

NZX/ASX release
25 August 2022

Opening of SPP of up to NZ\$70 million

Heartland Group Holdings Limited (**Heartland**) (NZX/ASX: HGH) is pleased to announce the opening today of its non-underwritten share purchase plan offer of up to NZ\$70 million (**SPP**) (with the ability for Heartland to accept oversubscriptions at its discretion). The SPP is part of Heartland's NZ\$200 million equity raising announced on 23 August 2022, pursuant to which Heartland also undertook a fully underwritten NZ\$130 million placement of new shares to institutional shareholders in New Zealand, Australia and certain other jurisdictions (**Placement**).

Heartland announced the successful completion of the Placement yesterday (24 August 2022). The Placement of NZ\$130 million of new, fully paid ordinary shares was fully subscribed at the fixed price of NZ\$1.80 per share. Allotment of the new shares issued under the Placement occurs on 29 August 2022 and will not be entitled to participate in the SPP.

Under the SPP, each shareholder with an address recorded in Heartland's share register in New Zealand or Australia as at 7.00pm (NZST)/5.00pm (AEST) on the record date of 22 August 2022 can subscribe for up to NZ\$50,000/A\$45,000 worth of new ordinary shares in Heartland (**Shares**). The offer price of these Shares will be the lower of the Placement offer price of NZ\$1.80 and a 2.5% discount to the five-day volume weighted average price of Heartland shares traded on the NZX over the five business day period prior to, and including, the closing date of the SPP offer. The new Shares to be issued under the SPP will rank equally in all respects with Heartland's existing ordinary shares on issue, but will not be eligible for the FY2022 final dividend with a record date of 26 August 2022.

If scaling of the SPP is required, it will be done having regard to shareholders' existing shareholdings at 7.00pm (NZST)/5.00pm (AEST) on the record date of 22 August 2022.

A SPP offer document will be sent or made available to eligible shareholders today and will also be available to those eligible shareholders at www.heartlandshareoffer.co.nz from today. All eligible shareholders are encouraged to visit that website and apply online before the closing date at 7.00pm (NZST)/5.00pm (AEST) on Monday, 5 September 2022.

Key dates relating to the SPP are set out below. A copy of the SPP offer document also accompanies this announcement.

Key SPP dates¹

Record Date	7:00pm NZST/5.00pm AEST Monday, 22 August 2022
Expected dispatch of SPP offer document	Thursday, 25 August 2022
SPP opens	Thursday, 25 August 2022
SPP closes	7.00pm NZST/5.00pm AEST Monday, 5 September 2022
Announcement of results of SPP	Thursday, 8 September 2022
Settlement and allotment of shares issued under the SPP offer	Friday, 9 September 2022
Trading of SPP shares commences on NZX	Friday, 9 September 2022
Trading of SPP shares commences on ASX	Monday, 12 September 2022

– ENDS –

The person(s) who authorised this announcement are:

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Chief Executive Officer

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Currency

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

Not an offer of securities

This announcement has been prepared for publication in New Zealand and Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

¹ The timetable presented is indicative only and subject to change without notice (subject to applicable laws and the NZX Listing Rules and ASX Listing Rules). All dates and times are New Zealand times (unless stated otherwise).

Share Purchase Plan Offer Document

25 August 2022



This is an important document. You should read the whole document before deciding whether to subscribe for Shares in Heartland Group Holdings Limited. If you have any doubts as to what you should do, you should consult your financial advisor.

HEARTLAND
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Not for release to US wire services or distribution in the United States.

Key information

Eligibility	You may participate in this Share Purchase Plan (SPP) if you are a shareholder of Heartland Group Holdings Limited (Heartland) as at 7:00pm NZST / 5:00pm Sydney time on the Record Date of Monday 22 August 2022 with an address recorded in Heartland's share register that is in New Zealand or Australia. You may not participate if you reside outside New Zealand or Australia, or you are acting for the account or benefit of a person in the United States. Similarly, if you hold Shares on behalf of a person who resides outside New Zealand or Australia, you may not participate in respect of that person.
Transferability	The offer made under this SPP is personal to you. It cannot be transferred to another person.
Equal participation	Each Eligible Shareholder has the right to apply for the maximum amount of Shares applicable in the jurisdiction in which that Eligible Shareholder resides on the same terms and conditions as each other Eligible Shareholder.
Application amount	If you wish to participate in this SPP, you apply for a dollar amount of Shares, not for a certain number of Shares. Eligible Shareholders can apply for Shares up to a maximum amount of NZ\$50,000 / A\$45,000.
Issue Price of Shares	The Shares will be issued at the lower of the price paid by investors in Heartland's recent Placement, being NZ\$1.80 per Share, and a 2.5% discount to the five day volume weighted average price of Heartland shares traded on NZX during the five NZX trading days up to, and including, the Closing Date. If you are an Australian resident, the issue price will be determined by reference to the NZ\$:A\$ exchange rate published by the New Zealand Reserve Bank on its website at 7:00pm New Zealand time on the Closing Date.
How to apply	<p>You can apply online at www.heartlandshareoffer.co.nz or as otherwise directed by Heartland.</p> <p>You should read the instructions in this document carefully.</p> <p>If you are a Custodian, you also need to complete and return a Custodian Certificate. To determine whether you are a Custodian, and how to obtain a Custodian Certificate, refer to clause 4 of the Terms and Conditions. You need to return your completed Custodian Certificate to the email address on the Custodian Certificate. Applications MUST be received by 7:00pm NZST / 5:00pm Sydney time on Monday 5 September 2022 to be accepted (see clause 3 of the Terms and Conditions for more information about applications).</p>
Receiving your Shares	You will receive your Shares on or about Friday 9 September 2022, unless the Closing Date is extended.
Offer size and scaling	Heartland is seeking to raise up to NZ\$70 million under this SPP, with the ability for Heartland to accept oversubscriptions at its discretion. Heartland may scale back the number of Shares to be allotted under this SPP to each Applicant having regard to the shareholders' holding of Shares at the Record Date and otherwise at its discretion (see clause 3 of the Terms and Conditions for more information about scaling).

