

Market Commentary

U.S. equities extended their advance in August, with the S&P 500 (+2.0%) rising for a fourth consecutive month and the NASDAQ Composite (+1.6%) rising for a fifth, supported by investor optimism around a potential September rate cut by the Federal Reserve. The rally came as U.S. labour market data softened, reinforcing expectations of imminent monetary easing. In Europe, the Euro STOXX 50, Germany Dax and FTSE 100 total return indices returned +0.6%, -0.7% and +1.2%, respectively over August. Australian equities rallied in August (S&P/ASX 300 +3.2%), supported by the Materials, Consumer Discretionary and Utilities sectors, while the Health Care sector was a large detractor.

Fund Update and Outlook

The Hyperion Australian Growth Companies Fund returned -3.5% (net of fees) in August, underperforming its benchmark (S&P/ASX 300 Accumulation Index) by 6.6%. Lovisa Holdings Ltd., Life360, Inc. and Seek Ltd. saw the strongest share price performance, while James Hardie Industries plc, CSL Ltd. and Wisetech Global Ltd. saw the largest declines. August closed off a mixed reporting season in the domestic market, dominated by one-off impacts and short-termism, which saw highly volatile share price reactions. There were several areas which showed signs of strength, with strong results from Lovisa Holdings Ltd. (Lovisa), Life360, Inc. and Sigma Healthcare Ltd. (Sigma). Lovisa beat expectations on revenue and saw store rollout reaccelerate, adding 131 net new stores in FY25. Life360, Inc. produced a strong result, upgrading guidance and seeing strong monthly active user (MAU) growth continuing with 88m MAUs +25%. Sigma's first consolidated result with Chemist Warehouse was positive, with Chemist Warehouse network sales up 14% year-on-year, materially outpacing the market, underpinned by industry leading like-for-like sales growth of +11% in Australia and +8% Internationally. Many of the areas that disappointed investors were not new, and short-term focused, such as cost-of-living pressures in the U.S. having an impact on several domestic companies, for example James Hardie Industries plc and Cochlear Limited which Hyperion has exposure to. During times of short-term underperformance, we remain confident in our strategy as we hold high-quality businesses with superior long-term structural growth opportunities arising from their sustainable competitive advantage (including a sound business model and an innovative culture). We believe the long-term earnings growth profiles of our portfolio companies remain strong. Sustained excess growth in earnings leads to greater returns to shareholders over the long term. We believe the long-term outlook for our portfolio remains compelling, with projected internal rates of return exceeding their historical averages. Watch our latest insights in our June webinar [HERE](#).

Objective

Long-term capital growth by investing in high-calibre Australian companies primarily listed within the S&P/ASX 300 at the time of investment.

Please consider the Product Disclosure Statement (PDS) of the Fund, which provides more complete information on risks and fees, in its entirety, and Target Market Determination (TMD) before making an investment decision. The current PDS and TMD of the Fund can be found at <https://www.hyperion.com.au/>. Companies mentioned are illustrative only and not a recommendation to buy or sell any particular security.

Our Philosophy

High quality, structural growth businesses with strong sustainable competitive advantages produce superior shareholder returns over the long term.

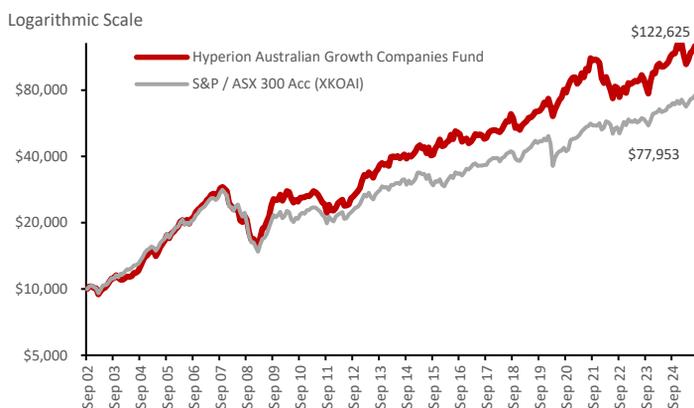
We believe companies in our portfolio have:

- Earnings which will grow or be maintained
- Low debt
- High interest cover
- Sustainable competitive advantages
- High return on capital
- Strong free cash flow
- Organic growth options
- Innovative organisational cultures

Time Arbitrage Advantage

We employ a 10-year forward looking valuation framework in a world dominated by short-term thinking.

