Guinness Emerging Markets Equity Income

Annual Review & Outlook 2026

RISK

This is a marketing communication. Please refer to the Prospectus, supplement and KID/KIID (available on our website), which contain detailed information on the Fund's characteristics and objectives and full information on the risks, before making any final investment decisions.

The Fund is an equity fund. Investors should be willing and able to assume the risks of equity investing. The value of an investment and the income from it 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.

ABOUT THE STRATEGY

Launch	23.12.2016
Index	MSCI Emerging Markets
Sector	IA Global Emerging Markets
Managers	Edmund Harriss Mark Hammonds CFA
EU Domiciled	Guinness Emerging Markets Equity Income Fund

OBJECTIVE

The Guinness Emerging Markets Equity Income Fund is designed to provide investors with exposure to high-quality dividend-paying companies in Emerging Markets worldwide. The Fund aims to provide long-term capital appreciation and a source of income that has the potential to grow over time. The Fund is actively managed and uses the MSCI Emerging Markets Index as a comparator benchmark only.

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COMMENTARY

In 2025, the fund generated positive absolute performance but underperformed the benchmark, rising 14.4% (Y class, in GBP) against the MSCI Emerging Markets NTR Index which gained 24.3%. Over five years, the fund significantly leads the benchmark, up 40.9% versus the benchmark up 24.8%.

The best performer in the portfolio was Elite Material, a stock with significant exposure to the artificial intelligence theme. We also had strong performance from our Latin American holdings, particularly Brazilian stocks, which benefited from local currency appreciation. On the weaker side, among the detractors were our two holdings in Indian IT services sector, as well as certain stocks exposed to Chinese domestic consumption.

Out of the 35 stocks held for the full year, 13 were outperformers and 22 underperformed. However, of the outperformers, nine earned returns above 40%, and the best performer (Elite Material) generated 162% total return over the year. In all, 21 stocks achieved positive absolute returns for the year.

The fund's distribution for the period rose by 5.9% in sterling terms. Since 2017, the first year of distributions, it has grown at a compound annual growth rate of 6.7%, compared with 2.6% for the benchmark. After the most recent distribution, the fund's trailing distribution yield is 3.7%, significantly above the market. (Historic yield reflects the distributions declared over the 12 months expressed as a percentage of the mid-market price, as 12 January 2026. It does not include any preliminary charges. Investors may be subject to tax on the distribution.)

During 2025 we bought a new position in Anta Sports and sold a position in Broadcom. The effect of the switches was to increase exposure to Consumer Discretionary and to reduce exposure to Information Technology.

Valuations for emerging markets continue to look reasonable on an absolute basis and even more attractive when compared with developed markets.

As at year end, the portfolio traded on 13.0x 2025 earnings, an 18% discount to the benchmark, which traded on 15.8x 2025 earnings.

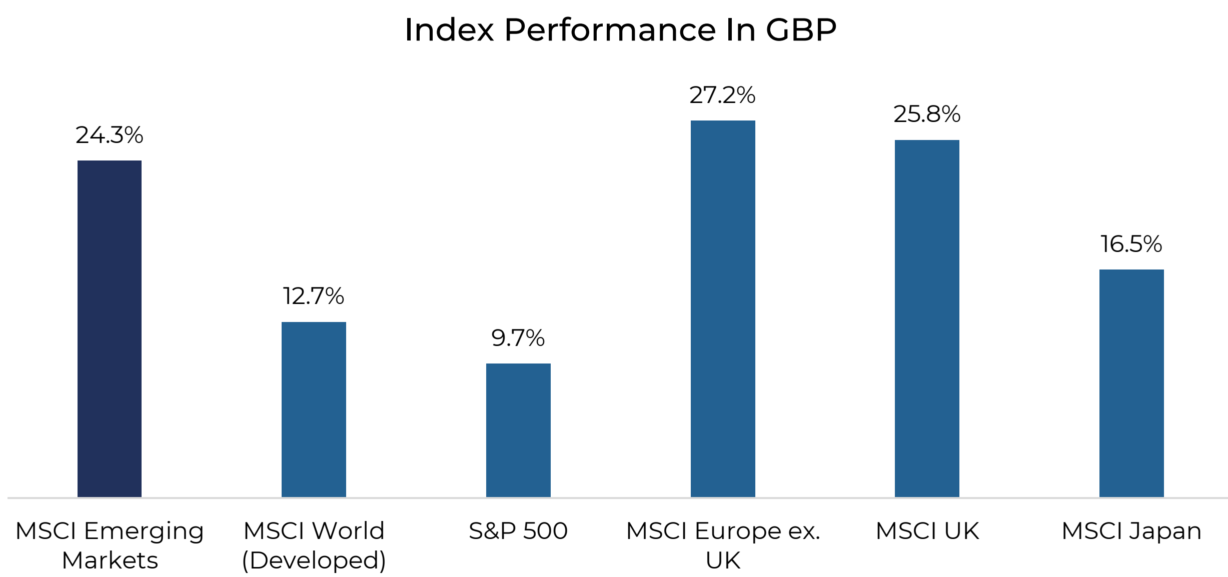
Analysis continued overleaf

Within our investment process, we place emphasis on the following factors:

- **Sustainable competitive advantage.** Companies must have demonstrated the ability to earn returns on capital above the cost of capital, reflecting a competitive advantage that has persisted over time and that can be harnessed by management to the benefit of shareholders.
- **Robust business model.** The business needs to have a business model that is resilient to external factors, both at an industry and macro level. In other words, the company should be able to generate strong cash flows through the cycle, despite facing challenging conditions at times.
- **Attractive opportunities for reinvestment and growth.** Opportunities should exist for management to redeploy the capital generated by the existing business at attractive rates of return. Long-term opportunities for growth should also be present; these may offer more moderate (but more consistent and sustainable) growth rates.
- **Strong dividend policy.** Management must be committed to returning a meaningful portion of the capital generated by the business to shareholders.
- **Attractive valuation.** We seek investments that are undervalued by the market. We want valuation changes to be a positive contributor to overall returns and avoid stocks where they may be a detractor.

