

HYPERION GLOBAL GROWTH COMPANIES FUND (CLASS B) FEBRUARY 2021

OBJECTIVE: LONG-TERM CAPITAL GROWTH AND INCOME BY INVESTING IN HIGH QUALITY GLOBAL COMPANIES.



GLOBAL MARKET OVERVIEW

Global equity market indices exhibited positive results during February, with the declining global daily rate of COVID-19 cases and continued global vaccine rollout dominating headlines. In the U.S., the S&P 500 Index returned +2.8%. Economic data continues to indicate a domestic recovery in the U.S., revealing that the International Trade Deficit declined by -3.5% in December 2020. The IHS Markit Manufacturing and Services PMIs improved to 58.6 and 59.8 respectively, the highest expansion in production output and business activity in over six-and-a-half years. The US\$1.9t “American Rescue Plan” was also passed by the House of Representatives and awaits approval from the Senate. In Europe, the FTSE 100, Euro STOXX 50 and German DAX indices returned +1.6%, +4.6% and +2.6%, respectively. In Asia, the Hang Seng, Shanghai SE Composite and Nikkei 225 indices returned +2.5%, +0.6% and +4.8%, respectively. Japanese economic data showed preliminary month-on-month Industrial Production growth of 4.2%. Meanwhile, the Caixin PMI data revealed a fall in the pace of the COVID-19 recovery in mainland China as both the Manufacturing and General Composite figures decreased to 50.9 and 51.7, respectively. In Australia, the S&P/ASX 300 Index returned +1.5%. The unemployment rate fell further to 6.4% in January as preliminary economic data revealed month-on-month growth in Retail Sales of 0.6%. Materials (+7.1%), Financials (+5.1%) and Energy (+2.5%) were the best performing S&P/ASX 300 Index sectors. Information Technology (-8.0%), Utilities (-8.0%) and Consumer Staples (-4.5%) were the worst performers. The U.S. dollar was mixed during the month against the G10 currencies, down against the Pound Sterling and Australian Dollar, while rising against the Swiss Franc and Japanese Yen.

High-conviction portfolio of quality global listed equities from a research driven, bottom-up investment philosophy.

Our Philosophy

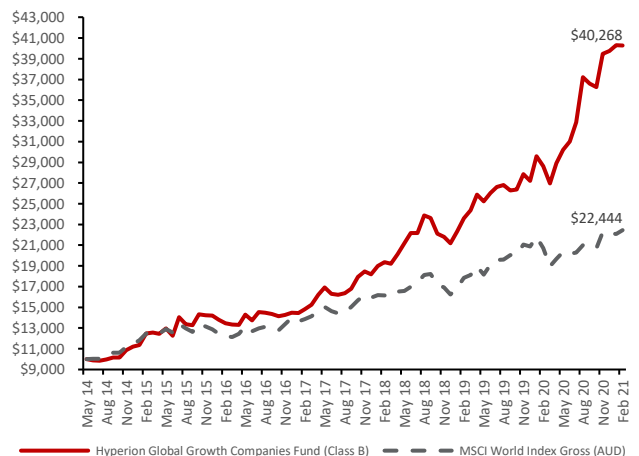
High quality, structural growth businesses produce attractive shareholder returns over the long-term.

Long-term capital preservation is paramount.

We believe companies in our portfolio have:

- Predictable earnings
- Low debt
- High interest cover
- Sustainable competitive advantages
- High return on capital
- Strong free cash flow
- Organic growth options
- Experienced and proven management teams

Net Performance - Growth of AUD \$10,000*



Source: Hyperion Asset Management

	Portfolio – Net (%)	Benchmark [^] (%)	Excess Performance (%)
1 Month	-0.1	1.7	-1.8
3 Month	2.0	0.8	1.2
1 Year	40.6	8.2	32.4
3 Year (p.a.)	27.6	11.6	16.0
5 Year (p.a.)	24.5	12.9	11.6
Inception (p.a.)**	22.9	12.7	10.2

*Investment of \$10k since inception. **Inception date: 1st June 2014.

