Bell Global Emerging Companies Fund

Class A Fund Summary - Period ending 31 July 2025

Net Performance^

Returns in AUD	Fund	Index*
1 Month	0.8%	2.8%
3 Months	3.7%	10.4%
6 Months	-2.9%	2.7%
1 Year	6.6%	13.0%
3 Years (pa)	8.0%	13.4%
5 Years (pa)	8.7%	12.9%
Inception (pa)^	10.3%	11.0%

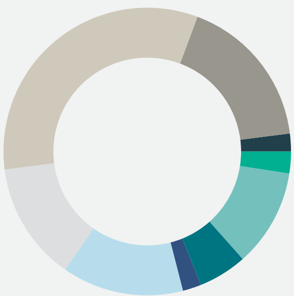
* Index is the MSCI World SMID Cap Index. ^ The Bell Global Emerging Companies Fund was established in November 2012 under a different name and with a different investment strategy. The fund has operated under its current name and strategy since 27 June 2016 (Inception). Past performance is not indicative of future performance.

Best & Worst Performers - 1 Month

Top 5 - Relative Contribution	
ICON Plc	0.27%
Teradyne, Inc.	0.20%
Manhattan Associates,…	0.17%
Techtronic Industries…	0.17%
HOYA CORPORATION	0.16%

Bottom 5 - Relative Contribution	
Gartner, Inc.	-0.37%
GMO Payment…	-0.34%
Check Point Software	-0.34%
Service Corporation…	-0.20%
CGI Inc. Class A	-0.20%

Sector Exposure



Communication Services	2.4%
Consumer Discretionary	11.1%
Consumer Staples	5.4%
Energy	2.1%
Financials	13.7%
Health Care	13.4%
Industrials	32.7%
Information Technology	17.2%
[Cash]	2.0%

Geographic Exposure

Africa/Mideast	2.0%
Asia/Pacific Ex Japan	2.4%
Europe	23.5%
Japan	10.8%
North America	59.3%
[Cash]	2.0%

Top 10 Holdings

Company	Sector	Geography	Weight
Clean Harbors, Inc.	Industrials	US	2.8%
Wolters Kluwer N.V.	Industrials	NL	2.7%
Service Corporation…	Consumer Discretionary	US	2.6%
HOYA CORPORATION	Health Care	JP	2.6%
MSCI Inc.	Financials	US	2.5%
Cencora, Inc.	Health Care	US	2.5%
Techtronic Industries…	Industrials	HK	2.4%
Verra Mobility…	Industrials	US	2.4%
Auto Trader Group plc	Communication Services	GB	2.4%
Keysight Technologies,…	Information Technology	US	2.3%

Investment Metrics#

	Portfolio	Index	Relative
Risk			
Total Risk	12.01	12.84	
Number of Stocks	50	4,598	
Active Share	97.7		
Value			
P/E (Fwd 12M)	23.3	16.9	138%
EV / EBITDA	16.5	12.9	128%
Growth (%)			
Sales Growth	11.4	13.8	83%
EPS Growth	14.5	15.0	97%
Quality			
Return on Equity	26.0	9.3	280%
Net Debt / EBITDA	0.6	1.7	33%
ESG			
MSCI ESG Overall Score	7.5	6.6	114%
Carbon Emissions*	27.3	170.8	16%

Investment Metrics calculated using FactSet database
* Scope 1+2 CO2 and equivalents per US$ mil. of revenue

Bell Global Emerging Companies Fund

Class A Fund Summary - Period ending 31 July 2025

Ned Bell CIO / Portfolio Manager

Joel Connell Portfolio Manager

Matt Saddington Portfolio Manager

Contact Details

Unitholder enquiries
T: 1300 133 451
E: registry@apexgroup.com

Bell Asset Management Limited
W: bellasset.com.au
T: 1300 305 476
E: client@bellasset.com.au

Xanthe Virtue: Head of Wholesale & Platforms
T: +61 2 8000 8872 M: +61 413 450 163
E: xvirtue@bellasset.com.au

Andrew Stewart: Head of Retail Sales
T: +61 2 8000 8875 M: +61 419 224 732
E: astewart@bellasset.com.au

Performance

Strong performance through most of July saw global equities maintain positive territory despite cooling sentiment into the final week of the month. The MSCI World SMID Cap Index rose 2.8% during July, whilst the Bell Global Emerging Companies Fund (Class A) returned +0.8%, underperforming the MSCI World SMID Cap Index by 2.0%.

Performance Attribution

The portfolio delivered another month of positive returns in July, supported primarily by strong performance within the Health Care, Consumer Staples and Industrials sectors. Holdings in the Financials and Information Technology sectors were the most significant detractors from an absolute return perspective. Geographically, North American holdings outperformed, while European positions lagged. In relative terms, the underperformance was primarily attributable to stocks within the Information Technology, Financials and Industrials sectors, partially offset by good stock picking within Health Care and Consumer Staples. From a factor perspective, the portfolio's overweight to Quality and underweight to Momentum and Value risk factors have continued to be headwinds for relative returns.