We think such an approach works well in emerging markets and is well suited to the uncertainties in today's economic environment that investors face both in the region and globally.

MARKET COMMENTARY



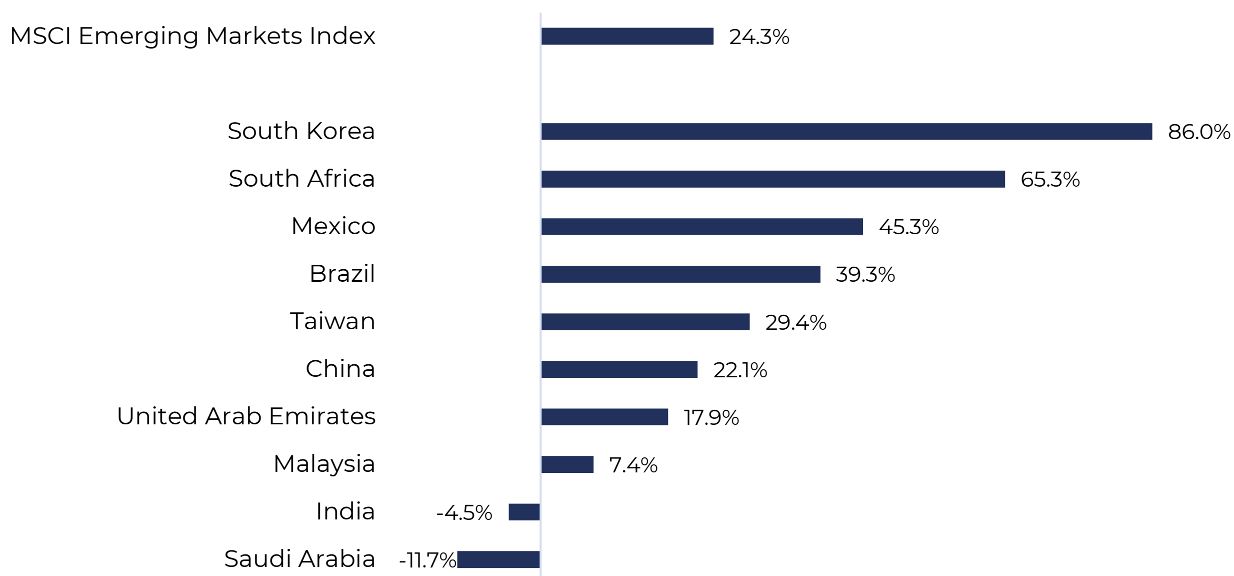
Source: Bloomberg, Guinness Global Investors. Data 31.12.2024-31.12.2025

For the year overall, emerging markets generated positive performance in sterling terms, rising 24.3%. Emerging markets significantly outperformed developed markets, with the MSCI World up 12.7%, itself ahead of the S&P 500, which rose 9.7%. Europe's performance showed a strong recovery (like emerging markets), up 27.2%, and the UK also performed similarly, rising 25.8%. Japan's performance was middling, but ahead of developed markets overall, rising 16.5%.

Regional returns (in GBP)

Source: Bloomberg, Guinness Global Investors. Data 31.12.2024-31.12.2025

Country returns (largest) (in GBP)



Source: Bloomberg, Guinness Global Investors. Data 31.12.2024-31.12.2025

Latin America was the best-performing region, up 44.1%, with Mexico and Brazil key contributors. Both countries benefited from local currency strength, as discussed below. The impact of elevated trade tensions with the US has been relatively benign. Mexico's market benefited from a de-risking from a trade perspective that was better than the more pessimistic stance in the market at the beginning of the year. The domestic consumer environment also improved from the more challenging period earlier in 2025 as recession concerns retreated. Nevertheless, the current outlook is still somewhat cautious. Brazil, although finding itself in the crosshairs of the US (mainly from a political standpoint), was nevertheless able benefit from China's purchase of soybeans as the latter sought to apply leverage by avoiding buying US crops. Inflation has remained relatively controlled, although recent growth readings have slowed.

Asia was the next best-performing region, up 22.9%, with Korea the stand-out performer, followed by Taiwan. EMEA (Europe, Middle East and Africa) was close behind, up 22.7%, helped by a rally in South Africa.

In Korea, the memory companies Samsung Electronics and SK Hynix have been significant beneficiaries of the raised demand from AI and have a considerable impact on the market overall due to their size. We don't have exposure to these companies in the fund, as the cyclical nature of the memory business (which creates periods of depressed returns on capital) prevents them from qualifying under our universe criteria. Taiwan similarly benefited from strong AI performance, with

TSMC as the main beneficiary. TSMC now represents 58% of the Taiwan index and 12% of the overall EM index. We discuss below, in the sector returns section, how the concentrated nature of the rally in individual stocks affected index returns.