[^] MSCI World Index Gross (AUD).

Returns are net of applicable fees and costs. Past performance is not a reliable indicator of future performance. Data as at 28th February 2021. Due to rounding excess performance figures may not equate perfectly to the difference between Hyperion Global Growth Performance and the MSCI World Index Performance.



Hyperion named Winner
FUND MANAGER OF THE YEAR
Morningstar 2021 Awards, Australia.



Hyperion named Category Winner
DOMESTIC EQUITIES LARGE CAP
Morningstar 2021 Awards, Australia.



Hyperion named Category Winner
DOMESTIC EQUITIES SMALL CAP
Morningstar 2021 Awards, Australia.



Hyperion named Category Winner,
DOMESTIC EQUITIES LARGE CAP
Morningstar 2020 Awards, Australia.



Hyperion named Winner,
FUND MANAGER OF THE YEAR
Morningstar 2016 Awards, Australia.

PORTFOLIO HOLDINGS UPDATE

Alibaba Group Holding Limited (BABA-US)

Primary Exchange	HKE
GICS Sector	Consumer Discretionary
Market Cap (HK\$m)	\$5,030,320



Alibaba Group Holding Limited (Alibaba) released a market update for third quarter ended 31 December 2020, reporting total revenue growth of 37% to RMB 221.1b and adjusted EBITDA growth of 22% to RMB 68.4b. Excluding the consolidation of SunArt upon acquisition, revenue increased 27%. Divisionally, the Core Commerce business achieved revenue growth of 38% to RMB 195.5b, primarily driven by China Commerce Retail revenue growth of 39% to RMB 153.7b, International Commerce Retail revenue growth of 37% to RMB 10.2b and Cainiao Logistics Services revenue growth of 51% to RMB 11.4b. Alibaba's Cloud Computing segment revenue was up 50% to RMB 16.1b, driven by robust growth in revenue from customers in the Internet, retail and public sector industries. Importantly, Alibaba's Cloud Computing business achieved profitability this quarter driven by scale and moderating investment. Losses in other key investment areas, such as Ele.me and Cainiao also continue to narrow. Operationally, the company's Annual Active Consumers increased by 22m to 779m whilst its Mobile Monthly Active Users was up 21m to 902m over the quarter across its China Retail marketplaces, with a key driver being the increased investment in retail marketplace initiatives such as Taobao Deals, Taobao Live and Taobao Groceries.

Amazon.com (AMZN-US)

Primary Exchange	NASDAQ
GICS Sector	Consumer Discretionary
Market Cap (US\$m)	1,557,490



Amazon.com Inc. (Amazon) released a market update for its full financial year ended 31 December 2020, reporting net sales growth of 38% to \$386.1b, operating income margin expansion of 75bps to 5.93% and diluted EPS growth of 82% to \$41.83 per share. Divisionally, North America achieved net sales growth of 38% to \$236.3b, International net sales were up 40% to \$104.4b and Amazon Web Services (AWS) net sales increased 30% to \$45.4b. Demand trends for online shopping seen since the early months of the pandemic continues to persist. At the product level, net sales across Online Stores increased 40% to \$197.3b, Third-Party Seller Services increased 50% to \$80.5b, Subscription Services increased 31% to \$25.2b, Physical stores declined 6% to \$16.2b, and Other, which primarily includes the sales of advertising services, increased 52% to \$21.5b. The company also announced Jeff Bezos will transition to the Executive Chair role in 3Q21 and Andy Jassy, the current CEO of AWS, will take over the role as Group CEO. Amazon continues to maintain a dominant position within both e-commerce and cloud computing, and benefits from structural shifts which are in early transition stages. Management expects 1Q21 net sales growth to range between 33% and 40%.

