

# Bell Global Emerging Companies Fund

## Class A Active ETF Fund Summary - Period ending 31 May 2026

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

Returns in AUD	Fund	Index*
<b>1 Month</b>	-0.8%	3.1%
<b>3 Months</b>	-6.6%	2.3%
<b>6 Months</b>	-12.5%	3.0%
<b>1 Year</b>	-16.6%	13.3%
<b>3 Years (pa)</b>	0.1%	14.2%
<b>5 Years (pa)</b>	1.1%	8.6%
<b>10 Years (pa)</b>	--	--
<b>Inception (pa)<sup>^</sup></b>	7.4%	10.8%

\* Index is the MSCI World SMID Cap Index. <sup>^</sup> The Bell Global Emerging Companies Fund was established in November 2012 as the Global Mining Investment Trust 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

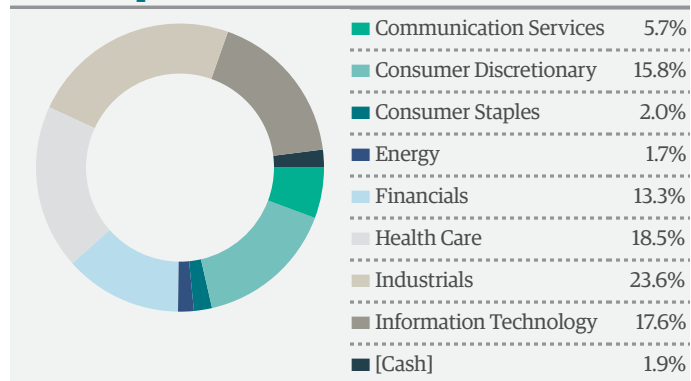
#### Top 5 - Relative Contribution

DexCom, Inc.	0.36%
Check Point Software	0.31%
Compass Group PLC	0.25%
Agilent Technologies,...	0.23%
Nomura Research...	0.21%

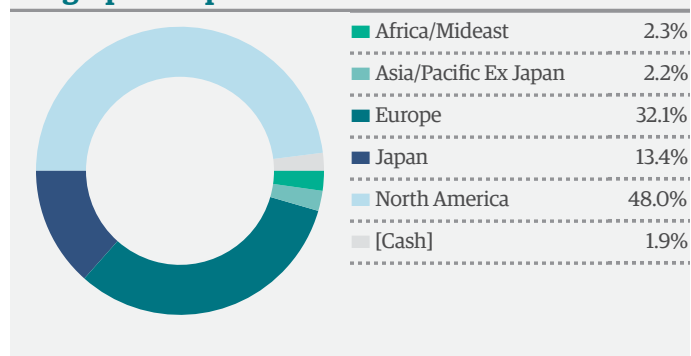
#### Bottom 5 - Relative Contribution

LPL Financial...	-0.52%
Zoetis, Inc. Class A	-0.46%
Cencora, Inc.	-0.41%
Autotrader Group PLC	-0.33%
Pool Corporation	-0.31%

### Sector Exposure



### Geographic Exposure



### Top 10 Holdings

Company	Sector	Geography	Weight
Veeva Systems Inc.	Health Care	US	2.6%
Cencora, Inc.	Health Care	US	2.6%
Experian PLC	Industrials	GB	2.4%
Deutsche Borse AG	Financials	DE	2.3%
MonotaRO Co., Ltd.	Industrials	JP	2.3%
Straumann Holding AG	Health Care	CH	2.3%
Check Point Software	Information Technology	IL	2.3%
TE Connectivity plc	Information Technology	US	2.3%
Amadeus IT Group SA	Consumer Discretionary	ES	2.3%
Broadridge Financial...	Industrials	US	2.2%

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

	Portfolio	Index	Relative
<b>Risk</b>			
Total Risk	13.33	12.97	
Number of Stocks	52	4,594	
Active Share	98.0		
<b>Value</b>			
P/E (Fwd 12M)	18.5	17.2	108%
EV / EBITDA	12.8	12.8	100%
<b>Growth (%)</b>			
Sales Growth	10.9	10.9	100%
EPS Growth	13.8	11.7	118%
<b>Quality</b>			
Return on Equity	30.6	9.9	309%
Net Debt / EBITDA	0.7	1.8	37%
<b>ESG</b>			
MSCI ESG Overall Score	76	6.5	116%
Carbon Emissions*	11.7	161.2	7%

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

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### Performance

The global equity rally extended into May as accelerating AI infrastructure spending and a stronger-than-expected earnings season propelled markets to fresh record highs. The MSCI SMID Cap Index returned +3.1% for May, while the Bell Global Emerging Companies Fund (Class A) Active ETF declined 0.8%, underperforming the MSCI SMID Cap Index by 3.9%.