Growth of \$10,000 Since Inception, Post-Fees



Inception date: 30th September 2002. Source: Hyperion Asset Management. Past performance is for illustrative purposes only and is not indicative of future performance.

Fund Performance

	Portfolio – Net (%)	Benchmark ¹ (%)	Excess Performance (%)
1 Month	-3.5	3.2	-6.6
3 Month	3.6	7.2	-3.6
1 Year	8.0	14.9	-6.9
3 Year (p.a.)	14.3	12.8	1.5
5 Year (p.a.)	8.8	12.2	-3.4
7 Year (p.a.)	10.2	9.2	1.0
10 Years (p.a.)	11.7	9.9	1.9
15 Years (p.a.)	11.2	9.2	2.0
20 Years (p.a.)	10.5	7.9	2.6
Inception (p.a.)*	11.5	9.4	2.2
Inception (TR)*^	1126.3	679.5	446.7

1. S&P/ASX 300 Accumulation Index. *Inception date that Hyperion became Investment Manager: 30th September 2002. ^Total return. All p.a. returns are annualised. Returns are net of applicable fees and costs. Past performance is not a reliable indicator of future performance. Data as at 31st August 2025. Due to rounding, excess performance figures may not equate perfectly to the difference between Hyperion Australian Growth Companies Performance and the S&P/ASX 300 Accumulation Index Performance.

Top 5 Holdings

	Portfolio (%)	Benchmark (%)
Cochlear Ltd	10.6	0.7
Xero Ltd	8.8	1.0
Fisher & Paykel Healthcare	7.4	0.2
Wisetech Global Ltd	7.2	0.7
Block, Inc.	6.3	0.2

Companies shown are illustrative only and not a recommendation to buy or sell any particular security.

Sector Allocation

	Portfolio (%)	Benchmark (%)
Communication Services	8.0	4.0
Consumer Discretionary	4.5	8.3
Financials	20.0	33.4
Health Care	34.7	8.3
Industrials	0.9	7.6
Information Technology	24.6	3.6
Materials	2.7	19.2
Real Estate	2.1	7.0
Cash	2.5	--

Portfolio weights may not sum perfectly to 100.0% due to rounding.

Market Capitalisation (AUD)

	Pf (%)	Bm (%)	Act. (%)	# Stocks
S&P/ASX 1-20	13.5	59.5	-46.1	4
S&P/ASX 21-50	44.8	17.4	27.4	9
S&P/ASX 51-100	32.2	12.1	20.2	6
S&P/ASX 101-200	6.4	8.2	-1.9	3
S&P/ASX 201-300	0.6	2.8	-2.2	1
Ex S&P/ASX 300	--	--	--	--
Cash	2.5	--	2.5	--
Total	100	100	--	23

Portfolio weights may not sum perfectly to 100.0% due to rounding.

Top Contributors and Detractors (rolling 12 months)

Contributors	Price change (%)	Avg Weight (%)	Contribution to return (%)
HUB24 Limited	95.6	4.7	3.4
Technology One Limited	74.5	4.2	2.5
Pro Medicus, Ltd.	98.3	1.6	1.5
Xero Limited	14.5	10.1	1.2
Life360, Inc.	44.7	0.6	1.0

Detractors	Price change (%)	Avg Weight (%)	Contribution to return (%)
CSL Limited	-30.7	6.3	-2.2
James Hardie Industries	-43.4	3.3	-2.0
Guzman y Gomez Ltd.	-28.9	3.7	-0.9
Domino's Pizza Enterprises*	-43.5	1.8	-0.7
IDP Education Ltd*	-46.7	0.7	-0.7

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*Company no longer held in the portfolio

