Guinness Quality Mid Cap

Investment Commentary – September 2026

RISK

This is a marketing communication. Please refer to the prospectus, supplement, KID and KIID for the Funds, which contain full information on the risks and detailed information on the Funds' characteristics and objectives, before making any final investment decisions.

The Funds are equity funds. Investors should be willing and able to assume the risks of equity investing. The value of an investment can fall as well as rise as a result of market and currency movements, and you may not get back the amount originally invested.

Past performance does not predict future returns.

The Guinness Global Quality Mid Cap Fund & WS Guinness Global Quality Mid Cap Fund are designed to provide exposure to high-quality growth companies benefiting from the transition to a more sustainable economy. The Funds hold a concentrated portfolio of mid-cap companies in any industry and in any region. The Funds are actively managed and use the MSCI World Mid Cap Index as a comparator benchmark only.

ABOUT THE STRATEGY

Launch	15.12.2020
Index	MSCI World Mid Cap Index
Sector	IA Global
Managers	Sagar Thanki, CFA Joseph Stephens, CFA
EU Domiciled	Guinness Global Quality Mid Cap Fund
UK Domiciled	WS Guinness Global Quality Mid Cap Fund

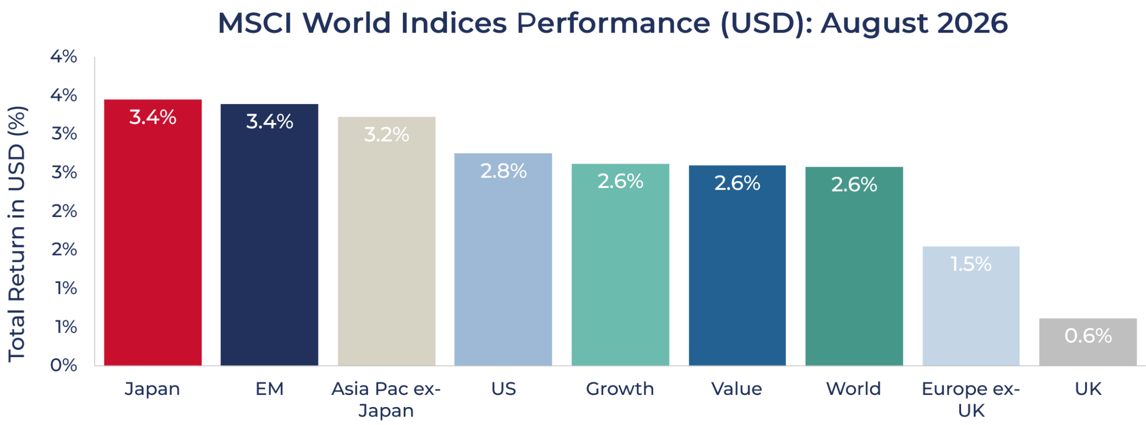
CONTENTS

COMMENTARY

In August, the Guinness Global Quality Mid Cap Fund returned 4.8% (in USD) versus the MSCI World Mid Cap Index return of 2.0%. The Fund therefore outperformed the benchmark by 2.8 percentage points over the month.

Following a volatile July, global equities rebounded in August, with the MSCI World Index rising 2.6% in USD terms. The recovery was supported by a strong earnings season, which helped reinforce confidence in the underlying profit outlook after the previous month's sharp sell-off in technology and semiconductor stocks. However, the month was not without volatility. Long-term government bond yields remained elevated amid persistent concerns around deficits, debt issuance and inflation, while US Treasury Secretary Scott Bessent's decision to expand long-end Treasury buybacks drew further attention to the rising cost of government financing. Despite these macroeconomic pressures and geopolitical tensions, equities nevertheless remained resilient, supported by continued earnings growth.

In this commentary, we examine why government bond yields are at multi-decade highs across the developed world, what actions the US Treasury is undertaking to lower long-term borrowing costs, how this might create a political problem between the Treasury and the Federal Reserve, and the trends that have continued to emerge during the latest set of company earnings releases.



Source: Bloomberg, MSCI, Guinness Global Investors. Net returns in US dollars as of 31st August 2026.

