Swell
ASSET MANAGEMENT

# Investing in the companies shaping the global economy

GLOBAL EQUITIES · LONG TERM CONVICTION · INFRASTRUCTURE FOCUS

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# Disclaimer

## IMPORTANT INFORMATION

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General Advice Only

Not a Prospectus

Subject to Change

ABOUT

# Swell Asset Management

2015

Year founded

Gold Coast

Headquartered

$102m

FUM as at 30 September 2026

## WHO WE ARE

Swell Asset Management is a boutique global equities manager founded on the Gold Coast in 2015. We invest in a concentrated portfolio of exceptional businesses with sustainable competitive advantages, attractive reinvestment opportunities and the capacity to compound value over many years.

## HOW WE INVEST

Our approach is benchmark-agnostic, research-intensive and genuinely long term. We seek to understand not only the companies we own, but also the structural changes shaping their future economics.

# Our team

## Lachlan Hughes

Portfolio Manager

Lachlan founded Swell Asset Management in 2014 and serves as the portfolio manager for the Swell Global Portfolio. He previously worked as a Senior Analyst at NovaPort Capital (owned by Challenger) and began his career as a lawyer at Mallesons (formerly King & Wood Mallesons) and the Bank of New York in London. He holds degrees in Commerce and Law and is a CFA Charterholder.

## Peter Roach OAM

Non-Executive Director

Peter joined the Swell Asset Management Board in 2020. He previously worked as the Chief Executive Officer of Cambooya Services Pty Limited, one of Australia's largest single-family offices, from 2000 to 2019, and has served as a non-executive director of several Australian companies. He currently sits on the investment and trustee boards of various Australian families. Peter holds degrees in Commerce and Arts, an MBA, and is a member of Chartered Accountants Australia and New Zealand and a Fellow of the Australian Institute of Company Directors.

## Matthew Geldenhuys

Analyst

Joined Swell in 2025. Bachelor of Actuarial Science, Bond University. Led the CFA Research Challenge team to Queensland state finals (2024). Previously lead data scientist at a venture-backed start-up.

## Cambell McGregor

Analyst

Joined Swell in 2025. Double Bachelor's in Business and Mathematics from QUT. Selected for the QUT Student Managed Investment Fund; Corporate Partners in Excellence (CPiE) scholar with Aurizon.

# Investment philosophy

Our approach is anchored in three enduring principles. They shape how we invest, how we make decisions, and how we partner with our clients through full market cycles.

01

### Quality

We invest in a small number of global businesses with durable competitive advantages, resilient economics, and management teams that allocate capital with discipline.

02

### Discipline

We apply a consistent, valuation-governed framework. We do not alter that framework in response to market narratives or short-term pressure.

03

### Patience

We invest with a multi-year horizon and accept that periods of discomfort are often the price of long-term compounding.

# Our investment discipline

## What we do

- We invest where business quality and valuation align.
- We operate with a multi-year investment horizon.
- We require a margin of safety at entry.
- We accept periods of divergence when discipline demands it.
- We hold cash when valuations do not meet our standards.

## What we don't do

- We do not manage to an index.
- We do not diversify for optics.
- We do not trade for activity.
- We do not compromise process for asset growth.
- We do not chase market narratives.

# Why a concentrated portfolio works

Holding meaningful positions improves outcomes when three conditions are met:

01

### Exceptional businesses

Businesses with strong competitive moats and long-term demand drivers.

02

### Long investment horizons

Owning high quality companies for extended periods allows compounding to work.

03

### Deep fundamental research

Allows us to focus our research on the most important investments.

Our portfolio typically holds 10 to 20 global businesses.