China's performance was broadly in line with the index's returns (it is also the index's largest country weight), rising 22.1%. After a very strong showing at the beginning of the year, the latter part of 2025 was notably weaker due to growing concerns surrounding the country's weak domestic economy. In part, this has been caused by growth policies that supported manufacturing industries, but which have now led to capacity outstripping the weakened demand in some areas, driving a deflationary environment. The government has been pursuing an anti-involution policy to mitigate the deflationary environment and to limit excess capacity, but it will likely take some time to make progress. The efforts are complicated by surplus capacity in privately owned enterprises rather than in state-owned companies (where previous supply-side reform programmes had focused). This naturally adds to the coordination challenge. Nevertheless, the strong export market does provide a supportive backdrop for the economy. We discuss this more in the outlook later.

MSCI Emerging Markets Index: regional weights

	31 Dec 2025	31 Dec 2024	31 Dec 2023
Asia	80.6%	80.9%	77.8%
EMEA	12.1%	12.4%	12.7%
Latin America	7.3%	6.6%	9.5%

Source: MSCI, Guinness Global Investors, 2025

Asia's weighting in the benchmark dwarves that of both EMEA and Latin America and therefore makes a much larger contribution to overall benchmark performance. Reflecting the strong performance of Latin America over the year, its weight has recovered somewhat from the end of 2024, with corresponding declines in Asia and EMEA.

MSCI Emerging Markets Index: country weights

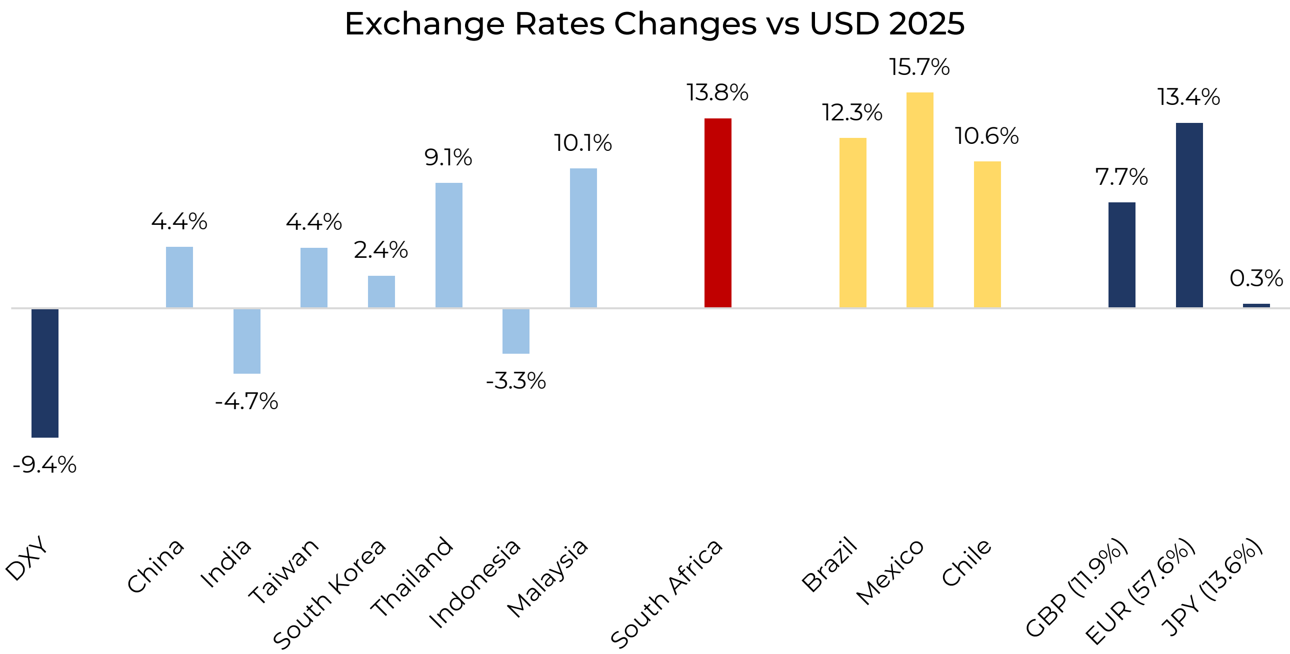
	31 Dec 2025	31 Dec 2024	31 Dec 2023
China	27.6%	27.8%	26.5%
India	15.3%	19.4%	16.7%
South Korea	13.3%	9.0%	13.0%
Taiwan	20.6%	19.7%	16.0%
Brazil	4.3%	4.1%	5.8%
All others	18.8%	20.0%	21.9%

Source: MSCI, Guinness Global Investors, 2025

Within the regional indices, changes are more marked. Looking at the five largest countries in the index, the proportional share of South Korea and Taiwan increased in 2025, while India saw a reduction.

Currencies

The following chart shows the movements in foreign exchange over the year for the large countries (from a benchmark weighting perspective) for Asia, EMEA and Latin America, as well as the developed market components of the dollar index (DXY).