Defined words and expressions used in this document are capitalised – see Glossary for their definition.

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Key dates*

Date	Event	Summary
22 August 2022	Record Date	The date on which Eligible Shareholders are determined.
25 August 2022	SPP Opening Date	SPP opens for applications.
5 September 2022	SPP Closing Date	The SPP closes at 7:00pm NZST / 5:00pm Sydney time, unless extended. Online Applications and payment must be received by the Share Registrar by this time.
8 September 2022	Announce results of SPP	Announcement to be made on the NZX and ASX.
9 September 2022	Settlement Date	Settlement on the NZX and ASX.
9 September 2022	Allotment Date	Shares allotted on the NZX and ASX.
9 September 2022	Commencement of trading on NZX	Trading is expected to commence on the NZX Main Board.
9 September 2022	Dispatch Date	Transaction confirmation dispatched to participating shareholders.
12 September 2022	Commencement of trading on ASX	Trading is expected to commence on the ASX.

* Heartland reserves the right to alter the key dates (subject to the NZX Listing Rules, ASX Listing Rules and applicable laws).

Important information

General information

This document has been prepared by Heartland in connection with an offer of new ordinary Shares ("SPP" or "Offer").

In New Zealand, the Offer is made to Eligible Shareholders under the exclusion in clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013. In Australia, the Offer is made to Eligible Shareholders in accordance with the relief granted in ASIC Instrument 22-0735 ("ASIC Instrument") and ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 as amended by the ASIC Instrument.

This document is not a product disclosure statement or prospectus or other disclosure document and does not contain all of the information which may be required in order to make an informed investment decision about the Offer or Heartland.

Additional information

Heartland is subject to disclosure obligations under the NZX Listing Rules and the ASX Listing Rules. Market releases by Heartland, including its most recent financial statements, are available at www.nzx.com and www.asx.com.au under code HGH.

Heartland may, during the Offer, make additional releases to NZX and ASX. No release by Heartland to NZX or ASX will permit an applicant to withdraw any previously submitted application without Heartland's consent, whether or not there has been any permissible variation of the Offer.

The market price for the Shares may change between the date this Offer opens, the date you apply for Shares under the Offer, and the date on which the Shares are allotted to you. Accordingly, the price paid for Shares under the Offer may be higher or lower than the price at which Shares are trading on the NZX Main Board or the ASX at the time Shares are issued under the Offer. The market price of new Shares following allotment may be higher or lower than the Issue Price.

Offering restrictions

This document is intended for use only in connection with the Offer to Eligible Shareholders with an address recorded in Heartland's share register that is in New Zealand or Australia. This document does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such offer or invitation. No action has been taken to permit a public offering of the Shares in any jurisdiction outside New Zealand and Australia. The distribution of this document (including an electronic version) in a jurisdiction outside New Zealand and Australia may be restricted by law and persons who come into possession of it (including nominees, trustees or Custodians) should observe any such restrictions.

No person may subscribe for, purchase, offer, sell, distribute or deliver the Shares, or be in possession of, or distribute to any other person, any offering material or any documents in connection with the Shares, in any jurisdiction other than in compliance with all applicable laws and regulations. Without limiting the foregoing, this document may not be sent to or distributed in the United States.

This document does not constitute an offer to sell, or the solicitation of an offer to buy, any Shares in the United States. The Shares to be offered and sold under the SPP have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any person acting for the account or benefit of a person in the United States except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws. **The Shares will not be offered or sold, directly or indirectly, to persons in the United States.**

Changes to the Offer

Subject to the NZX Listing Rules, the ASX Listing Rules and applicable laws, Heartland reserves the right to alter the dates set out in this document. Heartland reserves the right to withdraw the Offer and the issue of new Shares at any time before the Allotment Date at its absolute discretion.

No guarantee

No person named in this document (nor any other person) guarantees the Shares to be issued pursuant to the Offer or warrants the future performance of Heartland or any return on any investment made pursuant to this document.

Decision to participate in the Offer

The information in this document does not constitute a recommendation to acquire Shares or financial product advice. This document has been prepared without taking into account the investment objectives, financial, or taxation situation or particular needs of any Applicant or investor.

Privacy

Any personal information you provide in your Online Application or Custodian Certificate will be held by Heartland and/or the Share Registrar at the address set out in the Directory. This information will be used for the purposes of administering your investment in Heartland. This information will only be disclosed to third parties with your consent or if otherwise required by law. Under the Privacy Act 2020 or the Privacy Act 1988 (Aus) (as applicable), you have the right to access and correct any personal information held about you.

Enquiries

For enquiries about the Offer, please contact Heartland's Share Registrar (refer to the Directory for contact details).

Defined terms

Capitalised terms used in this document have the specific meaning given to them in the Glossary at the back of this document. Words importing the plural include the singular and vice versa.

Letter from the Chair

25 August 2022

Dear Heartland shareholder,

On behalf of the directors of Heartland Group Holdings Limited (**Heartland**), I am pleased to offer you the opportunity to acquire new Shares through this Share Purchase Plan (**SPP**), without incurring brokerage or other transaction costs.