From a stock-specific perspective, ICON was one of the greatest contributors to performance over the period. The biopharma contract research organisation (CRO) rebounded, alongside several CRO peers, after delivering quarterly results that came in better than feared. Sentiment toward the company and the broader CRO space had been extremely negative this year, which had driven ICON's valuation to depressed levels. While we maintain a favourable view of Icon's pivotal role in drug development, we acknowledge the ongoing overhang from U.S. policy uncertainty, particularly the Trump administration's push to materially reduce drug pricing. If these efforts were to significantly undermine biopharma innovation, companies like Icon would inevitably be impacted. We have been of the view that such a negative outcome is unlikely to materialise to the degree that has been discounted by the market and still believe this to be the case longer term. However, following the sharp rally during the month, we took the opportunity to reduce our position size given that the extreme valuation gap had partially closed. Noteworthy contributors elsewhere included Teradyne (Information Technology), Techtronic Industries (Industrials) and Manhattan Associates (Information Technology).

On the other hand, cybersecurity solutions provider Check Point Software was one the key detractors for the month. The stock's decline was fundamentally a result of its second-quarter earnings release. While revenue and EPS were slightly above consensus, billings trailed investor expectations and only grew by 4%, implying softer near-term demand. Management attributed this billing volatility to the timing of closing large contracts and stated that organic growth across all markets (US +5%, EMEA +5%, and APAC +12%) remained robust. Upon dissecting the quality of the business fundamentals, we found a healthy backlog, margins that are still industry-leading, and strong free cash flow generation. With the full-year guidance reaffirmed by management, we took the opportunity to increase our position at a price that we believe is heavily discounted. We forecast double-digit annual shareholder returns for the name, which is underpinned by solid and consistent EPS growth. Other noteworthy laggards for July included Gartner (Information Technology), GMO Payment Gateway (Financials) and Service Corporation (Consumer Discretionary).

Market Commentary

Bell Global Emerging Companies Fund

Class A Fund Summary - Period ending 31 July 2025

Risk-on sentiment continued to dominate at the start of the third quarter, driving global equity markets higher. The Magnificent Seven were the most prominent contributors, outperforming by approximately 4%, supported by stronger-than-expected AI capital expenditure forecasts from the hyperscalers. The Growth factor continued to dominate, while Value and Quality remained under pressure. Over the last 12 months, the MSCI World Quality Index has lagged the MSCI World Index and the MSCI World Growth Index by approximately 9% and 13% respectively.

Sector-wise, Information Technology, Energy, Utilities, Industrials, and Communication Services outperformed the broader market, while Consumer Staples and Health Care were notable underperformers. Geographically, US equities continued to lead, resulting in relative underperformance from European and Asia-Pacific markets. Despite strong gains among mega-cap technology names, SMID cap stocks only modestly underperformed their large-cap counterparts.

Global trade dynamics continued to remain top of mind for investors throughout July. The month saw a series of new agreements reached between the White House and key trading partners, including Vietnam, Japan, and the European Union. While the revised tariff schedules are notably higher than those in place pre-Trump, equity markets responded positively as the terms were generally more lenient than feared. Switzerland was a notable outlier, facing a sharply higher tariff of 39%, which exceeded the level initially announced on Liberation Day. While the probability of a full-scale trade war has moderated, the geopolitical environment remains volatile due to ongoing unpredictability in US policymaking. In the US, the passage of the One Big Beautiful Bill Act on July 2 provided further market support, with the final version proving more expansionary than the initial proposal.

The Q2 earnings season is well underway, with results broadly exceeding expectations. At the time of writing, over 80% of companies in the S&P 500 have beaten EPS expectations, a slightly higher-than-average level. Despite these strong results, investor reactions have been highly variable, with share price swings of +/-20% not uncommon.

In contrast, fixed income markets were relatively quiet. Both the Federal Reserve and European Central Bank held policy rates steady, with the latter citing persistent inflationary pressures and broader market uncertainties. US Treasury yields ticked higher for most of July, creating headwinds for unhedged offshore equity investors amid a stronger US dollar. However, yields subsequently retreated in early August following the release of underwhelming US non-farm payrolls data.

In commodities, Gold's recent rally paused. Copper prices, meanwhile, experienced pronounced volatility following a surprise announcement of a 50% tariff on imports, which was later reversed by month-end via an exemption.