Source: Bloomberg, Guinness Global Investors, 2025. Axis labels refer to weights in the dollar index (DXY)

As the left-hand bar DXY shows, dollar depreciation was the overriding feature of 2025, with the DXY ending the period down 9.4%. Most of the countries shown above were therefore correspondingly stronger.

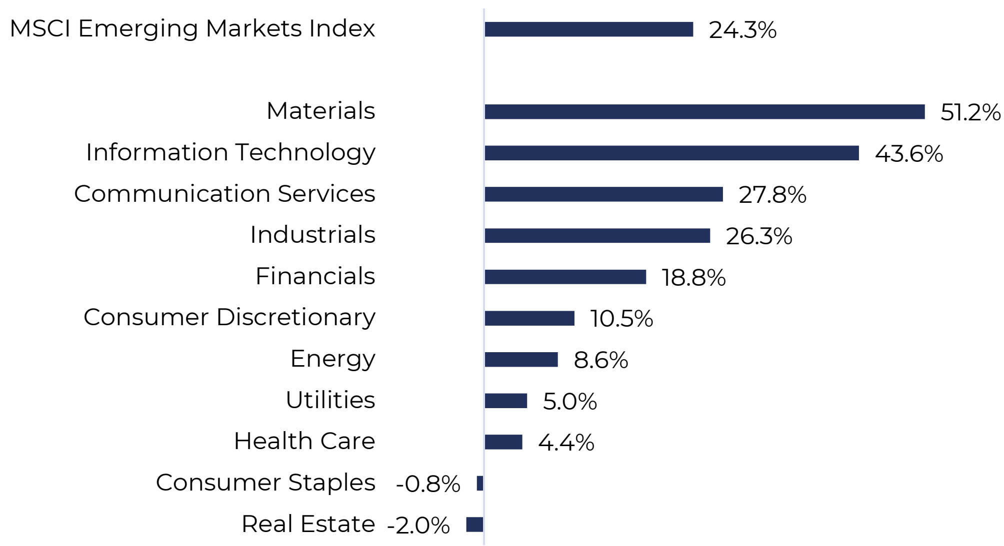
Among Asian countries, Thailand and Malaysia saw the greatest strength, while China, Taiwan and South Korea were also stronger. Indonesia weakened, down 3.3%, amid a challenging macro environment. India was the negative outlier, down 4.7%. Political and trade tensions with the US amid India's continued imports of Russian energy created a negative backdrop.

In EMEA, performance of the Rand in South Africa was very positive, ending up 13.8% over the quarter. Commodity prices were a strong contributor, with gold and silver prices up strongly over the year.

Latin American currencies showed consistent strength for the year overall. Mexico was the best performer, rising 15.7%. Brazil followed slightly behind, up 12.3%, and Chile was up 10.6%. Mexico's currency benefited from a better outlook than feared from a tariff perspective, and Brazil's from a more favourable inflation environment. Chile benefited from a stronger copper price over the year.

In developed markets outside the US, the pound sterling, the Euro and the Yen all appreciated against the dollar. The Yen was up marginally, but sterling and the Euro both saw significant appreciation, up 7.7% and 13.4% respectively.

Sector returns (in GBP)



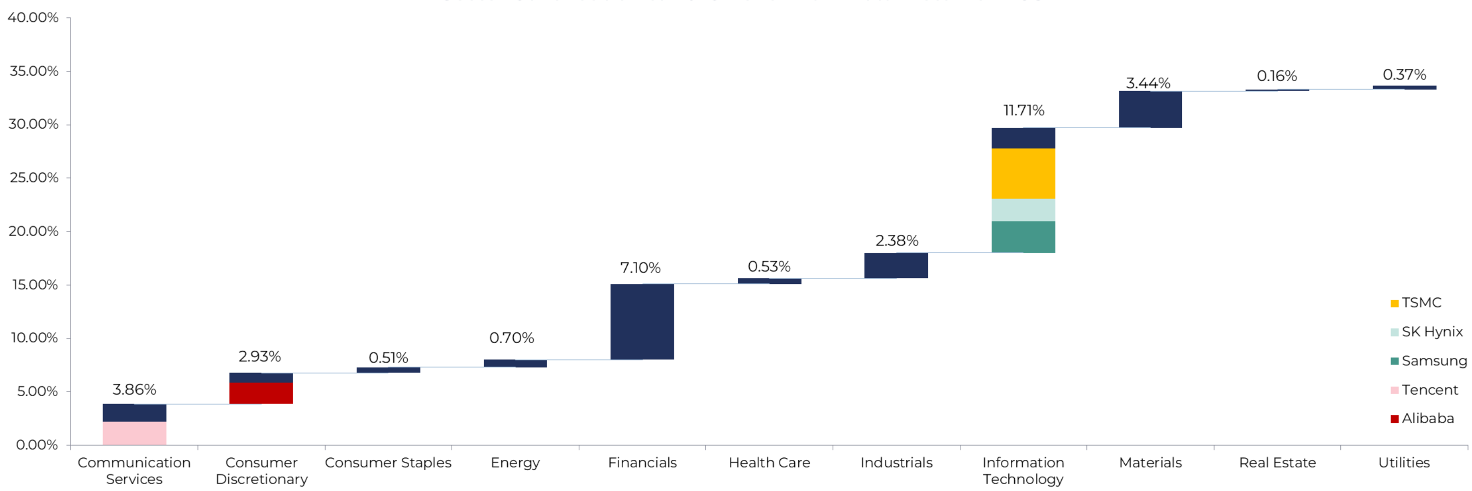
Source: Bloomberg, Guinness Global Investors, 2025

Materials was the strongest performing sector for the year, up 51.2%, driven by the rally in commodities prices. Information Technology was the next best performing sector, up 43.6%. As with last year, the market has demonstrated almost unbounded enthusiasm towards stocks exposed to the AI theme. The large US tech companies have continued to invest capital in this area, to the benefit of companies in the supply chain, many of which are in emerging Asia. Communication Services, Industrials and Financials also performed well. Only two sectors had negative returns: Real Estate, down 2.0%, and Consumer Staples, down 0.8%.

