

# Bell Global High Conviction Fund

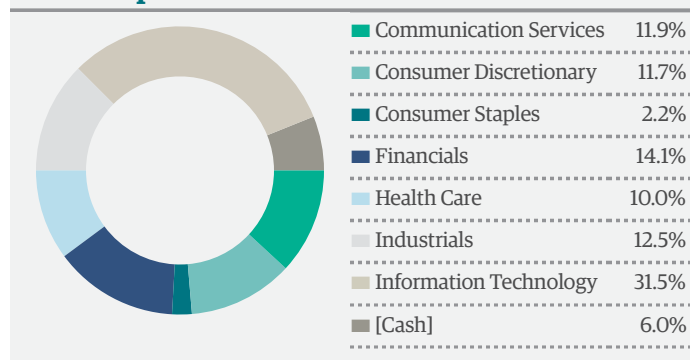
Hedged Class Fund Summary - Period Ending 31 October 2025

## Net Performance<sup>^</sup>

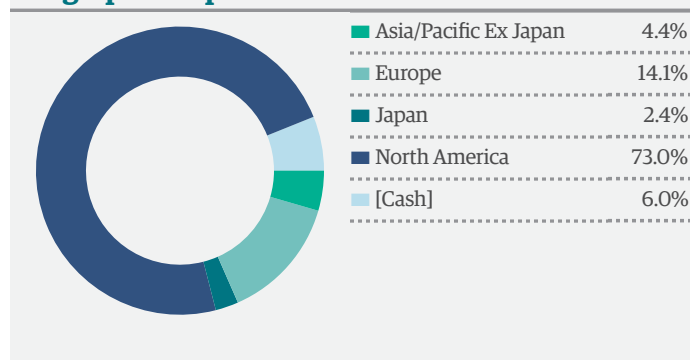
Returns in AUD	Fund	Index*
1 Month	0.5%	2.6%
3 Months	5.2%	8.2%
6 Months	--	--
1 Year	--	--
3 Years (pa)	--	--
5 Years (pa)	--	--
Inception (pa) <sup>^</sup>	5.0%	10.4%

\*Index is the MSCI World ex Australia Index (Hedged) net of dividends reinvested. <sup>^</sup> Inception date of the Bell Global High Conviction strategy is 1 July 2025. Past performance is not indicative of future performance.

## Sector Exposure



## Geographic Exposure



## Top 5 Holdings

Company	Sector	Geography	Weight
Microsoft Corporation	Information Technology	US	6.7%
NVIDIA Corporation	Information Technology	US	6.6%
Alphabet Inc.	Communication Services	US	6.5%
Amazon.com, Inc.	Consumer Discretionary	US	5.3%
Apple Inc.	Information Technology	US	3.9%

## Best & Worst Performers - 1 Month

### Top 5 - Relative Contribution

Alphabet Inc. Class A	0.56%
Amazon.com, Inc.	0.20%
Cencora, Inc.	0.14%
Eli Lilly and Company	0.13%
Tsmc	0.12%

### Bottom 5 - Relative Contribution

Fiserv, Inc.	-0.73%
Wolters Kluwer N.V.	-0.41%
Clean Harbors, Inc.	-0.31%
Motorola Solutions, Inc.	-0.26%
Aon Plc Class A	-0.25%

## Investment Metrics<sup>#</sup>

	Portfolio	Index	Relative
<b>Risk</b>			
Total Risk	11.88	12.31	
Number of Stocks	33	1,274	
Active Share	71.0		
<b>Value</b>			
P/E (Fwd 12M)	27.0	20.4	132%
EV / EBITDA	19.9	16.7	120%
<b>Growth (%)</b>			
Sales Growth	16.9	13.8	122%
EPS Growth	21.0	20.0	105%
<b>Quality</b>			
Return on Equity	36.4	16.1	226%
Net Debt / EBITDA	0.5	0.5	120%
<b>ESG</b>			
MSCI ESG Overall Score	6.9	6.6	103%
Carbon Emissions*	24.2	89.6	27%

<sup>#</sup> Investment Metrics calculated using FactSet database

\* Scope 1+2 CO2 and equivalents per US\$ mil. of revenue

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## Performance

Global equities extended their gains into October, as investor optimism and momentum carried into the final quarter of the year. The MSCI World ex-Australia (Hedged) Index returned +2.6% in October, whilst the Bell Global High Conviction Fund (Hedged Class) rose 0.5%, underperforming the MSCI World ex-Australia (Hedged) Index by 2.1%.