In August, the Fund's outperformance versus the benchmark can be attributed to the following:

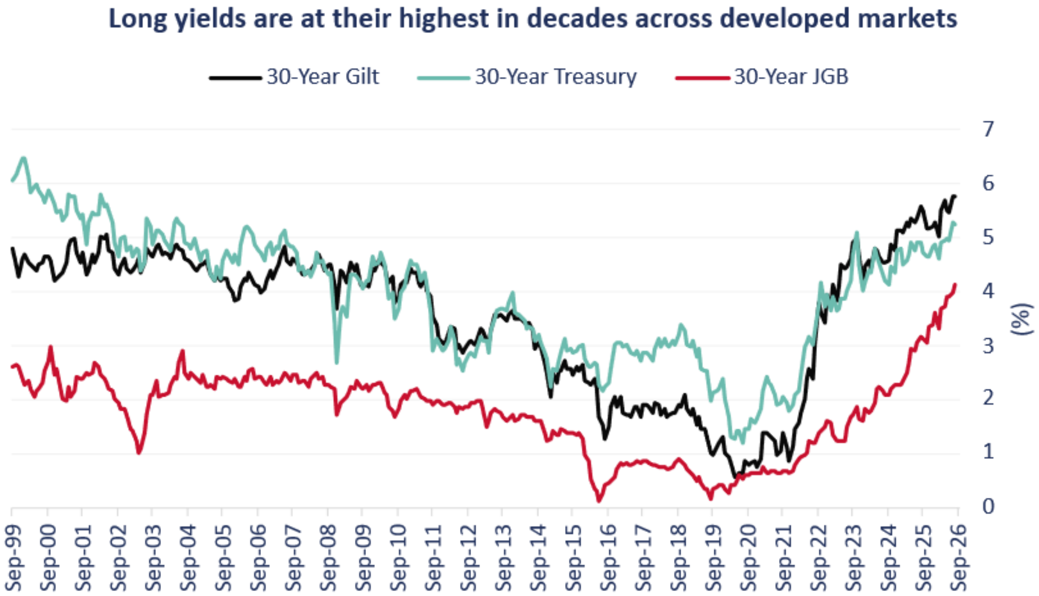
- The Fund's exposure to the Financials sector was the largest positive contributor from stock selection. Here, Adyen, which was up 20.5% on strong results, provided the majority of positive attribution. However, our two exchanges, Tradeweb Markets and Nasdaq, also provided sector-beating returns over the month.
- Additionally, *not* owning any stocks within the Utilities sector was positive as the sector provided the weakest returns over the month.
- Finally, whilst our overweight exposure to the IT sector was positive from an asset allocation perspective, stock selection offset this as the underlying software industry (where we are underweight) drove the majority of sector returns, while the semiconductor industry (where we are underweight) was weaker over the month.

MARKET COMMENTARY

Quantitative (Fiscal) Easing Might Be Back

On August 19th, US Treasury Secretary Scott Bessent announced that from 9th September to 4th November 2026, the Treasury would "at least" double the maximum size of its long-end "liquidity support" buybacks. The maximum size will rise from $2bn to at least $4bn per operation, targeting securities in the 10-20 year and 20–30-year segments, with the aim of reducing yields at the long end of the curve. For now, however, the scale remains far below pandemic-era QE, when the Federal Reserve was purchasing as much as $120bn of securities per month.

The announcement comes amid a surge in global government bond yields (see chart below), driven by growing concerns over fiscal deficits, rising debt levels and persistent inflation. At the same time, large debt issuance linked to the AI investment boom is adding to the supply of bonds competing for investor capital. More supply means investors can demand higher yields, creating a broader crowding-out effect across bond markets.



Source: Bloomberg, Guinness Global Investors. Data as of 31st August 2026

The initial market reaction was supportive, with long-term Treasury yields falling after the announcement. However, the move quickly reversed, with yields returning to around pre-announcement levels as the move signalled the Treasury's willingness to look for ways to suppress long-term borrowing costs rather than tackle the underlying fiscal problem, potentially reinforcing investor concerns over deficits, inflation and debt sustainability. More specifically, the Treasury plans to buy longer-dated bonds funded by issuing shorter-term debt, effectively shortening the maturity profile of US government debt and making future interest costs more sensitive to short-term rates. Unlike long-term yields, short-term rates can be influenced more directly by the Fed, potentially creating a political problem, as the Fed's mandate is to support employment and keep inflation under control, not to manage the government's deficit.