However, the notable feature of returns last year was the degree of concentration for those returns in the benchmark. When stock and sector weights are incorporated, this becomes apparent. The following chart breaks down the contribution to benchmark returns for 2025 by just five big stocks: TSMC, SK Hynix, Samsung, Tencent and Alibaba:

Note chart below and the remainder of this section is in USD

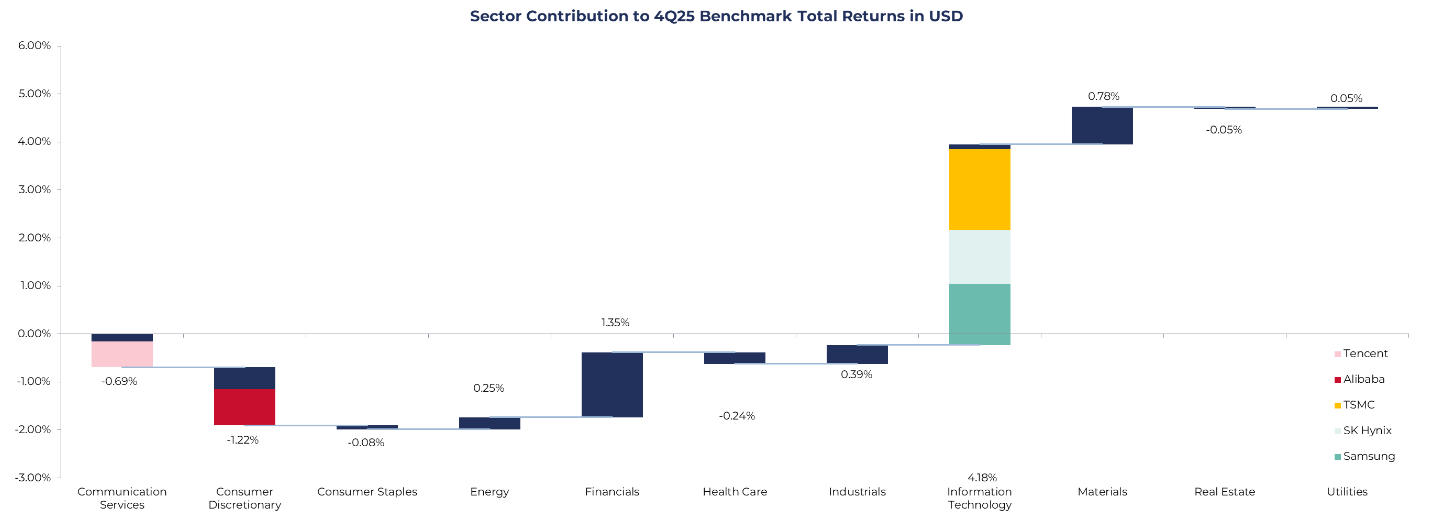
Sector Contribution to 2025 Benchmark Total Returns in USD



Source: FactSet, Guinness Global Investors, 2025

The largest driver of benchmark returns was Information Technology. Samsung, SK Hynix and TSMC contributed 9.8 percentage points to the benchmark's total return. Positive contribution also from Tencent (+2.2pp) and Alibaba (+2.0pp).

This effect was particularly pronounced in the fourth quarter of the year, as the following chart shows:



Source: FactSet, Guinness Global Investors, 2025

Again, technology made up the largest contribution to benchmark returns. Samsung, SK Hynix and TSMC contributed 3.9pp of the benchmark's 4.7% total return. In other words, three companies made up 81% of the benchmark's total return.

Elsewhere, Alibaba and Tencent saw benefit in the third quarter from an AI boost but were held back in Q4 due to worsening domestic China sentiment.

ATTRIBUTION

Past performance does not predict future returns.

Following good relative outperformance in 2023 and 2024, the fund faced a more challenging environment in 2025. The fund rose in sterling terms, up 14.4%, but underperformed a strong benchmark, which gained 24.3%.

The best performer in the portfolio was Elite Material, a stock with significant exposure to the AI theme. We also had strong performance from our Latin American holdings, particularly Brazilian stocks, which benefited from the local currency appreciation.