## Performance Attribution

The portfolio delivered a moderate gain in October. In an absolute sense, strength across Information Technology, Communication Services and Consumer Discretionary provided meaningful tailwinds, while Health Care holdings also contributed positively after a challenging year for the sector. Financials and Industrials were the primary detractors. Regionally, North American and emerging market exposures were the main sources of upside, whereas our European and small Asia-Pacific allocation detracted marginally. On a relative basis, the portfolio underperformed the benchmark, primarily due to stock selection headwinds within Financials, Industrials and Information Technology. These were partially offset by benefits from underweights in Materials and Consumer Staples, an overweight to Information Technology and good stock picking across both Consumer sectors.

One of the strongest contributors to the portfolio's upside across the period was that of Alphabet. Share price strength for the month was propelled by the company's strong Q3 results, which generally exceeded market expectations by 3-5% across the board, and prompted earnings upgrades of a similar magnitude. The massive Alphabet advertising business (now annualising \$300bn in revenues) grew by an impressive +11% while the Subscriptions business grew +19%. However, the standout was the Cloud business which gained global share

in posting +32% growth. Google Cloud is on track to be a \$57bn business in 2025 growing 30%+ with operating margins exceeding 20%. Alphabet remains one of the largest holdings in the portfolio. Additional noteworthy performers during October included Amazon (Consumer Discretionary) and Health Care names Cencora and Eli Lilly.

Fiserv, a financial technology and payment processing company headquartered in Milwaukee, was the main detractor over the month following a sizeable downgrade to earnings expectations and subsequent loss of investor confidence in management. While we had prudently reduced our position ahead of the result, anticipating the potential for softer results and outlook, the extent of the revision proved significantly greater than we or the market expected. The update invalidated several aspects of our prior investment thesis, including management credibility, balance sheet strength, profitability, and the overall resilience of the business model. Although valuation has compressed meaningfully, we expect the shares to remain out of favour for some time as the company works to rebuild confidence and demonstrate consistent execution. Accordingly, we exited the position and redeployed capital into higher-conviction opportunities within the portfolio. Other meaningful detractors over the period included Wolters Kluwer (Industrials), Motorola Solutions (Information Technology) and Clean Harbors (Industrials).

## Market Commentary

October represented another month of positive returns for global share markets, with several regional benchmarks reaching new all-time highs. The Information Technology sector remained the main driver of market gains, while Communication Services, Consumer Discretionary, Health Care, Industrials and

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Utilities also advanced modestly. The remaining GICS sectors declined, with Financials the primary detractor from market returns. Equity markets across Asia-Pacific, North America and Europe all rallied through the period, although Europe lagged the MSCI World Index. In terms of size, SMID caps trailed their larger counterparts, as the 'Mag 7' rallied to new peak levels. From a style perspective, Growth remained the dominant factor, along with higher risk stocks including non-profitable stocks, which extended their sharp gains from April lows. Value and Low Volatility stocks materially underperformed the broader market, while Quality performed in-line as strong performance in some of the mega-cap quality stocks was offset by softness in smaller-cap quality names.

Although there was limited news flow from global rates markets through October, actions from the US Federal Reserve proved impactful. The Fed, led by Chair Jerome Powell, delivered a widely expected 25bps rate cut citing downside risk to employment in recent months. However, Powell's indication that another cut should not necessarily be expected in December unsettled traders. Since his statement, around 50bps of expected cuts have been priced out of the market as investors grew increasingly concerned that the Fed may pause to assess the economic impact before extending the easing cycle.

In the US, the government shutdown persisted throughout October as Democrats and Republicans remained gridlocked. While this is now the longest lockdown in US history, its impact on markets has so far been minimal. Risks remain that a prolonged standoff could disrupt recent market momentum due to rising governance concerns and the absence of updated economic data from government agencies, however we would expect the parties to come to an agreement sooner rather than later.