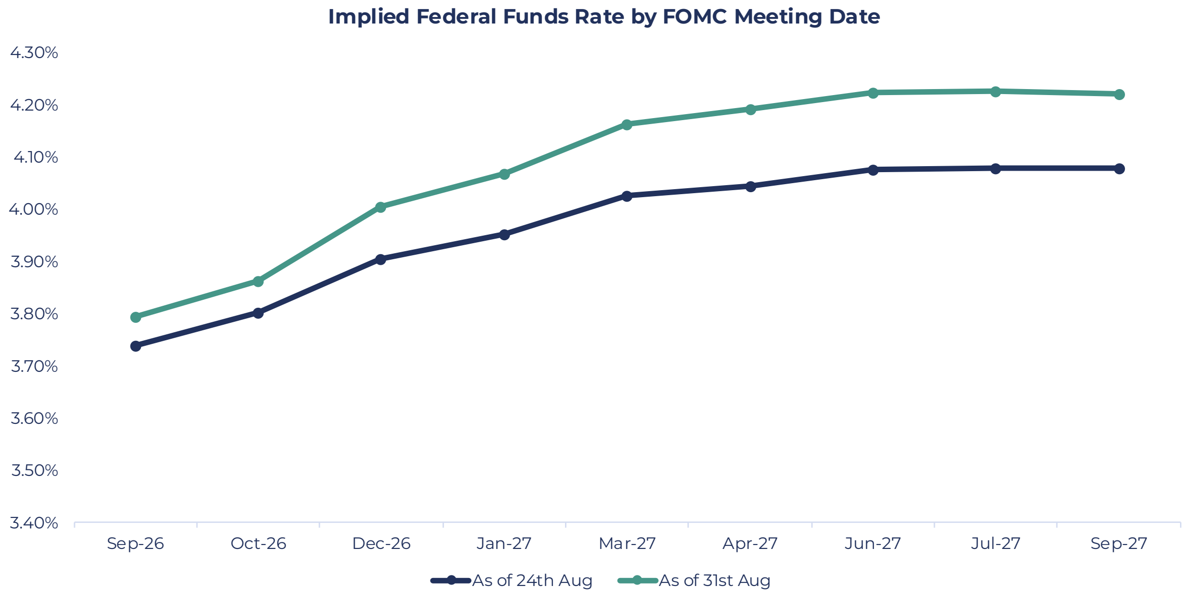
Markets will be watching closely, potentially drawing parallels with Japan's Abenomics and later Yield Curve Control. Japan's experience offers a useful precedent: the Bank of Japan kept long-term government borrowing costs artificially low, easing pressure on fiscal policy, but at the expense of distorting bond-market signals and, over time, increasing pressure on the Yen. The concern is that, if investors begin to see the Fed moving in the same direction, monetary policy could become increasingly shaped by the government's financing needs – a form of fiscal dominance – potentially weakening the US dollar on concerns over eventual debt monetisation. Interestingly, some of this dynamic may already be visible in markets, with the dollar weakening while gold and Bitcoin have risen strongly since the announcement.

The move has also drawn criticism from veteran investor Stanley Druckenmiller, Bessent's former boss at Soros Fund Management, who has argued against suppressing the signal coming from the bond market. In his view, lower deficits and structural fiscal reform offer a more durable solution than attempting to manage long-term borrowing costs.

The Fed versus the Treasury?

This announcement from the Treasury came in the days leading up to Jackson Hole, the annual economic symposium, at which Fed Chair Kevin Warsh would be speaking. Warsh has been clear about his desire for the Fed to reduce its forward guidance, communicating less with the market to reduce the reliance on signals from the central bank. This has been criticised for creating further uncertainty for investors, who understandably try to predict what the Fed will do, since its Federal Open Market Committee (FOMC) is indeed responsible for setting short-term US rates.

This created significant anticipation for Warsh's speech at Jackson Hole. Previously, he had expressed openness to alternative measures of inflation, such as using trimmed mean measures. However, during his speech, Warsh encouragingly committed to the existing 12-month change in the personal consumption expenditures (PCE) index and cited that the 2% price-stability objective remained a "firm, fixed target". Inflation continues to run above this target, and Warsh stated that labour market data is consistent with full employment, indicating rates are likely to rise in the near-term. Accordingly, the futures markets increased the odds of a hike at the September meeting to more than 50%, taking the implied rate to 3.8% and shifting the future Federal Funds Rate curve upwards after the conference, as shown in the chart below.