### Performance Attribution

The portfolio delivered a modestly negative return in May, with gains across Health Care and Information Technology offset by weakness elsewhere amid a month in which the SMID-cap rally was narrowly concentrated. Health Care and Information Technology were the strongest positive contributors to absolute performance, while the portfolio's Financials and Industrials holdings were the most significant detractors, alongside more modest detractions from Consumer Staples, Communication Services and Energy. From a geographic perspective, European exposures delivered solid gains over the period, while North American holdings detracted and developed Asia-Pacific exposures were broadly flat. In terms of relative attribution, the underperformance was driven largely by stock selection impacts within the Information Technology sector, where the portfolio's holdings rose during the month but lagged the very strong benchmark returns, particularly within the Semiconductor and Tech Hardware segments. This was partially offset by a positive overall allocation effect, including benefits from the portfolio's underweight or non-exposure to the lagging Utilities, Energy and Real Estate sectors. At a factor level, the portfolio's quality bias and underweight to Momentum and higher-beta exposures remained a relative headwind as the pronounced risk-on rally continued.

From a stock-specific perspective, the strongest contributor during May was Dexcom, a leading medical technology company specialising in continuous glucose monitoring (CGM) technology. Despite consistently delivering financial results ahead of consensus expectations, the company's valuation had remained subdued amid broader market skepticism regarding the durability of its long-term growth runway. This dynamic shifted in May following the company's Investor Day, at which management presented robust yet highly achievable growth targets through to 2030. The presentation successfully reassured investors of the sustainability of the company's growth profile, providing a degree of validation to our positive investment thesis. This helped drive a positive shift in sentiment, with the shares re-rating more than 25% between the Investor Day and month-end. We retain our position, with the valuation in our view continuing to under-appreciate the long-term penetration opportunity for CGM technology. Other positive contributors included Check Point Software (Information Technology), Compass Group (Consumer Discretionary) and Agilent Technologies (Health Care).

In contrast, LPL Financial was one of the most notable detractors during May, with the shares declining as concerns around structural fee pressure and potential AI-driven disruption continued to weigh on the independent wealth management sector. The central fear relates to automated cash disintermediation, whereby tokenised and AI-centric platforms could eventually automate the movement of idle client sweep cash into higher-yielding alternatives, threatening what is the most profitable earnings stream for LPL and its peers (client cash revenue representing approximately 30% of gross profit). The emergence of these technological threats, alongside ongoing industry-wide scrutiny of sweep program

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yields, triggered a broad de-rating across the sector, while lingering uncertainty around the final retention of onboarding Commonwealth advisors added a stock-specific overhang. We believe these concerns are overdone. The average client sweep balance of approximately US\$5,000 is largely operational cash with little economic incentive to optimise, and advisors, rather than clients, remain the gatekeepers of these balances. LPL also retains multiple offsetting levers, including custody platform fees and fee restructuring already underway, that materially mitigate the earnings impact even under severe repricing scenarios. Meanwhile, the core franchise continues to strengthen, with organic net new asset growth recovering and expected to accelerate as recruiting refocuses post-Commonwealth and structural advisor migration toward the independent channel persists. Trading at approximately 11x forward earnings versus a longer-term average valuation closer to 15x, we maintain conviction in the longer-term outlook and view the valuation as attractive at current levels, particularly in the context of the mid-teens plus earnings growth that we forecast moving forward. Other key detractors during the month included Health Care companies Zoetis and Cencora, along with UK online auto marketplace Autotrader.

