2025. Heartland will revisit its ability to provide an underlying NPAT guidance range for FY2025 as the financial year progresses.

Final dividend

Heartland has declared a FY2024 final dividend of 3.0 cps, down 3.0 cps on FY2023. Heartland's final dividend yield of 8.7%[13] compares with 9.3%[14] in FY2023.

The total dividend payout ratio for FY2024 of 55% of underlying NPAT takes into consideration the recent $210 million equity raise, acquisition of Challenger Bank and associated growth opportunities.

Having regard to Heartland's next stage of growth, the Board expects to target a total dividend payout ratio of at least 50% of underlying NPAT in FY2025. The Board will, as it has historically, actively manage dividend settings and carefully consider the declaration of any dividends based on Heartland's capital needs, ROE accretive growth opportunities, balance sheet flexibility and financial performance.

The final dividend will be paid on Friday 20 September 2024 (**Payment Date**) to shareholders on the company's register as at 5.00pm NZST on Friday 6 September 2024 (**Record Date**) and will be fully imputed.

Heartland has a Dividend Reinvestment Plan (**DRP**), giving eligible shareholders the opportunity to reinvest some or all of their dividend payments into new ordinary shares. The DRP will apply to the final dividend with a 2.0% discount.[15] The DRP offer document and participation form is available on Heartland's website at heartlandgroup.info/investor-information/dividends.

– ENDS –

The persons who authorised this announcement:
Jeff Greenslade, Chief Executive Officer
Andrew Dixson, Chief Financial Officer

For further information and media enquiries, please contact:
Nicola Foley, Group Head of Communications
+64 27 345 6809, nicola.foley@heartland.co.nz
Level 3, Heartland House, 35 Teed Street, Newmarket, Auckland, New Zealand

About Heartland

Heartland is a financial services group with operations in Australia and New Zealand. Heartland has a long history with roots stretching back to 1875 and is listed on the New Zealand and Australian stock exchanges (NZX/ASX: HGH).

Heartland's New Zealand business, Heartland Bank, provides customers with savings and deposit products, reverse mortgages, online home loans, business loans, car loans and rural loans. In Australia, Heartland Bank Australia offers competitive term deposits, is Australia's leading provider of reverse mortgages and provides specialist livestock finance through the StockCo brand.

Heartland's point of differentiation is its 'best or only' strategy – where it focuses on providing products which are the best or only of their kind through scalable digital platforms. Heartland is committed to delivering financial solutions through speed and simplicity, particularly via digital platforms which reduce the cost of onboarding and make it easier for customers to open accounts or apply for funds when they need it.

More: heartlandgroup.info

Endnotes

[1] 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 between periods. Underlying results (which are non-GAAP financial information) exclude the impact of the de-designation of derivatives, the fair value changes on equity investments held, the Australian Bank Programme costs, an increase in provisions for a subset of legacy lending, the Challenger Bank NPAT, and any other impacts of one-offs. Adjusted NPAT before excluding the increase in provisions for a subset of legacy lending and the Challenger Bank NPAT was $87.9 million (**Adjusted NPAT**). The use of underlying results is intended to allow for easier comparability between periods and is used internally by management for this purpose. In the accompanying FY2024 investor presentation (**IP**), refer to page 7 for a summary of reported and underlying results, page 8 for details about FY2024 one-offs, and pages 35 and 36 for general information about the use of non-GAAP financial measures.
[2] Receivables includes Reverse Mortgages.
[3] Excludes the impact of changes in foreign currency exchange (**FX**) rates.
[4] All comparative results are based on the audited full year consolidated Financial Statements of Heartland and its subsidiaries (the **Group**) for FY2023.
[5] Net interest margin (**NIM**) is calculated as net interest income over average gross interest earning assets.
[6] Compound annual growth rate (**CAGR**) for the period 1 June 2019 to 30 June 2024.
[7] Based on data from Turners, dated June 2024 (data sourced from Waka Kotahi NZ Transport Agency).
[8] In the FY2024 IP, refer to page 7 for a detailed reconciliation between reported and underlying financial information, and page 8 for details about one-offs in the periods covered in this investor presentation.
[9] Underlying NIM refers to NIM calculated using underlying results. When calculated using reported results, NIM was 3.39%, down 58 bps compared with FY2023. For more information, see page 35 of the FY2024 IP.
[10] Underlying impairment expense ratio refers to the impairment expense ratio calculated using underlying results. When calculated using reported results, the impairment expense ratio was 0.66%, up 30 bps compared with FY2023. For more information, see page 35 of the FY2024 IP.
[11] Underlying OPEX refers to OPEX calculated using underlying results. When calculated using reported results, OPEX was $139.4 million, up $11.3 million compared with FY2023. For more information, see page 35 of the FY2024 IP.
[12] NSAs do not reflect a structural change to Heartland's operations.
[13] FY2024 total fully imputed dividends divided by the closing share price as at 23 August 2024 of $1.12.
[14] FY2023 total fully imputed dividends divided by the closing share price as at 25 August 2023 of $1.72.
[15] That is, the strike price under the DRP will be 98.0% of the volume weighted average sale price of Heartland shares over the five trading days following the Record Date. For the full details of the DRP and the Strike Price calculation, refer to the Heartland DRP offer document dated 10 December 2018.