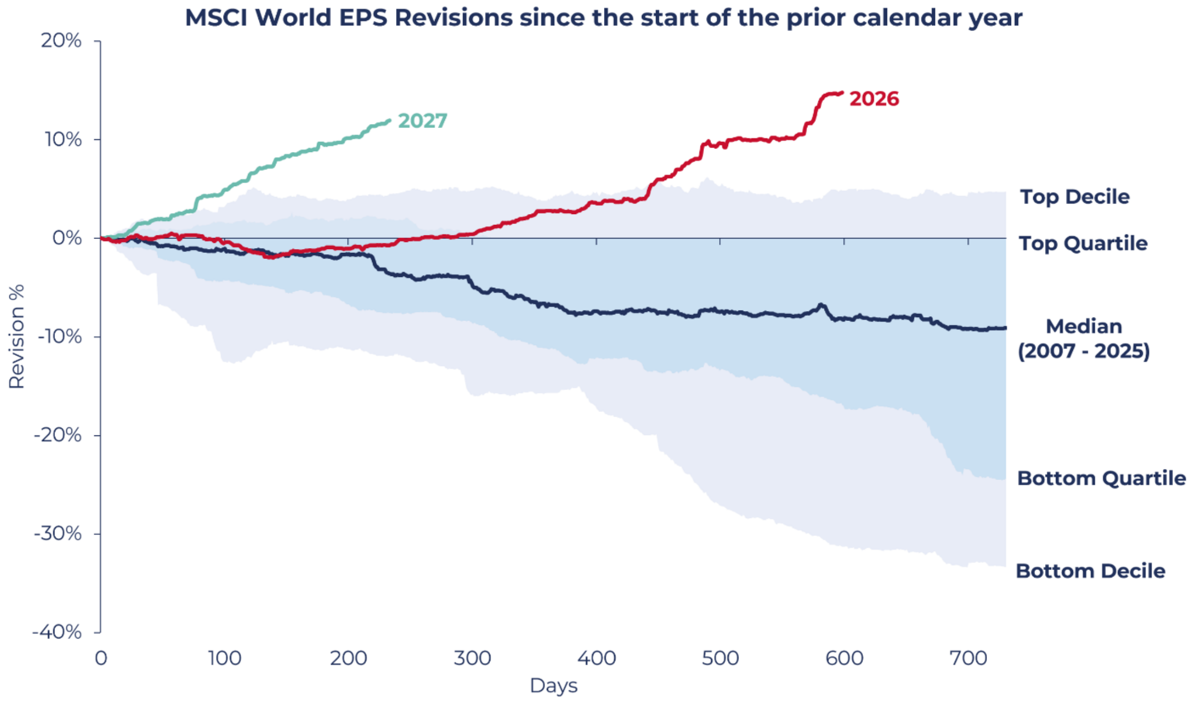
Source: Bloomberg, Guinness Global Investors. Data as of 31st August 2026

This raises a question of how to reconcile the view of Warsh with the actions of Bessent. The Fed Chair is advocating for less central bank communication to prevent individual views from being crowded out, while the Secretary of the Treasury is leading intervention in the bond markets, arguing "yields don't reflect the underlying fundamentals". Both would presumably like long-term rates to be lower; Bessent wants it to be cheaper to fund US government spending, but Warsh sees lower rates as the result of stronger fiscal discipline. Ultimately, their mandates are currently at odds, which only re-emphasises the importance of central bank independence.

Equities keep moving higher

Despite the significant rise in bond yields, though, equities have broadly continued to rally. Typically, we might see the former disrupt the latter, but recently this has not been the case because of some extraordinary activity in the markets. Technology companies have seen remarkable growth in profits, strengthening their financial position and perhaps giving them greater willingness to borrow as they look for cash to fund AI-related capital expenditure that they see as critical for future growth. Some argue this has made them relatively price insensitive, meaning corporate issuance has not reduced in response to rising yields – which, in turn, contributes to higher borrowing costs for non-corporate entities.

Another potential explanation for the correlation between stocks and bonds having been positive in this post-pandemic period is the extraordinary strength of corporate profits. Higher yields can be interpreted as a corollary of higher long-run growth expectations given the productivity benefits AI could bring. So far this year, in particular, equity fundamentals have been remarkably strong. Ultimately, earnings are what sustain stock prices over time, and on that front the picture has continued to improve. As the chart below shows, 2027 MSCI World earnings per share expectations have been revised sharply higher since the start of the year, moving well above the historical range.



Source: Bloomberg, Guinness Global Investors. Data as of 31.08.2026

STOCK PERFORMANCE

adyen

Adyen (+20.5% USD) was the Fund's strongest performer in August, rallying after its H1 2026 results on 13 August, which showed no sign of the competitive pressure that had been weighing on the shares. Net revenue reached €1.3 billion, up 19% year-on-year (21% at constant currency) with the company processing €804 billion of volume in 1H26. Crucially for the market's central worry – talk of intensifying competition and possible share loss, particularly in Europe – the growth was broad-based. Europe grew 15% and North America 30% at constant currency. Adyen also raised full-year top-line guidance by 1% to reflect its recent acquisitions of Talon.One and Orb. Importantly, roughly two-thirds of growth came from deepening relationships with existing merchants onboarded before 2025 – a reminder that compounding wallet-share gains within an established, high-quality merchant base, not just new logos, drive the business. The August print also advanced the newer growth angles the market with new merchant wins including OpenAI, the launch of Intelligent Money Movement and an agentic-commerce product suite.

