Bell Australian Small Companies Fund (Class B)

Bell
ASSET MANAGEMENT

Monthly Summary

Period ending 31 August 2026

Portfolio Managers
Tim Johnston
James Nguyen
Scott Hudson

Fund Inception
26 June 2026

Investment Objective
The investment return objective of the Fund is to outperform the benchmark over the medium to long term periods after fees and expenses (but before taxes)

Investment Benchmark
S&P/ASX Small Ordinaries Accumulation Index

Investment Style
Quality with a valuation overlay – bottom up, fundamental

Investment universe
Primarily Australian listed equities, with limited New Zealand exposure. Primarily outside S&P/ASX 100 Index*

Investment horizon
At least 5 – 7 years

Currency exposure
AUD

APIR Code
PIM2729AU

Management fees & costs**
Management fee:
1.40% p.a. of NAV

Buy/sell spread
0.30% on entry and exit

* *The Fund may also invest in small companies listed in New Zealand and up to 10% of NAV on other international exchanges.*
** *For further information please refer to the Fund's Product Disclosure Statement available at www.bellasset.com.au*

Performance (%)

	1 month	Since Inception
Fund	5.4	3.9
Benchmark	5.2	1.9
Excess	0.2	2.0

Benchmark is the S&P/ASX Small Ordinaries Accumulation Index. Performance is based on Fund Unit Class daily unit prices. There may be differences in the excess returns due to rounding. Past performance is not indicative of future performance.

Fund statistics

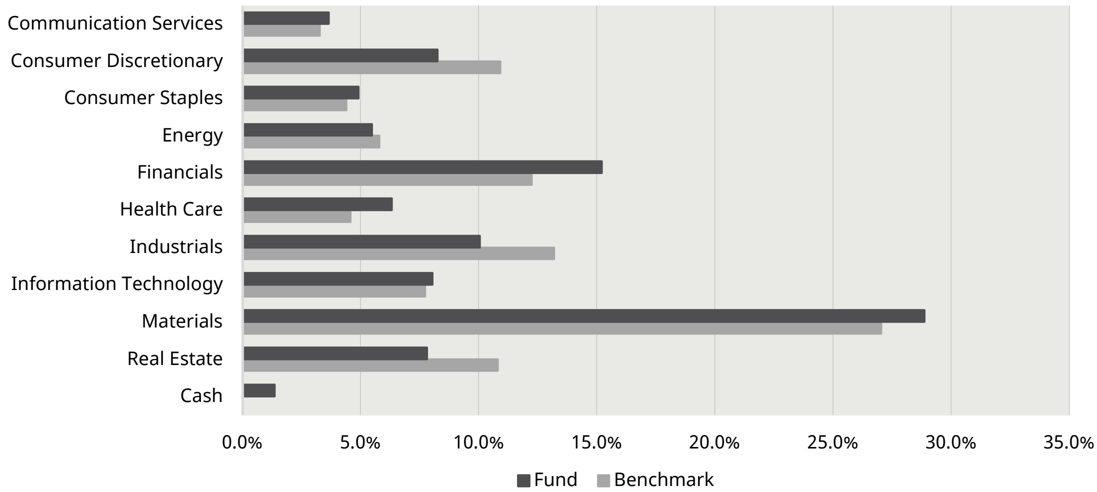
	Fund	Benchmark
Fund AUM ($m)	$15.7	-
Number of Stocks	47	208
Beta	1.06	1.00
Active Share	78.2%	-
Return on Equity	15.2%	11.0%
Free Cash Flow Yield	4.5%	3.3%

Fund Statistics calculated using FactSet, Bloomberg and UBS Quant Answers. Beta is calculated using a forward-looking measure in the risk model.

Top 5 holdings

Company	Sector	Weight (%)
Vault Minerals Limited	Materials	4.7%
AUB Group Limited	Financials	4.4%
Aussie Broadband Ltd.	Communication Services	3.7%
NexGen Energy Ltd.	Energy	3.4%
Capstone Copper Corp.	Materials	3.0%

Sector allocation



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About Bell

Bell Asset Management is a specialist multi-investment team manager, bringing together dedicated, expert investment teams across Global and Australian Equities.