The SPP is part of Heartland's equity raising initiative announced on 23 August 2022, details of which can be found on the NZX website at www.nzx.com and the ASX website at www.asx.com.au. Heartland intends to raise \$200 million of new capital to repay an A\$158 million acquisition finance facility outstanding in relation to the recent acquisition of StockCo Australia and to provide additional growth capital for Heartland's existing businesses both in Australia and New Zealand. The first stage of the capital raising was a NZ\$130 million Placement to existing and new investors conducted on 23 August 2022. The second stage of the capital raising is this SPP, which enables each Heartland shareholder in New Zealand to subscribe for up to NZ\$50,000 / A\$45,000 of Shares at a discounted price. The price Heartland shareholders will pay for each new Share under the SPP will not be more than the price paid by investors in the equity placement.

The SPP is available to all Heartland shareholders with an address recorded in Heartland's share register that is in New Zealand or Australia on equal terms. Heartland is raising \$200 million in the offer and each eligible shareholder (big or small) has the right to acquire the same dollar amount of new Shares under the SPP.

The SPP gives you the opportunity to invest up to NZ\$50,000 / A\$45,000 in new Heartland Shares. If we receive applications for Shares in excess of \$70 million, with the ability for us to accept oversubscriptions at our discretion, your application will be scaled on a proportionate basis with regard to the size of your shareholding on the record date and you will receive less than the amount you applied for.

The price per Share will be the lower of:

- a 2.5% discount to the 5-day volume weighted average price (VWAP) of Heartland shares traded on the NZX up to and including the closing date of the SPP.
- NZ\$1.80 per Share (being the price paid by investors in the equity placement).

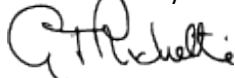
If you do not participate in the SPP, your shareholding in Heartland will be diluted. By way of example, a Shareholder owning 5% of the issued Shares before the equity raising who does not participate in the equity raising will own approximately 4.2% of the issued Shares after the SPP (assuming the SPP is fully subscribed but no oversubscriptions are accepted, and Shares are issued under the SPP at NZ\$1.80 per Share). The SPP is not underwritten. The board of Heartland recommends this offer to you. Further details about the SPP are included in this document.

After reading this document, the Board encourages you to seek financial, investment, or other professional advice from a qualified professional advisor and that you take your time to consider this SPP. Additional informational can be found at www.heartlandshareoffer.co.nz and in the investment presentation we released to the NZX and ASX on 23 August 2022.

The SPP is scheduled to close at 7:00pm (NZST) / 5:00pm (AEST) on 5 September 2022. To apply for your new Heartland Shares, you must complete your application online at www.heartlandshareoffer.co.nz.

Thank you for your support in advance.

Yours sincerely



Geoffrey Ricketts

Questions and answers

Defined words and expressions used in this document are capitalised - see the glossary for their definition. These questions and answers are a summary only and you should refer to the Terms and Conditions for further information.

1. What is the Share Purchase Plan?

The SPP allows Eligible Shareholders to purchase Shares in Heartland without incurring brokerage or other transaction costs. You are eligible to participate in the SPP if you are a shareholder of Heartland and:

- a) you were recorded in Heartland's share register as a holder of Shares as at 7:00pm NZST / 5:00pm Sydney time on Monday 22 August 2022; and
- b) your address recorded in Heartland's share register is in New Zealand or Australia; and
- c) you do not hold the Shares on behalf of another person who resides outside of New Zealand or Australia.

In particular, Shareholders in the United States are not eligible to participate in the SPP. Similarly, Shareholders (including trustees, Custodians and nominees) who hold Shares on behalf of persons in the United States, or are acting for the account or benefit of persons in the United States, are not eligible to participate in the SPP on behalf of those persons.

2. What is the price of the Shares and how many can I purchase?

The Issue Price will be the lower of:

- NZ\$1.80, being the price paid by investors in Heartland's recent Placement (representing a discount of 12.8% to the closing price of Heartland Shares on the NZX of NZ\$2.0650 on 22 August 2022 (ex-dividend adjusted); and a 13.7% discount to the five-day volume weighted average price on the NZX of NZ\$2.0851 (ex-dividend adjusted)); and
- a 2.5% discount to the five day volume weighted average price of Heartland shares traded on NZX during the five NZX trading days up to, and including, the Closing Date.

The Issue Price is a New Zealand dollar amount. The market price of the Shares may change between the Opening Date, the date you apply for Shares under the SPP, and the Allotment Date. The risks associated with this potential market fluctuation are described in question 6 below.

You may apply for a maximum amount of NZ\$50,000 / A\$45,000 of new Shares under the Offer, subject to scaling.

If the exchange rate varies such that the dollar amount you applied for exceeds the NZ\$50,000 regulatory limit, Shares having a total issue price equal to NZ\$50,000 will be issued to you (subject to scaling) and you will be refunded the excess cash amount.

If you wish to participate in the SPP, you should apply online at www.heartlandshareoffer.co.nz or as otherwise directed by Heartland. If you are a Custodian, you will also need to complete and lodge a Custodian Certificate. To determine whether you are a Custodian, and how to obtain a Custodian Certificate, refer to clause 4 of the Terms and Conditions.

Heartland is inviting applications for up to NZ\$70 million of Shares, with the ability for Heartland to accept oversubscriptions at its discretion.

Heartland reserves the right to, at its absolute discretion, scale any application for Shares under the SPP. Heartland may scale back all applications on a proportionate basis having regard to the number of Shares held by the Applicant (or, in the case of an application made by a Custodian, the relevant beneficial owner(s) named in the Custodian Certificate submitted) on the Record Date, and otherwise at its discretion. If your application is scaled back by Heartland, your application monies will be greater than the amount of new Shares you will be allotted at the Issue Price and a refund will be issued in accordance with clause 6 of the Terms and Conditions.