ZEBRA

Zebra Technologies (+20.3% USD) was one of the Fund's strongest performers in August, rallying after its Q2 2026 results on 4 August, which came in well above guidance and prompted a full-year raise. Sales rose 20% year-on-year to $1.56 billion (9% organically), while earnings per share jumped 76% to $6.35 and adjusted EBITDA (earnings before interest, taxation, depreciation and amortisation) margin expanded 7.1% to 27.7%. A meaningful chunk of the headline beat was a one-off $73 million tariff refund, which flattered gross margin. However, even stripping those refunds out, the guidance raise was constructive. Management lifted full-year sales growth guidance to 14–16%, from 12–14%, and CEO Bill Burns tied the momentum to "broad-based demand for our innovative solutions and excellent execution," positioning Zebra "as the foundation for intelligent operations and frontline AI".

Monolithic Power Systems/MPS (-11.1% USD) fell in August despite reporting a record quarter on 30 July, with the market having set high expectations after a very strong run. Revenue for Q2 2026 hit a record $981 million, up 22% sequentially and 48% year-on-year, with enterprise data up 45% sequentially and communications up roughly 80% sequentially, and management raising its enterprise-data growth "floor" for the year from 85% to 130% growth. The board also added $500 million to buybacks (to a total of $1 billion), and the firm pushed its capacity target beyond $6 billion. MPS designs high-performance analogue and power-management chips, with the growth engine now firmly in AI/enterprise data centre power delivery. Additional positives from the quarterly results were on display with share gains in the computer processing unit server power market (past the 30% threshold management set as a success metric), 48V vertical-power modules shipping to multiple customers, and early traction in 800V data-centre architectures using MPS silicon carbide.

Teradyne (-4.9%, USD) slipped modestly in August in a mild pull-back that followed a blow-out 29 July print. Q2 2026 revenue topped $1.3 billion, up over 100% year-on-year, with earnings per share of $2.47, up over 300%, and AI accounting for more than 60% of revenue. The likely source of the market's hesitation is the Q3 guide and the shape of the second half: management guided a sequential step down, with H2 growth in memory, auto/industrial, Product Test and Robotics would be "offset by softness in mobile and order timing in compute." After a huge run in the AI test names, a lumpy compute-order cadence was enough to take some air out of the stock even though the full-year story strengthened.

We thank you for your continued support.

Portfolio Managers
Sagar Thanki, CFA
Joseph Stephens, CFA

GUINNESS GLOBAL QUALITY MID CAP FUND - FUND FACTS

Fund size	$21.4m
Fund launch	15.12.2020
OCF	0.77%
Benchmark	MSCI World Mid Cap TR

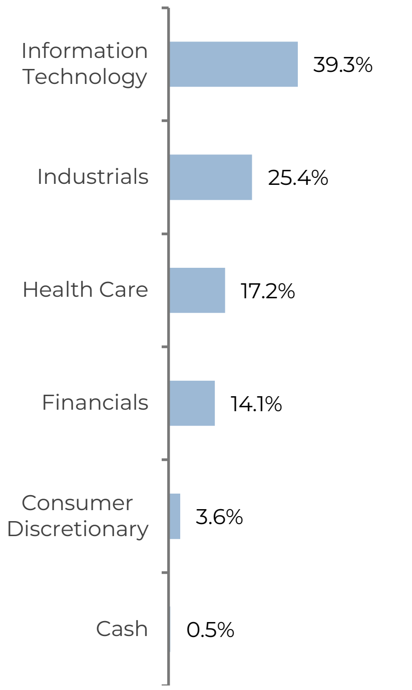
GUINNESS GLOBAL QUALITY MID CAP FUND - PORTFOLIO

Top 10 holdings

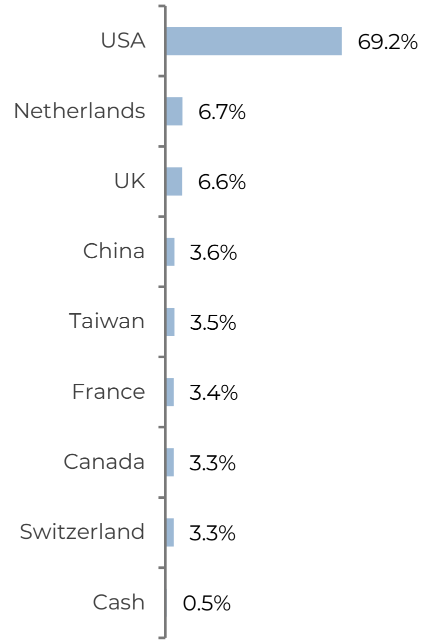
Revvity	3.7%
Adyen	3.7%
Roper Technologies Inc	3.6%
Arista Networks	3.6%
Anta Sports Products	3.6%
Delta Electronics	3.5%
Tradeweb Markets	3.5%
Cadence Design Systems Inc	3.5%
Nasdaq	3.5%
Agilent Technologies Inc	3.5%

Top 10 holdings	35.7%
Number of holdings	30

Sector



Country



Past performance does not predict future returns.