Fund Characteristics

Universe	S&P/ASX 300
Launch	Managed by Hyperion since September 2002, launched October 1996
Risk/Return Profile	The Fund's risk band is 7 (very high)
Fees	MER 0.95%
Distribution	AUD 1.8651 CPU at 30 June 2025 AUD 1.3594 CPU at 30 September 2024 AUD 4.6618 CPU at 30 June 2024 AUD 0.1283 CPU at 31 March 2024
Fund Size	\$2,512.9 million
APIR Code	BNT0003AU

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

All data as at 31st August 2025



CERTIFIED BY RIAA

RIAA Certified Fund

The Hyperion Australian Growth Companies Fund has been certified by the Responsible Investment Association Australasia (RIAA) according to the strict operational and disclosure practices required under the Responsible Investment Certification Program. See www.responsiblereturns.com.au for details and the last page of this document for disclaimers.

Portfolio Holdings Update

CSL Ltd (CSL-AU)

Primary Exchange
GICS Sector
Market Cap (AU\$m)

ASX
Health Care
103,084



CSL Ltd. (CSL) reported a mixed FY25 result, with weaker-than-expected growth in the core immunoglobulin business, attributed to short-term/one-off factors (the loss of a large UK tender, and the impact of US Medicare Part D reforms); and more conservative guidance on the timing (not the quantum) of the Behring gross margin recovery. This was partly offset by strength in the Vifor business.

The Seqirus demerger (as a stand-alone ASX-listed company) was a surprise but appears to be well-considered within the new operating model, which focuses on removing complexity by combining the commercial and medical functions of the Behring and Vifor businesses, enabling closer collaboration between the R&D, business development and commercialisation teams.

Pro Medicus Ltd (PME-AU)

Primary Exchange
GICS Sector
Market Cap (AU\$m)

ASX
Health Care
31,229



Pro Medicus Ltd. (PME) reported a strong FY25 result at the top and bottom lines (Group revenue +31.9% and EBIT +45%), as well as announcing plans to release a natively-developed digital pathology product this calendar year (following the launch of its cardiology product in FY25). With a modern, cloud-based enterprise imaging product suite including modules for radiology, cardiology and digital pathology, PME is well-placed to continue taking share of the U.S. hospital market (as at FY25 it has approximately 10% of the addressable market under contract). PME's CEO confirmed the pipeline remains strong with new opportunities spanning all key market segments including Academic Medical Centres, Integrated Delivery Networks (IDNs) and the private market.

Guzman y Gomez Ltd Ltd (GYG-AU)

Primary Exchange
GICS Sector
Market Cap (AU\$m)

ASX
Consumer Discretionary
2,596



Guzman y Gomez's (GYG) FY25 result undershot analyst expectations with the company investing more in the short-term into overhead than expected by sell-side analysts. This was compounded by a weak trading update for the start of FY26. Sales per store growth slowed from high-single digits to +3.7% in July / August, with the company cycling a strong period last year. Sales growth is expected to rebound later in the calendar year with new product releases and marketing investment. The company's rollout continues in line with expectations. While the market balked, we view negative surprises in the result as incremental and unimpactful to our long-term expectations. We like management's focus on delivering a superior value proposition to its customers over delivering short-term earnings "beats"; GYG has a great product, plenty of white space in Australia, and ample growth levers to pull over the coming years.

CONTACT US

HYPERION DISTRIBUTION

Jolon Knight
Mob: 0414 805 862
Jolon.knight@hyperion.com.au

INVESTOR SERVICES

Tel: 1300 497 374
Investorservices@hyperion.com.au



Awarded Fund Manager of the Year – Overall
Morningstar 2025 Awards, Australia.



Awarded Fund Manager of the Year – Overall
Morningstar 2024 Awards, Australia.



Awarded Fund Manager of the Year – Overall
Morningstar 2021 Awards, Australia.



Awarded Fund Manager of the Year – Domestic Equities Large Cap Category
Morningstar 2021 Awards, Australia.



Awarded Fund Manager of the Year – Domestic Equities Large Cap Category
Morningstar 2020 Awards, Australia.

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