The corporate earnings season was also well underway during the month. In general, earnings have remained robust with an above average number of companies surpassing their estimates. However, those that missed expectations were punished swiftly, with many experiencing double-digit declines for even minor disappointments. Large technology firms reconfirmed their commitment to invest heavily in AI-related infrastructure, with spending growth expected to continue into 2026.

Commodity markets also climbed higher over the month, with precious metals once again in focus. Gold burst through the US \$4,000 mark for the first time in early October, with Silver following a similar trajectory, before both retreating late in the month amid profit-taking and a stronger US dollar. Elsewhere, energy markets were weighed down by oversupply concerns, while agricultural commodities were mixed, with select food prices supported by improving US-Chinese trade prospects.

## Portfolio Activity

During the month the investment team established a new position in Japanese B2B e-commerce company MonotaRO. We like the name for its dominant position as the leading e-commerce platform in Japan's fragmented Maintenance, Repair and Operations (MRO) market. This market leadership should enable the company to continue capturing meaningful share from traditional, inefficient distributors and sustain strong earnings growth for years to come. Additionally, the company's recent Q3 results were also better than expected, with operating profit beating estimates on the back of stronger gross margins and effective selling, general & administrative (SG&A) cost controls. The recent contraction in valuation provided an opportunity to initiate a position in the Fund at a very attractive level. The only

position exited during October was Fiserv, with the sale driven by the investment thesis being invalidated as mentioned above.

## Key Features

Investment Objective	To outperform the MSCI World Ex Australia Index (Hedged) in Australian Dollars with net dividends reinvested, over rolling three-year periods after fees and expenses (but before taxes).
Asset Allocation	Concentrated long only global equities portfolio. Derivatives are used to hedge the Fund's foreign currency exposure for the Hedged Class Unit back to AUD.
Investment Style	Fundamental bottom up approach 'quality at a reasonable price'
Investment Highlights	<ul style="list-style-type: none"><li>• 'Quality' focus - consistently high returning companies</li><li>• Long-term horizon - typically 3-5 year holding periods</li><li>• Benchmark agnostic, no country limits</li><li>• Maximum cash position 10%</li><li>• Highly experienced investment team</li></ul>
Benchmark	MSCI World ex Australia Index (Hedged) net of dividends reinvested
Currency Exposure	Hedged
Investment Timeframe	At least 5 years
Number of Holdings	20-40

## Fund Terms

Fund Inception Date	Strategy inception date is 1 July 2025. Fund inception date is 19 November 2021.
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
Unit Pricing & Liquidity	Daily Published on <a href="http://www.bellasset.com.au">www.bellasset.com.au</a> & market data services.
Minimum Investment	Minimum investment - \$25,000
Indirect Cost Ratio	0.95%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 & Annual Financial Report
Income	Annual distribution of taxable income
Target Market	This product is intended for use as a minor or satellite component within a portfolio for a consumer who is seeking capital growth 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 5-year minimum investment timeframe and who is unlikely to need to withdraw their money on less than one month's notice.

**Important Information:** The Trust Company (RE Services) Limited (Trust Co) ABN 45 003 278 831, AFSL 235150 is the responsible entity and issuer of units for the Bell Global High Conviction Fund (the Fund). Bell Asset Management Limited (BAM) ABN 84 092 278 647, AFSL 231091 is the investment manager for the Fund. This report has been prepared and issued by BAM for information purposes only and does not take into consideration the investment objectives, financial circumstances or needs of any particular recipient and it contains general information only. You should consider the product disclosure statement (PDS), prior to making any investment decisions. The PDS and target market determination (TMD) can be obtained for free by calling 1300 133 451 or visiting our website [www.bellasset.com.au](http://www.bellasset.com.au). If you require financial advice that takes into account your personal objectives, financial situation or needs, you should consult your licensed or authorised financial adviser. No representation or warranty, express or implied, is made as to the accuracy, completeness or reasonableness of any assumption contained in this report and none of Trust Co, BAM and its directors, employees or agents accepts any liability for any loss arising, including from negligence, from the use of this document. Past performance is not necessarily indicative of expected future performance. Total returns shown for the Fund have been calculated using exit prices after taking into account all ongoing fees and assuming reinvestment of distributions. No allowance has been made for taxation.