PayPal Holdings Inc (PYPL-US)

Primary Exchange	NASDAQ
GICS Sector	Information Technology
Market Cap (US\$m)	304,330

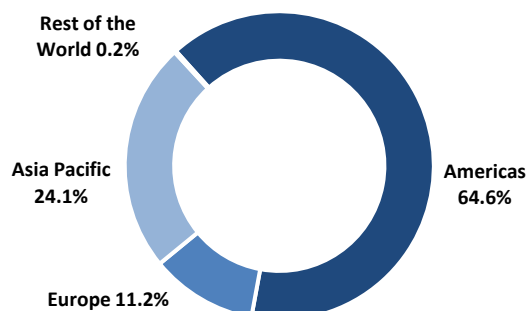


PayPal Holdings Inc (PayPal) released a market update for its full year ended 31 December 2020, reporting net revenue growth of 21% to \$21.5b, non-GAAP operating margin expansion of 187bps to 25.1% and non-GAAP EPS growth of 31% to \$3.88 per share. Geographically, the company grew net revenue in the U.S. by 17% to \$11.0b, U.K. net revenue was up 25% to \$2.3b and international net revenue increased 25% to \$8.1b. Operationally, the company continues to produce strong engagement metrics after reporting that the number of active accounts increased 24% to 377m with each account on average conducting 40.9 transactions, up 1%. The number of total payment transactions processed by PayPal grew 25% to 15.4b, and Total Payment Volumes (TPV) increased 31% to \$936b with Merchant Services volume up 31% and Venmo processed volumes increasing 56% to \$159b. Management provided full year FY21 guidance and expect revenue of \$25.5b and TPV growth to be in the high 20% range.

Top 5 Holdings

	Portfolio (%)	Benchmark (%)
Tesla Inc.	11.7	1.0
Square, Inc.	10.8	0.2
Amazon, Inc.	7.8	2.5
PayPal Holdings Inc.	6.8	0.6
Workday, Inc.	5.0	0.1

Geographical Weight by Source of Revenue



Source: Hyperion Asset Management
Due to rounding, portfolio weights may not sum perfectly to 100.0%

Portfolio Characteristics [^]

	Portfolio
Return on Equity (%)*	14.7
Dividend Yield (%)*	0.3

[^] Data relates to the Composite * Trailing

Fund Characteristics

Fees	Management fee of 0.70% p.a. of the gross asset value of the Fund, plus a performance fee of 20% of the Fund's excess return versus the MSCI World Index (AUD), net of management fee.
Composite size	\$1,767.7 million
Fund size	\$1,122.7 million
APIR Code	WHT8435AU

The Fund's PDS contains more complete information on risks and fees

Market Capitalisation (AUD)

	Portfolio (%)	# Stocks
\$0 - \$50bn	3.4	3
\$50 - \$100bn	12.7	3
\$100bn +	77.3	19
Cash	6.7	--
Total	100.0	25

Due to rounding, portfolio weights may not sum perfectly to 100.0%

Sector Allocation

	Portfolio (%)	Benchmark (%)
Communication Services	17.9	9.2
Consumer Discretionary	28.3	12.0
Consumer Staples	1.2	7.0
Financials	1.3	13.6
Health Care	3.1	12.5
Information Technology	41.5	21.8
Cash	6.7	--

Due to rounding, portfolio weights may not sum perfectly to 100.0%

Top 5 Contributors and Detractors (rolling 12 months)

Contributors	Price change (%)	Avg Weight (%)	Contribution to return (%)
Tesla Inc.	321.1	10.2	21.0
Square, Inc.	96.6	7.6	8.8
Amazon, Inc.	36.7	10.8	5.9
Paypal Holdings Inc.	100.4	6.5	5.0
ServiceNow Inc.	50.1	5.2	2.8

Detractors	Price change (%)	Avg Weight (%)	Contribution to return (%)
Mastercard Inc.	1.5	1.9	-0.2
Kering SA	-4.5	1.9	-0.3
Cochlear Ltd*	-23.2	0.1	-0.4
Moncler SpA*	-13.2	0.1	-0.5
Rightmove plc*	-31.5	0.2	-2.1

* Stock not currently held

CONTACT HYPERION ASSET MANAGEMENT Tel: 1300 497 374 or Email: clientservices@hyperion.com.au

DISCLAIMER – HYPERION GLOBAL GROWTH COMPANIES FUND (CLASS B UNITS)

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