Bell Global Equities Fund

Platform Class Fund Summary — Period Ending 30 November 2017

Bell ASSET MANAGEMENT

Net Performance^

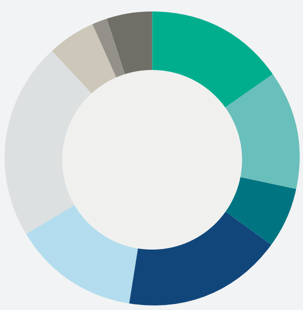
	Fund	Index*
1 Month^	4.40%	3.23%
3 Months^	10.28%	11.34%
6 Months^	4.02%	7.45%
1 Year^	19.29%	20.50%
3 Years (pa)^^	11.32%	12.62%
5 Years (pa)^^	18.22%	19.38%
Strategy Inception (pa)^^	7.47%	6.61%
Strategy Inception - Total Return^^	192.92%	159.86%

* Index is the MSCI World ex Australia in $A Unhedged with net dividends reinvested.

^ Inception date of the Platform Class is 7 May 2015. Returns are based on the Platform redemption price and are net of fees.

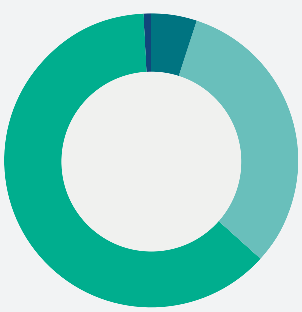
^^ The Bell Global Equities Fund - Platform Class has been operating since May 2015. To give a longer term view of our performance in the asset class, we have shown longer term returns for a representative global equities strategy managed by Bell Asset Management with an inception date of 1 Jan 2003. We have adjusted the returns to reflect fees representative of the Bell Global Equities Fund - Platform Class units.

Sector Exposure



Consumer Discretionary	15.1%
Consumer Staples	13.2%
Financials	6.6%
Health Care	17.7%
Industrials	13.8%
Information Technology	21.9%
Materials	5.2%
Telecom Services	1.6%
Cash	5.0%

Geographic Exposure



Cash	5.0%
Europe	31.8%
North America	62.6%
Asia Pacific	0.6%

Top 10 Holdings

Company	Sector	Geography	Weight
Alphabet Inc	Information Technology	US	2.7%
Apple Inc	Information Technology	US	2.0%
Johnson & Johnson	Health Care	US	1.8%
Roche Holding AG	Health Care	CH	1.7%
Verizon Comms Inc	Telecom Services	US	1.6%
Oracle Corp	Information Technology	US	1.5%
UnitedHealth Group Inc	Health Care	US	1.3%
BAE Systems Plc	Industrials	UK	1.3%
Alimentation Couche-Tard	Consumer Staples	CA	1.3%
Novo Nordisk	Health Care	DK	1.3%

Best & Worst Performers - Month

Top 5 — Relative Contribution	
Qualcomm Inc	0.21%
Advance Auto Parts Inc	0.20%
Kroger Co	0.17%
O'Reilly Automotive Inc	0.13%
Zoetis Inc	0.12%

Bottom 5 — Relative Contribution	
Henry Schein Inc	-0.10%
Check Point Software Tech	-0.09%
Coloplast	-0.08%
BAE Systems Plc	-0.08%
Electronic Arts Inc	-0.08%

Investment Metrics

	Portfolio	Index	Relative
Risk			
Total Risk	11.3	11.0	
Number of Stocks	99	1,565	
Active Share	78.5		
Value			
P/E	17.8	16.9	105%
PEG Ratio	1.9	1.4	136%
EV/EBITDA	11.4	10.2	112%
Growth			
Sales Growth	5.5%	5.4%	102%
EPS Growth	9.8%	11.7%	84%
Quality			
Return on Equity	25.1	11.4	220%
Net Debt / EBITDA	0.8	1.5	53%

Bell Global Equities Fund

Commentary — Period Ending 30 November 2017

Bell ASSET MANAGEMENT

Ned Bell CIO / Portfolio Manager

Adrian Martuccio Portfolio Manager

Fund Overview

Asset Allocation	Long Only Global Equities
Inception Date	3 December 2007
Fund Size	$34.9mn
Entry Unit Price	1.3571
Index	MSCI World (ex Aus) Index

Performance

The Bell Global Equities Fund had another strong month in November, appreciating by 4.40% and outstripping the 3.23% return of the MSCI World ex Australia Index.

Market Activity

Global equities pushed higher again in November as positive economic and earnings data continued. All major geographies posted positive returns, led by Japanese and U.S. equities which both appreciated by more than 4%. From a sector perspective, we saw a broad based rally with all major GICS sectors posting positive returns. What was most notable from our perspective was the recovery in Consumer Staples & Consumer Discretionary stocks which have mostly lagged in recent months.

Performance Attribution

The vast majority of our positive performance attribution for the month can be attributed to stock selection. We added value in Consumer Discretionary, Consumer Staples, Materials, IT, Health Care and Financials. The only real laggards were to be found in our Industrial holdings which collectively lagged a touch.