Any fractional Shares allocated under the SPP will be rounded down to the nearest whole number of Shares and Heartland will retain any difference due solely to rounding.

All Shares issued under the SPP will be ordinary shares of Heartland. Shareholders who subscribe under the SPP will be eligible to participate in any future dividends to be declared by Heartland.

3. What rights will the Shares have?

Shares under the SPP will rank equally with existing Shares quoted on the NZX and ASX, with the same voting rights, dividend rights and other entitlements.

4. What if I own Shares through a trustee or Custodian or own Shares in more than one capacity?

If you own Shares through a trustee or Custodian (and are otherwise eligible to participate in the SPP), then subject to certain certification requirements and other conditions, you may instruct the trustee or Custodian to purchase Shares on your behalf, up to the NZ\$50,000 / A\$45,000 limit. If you own Shares through a trustee or Custodian and also own Shares in your own name, then you may either purchase Shares yourself or instruct your trustee or Custodian to purchase Shares on your behalf. You may not do both.

If you receive more than one copy of this document, or if you hold Shares in more than one capacity (e.g. because you are both a sole and joint holder of Shares), the maximum amount you may apply to invest under the SPP in all capacities, and in aggregate, is NZ\$50,000 / A\$45,000. You may not purchase some Shares on your own behalf and some Shares as a joint holder. By applying to purchase Shares under the SPP, you represent that you have not exceeded the NZ\$50,000 / A\$45,000 limit.

If you are an Eligible Shareholder and hold Shares as Custodian, you may apply for up to NZ\$50,000 / A\$45,000 worth of new Shares for each beneficiary for whom you, directly or indirectly, act as Custodian provided that you complete, and submit, a certificate (**Custodian Certificate**) certifying each of the matters set out in clause 4.4 of the Terms and Conditions of this SPP.

Each trustee and Custodian must not participate in the SPP on behalf of, and must not distribute this SPP Booklet or any other document relating to the SPP to, any person in the United States or elsewhere outside Australia and New Zealand.

5. Is this Offer transferable to another person?

No. This Offer is personal to you and non-renounceable, so if you elect not to purchase any Shares under the SPP you may not transfer your right to purchase Shares under the SPP to anyone else.

6. What are the risks of investing in the SPP and what if I choose not to participate in the SPP?

The market price for the Shares may change between the Opening Date, the date you apply for Shares under the SPP, and the Allotment Date. Accordingly, the price paid under the SPP may be higher or lower than the price at which Shares in Heartland are trading on the NZX at the time the Shares are issued to you under the SPP. The Share price is quoted on the NZX website: www.nzx.com and ASX website: www.asx.com.au.

Eligible Shareholders may choose to subscribe for up to NZ\$50,000 / A\$45,000 of Shares pursuant to the SPP, subject to any scaling. While Heartland has attempted to make the Offer as fair as possible for Eligible Shareholders by providing that any scaling will have regard to individual shareholdings at the Record Date, and otherwise at its discretion, the Offer is not made in accordance with your proportionate shareholding. Even if you participate in the Offer, your proportionate shareholding in Heartland may change. Large shareholders may not be able to obtain sufficient Shares to maintain their percentage shareholding, while smaller shareholders may be able to increase their percentage shareholding. If you do not subscribe for any Shares under the SPP, and other shareholders do subscribe for Shares, then your percentage shareholding in Heartland will be reduced.

7. How do I apply for Shares under the SPP?

If you wish to participate in the SPP, you can do so online at www.heartlandshareoffer.co.nz or as otherwise directed by Heartland.

By applying to purchase Shares under the SPP, you represent that you have not exceeded the NZ\$50,000 / A\$45,000 limit.

If the exact amount of money is not tendered, Heartland reserves the right not to accept all or part of your payment. In those circumstances, Heartland will refund all or part of your payment without interest.

If an Online Application is rejected, all of the amounts paid will be refunded to the relevant Applicant. If applications are scaled back, the Applicant will receive the number of Shares at the Issue Price accepted by Heartland following scaling and a refund of the balance of the relevant payment amount. All refunds will be made without interest. Any amount lesser than \$5 due to scaling, and any amount due solely to rounding, or rounding will be

retained by Heartland. Refunds will be issued within five business days following the Allotment Date (see clause 6 of the Terms and Conditions for more information).

You will not be able to withdraw or revoke your Online Application once you have made it.

8. How long is the SPP open and when will I receive my Shares?

The SPP opens on Thursday 25 August 2022 and is expected to close at 7:00pm NZST / 5:00pm Sydney time on Monday 5 September 2022, unless extended. If you want to participate, you should ensure you apply online and make payment by 7:00pm NZST / 5:00pm Sydney time on Monday 5 September 2022.

You will receive Shares issued to you under the SPP on the Allotment Date, which is currently expected to be on or around Friday 9 September 2022. Confirmation of the number of Shares issued to you under the SPP will be sent on the Dispatch Date, currently expected to be on or around Friday 9 September 2022.

Terms and Conditions

If you apply to participate in the SPP by completing the Online Application (and, if applicable, a Custodian Certificate), you are accepting the risk that the market price of shares may change between the Opening Date, the date you apply for Shares under the SPP, and the Allotment Date. This means that it is possible that up to or after the Allotment Date, you may be able to buy shares on the NZX Main Board or the ASX at a lower price than the Issue Price.

We encourage you to seek your own financial advice regarding your participation in the SPP.

