

11 April 2025

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

Dear Shareholders,

Please find attached Hearts and Minds Investments Limited's March Investment Update.

If you would like to receive these monthly investment updates via email please [subscribe here](#).

We invite you to join our interactive investor hub to discover the latest company announcements and engage with management. On this platform you can ask questions, share comments, and provide feedback. Sign up and [join the conversation here](#).

For and on behalf of the board,



Eryl Baron
Company Secretary

Investment Objective

Provide a concentrated portfolio of long-only positions in 25-35 global securities based on the highest conviction ideas from respected fund managers. The Company forgoes any investment fees and instead donates to leading Australian medical research organisations.

Portfolio Commentary

The HM1 portfolio was down 8.85% for the month compared to the MSCI World Index (AUD) down 5.19%. Since inception HM1 has delivered an annualised pre-tax investment return of 10.39%. The current annualised yield as at the end of March is 5.5% fully franked.

Equity markets faced a challenging and volatile month in March, driven by the uncertainty surrounding U.S. trade policies, the absence of any government response and growing recessionary fears, all of which contributed to the risk-off sentiment. April, however, has been far worse and as we write this today, Trump's trade policies have sent shockwaves around the globe and markets are in freefall. The risk of recession in the US has now risen considerably and there is no immediate Fed pivot to help whilst there are continued inflationary risks on the horizon.

The March Fed meeting did offer some dovish signals as Chair Jerome Powell suggested that the impact of tariffs may be transitory although this was before the announcements of larger than expected moves in April. The Fed appears prepared to adopt a more accommodative monetary policy should labour conditions falter, albeit still in a reactive manner.

As governments, central banks, households, businesses and markets assess the global impact of U.S. trade policy, it is likely that the cycle will weaken in the near term driving continued equity volatility and a possible spike in credit spreads. At this point neither Trump or the Fed is likely to alter course.

During March we learned the results of the much-anticipated Phase 3 Opthea trials. Unfortunately, these did not meet expectations, and we have written down the investment to zero. [Please read this more detailed explanation here.](#)

Pre-Tax NTA	\$3.37
--------------------	---------------

Post-Tax NTA	\$3.20
---------------------	---------------

Share Price (ASX: HM1)	\$2.91
----------------------------------	---------------

Investment Performance p.a. (Since inception 14 Nov 2018)	10.39%
---	---------------

Latest Dividend (Half-yearly fully franked dividend payable 17 April 2025)	8.0cps
--	---------------

Annualised Dividend Yield¹ (Fully franked)	5.5%
---	-------------

Cash Weighting	5%
-----------------------	-----------

Profits Reserve (At 31 Dec 2024)	62cps
--	--------------

Available Franking Credits² (At 31 Dec 2024)	35cps
---	--------------

Cumulative Medical Research Funding	\$78m
--	--------------

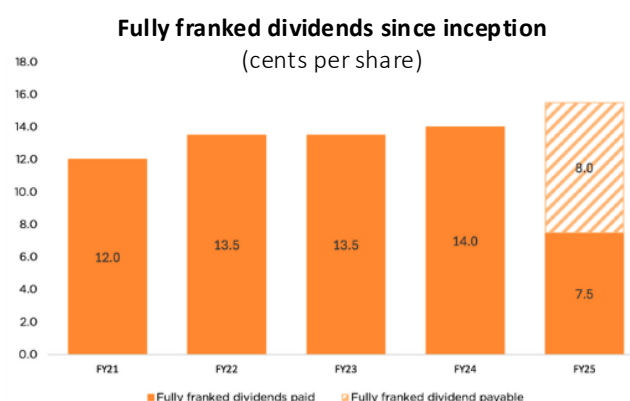
¹Annualised fully franked dividend of 16.0cps divided by share price on 31 March 2025. ²Represents the level of future dividends (expressed as cents per share) that can be fully franked. All figures as at 31 March 2025 unless otherwise stated. Fund inception 14 Nov 2018. This communication has been prepared 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 take action on specific issues in reliance on this information. Past performance is not a reliable indicator of future performance.

HM1 Investment Performance

Investment Performance	1 month	6 months	1 year	3 years per annum	Since Inception per annum
Investment Performance	-8.85%	4.89%	11.84%	6.86%	10.39%
MSCI World Index (AUD)	-5.19%	8.37%	10.28%	12.60%	12.11%

HM1 Investment Performance is calculated after expenses and before taxes. The comparator is the MSCI World price index in AUD. Inception 14 Nov 2018.