# Portfolio return

SWELL GLOBAL PORTFOLIO

**10.51%**

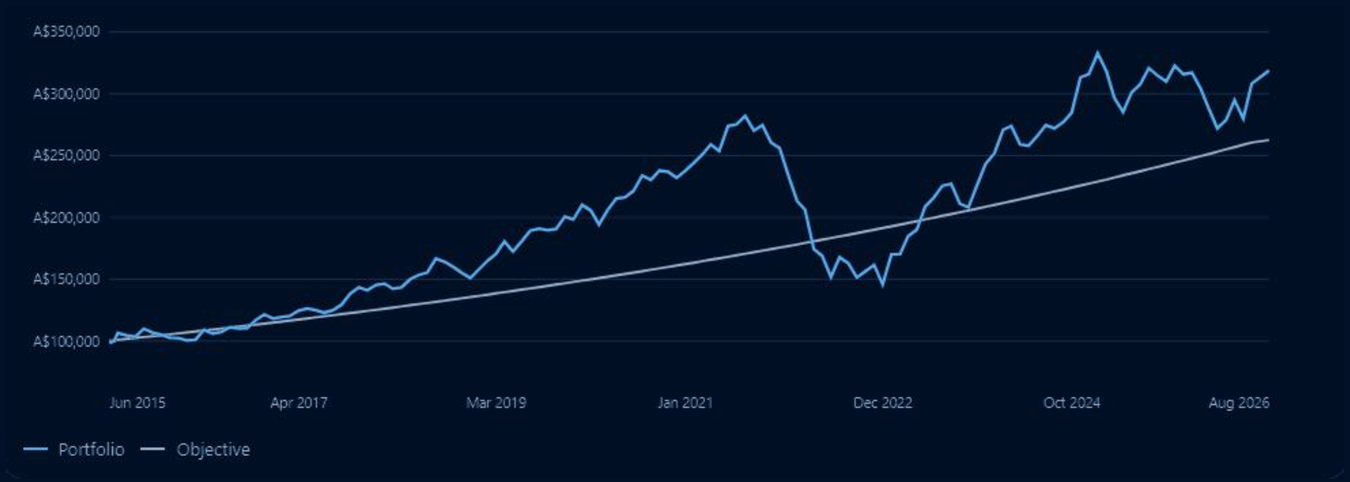
p.a. after fees as at 30 Sep 26

Since inception · June 2015

**9% p.a. objective**

Measured over rolling three-year periods

## Growth of $100,000




*Past performance is not a reliable indicator of future performance.*

# The $5.5 Trillion AI Infrastructure Buildout

The scale of AI infrastructure spending is unlike anything we have seen before.

TODAY

**≈ $1T**

installed base

DRIVERS

- AI training
- AI inference
- Agentic systems
- Physical AI (robots, autonomy)