Consistent with the representations, warranties and acknowledgements contained in these terms and conditions and in the Online Application, you may not submit any completed Online Application for any person outside New Zealand or Australia. Failure to comply with these restrictions may result in a violation of applicable securities laws.

1. Offer timetable

Record Date:	Eligible Shareholders registered at 7:00pm NZST / 5:00pm Sydney time on Monday 22 August 2022 may participate in the SPP.
Opening Date:	The Offer opens on Monday 25 August 2022. This document is mailed to Eligible Shareholders on the same day.
Closing Date:	The Offer closes at 7:00pm NZST / 5:00pm Sydney time on Monday 5 September 2022, unless extended. Online Applications and payment in accordance with the instructions provided must be received by the Share Registrar by this time. Applications may, at Heartland's option, not be processed or held to be valid if they have not been received by this time.
Announcement of results:	The completion and results of the SPP will be announced on the NZX and ASX on Thursday 8 September 2022.
Settlement Date	Settlement on the NZX and ASX on Friday 9 September 2022.
Allotment Date:	The Shares are proposed to be allotted on or around Friday 9 September 2022, unless the Closing Date is extended.
NZX commencement of trading:	Heartland expects the Shares will commence trading on the NZX Main Board on the Allotment Date.
Dispatch Date:	Heartland expects that a transaction confirmation will be dispatched to you on or around Friday 9 September 2022.
ASX commencement of trading:	Heartland expects the Shares will commence trading on the ASX on 12 September 2022.

Subject to the NZX Listing Rules and ASX Listing Rules, Heartland has a discretion to change, at any time, any of the Closing Date, the Allotment Date and the Dispatch Date (notwithstanding that the SPP has opened, or applications have been received) by lodging a revised timetable with NZX and ASX.

2. Eligible Shareholders

- 2.1. You may participate in the SPP if you are an Eligible Shareholder. Joint holders of Shares are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and the certification on the Online Application is taken to have been given by all of them.
- 2.2. If you are an Eligible Shareholder, your rights under this Offer are personal to you and non-renounceable, so you may not transfer them.
- 2.3. Heartland accepts no liability where an Eligible Shareholder does not receive any document relating to the SPP or does not receive any such document in time to apply for Shares.
- 2.4. Shareholders who are in the United States or are elsewhere outside of New Zealand or Australia are not entitled to participate in the SPP. Similarly, Shareholders who hold Shares on behalf of persons who are in the United States, or on behalf of persons who reside elsewhere outside New Zealand or Australia, are not entitled to participate in the SPP on behalf of those persons.

3. Issue Price and number of Shares

- 3.1. The Issue Price for Shares under the SPP is the lower of:
 - (a) NZ\$1.80, being the price payable by investors in Heartland's recent Placement (representing a discount of 12.8% to the closing price of Heartland Shares on the NZX of NZ\$2.065 on 22 August 2022 (ex-dividend adjusted); and a 13.7% discount to the five-day volume weighted average price on the NZX of NZ\$2.0851 (ex-dividend adjusted)); and
 - (b) a 2.5% discount to the five day volume weighted average price of Heartland shares traded on NZX during the five NZX trading days up to, and including, the Closing Date.
- 3.2. Eligible Shareholders may elect to purchase an amount of Shares up to a maximum amount of NZ\$50,000 / A\$45,000, subject to scaling, by completing an Online Application. Any fractional Shares allocated under the SPP will be rounded down to the nearest whole number of Shares.
- 3.3. The Issue Price is a New Zealand dollar amount. If you apply for an Australian dollar amount of Shares, Heartland will convert the New Zealand dollar Issue Price to Australian dollars at the NZ\$:A\$ exchange rate published by the New Zealand Reserve Bank on its website at 7:00pm New Zealand time on the Closing Date. The market price of the Shares may change between the Opening Date, the date you apply for Shares under the SPP, and the Allotment Date.
- 3.4. If the exchange rate varies such that the dollar amount you applied for exceeds the NZ\$15,000 regulatory limit, Shares having a total issue price equal to NZ\$15,000 will be issued to you and you will be refunded the excess cash amount.
- 3.5. Eligible Shareholders may only make a single application for Shares under the SPP. This applies to all Eligible Shareholders, including those who receive more than one offer under the SPP (for example, because they hold Shares in more than one capacity) and including whether the Eligible Shareholder is applying through a Custodian or on his or her own behalf. Accordingly, if you own Shares through a trustee or Custodian and also own Shares in your own name, then you may either purchase Shares yourself or instruct your trustee or Custodian to purchase Shares on your behalf. You may not do both.
- 3.6. Heartland is inviting applications for up to NZ\$70 million of Shares, with discretion for Heartland to accept oversubscriptions at its discretion. Heartland reserves the right to scale back applications having regard to the number of Shares held by the Applicant (or, in the case of an application made by a Custodian, the relevant beneficial owner(s) named in the Custodian Certificate submitted) on the Record Date and otherwise at its discretion.
- 3.7. To the maximum extent permitted by law, Heartland, the Lead Manager and each of their respective related bodies corporate and affiliates, and each of their respective directors, officers, partners, employees, representatives and agents, disclaim all liability, including for negligence, for any failure

to obtain any particular exchange rate, or any movements in exchange rates, if exchanging the New Zealand dollar Issue Price into Australian dollars.