Portfolio Activity

Our investment team continued to identify attractive opportunities for capital deployment during July, resulting in several new positions being established. One addition was Teradyne, a leading designer and manufacturer of automated test equipment (ATE) and robotics products. The company's core business involves providing critical testing solutions for a wide range of electronic components, including semiconductors, where it forms part of a significant duopoly alongside Advantest. This market position is strengthened by the high cost and complexity of switching testing platforms, which fosters a "sticky" customer base and a strong competitive moat. We believe Teradyne presents an attractive investment opportunity due to several key factors. The ongoing demand for advanced semiconductors, particularly those used in artificial intelligence (AI) and high-performance computing, is driving a new cycle of growth in the testing market. Teradyne is strategically positioned to benefit from this trend, as the complexity of these new chips requires more rigorous and sophisticated testing. Furthermore, its robotics division, which includes collaborative robots (Cobots) from Universal Robots, is a key growth driver as industries increasingly automate manufacturing and logistics processes. These factors, combined with the company's strong financial health and strategic capital allocation, position Teradyne to capitalise on long-term technological trends. The company's valuation is also very attractive, both on a historical basis and relative to Advantest and the broader market.

Additionally, the portfolio initiated a position in Japan Exchange, the holding company encompassing the Osaka Securities Exchange, Tokyo Stock Exchange and Japan's central clearing house. Renewed interest in Japanese capital markets has been fuelled by the Tokyo Stock Exchange's initiatives to encourage more shareholder-friendly behaviour from listed companies. This shift is drawing capital back into the market and increasing activity through the clearing house, which is also benefiting from rising interest income on overnight margin funds. The stock is thinly covered by the sell-side and conservative management guidance has driven the price down to attractive levels when one considers that guidance was predicated on volume numbers, which they are clearly exceeding at present. Combined with the view that the company stands to prosper from an improved long-term outlook for Japanese capital markets and additional tailwinds from both stronger equity returns and the interest rates, we view the investment case as attractive.

Other portfolio activity during the month included investments in Canadian multinational convenience store operator Alimentation Couche-Tard and Copart, a US-based online auction platform for used vehicles with an extensive multinational presence. These positions were funded by a combination of existing cash holdings and the exit of Deckers Outdoor Group and Hong Kong Exchanges & Clearing (HKEX). The sale of HKEX followed a period of very strong performance. We had re-entered the position in late 2023 and opportunistically added to it during further weakness in 2024. Since the 2024 lows, its share price has nearly doubled, driven by improving sentiment around China and Hong Kong equity markets, recovering trading volumes, and an uptick in IPO activity. While we continue to view HKEX as a high-quality franchise with a strong structural position in Asian capital markets, its valuation has expanded materially, leaving less room for near-term upside. The position also breached our SMID Cap threshold for six consecutive months, requiring its exit as per our process.

Key Features

Investment Objectives	Outperform the index over rolling three year periods while maintaining an ESG Quality Score of the Fund's portfolio above the ESG Quality Score which applies to the Benchmark and the carbon intensity (tonnes CO2 equivalents/$ million revenue) of the Fund's portfolio remaining at least 25% lower than the carbon intensity of the Benchmark.
Asset Allocation	Long only global small and mid cap equities, no gearing, no derivatives
Investment Style	Fundamental bottom up approach "Quality at a reasonable price"
Investment Highlights	• A diversified portfolio of small and mid cap (SMID) global stocks • 'Quality' focus - consistently high returning companies • Long-term horizon - typically 3-5 year holding periods • Benchmark agnostic • Maximum cash position 10% • Highly experienced investment team
Benchmark	MSCI World SMID Cap Index
Currency Exposure	Unhedged
Investment Timeframe	At least 5 years
Number of Holdings	30 - 60

Fund Terms

Fund Inception Date	November 2012
Strategy Inception Date	27 June 2016
Product Structure	Registered Managed Investment Scheme
Investment Manager	Bell Asset Management Limited
Responsible Entity	The Trust Company (RE Services) Limited
Custodian	Apex Fund Services Pty Ltd
mFund Code	BLM01
Unit Pricing & Liquidity	Daily Published on www.bellasset.com.au & market data services
Minimum Investment	Minimum investment - $10,000
Indirect Cost Ratio	1.34% p.a No performance fees, No entry or exit fees
Buy / Sell Spread	+/-0.10%
Reporting	Transaction confirmations upon transacting, annual periodic statement, tax statement, distribution statement and Annual Financial Report
Income	Annual distribution of taxable income
Target Market	This product is intended for use as a core component for a long only exposure to global equities for a consumer who is seeking capital growth, with an ability to absorb potential loss and not looking for income returns and has a high to very high risk and return profile for that portion of their investment portfolio. It is likely to be consistent with the financial situation and needs of a consumer with a minimum 5 year investment timeframe and who is unlikely to need to withdraw their money on less than 7 Business Days' notice.