BY 2030

**≈ $5.5T**

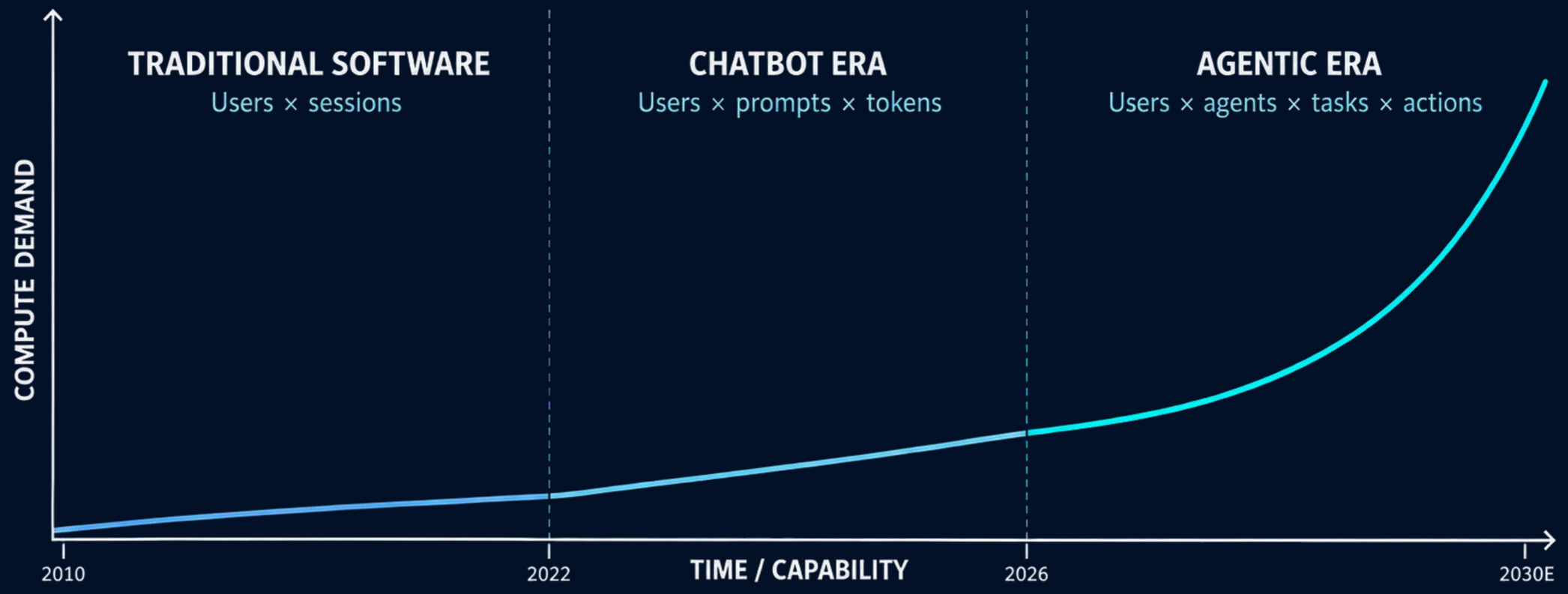
investment needed

WHO IS SPENDING?

- Hyperscalers
- Sovereign AI
- Enterprises
- Startups

Source: J.P. Morgan Asset Management Aug-26

# Agentic era driving exponential compute demand (2027–2031)



# Example: Agentic AI driving demand

TODAY

## Humans perform each step

"I need new running shoes."

AGENTIC ERA

## One request. Many machine actions.

The human approves the decision.

# How intelligence is produced and distributed

## Manufacturing & fabrication

Precision equipment and advanced foundries for chip production

Enables leading-edge chip manufacturing and GPU fabrication

## Compute infrastructure

GPU clusters and system accelerators

Custom accelerators, compute capacity and cloud distribution

## Models

Reasoning engines that convert compute into intelligence

Foundation models, fine-tuned systems, and inference optimisation

## Software and workflows

Enterprise SaaS and vertical AI workflows

Systems of record, proprietary workflows and enterprise context

## Agents

AI assistants provide distribution

Consumer and enterprise reach

# Our investments span the entire AI value chain

| Manufacturing tools & fabrication | Compute infrastructure | Models | Software and workflows | Agents |
|---|---|---|---|---|
| ASML<br>tsmc | Alphabet<br>amazon<br>Microsoft<br>Meta | Gemini<br>OpenAI<br>ANTHROP\C<br>LLaMA | INTUIT<br>Figma<br>Microsoft | Alphabet<br>Meta<br>Microsoft |
| Enabling leading-edge chip & GPU manufacturing | Custom accelerators, compute capacity and cloud distribution | Foundation models providing intelligence | Systems of record, proprietary workflows and enterprise context | Consumer and enterprise reach |