4. Custodians

- 4.1. Under the SPP, a Custodian is any Eligible Shareholder having an address recorded in Heartland's share register that is in New Zealand or Australia, which:
 - (a) is a trustee corporation or a nominee company and holds Shares in Heartland by reason only of acting for another person in the ordinary course of business of that trustee corporation or nominee company; or
 - (b) holds Shares in Heartland by reason only of being a bare trustee of a trust to which the Shares are subject; or
 - (c) in the case of any Eligible Shareholder having an address recorded in Heartland's share register that is in Australia, provides a custodial or depository service in relation to shares of Heartland and who:
 - (i) holds an Australian financial services licence covering the provision of a custodial or depository service;
 - (ii) is exempt from the requirement to hold an Australian financial services licence covering the provision of a custodial or depository service;
 - (iii) holds an Australian financial services licence covering the operation of an IDPS (as defined in ASIC Class Order [CO/13/763]) or is a responsible entity of an IDPS-like scheme (as defined in ASIC Class Order [CO 13/762]);
 - (iv) is a trustee of a self-managed superannuation fund or a superannuation master trust; or
 - (v) is a registered holder of Shares and is noted on the register of members of Heartland as holding the Shares on account of another person.
- 4.2. Custodians may apply to purchase Shares for an amount greater than NZ\$50,000 / A\$45,000, provided that the Custodian only applies for no more Shares than collectively have an aggregate application price of NZ\$50,000 / A\$45,000 for each beneficial owner for whom the Custodian acts as a Custodian. Each beneficial owner may only direct the Custodian to apply on behalf of that beneficial owner for a single Share parcel.
- 4.3. Custodians must confirm to Heartland that they are holding Shares as a Custodian for one or more beneficial owners and certify the matters described in clause 4.4 below by providing a Custodian Certificate. To request a Custodian Certificate, or if you would like further information on how to apply for Shares as a Custodian, you should contact Heartland's Share Registrar, Link Market Services Limited, at any time from 8:30am to 5:00pm New Zealand time (Monday to Friday) prior to the Closing Date on Monday 5 September 2022.
- 4.4. If a Custodian applies to purchase Shares on behalf of one or more beneficial owners, the Custodian must certify to Heartland in writing the following matters in the form and manner set out in the Custodian Certificate (available on request from the Share Registrar):
 - (a) that the Custodian held Shares on behalf of:
 - (i) one or more other persons (who would be Eligible Shareholders if they held Shares directly) that are not Custodians; and/or
 - (ii) another Custodian ("**Downstream Custodian**") that holds beneficial interests in Shares on behalf of one or more other persons (who would be Eligible Shareholders if they held Shares directly) to which those interests relate, at 7:00pm (NZST) / 5:00pm Sydney time on Monday 22 August 2022, each, a "**Participating Beneficiary**", who have subsequently instructed the Custodian, and/or the Downstream Custodian, to apply for Shares under the SPP on their behalf;
 - (b) the number of Participating Beneficiaries and their names and addresses;
 - (c) the number of Shares that the Custodian holds on behalf of each Participating Beneficiary;
 - (d) the dollar amount of Shares that each Participating Beneficiary has instructed the Custodian, either directly or indirectly through a Downstream Custodian, to apply for on their behalf;

- (e) that there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds NZ\$50,000 / A\$45,000:
 - (i) the application price for new Shares applied for on their behalf under the SPP; and
 - (ii) the application price for any other Shares issued to the Custodian (as a result of an instruction given to the Custodian or a Downstream Custodian) for that Participating Beneficiary under any arrangement similar to the SPP in the 12 months prior to the application for new Shares under the SPP;
 - (f) that a copy of this document was given to each Participating Beneficiary;
 - (g) where the Custodian holds Shares on behalf of a Participating Beneficiary indirectly, through one or more Downstream Custodians, the name and address of each Downstream Custodian; and
 - (h) that the beneficial owner on whose behalf the Custodian is submitting an Online Application is not making an application as an Eligible Shareholder for Shares under the SPP, and no other Custodian is submitting an Online Application under the SPP for that beneficial owner.
- 4.5. A Custodian must not participate in the SPP on behalf of, or distribute this document or any other document relating to the SPP to, any person in the United States.

5. Completing an Online Application and paying for Shares

- 5.1. If you are an Eligible Shareholder and you wish to participate in the SPP, you must complete an Online Application at www.heartlandshareoffer.co.nz and make payment in accordance with the instructions provided, or apply as otherwise directed by Heartland. If you are a Custodian, you must also complete a Custodian Certificate which may be obtained from Heartland's Share Registrar, Link Market Services Limited, as noted in clause 4.3 above.
- 5.2. Eligible Shareholders must make payment for the exact dollar amount applied for on their Online Application.
- 5.3. To be valid, your Online Application (and, if applicable, Custodian Certificates) and payment must be received by Link Market Services Limited by 7:00pm NZST / 5:00pm Sydney time on Monday 5 September 2022. Online Applications (and, if applicable, Custodian Certificates) or payment received after that date will only be accepted at Heartland's discretion.

6. Heartland's discretion to accept or reject applications

- 6.1. Heartland has discretion to accept or reject your application to purchase Shares under the SPP, including (without limitation) if:
 - (a) your Online Application or Custodian Certificate (if applicable) is incorrectly completed or incomplete or otherwise determined by Heartland to be invalid;
 - (b) your payment is dishonoured or has not been completed correctly;
 - (c) it appears that you are applying to buy more than NZ\$50,000 / A\$45,000 (in aggregate) of Shares (except if you are a Custodian applying on behalf of more than one beneficial owners in accordance with clause 4.2);
 - (d) your Online Application, Custodian Certificate (if applicable) or payment is received after the Closing Date. While Heartland has discretion to accept late application, Custodian Certificates (if applicable) and payments, there is no assurance that it will do so. Late applications, Custodian Certificates (if applicable) and payments, if not processed, will be returned to you at your address recorded in Heartland's share register. No interest will be paid on any application money returned to you;
 - (e) Heartland believes that you are not an Eligible Shareholder or Custodian; or
 - (f) Heartland considers that your application does not comply with these Terms and Conditions.
- 6.2. Heartland reserves the right to scale back at its absolute discretion any application for Shares under the SPP. Heartland may scale back applications having regard to the number of Heartland Shares held by the Applicant (or, in the case of an application made by a Custodian, the relevant beneficial owner(s) named in the Custodian Certificate submitted) on the Record Date and otherwise at its discretion.