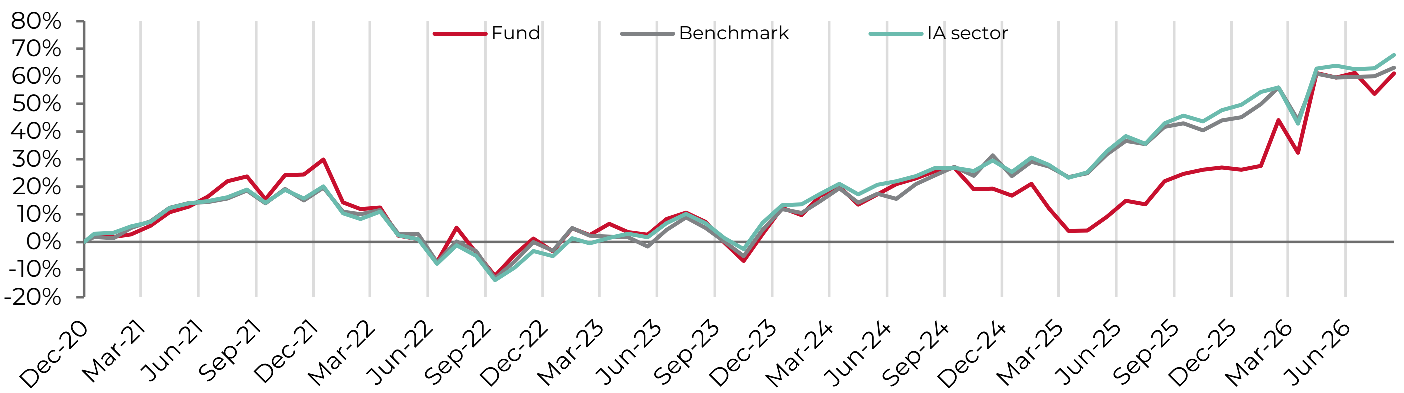
GUINNESS GLOBAL QUALITY MID CAP FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+3.9%	+26.5%	+31.4%	+40.2%	+32.0%	-
MSCI World Mid Cap TR	+1.2%	+11.5%	+14.8%	+45.2%	+39.6%	-
IA Global TR	+2.2%	+11.2%	+17.0%	+46.8%	+43.2%	-
(USD)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+4.8%	+27.6%	+32.0%	+50.2%	+30.2%	-
MSCI World Mid Cap TR	+2.0%	+12.4%	+15.2%	+55.3%	+37.5%	-
IA Global TR	+2.9%	+12.1%	+17.4%	+57.1%	+41.0%	-
(EUR)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+3.8%	+29.0%	+33.0%	+40.3%	+32.3%	-
MSCI World Mid Cap TR	+1.0%	+13.7%	+16.0%	+45.1%	+39.7%	-
IA Global TR	+2.0%	+13.3%	+18.3%	+46.8%	+43.3%	-

GUINNESS GLOBAL QUALITY MID CAP FUND - ANNUAL PERFORMANCE

(GBP)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+0.6%	+5.7%	+9.8%	-16.3%	+27.9%	-	-	-	-	-
MSCI World Mid Cap TR	+9.1%	+12.7%	+9.0%	-8.9%	+18.7%	-	-	-	-	-
IA Global TR	+11.2%	+12.6%	+12.7%	-11.1%	+17.7%	-	-	-	-	-
(USD)	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Fund	+8.1%	+3.9%	+16.4%	-25.6%	+26.7%	-	-	-	-	-
MSCI World Mid Cap TR	+17.2%	+10.7%	+15.5%	-19.1%	+17.6%	-	-	-	-	-
IA Global TR	+19.4%	+10.6%	+19.4%	-21.0%	+16.6%	-	-	-	-	-
(EUR)	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Fund	-4.7%	+10.8%	+12.4%	-20.8%	+36.4%	-	-	-	-	-
MSCI World Mid Cap TR	+3.3%	+18.1%	+11.6%	-13.8%	+26.6%	-	-	-	-	-
IA Global TR	+5.3%	+18.0%	+15.4%	-15.8%	+25.5%	-	-	-	-	-

GUINNESS GLOBAL QUALITY MID CAP FUND - PERFORMANCE SINCE LAUNCH (USD)



Source: FE fundinfo net of fees to 31.08.26. Investors should note that fees and expenses are charged to the capital of the Fund. This reduces the return on your investment by an amount equivalent to the Ongoing Charges Figure (OCF). The current OCF is 0.77%. Returns for share classes with a different OCF will vary accordingly. Transaction costs also apply and are incurred when a fund buys or sells holdings. The performance returns do not reflect any initial charge; any such charge will also reduce the return. Graph data is in USD.