# Owning the conequences of abundant intelligence

AI creates economic activity far beyond the technology stack

## Transact

More commerce and machine-initiated payments

VISA

mastercard

## Move

Autonomous mobility expands supply and lowers the cost of movement

Uber

WAYMO

nuro

WAYVE

## Price & Hedge

More energy demand, volatility and complexity require trusted markets

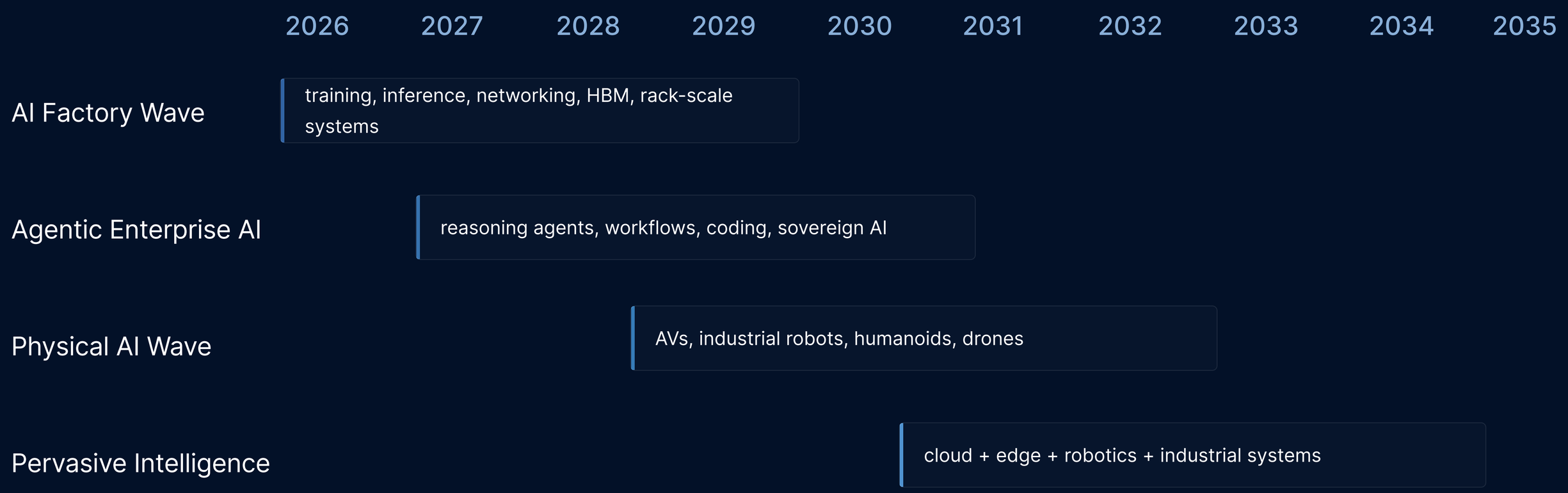
ICE

NYSE

We own the infrastructure that produces intelligence, the platforms that distribute it, and the networks that facilitate the resulting transactions, movement and risk management.

# Progressive technology waves (2026–2035)

Illustrative view of how successive AI waves may emerge and overlap over time




**Key Insight**
AI adoption may progress in overlapping waves rather than a single cycle, broadening from data-center infrastructure into enterprise software, physical-world automation, and pervasive intelligence.

# Physical AI wave: Autonomous vehicles (2026-2035)

- Autonomous mobility currently accounts for ~1% of total miles driven globally.
- Technology advancements in vision together with structural tailwinds from improved unit economics, regulatory progress, and consumer adoption point to ~10% by 2035, a 10x expansion of the addressable market.

Opportunity

**~1% → ~10%**

of total miles driven by 2035

A 10x expansion in autonomous miles represents one of the largest structural shifts in transport since the combustion engine.

Move

## Uber

Uber's platform benefits from AV integration — lower driver costs, higher utilisation, and expanded supply. AV fleets on Uber's network could structurally expand margins.

NVIDIA nuro WAYVE

Move

## Alphabet · Waymo

Waymo leads commercially deployed robotaxi miles. As a division of Alphabet, it represents optionality on the winner-take-most AV platform at scale.

WAYMO

Uber and Alphabet (Waymo) are our primary exposures to the autonomous mobility thematic.

# Portfolio exposures

## SWELL GLOBAL PORTFOLIO

| | | |
|---|---|---|
| AI platforms & hyperscalers | 34.0% | Alphabet, amazon, Microsoft, Meta |
| Cash and optionality | 20.5% | Cash |
| Payments & digitisation | 10.0% | VISA, mastercard |
| Semiconductor infrastructure | 10.0% | ASML, tsmc |
| Software & workflows | 10.0% | Figma, INTUIT |
| Financial markets infrastructure | 9.0% | ICE |
| Mobility and delivery | 6.5% | Uber |

# How we monitor investments

Investments require continuous monitoring of both demand and supply dynamics. For AI infrastructure, we track leading indicators across the semiconductor ecosystem.

## Demand indicators

- Hyperscaler data centre capex
- Token prices
- AI training cluster deployments
- GPU order backlogs
- Enterprise AI adoption

## Supply indicators

- HBM production capacity
- Advanced packaging capacity
- EUV tool shipments
- Leading-edge wafer capacity

This monitoring framework allows us to identify changes in structural conditions early.

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