- 6.3. If an application is rejected, all of the relevant amounts will be refunded to the Applicant. If applications are scaled back, the Applicant will receive the number of Shares at the Issue Price in respect of which the application is accepted and a refund of the balance of the relevant application payment. All refunds will be made without interest.
- 6.4. Any difference less than NZ\$5 due to scaling, and any difference due solely to rounding, will be retained by Heartland and not refunded.
- 6.5. Refunds will be made by direct credit to the bank account held by Heartland's Share Registrar, Link Market Services Limited. Refunds will be issued within five business days following the Allotment Date. If no bank account is held by the Share Registrar, then the refund payment will be withheld until a bank account is provided.

7. Significance of sending in an application

- 7.1. If you apply to participate in the SPP by completing and returning an Online Application (and, if applicable, a Custodian Certificate):
 - (a) your application, on these Terms and Conditions, will be irrevocable and unconditional (i.e. it cannot be withdrawn);
 - (b) you certify to Heartland that you are an Eligible Shareholder entitled to apply for Shares under these Terms and Conditions;
 - (c) you agree to be bound by the Constitution of Heartland;
 - (d) you certify to Heartland that you are not applying for Shares under the SPP with a total application price in excess of NZ\$50,000 / A\$45,000 from the following:
 - (i) the Shares under the SPP the subject of the application;
 - (ii) any other Shares issued to you under the SPP or any similar arrangement in the 12 months before the application;
 - (iii) any other Shares under the SPP which you have instructed a Custodian to acquire on your behalf under the SPP; and
 - (iv) any other Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian to apply for Shares on your behalf under an arrangement similar to the SPP;
 - (e) without limiting Heartland's discretion to accept or reject applications in clause 6 above, you authorise Heartland (and its officers or agents) to correct any error in, or omission from, your Online Application (and, if applicable, your Custodian Certificate) and to complete the Online Application (and, if applicable, the Custodian Certificate) by the insertion of any missing details;
 - (f) you acknowledge that Heartland may at any time irrevocably determine that your application (and, if applicable, your Custodian Certificate) is valid, in accordance with these Terms and Conditions, even if the Online Application (or, as applicable, your Custodian Certificate) is incomplete, contains errors or is otherwise defective;
 - (g) you acknowledge that none of Heartland, its advisers or agents has provided you with investment advice or financial product advice, and that none of them has an obligation to provide advice concerning your decision to apply for and purchase Shares under the SPP;
 - (h) you acknowledge the risk that the market price for the Shares may change between the Opening Date, the date you apply for Shares under the SPP, and the Allotment Date. A change in market price during this period may affect the Issue Price or value of the Shares you receive under the SPP;
 - (i) you acknowledge that Heartland is not liable for any exercise of its discretions referred to in these Terms and Conditions;
 - (j) you irrevocably and unconditionally agree to these Terms and Conditions and agree not to do any act or thing which would be contrary to the spirit, intention or purpose of the SPP;
 - (k) you represent that you are not in the United States and you are not acting for the account or benefit of a person in the United States (or, in the event that you do act for the account or benefit of a person in the United States, you are not participating in the SPP in respect of that person);

- (l) you acknowledge that the Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States, except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws;
 - (m) you acknowledge that the Shares may only be offered and sold outside the United States in "offshore transactions" (as defined and in reliance on Regulation S under the U.S. Securities Act);
 - (n) you represent that you have not, and you agree that you will not, send this document or any other materials relating to the SPP to any person in the United States or elsewhere outside New Zealand or Australia;
 - (o) you acknowledge and agree that if in the future you decide to sell or otherwise transfer the Shares, you will only do so in standard brokered transactions on the NZX Main Board or ASX, where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or the purchaser is, a person in the United States; and
 - (p) if you are acting as a trustee, nominee or Custodian, each beneficial holder on whose behalf you are participating is resident in New Zealand or Australia.
- 7.2. If a Custodian applies to purchase Shares under the SPP for a beneficial owner pursuant to clause 4.2:
- (a) the certification referred to in clause 7.1(d) will be taken to be given by the beneficial owner on whose behalf the Custodian is applying to purchase Shares; and
 - (b) in addition to the matters referred to in clause 7.1, the Custodian also certifies each of the matters set out in the Custodian Certificate.

8. The Shares

- 8.1. Shares issued under the SPP will rank equally in all respects with existing Shares quoted on the NZX Main Board and ASX, with the same voting rights, dividend rights and other entitlements. The Shares to be issued under the SPP have been accepted for quotation on the NZX Main Board, and an application will be made for their quotation on the ASX, and it is expected that the Shares will be quoted upon completion of allotment procedures. However, neither NZX Limited nor ASX Limited accepts any responsibility for any statement in this document.
- 8.2. The issue of new Shares under the SPP up to a maximum amount of NZ\$50,000 per Eligible Shareholder (or per beneficial owner, in the case of holdings held by Custodians) is being undertaken pursuant to NZX Listing Rule 4.3.1 (Share Purchase Plan) in respect of the first NZ\$15,000 of new Shares offered and NZX Listing Rule 4.5.1 (15% Placement) in respect of the additional \$35,000 of new Shares offered to each Eligible Shareholder.
- 8.3. The issue of up to a maximum amount of NZ\$50,000 / A\$45,000 per Eligible Shareholder (or per beneficial owner, in the case of holdings held by Custodians) in Australia, is being undertaken pursuant to ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 as amended by ASIC Instrument 22-0735.