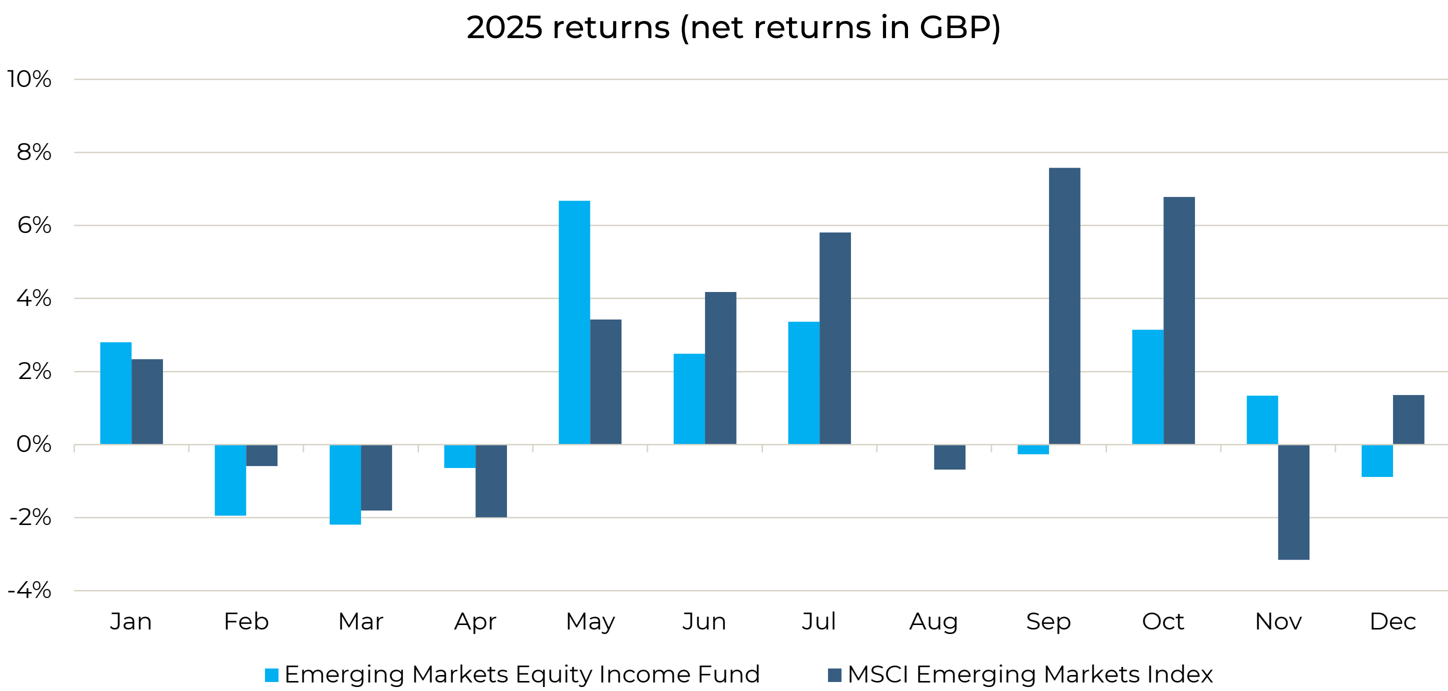
On the weaker side, among the detractors were our two holdings in Indian IT services sector, as well as certain stocks exposed to Chinese domestic consumption.

From a country attribution perspective, the fund benefited from its Indian exposure – the negative selection did not outweigh the positive contribution from our underweight to the country. Brazil had next largest positive impact, with the fund benefiting from the country overweight as well as stock selection. Peru also made a positive contribution.

Negative attribution came from China – mostly reflected in stock selection. Exposure to domestic China was the biggest drag, as highlighted above. Taiwan had a positive allocation (we are overweight), but negative stock selection (reflecting partly the structural underweight in the fund to TSMC, as well as weaker performances from Novatek and Grape King).

From a sector perspective, our Financials and Healthcare exposure was the biggest positive, with attribution mainly coming from stock selection, rather than allocation.

The biggest negative was to the Information Technology and Consumer Discretionary sectors, with both mainly attributed to selection, and allocation playing a smaller role.



