

12 March 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 February Investment Update.

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

A reminder 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. We invite you to sign up and [join the conversation](#).

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

Welcome to our February 2025 Monthly Investment Update.

The HM1 portfolio was down 3.75% for the month which was below the relatively flat MSCI World Index (AUD). Since inception HM1 has delivered an annualised pre-tax investment return of 12.16%. The current annualised yield as at the end of February is 5.2% fully franked.

In this month's update we asked our dedicated fund managers for their insights on some of our major portfolio holdings following the recent reporting season. These stocks include **Amazon, Block, Formula One, Guzman y Gomez, International Continental Exchange, Mercado Libre, Microsoft, Rokt, Taiwan Semiconductor and Zillow**. [You can read the insights here.](#)

We are also pleased to formally welcome Brett Jollie who was appointed Chief Executive Officer of Hearts and Minds Investments on 20 February. Brett brings 30 years of experience in funds management across Australia, Europe, and Asia, with a strong track record in leading strategic growth and organisational transformation. You can read [Brett's full bio here.](#)

Brett shared: "I am delighted to be part of a purpose-driven organisation committed to transforming lives through medical research. I look forward to connecting with our shareholders and partners in the coming months. It has been an exciting start to the role, with the Board of Directors declaring an increased half-year fully franked dividend of 8.0 cents per share, payable in April 2025. The decision reflected a significant increase in our profits for the Half Year ended 31 December 2024. In case you missed the half-year update, you can [watch my video summary here.](#)"

Pre-Tax NTA	\$3.70
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Post-Tax NTA	\$3.43
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Share Price (ASX: HM1)	\$3.08
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Investment Performance p.a. (Since inception 14 Nov 2018)	12.16%
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Latest Dividend (Half-yearly fully franked dividend payable 17 April 2025)	8.0cps
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Annualised Dividend Yield¹ (Fully franked)	5.2%
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Cash Weighting	7%
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Profits Reserve (At 31 Dec 2024)	62cps
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Available Franking Credits² (At 31 Dec 2024)	35cps
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Cumulative Medical Research Funding	\$78m
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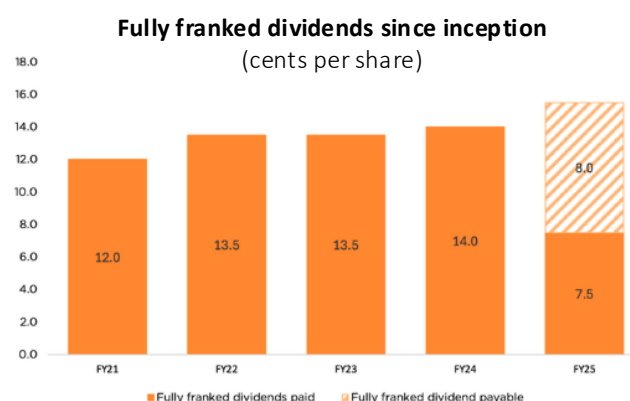
¹Annualised fully franked dividend of 16.0cps divided by share price on 28 February 2025. ²Represents the level of future dividends (expressed as cents per share) that can be fully franked. All figures as at 28 February 2025 unless otherwise stated. Fund inception 14 Nov 2018. This communication has 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	-3.75%	19.12%	24.08%	9.74%	12.16%
MSCI World Index (AUD)	-0.02%	13.18%	19.32%	14.30%	13.23%

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
XYZ.NYSE



Formula One Group
FWONK.NAS



Guzman y Gomez
GYG.AX



Intercontinental Exchange Ltd
ICE.NYSE



Mercado Libre
MELI.NYSE



Microsoft Corporation
MSFT.NAS



Rokt



TSMC
TSM.NYSE



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



Celnex Telecom S.A.
CLNX.BME



Coeur Mining, Inc.
CDE.NYSE



Corporate Travel Management
CTD.AX



DIDI Global Inc.
DIDI.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**



Increased Profit & Fully Franked Dividend Announced

HM1's strong investment performance and increase in reported profits for the six months to 31 December 2024 supported the Board's decision to increase our half-year fully franked dividend to 8.0 cents per share. [You can watch a summary of the results here.](#)

The fully franked dividend will be paid on 17 April 2025, with the Dividend Reinvestment Plan (DRP) in operation, allowing shareholders to reinvest their dividend in new HM1 shares at the DRP issue price. [Find out how to participate here.](#)



In a recent episode of 'Magellan – In The Know,' **Magellan's Head of Global Equities Arvid Streimann, Infrastructure Portfolio Manager Ben McVicar, and Investment Director Elisa Di Marco** come together to explore what lies ahead. They discuss key topics ranging from Trump's economic policies and interest rates to inflation, the future of alternative energy, and the impact of AI on both Silicon Valley and the US utilities sector. They offer expert insights to help investors tackle 2025 with confidence. [You can listen to the episode here.](#)



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The Victor Chang Cardiac Research Institute shared a recent update on their spider venom breakthrough. Thanks to a significant funding boost from the Government, the Institute's scientists are moving ahead with Phase 1 Safety Trials of a new drug derived from a protein in spider venom called Hi1a. It is hoped that the drug will save more lives by being administered by first responders to heart attack victims to prevent long-term heart damage, while also serving as a groundbreaking therapy for heart transplant surgery. [You can read the update here.](#)



Jessica Farr-Jones of Regal Funds Management (HM1 Core Fund Manager), together with *Livewire Markets* discuss a potentially undervalued NASDAQ-listed stock that boasts significantly greater scale, revenue, and profit compared to NextDC. Like other small-cap managers, Jessica is looking out for the world's highest-quality small and mid-cap opportunities. [You can discover her insights on Livewire here.](#)

Core Fund Managers









Conference Fund Managers













Designated Beneficiaries





















Low-Bono Service Providers