### Market Commentary

Global equity markets continued their advance throughout May, with major indices pushing to new record highs as the AI-led rally extended for a second consecutive month. Gains were led by Information Technology, Materials and Consumer Discretionary, while Energy, Utilities and Consumer Staples lagged as investors rotated away from defensive exposures. At a regional level, the Netherlands, the United States and Japan were among the strongest performers, while China, Hong Kong, the United

Kingdom and France lagged. North American equities remained the primary driver of overall market upside, supported by mega-cap technology strength and accelerating AI-related capital expenditure, with semiconductor stocks the standout performers as the SOXX Index rose approximately 23% during the month. Notably, May also saw a rebound across many software names that had been pressured by fears of AI-driven disruption, as strong earnings results challenged some of the more bearish narratives and suggested the worst of the sector's negative sentiment may be behind us. However, trailing 12-month performance still highlights an extraordinary level of dispersion, with the performance gap between the booming Semiconductor industry group and sectors more exposed to disruption concerns, such as Software and Commercial & Professional Services, remaining in excess of 115%.

From a style and factor perspective, Growth, Momentum, Cyclical and High Beta materially outperformed, while Value, Quality and Low Volatility lagged on a relative basis. Low Volatility strategies were once again the weakest area of the market as the pronounced risk-on rotation continued, a dynamic exemplified by the 27% rise in the Goldman Sachs Non-Profitable Technology Index during the month, taking its one-year gain to approximately 150%. SMID-cap equities underperformed their large-cap counterparts by nearly 2% in May, reflecting the strength of the Magnificent Seven, although SMID caps still remain approximately 1.5% ahead of large caps on a year-to-date basis.

Geopolitical developments remained in focus throughout May, although their influence on markets diminished materially as tensions across the Middle East showed signs of easing. Following a fresh exchange of missile strikes between the United States and Iran earlier in the

month, the two sides subsequently agreed in principle to a 60-day memorandum of understanding to pause hostilities. While this sparked optimism regarding a broader ceasefire, the situation remains highly volatile and vulnerable to a swift breakdown given the unpredictable nature of both regimes. Nonetheless, the temporary de-escalation prompted a sharp unwind in energy markets, with the geopolitical risk premium embedded in oil prices retracing significantly over the period. Elsewhere, President Trump's two-day state visit to Beijing concluded without substantive agreements on key issues and did not have material market impact. With corporate earnings results and AI-related investment themes continuing to dominate investor attention, markets appeared increasingly comfortable looking through residual geopolitical uncertainty.

Monetary policy and bond markets were also a key area of focus throughout May, with rising Treasury yields emerging as one of the central macro debates of the period. Long-end yields pushed to their highest levels since 2007, driven by a series of weak Treasury auctions and persistent inflation concerns, while markets increasingly contemplated the possibility that the Federal Reserve may need to hold interest rates higher for longer. The confirmation of Kevin Warsh as the next Federal Reserve Chair on 13 May added a further dimension to the policy outlook, with investors assessing the implications of the leadership transition for the future path of monetary policy. Notably, the move higher in yields created intermittent pressure on duration-sensitive assets, although equity markets proved resilient and continued to rally despite the tightening in financial conditions.

Commodity markets were dominated by a sharp unwind in energy prices during May as geopolitical risk premia retraced. Brent

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crude oil fell almost 19% – its worst monthly decline since the pandemic – to close the period at -US\$93 a barrel, approximately 20% below its 2026 highs. The retracement in energy prices and broader risk-on backdrop also weighed on safe-haven assets, with gold declining modestly over the month to trade near US \$4,500 an ounce, extending its pullback from the record highs reached earlier in the year. Cryptocurrencies were unable to participate in the broader risk rally, with Bitcoin weakening toward US\$73,000 by month-end amid significant outflows from digital asset funds, including the largest weekly outflow recorded year-to-date.

### Portfolio Activity

The ongoing dispersion in performance across the market continued to create attractive opportunities for long-term quality-focused investors during May. Among the portfolio changes in May was the initiation of a position in Ferrari, the iconic Italian luxury sports car manufacturer. The investment case is relatively straightforward; an irreplaceable, supply-constrained brand managed with deep conservatism, underwriting long-term compounded earnings growth. With production deliberately limited to approximately 14,000 cars per year, the order book already stretches through 2027, providing exceptional earnings visibility, while the company's strong pricing power insulates margins from trade tensions and inflation. Ferrari's rare combination of predictability and high profitability seldom goes on sale, and the recent retracement of approximately 40% from its highs created an attractive entry point, which we took advantage of to initiate the position.