Source: Bloomberg, December 2025

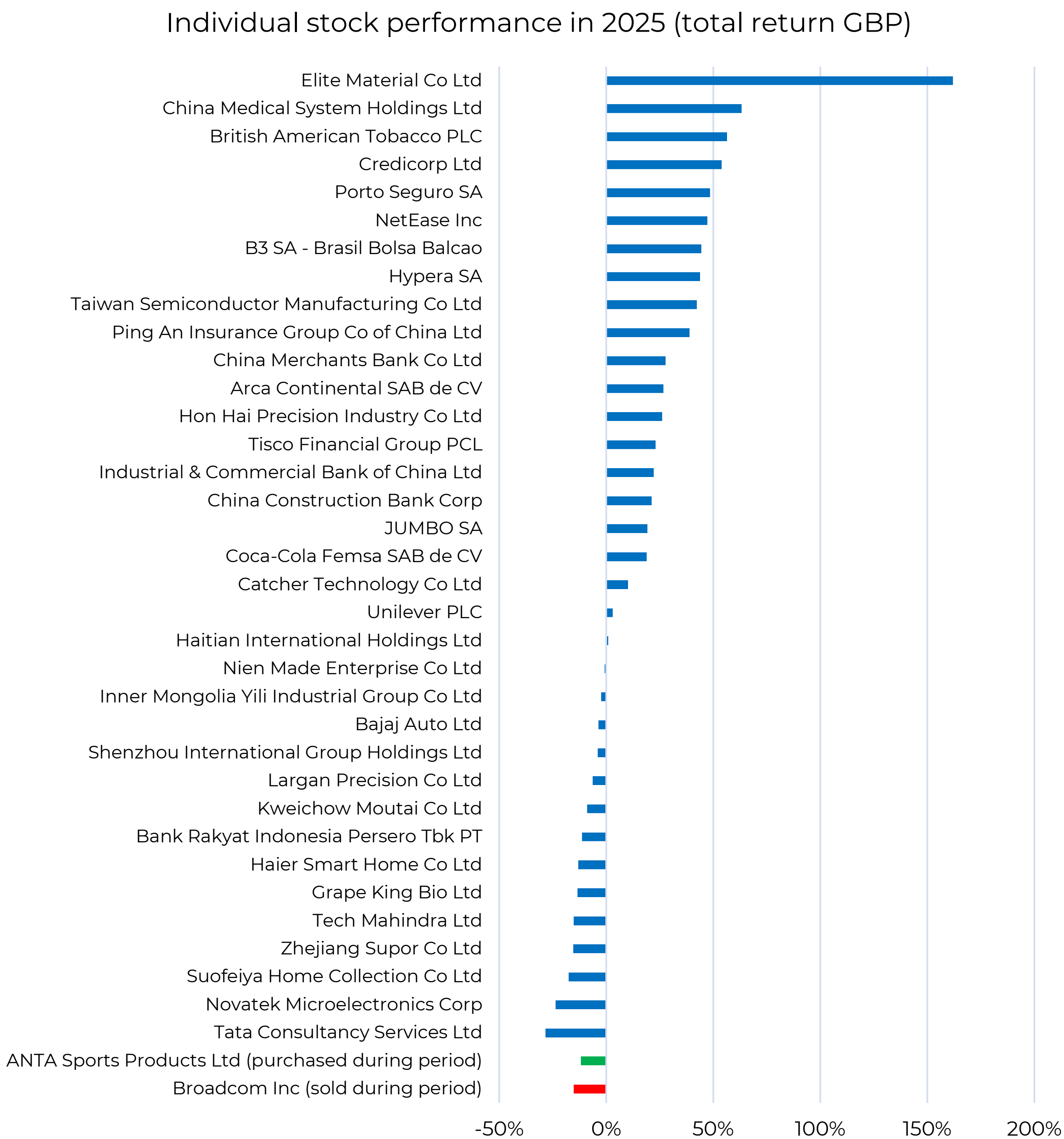
Again the year saw somewhat volatile month-to-month performance of the market, particularly in the second half of the year. The fund outperformed in five months in 2025 and underperformed in seven.

The fund has tended to generate outperformance in periods when the market has declined. This pattern was not consistent on a monthly basis during the year but was demonstrated notably towards the end of the year, when the fund rose in November against the market correction. AI stocks had performed well in September and October, which hurt relative performance. However, this trend reversed in November as several stocks in the sector sold off, driving the outperformance. December turned positive again for the AI trend.

Earlier in the year, the fund performed well on a relative basis, with a particularly strong month in May, when it benefited particularly from individual stock performances: Elite Material (+43.4%) and China Medical System (+26.7%). However, for the first half overall there was again a degree of month-on-month variation.

STOCK COMMENTARY

In 2025, out of the 35 stocks held for the full year (i.e. ignoring those bought or sold), 13 were outperformers and 22 underperformed. However, of the outperformers, nine earned returns above 40%, and the best performer generated 162% total return over the year. In all, 21 stocks achieved positive absolute returns for the year. On the downside, eight stocks lost 10% or more but only two lost more than 20%. The following chart shows individual stock performance for the portfolio including stocks purchased or sold:



Source: Bloomberg, Guinness Global Investors, 2025

Leaders

Within the portfolio, the best performing stocks were Elite Material (+162.0% in GBP), China Medical System (+63.2%) and British American Tobacco (+56.3%).

Elite Material is a manufacturer of copper-clad laminates (CCL), a material used in printed circuit boards. The company saw strong end-demand in 2025, particularly in the AI space, where projects require more advanced chips, which, in turn, require more CCL content. The company is expected to benefit as it holds a dominant market share (over 70%) in the highest-grade (M8) materials in the CCL space and is predicted to be the first to market for the next iteration of highest-grade materials (M9). Elite Material is a confirmed supplier of the copper clad laminates (CCLs) in the tensor processing units (TPUs) used by Google in their AI endeavours.

On a broader note, Elite Materials is a particularly good example of strong management leading to a business that is able to navigate shifts in product cycles. We bought the company back in 2017, when our investment thesis revolved around the company's strong market share in printed circuit boards used in smartphones, servers and the automotive industry. However, management has been able to grow the bottom line, and in turn, reinvest some of the profits into R&D, driving a virtuous cycle of growth. At the same time, they have also been able to consistently grow dividends, adding to the total shareholder return.

China Medical System is a leading pharmaceutical licensor in China, with growing in-house R&D, a strong sales network, and a decent product pipeline with launch dates spanning the next three years. The company saw strong total returns in 2025 primarily during the second and third quarters, driven by news that the company is planning to spin off its Dermavon subsidiary as a separate Hong Kong Stock Exchange listing, as well as improving sentiment of the Chinese Health Care space. The spin-off is expected to be executed in specie, which would avoid shareholder dilution. Dermavon itself specialises in dermatology and has a diverse product and pipeline portfolio.