WS GUINNESS GLOBAL QUALITY MID CAP FUND - FUND FACTS

Fund size	£0.8m
Fund launch	30.12.2022
OCF	0.77%
Benchmark	MSCI World Mid Cap TR

WS GUINNESS GLOBAL QUALITY MID CAP FUND - PORTFOLIO

Top 10 holdings

Revvity	3.7%
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Arista Networks	3.6%
Anta Sports Products	3.6%
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Agilent Technologies Inc	3.5%
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Nasdaq	3.4%
Zebra Technologies Corp	3.4%

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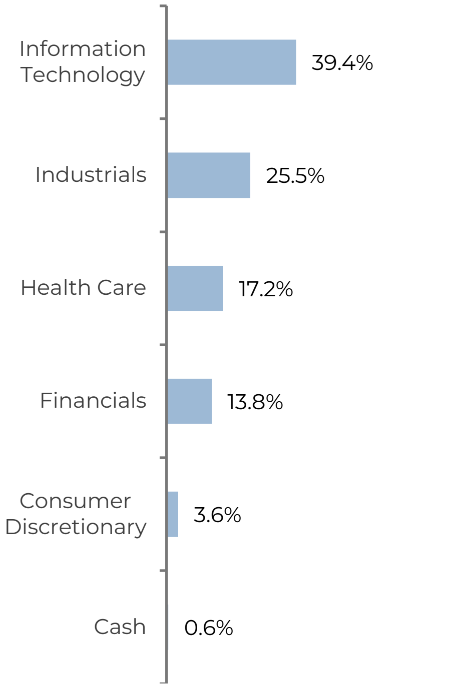
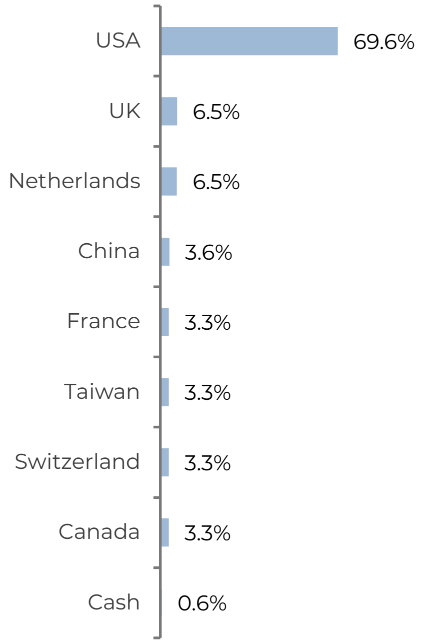


Country



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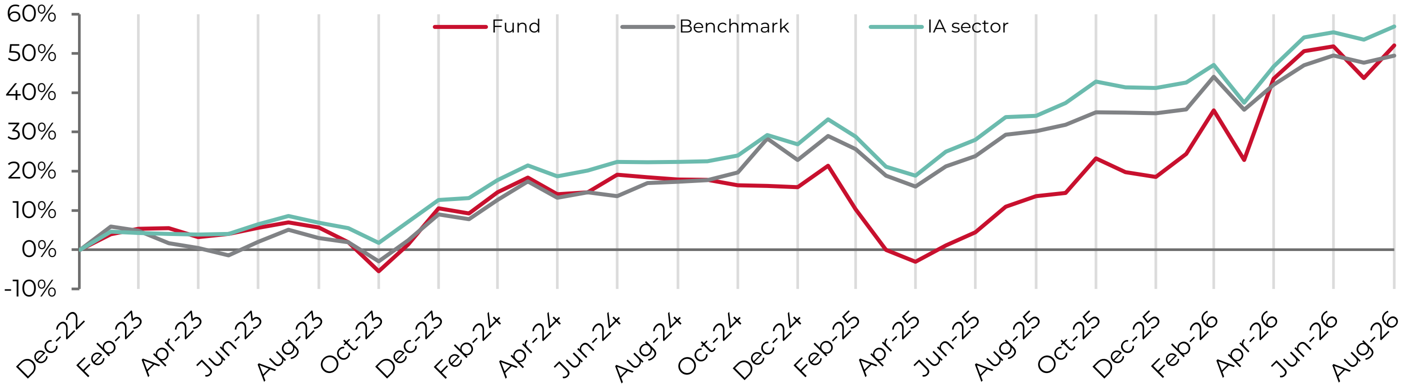
WS GUINNESS GLOBAL QUALITY MID CAP FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+5.8%	+28.4%	+33.8%	+43.9%	-	-
MSCI World Mid Cap TR	+1.2%	+11.5%	+14.8%	+45.2%	-	-
IA Global TR	+2.2%	+11.2%	+17.0%	+46.8%	-	-