9. Financial statements

- 9.1. You may obtain free of charge the most recent annual report and financial statements of Heartland by contacting Heartland; the Share Registrar, Link Market Services Limited, or you may download the reports from the Heartland website: <https://shareholders.heartland.co.nz>.

10. Amendments to the SPP and waiver of compliance

- 10.1. Notwithstanding any other term or condition of the SPP and/or the Online Application, Heartland may, at its discretion:
 - (a) make non-material modifications to the SPP or these Terms and Conditions without notice (in which case applications for Shares under the SPP will remain binding on all Applicants

- notwithstanding such modification and irrespective of whether an Online Application was received by Link Market Services Limited before or after such modification is made); and/or
- (b) suspend or terminate the SPP at any time prior to the issue of the Shares under the SPP. If the SPP is terminated, application monies will be refunded to Applicants without interest.
- 10.2. Heartland reserves the right to waive compliance with any provision of these Terms and Conditions (either generally, or in respect of a particular Applicant or Applicants).

11. Governing law

- 11.1. These Terms and Conditions shall be governed by and construed in accordance with the laws of New Zealand.

12. Disputes

- 12.1. If any dispute arises in connection with the SPP, Heartland may settle it in any manner it thinks fit. It may do so generally or in relation to any particular participant, application or Share. Heartland's decision will be final and binding.

13. Inconsistency

- 13.1. Unless otherwise determined by the directors of Heartland, in the event of any inconsistency between the Terms and Conditions of the SPP and:
- (a) the accompanying letter from the Chair and Questions and Answers, the Terms and Conditions take precedent; and
 - (b) Heartland's constitution, Heartland's constitution shall prevail.

Glossary

Allotment Date	On or around Friday 9 September 2022, unless the Closing Date is extended.
Applicant	An applicant for Shares in the SPP.
ASX	ASX Limited or the market it operates (as the context requires).
ASX Listing Rules	The official listing rules of the ASX.
Closing Date	7:00pm NZST / 5:00pm Sydney time on Monday 5 September 2022, unless extended.
Custodian	See clause 4.1 of the Terms and Conditions for the definition of “Custodian”.
Custodian Certificate	The certificate that must be submitted by an Applicant that is a Custodian (available on request from the Share Registrar).
Dispatch Date	On or around Friday 9 September 2022, unless extended.
Downstream Custodian	See clause 4.4 of the Terms and Conditions for the definition of “Downstream Custodian”.
Eligible Shareholder	A person who was recorded in Heartland’s share register as being a holder of Shares and having an address recorded in Heartland’s share register that is in New Zealand or Australia as at 7:00pm NZST / 5:00pm Sydney time on Monday 22 August 2022. A person who holds Shares on behalf of a person who resides outside New Zealand or Australia is not eligible to participate in the SPP in respect of that person. Similarly, a person in the United States, or acting for the account or benefit of a person in the United States, is not eligible to participate in the SPP.
Heartland	Heartland Group Holdings Limited.
Issue Price	The price at which the Shares will be issued pursuant to the SPP, being the lower of the price paid by investors in Heartland’s recent Placement (NZ\$1.80) and a 2.5% discount to the five day volume weighted average price of Heartland shares traded on NZX during the five NZX trading days up to, and including, the Closing Date.
Lead Manager	Jarden Securities Limited.

NZX	The main board financial product market operated by NZX Limited.
NZX Listing Rules	The listing rules from time to time of the NZX Main Board.
Online Application	An application for Shares under the SPP made through www.heartlandshareoffer.co.nz or as otherwise directed by Heartland.
Opening Date	Monday 25 August 2022.
Participating Beneficiary	See clause 4.4 of the Terms and Conditions for the definition of “Participating Beneficiary”.
Placement	The placement of Shares announced to NZX on Tuesday 23 August 2022.
Record Date	7:00pm NZST / 5:00pm Sydney time Monday 22 August 2022.
Settlement Date	Friday 9 September 2022.
Shares	Ordinary shares of Heartland Group Holdings Limited.
Share Registrar	Heartland’s share registrar, Link Market Services Limited.
SPP or Offer	The share purchase plan detailed in this document.
Terms and Conditions	The terms and conditions of the SPP detailed in this document.
U.S. Securities Act	The U.S. Securities Act of 1933, as amended.

Directory

Heartland Group Holdings Limited is a company incorporated with limited liability under the New Zealand Companies Act 1993 and listed on the NZX and ASX under the code HGH.

New Zealand Companies Office registration number 6937955.

For investor relations queries contact: shareholders@Heartland.co.nz

Registered Office

Heartland Group Holdings Limited

35 Teed Street,
Newmarket,
Auckland 1042,
New Zealand

Legal Advisers

Chapman Tripp

Level 34, PwC Tower,
15 Customs Street West
Auckland 1010
New Zealand

Corrs Chambers Westgarth

Level 17,
8 Chifley, 8-12 Chifley Square
Sydney NSW 2000
Australia

Lead Manager

Jarden Securities Limited

Level 32, PwC Tower,
15 Customs Street West
Auckland 1010,
New Zealand

If you have any queries about how to apply online, please contact the Share Registrar at:

Share Registrar

Link Market Services Limited

Level 30, PwC Tower,
15 Customs Street West,
Auckland 1010,
New Zealand

Telephone: +64 9 375 5998

Email: applications@linkmarketservices.co.nz