Since 2003, our Global Equities team has managed portfolios across all market cycles, guided by the philosophy that high-quality companies drive superior long-term returns. In 2026, we expanded our capabilities with the launch of a dedicated Australian Small Companies team — experienced Portfolio Managers focused on uncovering quality growth in Australia's small-cap universe.

Contact us

Andrew Stewart
Head of Retail Distribution
T: 0419 224 732
E: astewart@bellasset.com.au

Xanthe Virtue
Head of Wholesale & Platforms
T: 0413 450 163
E: xvirtue@bellasset.com.au

Bell Client Services
T: 1300 305 476
E: client@bellasset.com.au

Apex Group (Registry)
T: 1300 133 451
E: registry@apexgroup.com

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Fund Commentary

Market update

Market dynamics in August were dominated by the local reporting season. With earnings forecasts revised lower in the preceding months, overall outcomes were better than these lowered expectations. Better outcomes and undemanding valuations combined to see the market move approx. 5% higher. We also saw a wave of takeover activity during the month, with industry players and private equity moving to take advantage of the opportunities in the market.

In our view, the key takeaway was that small-cap earnings appear at or close to a cyclical low. Higher commodity prices are driving higher earnings in resources and volume growth will follow. This underpins investment spending across resources, adding to the moment in A.I. and energy A.I. infrastructure investment and supporting broader economic growth. The weakest near-term outlook remains in the consumer discretionary space, but those pressures are well understood and should ease as the interest rate cycle turns. Investors are starting to recognise both the opportunity and the discounted valuations on offer.

Performance

The Bell Australian Small Companies Fund (Class B) returned 5.4% (net) for the month, compared to the S&P/ASX Small Ordinaries Accumulation Index return of 5.2%, outperforming the S&P/ASX Small Ordinaries Accumulation Index by 0.2%.

The key contributors to the Fund's performance include:

- Fleet Partners rallied by 48% after receiving multiple takeover offers during the month. We have subsequently exited the position at a premium to the highest takeover offer.
- Capstone Copper was up by 10% over the month following a good quarterly production update. The company has invested in improving the reliability of it operations and this is now translating into outcomes. We continue to see upside in the stock as it is trading at a much lower valuation multiple than other diversified copper producers.
- Dicker Data delivered an excellent 1H26 result, beating market expectations for revenue growth, gross margins and operating costs. The company has started to benefit from AI-related spending, lifting confidence in the medium-term outlook and the stock re-rated by 15% as a result.

The key detractors to the Fund's performance include:

- Iress underperformed on marginally weaker top line growth. We are supportive of the turnaround strategy of the new executive team and believe our investment thesis remains intact.
- Aussie Broadband de-rated during the month despite meeting FY26 guidance and providing FY27 guidance ahead of consensus expectations. The disappointment stemmed from the subscriber additions achieved in the June quarter, raising questions on the pace of future growth and competitive intensity in the market.
- Generation Development Group gave up the gains seen in July. This was driven by higher-than-expected operating expense growth in FY27 as the company is investing to accelerate growth. We have added to the position on this weakness.

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Portfolio activity

We initiated a position in EBOS Group. EBOS is a diversified distributor of healthcare and animal care products across Australia, NZ and SE Asia. The company is exposed to structural growth in demand, underpinned by the aging population and ongoing product innovation. After losing the supply contract for Chemist Warehouse, EBOS was substantially de-rated. Earnings are now re-based and have returned to growth and the company has finished a major reinvestment phase to support the growth outlook. We believe that the company is trading at an attractive entry point, on 15.5x earnings with a 5.6% dividend yield.

We added to our position in the Gold sector during the month, moving to a slightly overweight position in aggregate. This included initiating a position in Catalyst Metals, which has been a relative laggard in the recent rally and is trading at a heavy discount to its peer group. This position was funded in part by a reduction in the position in Ora Banda Mining after a period of strong outperformance.

As noted earlier, we added to Generation Development Group following its share price decline. We believe that the market is overlooking the fact that the incremental cost being added to the business is being done so to take advantage of the strong demand environment the company is experiencing.

We exited Fleet Partners and Temple & Webster during the month.

- Fleet Partners was exited following value realisation after multiple takeover offers drove the share price up 48% during the month.
- Temple & Webster announced a partial shift in the company strategy, moving to target an older customer cohort. In our assessment, this increases the risk and duration of value realisation.

We also reduced our position in Universal Store Holdings following a period of strong performance.

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Target Market Summary

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 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