



22 February 2024

The Manager
ASX Market Announcements
ASX Limited
Exchange Centre
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Shareholders,

Please find attached the results announcement for Hearts and Minds Investments Limited for the half year ended 31 December 2023.

Authorised for release by the board,

Eryl Baron
Company Secretary

HM1 half-year results and fully franked interim dividend



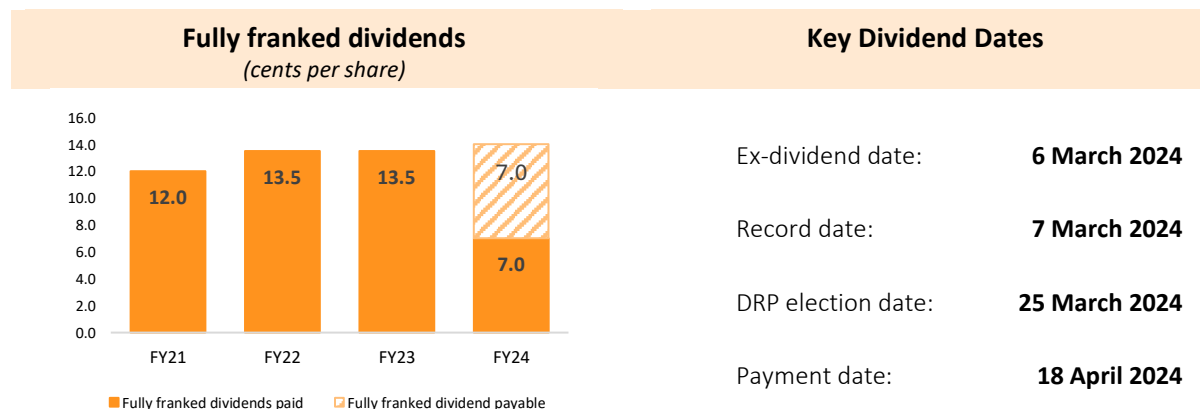
The Directors of Hearts and Minds Investments Ltd (ASX:HM1) have declared a fully franked interim dividend of 7 cents per share for the six months ended 31 December 2023, providing an annualised fully franked dividend yield of 5.4%¹.

HM1 posted a total comprehensive income after tax of \$13.9 million for the half year to 31 December 2023. The result for the half year reflects a continuing recovery in the investment portfolio as markets improved in the last two months of calendar year 2023. Increases in the value of the portfolio over the half year were partly offset by small realised losses on the disposal of the remaining 2022 Conference stocks. The 2022 Conference Portfolio realised a small overall return for the 1 year holding period to November 2023. The 2023 Conference Portfolio, which commenced in late November 2023, is off to a good start and is up 6% as of 31 December 2023. As we reported in the 2023 Annual Report, we have made changes to the selection process for Conference Fund Managers and the risk parameters of the Conference Portfolio. There are early signs that these changes are having a positive impact. The overall investment portfolio achieved a modest return of 3.1% over the half year and is up 10.5% for the year to 31 December 2023. Since inception in November 2018, the HM1 portfolio has delivered an annualised pre-tax investment return of 8.5% per annum.

Investment Performance to 31 December 2023	1 month	6 months	1 year	3 years per annum	Since Inception per annum
HM1 Investment Performance	5.1%	3.1%	10.5%	-4.5%	8.5%
MSCI World Index (AUD)	1.3%	4.2%	21.5%	9.9%	10.3%

HM1's share price increased during the half year from \$2.26 on 30 June 2023 to \$2.41 on 31 December 2023. Together with the fully franked dividend of 7 cents per share paid on 19 October 2023, this represents a total shareholder return of 10.2% for the half year to 31 December 2023. The Board remains very focused on further narrowing the discount between the HM1 share price and the Net Tangible Assets (NTA) per share through improved investment performance, shareholder engagement, and maintaining the current dividend policy.

Dividends



The latest dividend brings the total fully franked dividends paid since inception to 53 cents per share. As at 31 December 2023, prior to the declaration of the current interim fully franked dividend of 7 cents per share payable on 18 April 2024, the Company had 49 cents per share available in its profits reserve, and franking credits equivalent to 56 cents per share².

The Dividend Reinvestment Plan (DRP) will be in operation and participating shareholders can reinvest their cash dividend in HM1 shares at the DRP issue price. The DRP issue price will be based on the market price of shares acquired under the on-market acquisition provisions of the DRP.

Medical research funding

\$48.9m

Cumulative Medical
Research Funding

**Supporting 18 leading Australian
medical research organisations**

In line with its philanthropic objective, HM1 provides financial support to leading Australian medical research organisations to help the development of new medicines and treatments and drive a new generation of medical research in Australia. HM1 and its participating fund managers forego any fees and instead an amount equivalent to 1.5% of net tangible assets per annum is donated to designated medical research organisations. In the half year to 31 December 2023 the Company paid \$5.0m in funding to medical research and has accrued a further \$4.9m as of 31 December 2023. This brings HM1's total medical research funding to \$48.9m.

For further information on HM1 and our [Half-Year Report to 31 December 2023](#), visit the HM1 website at hm1.com.au

Quick links



[Investments](#)



[Conference](#)



[Impact](#)

Disclaimers:

¹Annualised fully franked dividend of 14 cps divided by share price on 31 January 2024. ² Represents the level of future dividends (expressed as cents per share) that can be fully franked. This communication has been prepared by Hearts and Minds Investments Limited (ABN 61 628 753 220). In preparing this document the investment objectives, financial situation or particular needs of an individual have not been considered. You should not rely on the opinions, advice, recommendations, and other information contained in this publication alone. This publication has been prepared to provide you with general information only. It is not intended to take the place of professional advice and you should not act on specific issues in reliance on this information. Past performance is not a reliable indicator of future performance. This document may not be reproduced, or copies circulated without prior authority from Hearts and Minds Investments Limited.