WS GUINNESS GLOBAL QUALITY MID CAP FUND - ANNUAL PERFORMANCE

(GBP)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+2.2%	+4.9%	+10.6%	-	-	-	-	-	-	-
MSCI World Mid Cap TR	+9.1%	+12.7%	+9.0%	-	-	-	-	-	-	-
IA Global TR	+11.2%	+12.6%	+12.7%	-	-	-	-	-	-	-

WS GUINNESS GLOBAL QUALITY MID CAP FUND - PERFORMANCE SINCE LAUNCH (GBP)



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IMPORTANT INFORMATION

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GUINNESS GLOBAL QUALITY MID CAP FUND
Documentation
The documentation needed to make an investment, including the Prospectus, Supplement, the Key Information Document (KID), Key Investor Information Document (KIID) and the Application Form, is available in English from www.guinnessgi.com or free of charge from:-

- the Manager: Waystone Management Company (IE) Limited (Waystone IE) 2nd Floor 35 Shelbourne Road, Ballsbridge, Dublin D04 A4E0, Ireland, or
- the Promoter and Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ.

Waystone IE is a company incorporated under the laws of Ireland having its registered office at 35 Shelbourne Rd, Ballsbridge, Dublin, D04 A4E0 Ireland, which is authorised by the Central Bank of Ireland, has appointed Guinness Asset Management Ltd as Investment Manager to this fund, and as Manager has the right to terminate the arrangements made for the marketing of funds in accordance with the UCITS Directive.

Investor Rights
A summary of investor rights in English, including collective redress mechanisms, is available here: https://www.waystone.com/waystone-policies/

Residency
In countries where the Fund is not registered for sale or in any other circumstances where its distribution is not authorised or is unlawful, the Fund should not be distributed to resident Retail Clients. **NOTE: THIS INVESTMENT IS NOT FOR SALE TO U.S. PERSONS.**

Structure & regulation
The Fund is a sub-fund of Guinness Asset Management Funds PLC (the "Company"), an open-ended umbrella-type investment company, incorporated in Ireland and authorised and supervised by the Central Bank of Ireland, which operates under EU legislation. If you are in any doubt about the suitability of investing in this Fund, please consult your investment or other professional adviser.

For UK Investors The Fund is recognised in the UK under the Overseas Funds Regime (OFR) but it is not a UK-authorised Fund. UK investors should be aware that they may not be able to refer a complaint against the fund's Management Company or its Depositary to the UK's Financial Ombudsman Service. Any claims for losses relating to the Management Company or its Depositary will not be covered by the Financial Services Compensation Scheme, if either entity should become unable to meet its liabilities to investors. For more information, please see the Country Supplement for this Fund on www.guinnessgi.com.

Switzerland
This is an advertising document. The prospectus and KID for Switzerland, the articles of association, and the annual and semi-annual reports can be obtained free of charge from the representative in Switzerland, Intesa Sanpaolo Wealth Management S.A , Rue du Rhône 4, 1204 Geneva, Switzerland. The paying agent is Banque Cantonale de Genève, 17 Quai de l'Ile, 1204 Geneva, Switzerland.

Singapore
The Fund is not authorised or recognised by the Monetary Authority of Singapore ("MAS") and shares are not allowed to be offered to the retail public. The Fund is registered with the MAS as a Restricted Foreign Scheme. Shares of the Fund may only be offered to institutional and accredited investors (as defined in the Securities and Futures Act (Cap.289)) ('SFA') and this material is limited to the investors in those categories.

WS GUINNESS Global Quality Mid Cap FUND
Documentation
The documentation needed to make an investment, including the Prospectus, the Key Investor Information Document (KIID) and the Application Form, is available in English from www.fundsolutions.net/uk/guinness-global-investors/ or free of charge from:-
Waystone Management (UK) Limited PO Box 389, Darlington, DL1 9UF E-Mail: wtas-investorservices@waystone.com
Waystone Management (UK) Limited is authorised and regulated by the Financial Conduct Authority.

Residency
This Fund is registered for distribution to the public in the UK but not in any other jurisdiction. In other countries or in circumstances where its distribution is not authorised or is unlawful, the Fund should not be distributed to resident Retail Clients

Structure & regulation
The Fund is a sub-fund of WS Guinness Investment Funds, an investment company with variable capital incorporated with limited liability and registered by the Financial Conduct Authority.

Glossary of Terms: A glossary explaining key investment terms used in our marketing materials is available here: https://www.guinnessgi.com/glossary . Telephone calls will be recorded and monitored.