We also initiated a position in GE Healthcare, which operates within the oligopolistic medical imaging market alongside Siemens Healthineers and Philips, where high switching costs and an installed base of approximately four

million devices convert equipment placements into multi-year, high-margin and high-retention service revenues. The investment case is supported by an inflecting product cycle, headlined by the recent FDA approval of its premium photon-counting CT platform, yet the shares trade at the cheapest level in the company's listed history and a discount to peers. We believe the stock offers meaningful upside from both earnings growth and multiple re-rating. Similarly, we added MTU Aero Engines, the German aircraft engine manufacturer that partners with the likes of GE Aerospace, Pratt & Whitney, Rolls-Royce and Safran across engine programs spanning the Airbus A320 family, Boeing 787 and key military platforms. While the franchise is rock solid, with extremely limited risk of new entrants, cash flow has been under pressure over the past two years, weighing on the shares. With the recent first-quarter result providing tangible evidence of a cash flow recovery, we expect sector-leading earnings and cash flow growth over 2026 to 2028 to drive strong performance as the depressed valuation, at approximately 9x EV/EBITDA versus a sector average closer to 16x, normalises.

In terms of portfolio exits, we elected to sell our position in Keysight Technologies during the month following a period of exceptional share price strength. While expecting very strong operating results, we believed that the valuation had expanded to a level that left little room for error and therefore took profits prior to the Q2 results. The company did indeed deliver a great earnings result; however, the muted share price reaction since then highlights the degree of positive sentiment already embedded in the share price. Keysight remains a critical provider of electronic design and testing solutions for AI infrastructure, with its equipment ensuring interoperability as hyperscalers build increasingly complex compute clusters utilizing next-generation 1.6T

Ethernet. However, we believe we can redeploy the capital into other names with better risk-adjusted upside potential and will monitor Keysight for a more attractive re-entry point.

Among other exits during the month, the decision were driven more by fundamental changes to our thesis. This included Pool Corporation, following the abrupt and inadequately explained departure of long-standing CEO Peter Arvan, and Copart, where industry data and competitor read-throughs signalled the long-awaited growth turnaround was not yet materialising.

## Key Features

<b>Investment Objective</b>	To outperform the MSCI World SMID Cap Index over rolling three year periods after fees and expenses (but before taxes).
<b>Asset Allocation</b>	Long only global small and mid cap equities, no gearing, no derivatives
<b>Investment Style</b>	Fundamental bottom up approach "Quality at a reasonable price"
<b>Investment Highlights</b>	<ul style="list-style-type: none"><li>• A diversified portfolio of small and mid cap (SMID) global stocks</li><li>• 'Quality' focus - consistently high returning companies</li><li>• Long-term horizon - typically 3-5 year holding periods</li><li>• Benchmark agnostic</li><li>• Maximum cash position 10%</li><li>• Highly experienced investment team</li></ul>
<b>Benchmark</b>	MSCI World SMID Cap Index
<b>Currency Exposure</b>	Unhedged
<b>Investment Timeframe</b>	At least 5 years
<b>Number of Holdings</b>	30 - 60

## Fund Terms

<b>Fund Inception Date</b>	November 2012
<b>Strategy Inception Date</b>	27 June 2016
<b>Product Structure</b>	Registered Managed Investment Scheme
<b>Investment Manager</b>	Bell Asset Management Limited
<b>Responsible Entity</b>	The Trust Company (RE Services) Limited
<b>Custodian</b>	Apex Fund Services Pty Ltd
<b>ASX Ticker</b>	BISM
<b>Unit Pricing &amp; Liquidity</b>	Daily Published on <a href="http://www.bellasset.com.au">www.bellasset.com.au</a> & market data services
<b>Minimum Investment</b>	Minimum investment - \$10,000 (Applies to Unlisted Managed Units only)
<b>Indirect Cost Ratio</b>	1.34% p.a No performance fees, No entry or exit fees
<b>Buy / Sell Spread</b>	+/-0.10%
<b>Reporting</b>	Transaction confirmations upon transacting, annual periodic statement, tax statement, distribution statement and Annual Financial Report
<b>Income</b>	Annual distribution of taxable income
<b>Target Market</b>	This product is intended for use as a core, 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 Emerging Companies 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.