Dividends



Half-yearly fully franked dividend dates

Ex-dividend date:	26 February 2025
Record date:	27 February 2025
DRP election date:	12 March 2025
Payment date:	17 April 2025

Top 10 Core Portfolio Holdings

Our top 10 holdings represents 50% of total portfolio holdings (in alphabetical order)

 Amazon AMZN.NAS	 Block Inc SQ.NYSE	 Guzman Y Gomez GYG.AX	 Intercontinental Exchange Ltd ICE.NYSE	 Formula One Group FWONK.NAS
 Mercado Libre MELI.NYSE	 Microsoft Microsoft Corporation MSFT.NAS	 ROKT Rokt	 TSMC TSM.NYSE	 Zillow Zillow Group Inc Z.NAS

Conference Portfolio Holdings

Our conference holdings represents 25% of total portfolio holdings (in alphabetical order)

 Airbus SE AIR.EPA	 BlackLine, Inc. BL.NAS	 Cellnex Telecom S.A. CLNX.BME	 Coeur Mining, Inc. CDE.NYSE	 Corporate Travel Management CTD.AX	 DiDi Global Inc. DIDIY.OTC
 Eli Lilly and Company LLY.NYSE	 The Estée Lauder Companies Inc. EL.NYSE	 Perpetual Limited PPT.AX	 Tencent Music Entertainment TME.NYSE	 TransDigm Group Incorporated TDG.NYSE	

News from the **HM1 Network**



2024 Sohn Hearts & Minds Conference donates \$1.4 million to South Australian Medical Research

Our 2024 conference, held in Adelaide in partnership with the Government of South Australia, has contributed \$1.4 million to three groundbreaking medical research projects based in Adelaide. This donation directly supports pioneering researchers driving medical innovation. Thank you to our community, supporters and attendees for making this possible.

[Learn more about the projects this will support here.](#)



Magellan's take on Microsoft & Amazon: long-term growth ahead

Alan Pullen of Magellan Financial Group shares insights with *Livewire Markets* on the recent dip in Microsoft and Amazon valuations—both HM1 portfolio holdings. Despite short-term volatility, **Magellan** remains confident in their long-term prospects.

[Read the insights on Livewire here.](#)



'Forever Chemicals' found in human brains: what does this mean?

Dr. Claire Shepherd, Director of NeuRA's Sydney Brain Bank, spoke with *Australian Broadcasting Corporation (ABC) Radio's Fran Kelly* about new research detecting chemical contaminants in the human brain. These breakthrough findings raise important questions about potential links to neurodegenerative diseases.

[Listen to the conversation on ABC here.](#)



Geoff Wilson on market caution, banks, and Trump's return

In an interview with *Livewire Markets*, **HM1 Board Director Geoff Wilson** shares his outlook on markets, why he remains cautious, and his views on the recent surge in bank stocks. He also weighs in on index tracking risks and the potential impact of Trump's return.

[Watch the interview here.](#)



Munro Partners' Outlook: From semiconductors to structural winners

After a standout 2024, **Munro Partners** (HM1 Core Fund Manager) is repositioning its portfolio, taking profits from semiconductor gains and increasing allocations to infrastructure, security, and energy. **Kieran Moore of Munro** discusses the firm's strategy and AI-driven structural growth themes.

[View the article on Livewire here.](#)

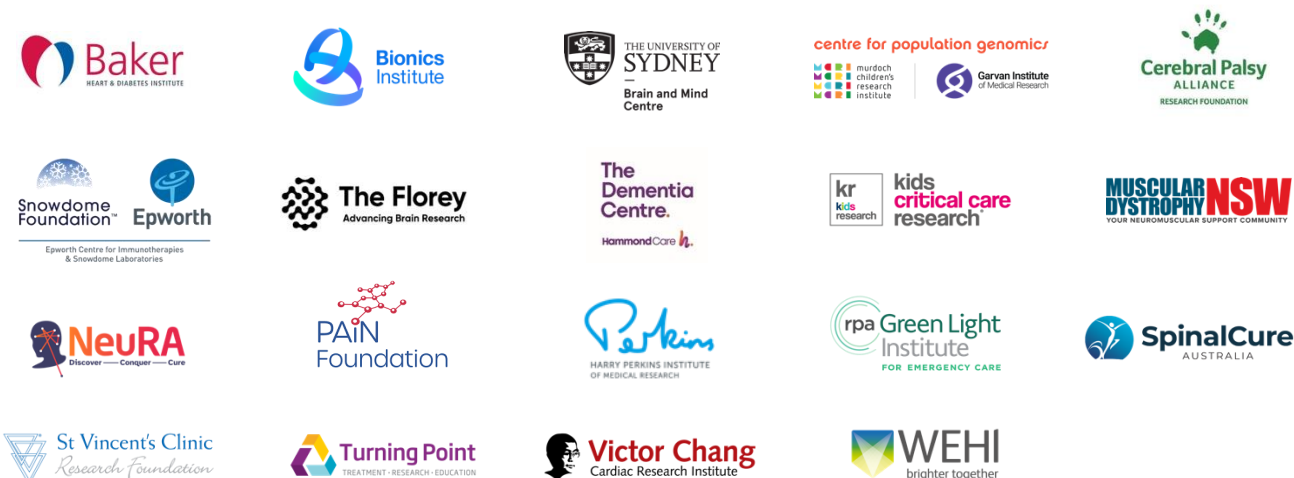
Core Fund Managers



Conference Fund Managers



Designated Beneficiaries



Low-Bono Service Providers

