Hearts and Minds Investments Ltd

26 August 2026

The Manager
ASX Market Announcements
ASX Limited
Exchange Centre
Level 27, 39 Martin Place
Sydney NSW 2000

Dear Shareholders,

Hearts & Minds reduces fund's effective MER

The Board of Hearts & Minds Investments Limited (ASX: HM1) today announced a change to the Company's cost structure that will materially reduce the fund's effective management expense ratio (MER).

Effective 1 July 2026, HM1's annual charitable donation of 1.5% of NTA will incorporate all other fund expenses rather than these being recovered from the fund on top of the 1.5% charitable donation.

This will result in a reduction in the fund's effective MER of approximately 0.35% to the benefit of investors.

The change forms part of a broader program to strengthen HM1's investment proposition and support shareholder value. HM1 remains firmly committed to its founding purpose of supporting Australian medical research. The revised framework preserves the Company's unique philanthropic model while providing greater transparency around the total economic cost borne by shareholders.

This announcement was authorised for release by the Chair of the Board of Directors.

For and on behalf of the board,

Natalie Climo

Natalie Climo
Company Secretary