At a stock specific level, our better performers were Qualcomm, Advanced Auto Parts, Kroger, O'Reilly Automotive and Zoetis. What was particularly pleasing about this was that we had added to 4/5 of these names in the preceding month on the grounds that they had become oversold and represented excellent value. Our laggards generally posted modest declines which was mostly a result of profit taking – Henry Schein, Check Point Software, Coloplast, BAE Systems and Electronic Arts.

Research Focus

Our current research agenda has been focused more so on several European ideas where we are collectively seeing much better value than what can be found in the U.S. Two members from the research team also met with companies in Asia and the U.S. during the month – the result being that we have several more companies to focus on in the coming months.

Trade Activity

During the month, we built a position in Thales and GlaxoSmithkline and sold our positions in Equifax and MSCI.

Thales is a French aerospace company that we have we met with recently and have been progressively building our thesis on. The combination of a strong order backlog, compelling growth trajectory and very profitable business model fits well into our investment parameters. After a recent period of underperformance we felt that stock represented excellent value on ~ 16 x 2018 EPS, and attractive upside over the next two years.

We also felt that Thales represented excellent relative value when compared to the majority of U.S. industrial stocks which have collectively become quite expensive in recent months.

GlaxoSmithkline is a stock that we have followed for many years and owned before. What ultimately got us back into the name was the very compelling valuation after a period of underperformance. While GSK isn't the highest quality company in our investible universe, it is still very profitable and we feel offers a compelling value proposition. GSK currently trades on a P/E of 11.2 and comes with a 6.4% dividend yield which we feel underpins the investment case.

"Given we are arguably in the midst of what will be a potentially volatile transition from a long period of QE by central banks to a rising interest rate environment, we feel our portfolio characteristics blend will underpin a strong period of relative performance."

Our decision to ultimately sell our position in Equifax comes back to the ongoing uncertainty that comes with the recent data breach. While we still feel the company has strong competitive positions in their markets, the medium-term earnings uncertainty will most likely linger for some time thereby acting as a ceiling on the stock price. The decision to sell MSCI was purely driven by valuation, having first bought the stock for clients in August 2011 @ $32.15, the subsequent appreciation to $128 saw the stock hit our price target. While the fundamentals of the company remain extremely strong, we simply couldn't justify holding the name with a P/E multiple of 30x 2018 EPS.

Portfolio Positioning & Outlook

We feel that the current tilts in the portfolio are in the very early stages of being rewarded by the market. As a manager with a Quality at a Reasonable Price ethos, we feel the valuation discipline that is ingrained in our portfolio management has been unrewarded until recently. By way of illustration, we would note that our portfolio is actually cheaper than the MSCI World Index on a Free Cash Flow Yield basis (BAM @ 5.2% vs MSCI @ 4.7%), yet it is vastly more profitable (ROC : BAM @ 14.5% vs MSCI @ 5.4%) and less leveraged (Net Debt / EBITDA : BAM @ 0.77 vs MSCI @ 1.51). Given we are arguably in the midst of what will be a potentially volatile transition from a long period of QE by central banks to a rising interest rate environment, we feel our portfolio characteristics blend will underpin a strong period of relative performance.

2017 has obviously been an extremely strong year for global equities where we have seen a fairly broad based appreciation in stock prices across sectors and geographies. In the portfolio we have seen 26 of our holdings appreciate by more than 30% on a YTD basis. Against this backdrop, while we remain very constructive on the global economic backdrop and overall corporate health, we need to be disciplined about trimming positions with limited upside and rotating into current and new positions opportunistically.

At a geographic level, we would also point out that we are currently seeing much better relative value opportunities in Europe than the U.S. As such, we have increasingly found ourselves profit taking in the U.S. and building positions in Europe.

Key Features

Investment Objectives	Outperform the index* over rolling three year periods **Index is MSCI ex Australia*
Asset Allocation	Long only global equities, no gearing, no derivatives
Investment Style	Fundamental bottom up approach 'quality at a reasonable price'
Investment Highlights	• Global equity portfolio • 'Quality' focus - consistently high returning companies • Long-term horizon - typically 3-5 year holding periods • Benchmark agnostic • Diversified portfolio structure • Maximum cash position 5% • Fund inception 2007 (strategy inception 2003) • Highly experienced investment team
Benchmark	MSCI World (ex Australia) Index
Currency Exposure	Unhedged
Investment Timeframe	At least 5 years
Number of Holdings	90-110

Fund Terms

Fund Inception Date	December 2007
Product Structure	Registered Managed Investment Scheme
Investment Manager	Bell Asset Management
Responsible Entity	Bell Asset Management
Custodian	National Australia Bank
mFund Code	BLL001
Unit Pricing & Liquidity	Daily Published on www.bellasset.com.au & market data services Applications using application form attached to the PDS Redemptions typically paid out within 10 days
Minimum Investment	Minimum Investment - A$25,000 Minimum Transaction - A$1,000
Indirect Cost Ratio	0.90% p.a
Buy / Sell Spread	+/-0.21%
Reporting	Transaction confirmations upon transacting, half yearly transaction and valuation statement, annual periodic statement, tax statement, distribution statement & Annual Financial Report
Income	Annual distribution of taxable income

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