The recovery in the stock comes in the context of a disappointing performance in early 2024, where the company's results shocked markets. The impact was caused by Chinese regulation to control healthcare costs, resulting in certain key drugs seeing a major hit to pricing. Following the results, we decided on balance to add to the position rather than sell it, so it has been encouraging to see the company's progress since then.

British American Tobacco saw a very good year of gains following strong performance of the company's next-generation products. Its Velo product has seen huge growth in the US market this year, reflecting the wider popularity of nicotine pouches. Over the past couple of years the valuation multiple has re-rated substantially as the sector has been reappraised by investors and progress has been achieved on the migration to next-generation products. Despite this, the valuation multiple stands today still at a reasonable level and the stock offers an attractive dividend yield.

Laggards

The worst performing stocks were Tata Consultancy Services (-28.2% in GBP), Novatek Microelectronics (-23.7%), and Suofeiya Home (-17.6%).

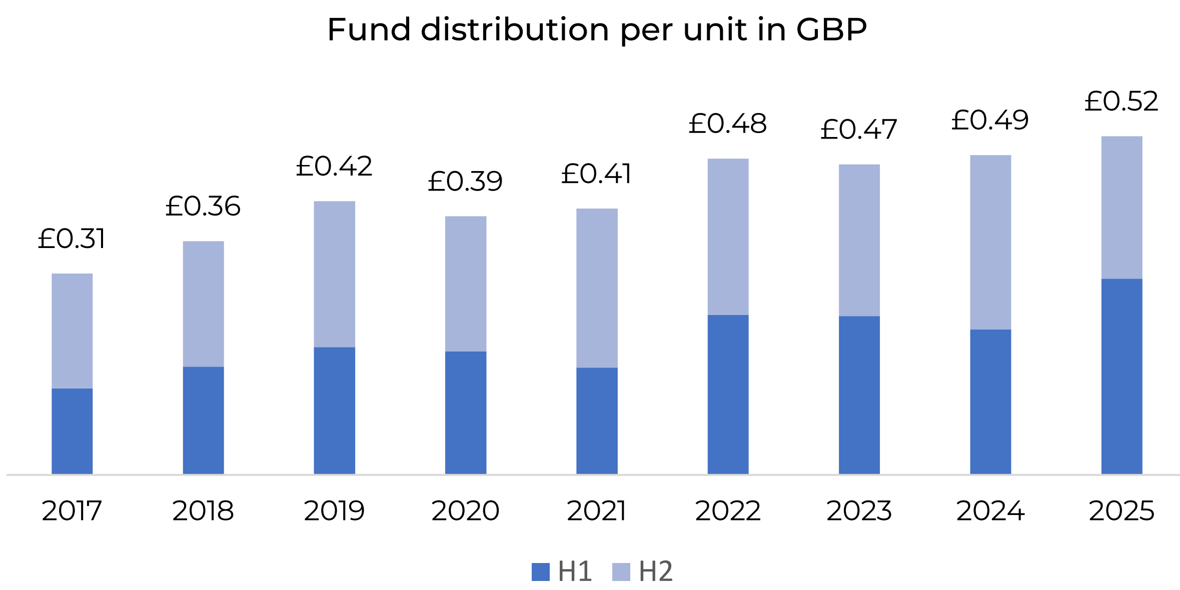
Tata Consultancy Services is an Indian IT services company. The sector as a whole saw meaningful headwinds in 2025. In a recent earnings call, management noted that clients are still cautious and face tighter budgets and product delays. More optimistic were the announced investments in AI, with plans to add 1GW of AI datacentre capacity via a subsidiary. TCS stated its desire to become the "world's largest AI-led technology services company". We have been encouraged by reports early in 2026 by sector peers of a brighter outlook and signs of a recovery in some IT consultancy spending.

Novatek Microelectronics, a Taiwanese designer and manufacturer of integrated circuits (ICs), saw its stock fall over 2025, largely driven by weaker earnings reports as competitive pressures and macro challenges started to affect the company's bottom line. Despite revenues remaining largely flat in the first three quarters of 2025, rising costs led to gross profits falling 7% and gross margins falling 312 basis points to 37.5%. Seemingly persistent dollar depreciation, the fading out of Chinese subsidy policies, and tariff woes caused additional FX pressure resulting in net profits dropping 15% year-on-year. While the company remains in the fund for now, we are closely monitoring the rising competitive pressures from Chinese companies and continue to assess Novatek's ability to navigate this trickier period.

Suofeiya Home Collection, a Chinese manufacturer of kitchen cabinets and other homeware, has exposure to the real estate market and saw weaker performance in 2025. While home renovations were eligible for the trade-in programme, this was not enough to offset ongoing declines in new home sales. This led management to guide for sales to decline in 2025, despite the growing contribution from demand related to renovations. Management aims for sales to stabilise in 2026 and believes there is further room to improve gross margins through further cost reductions and efficiency gains. Despite the challenges facing the sector, returns on capital have remained resilient. We believe the current share price assigns minimal value to cashflows derived from future capital expenditure, representing an attractive valuation for a business that remains high quality. Furthermore, and although we do not hold the stock for this reason, any additional policy support for the real estate sector could provide upside through a valuation re-rating.

DIVIDEND REVIEW

The full dividend history for the fund since launch is as follows:



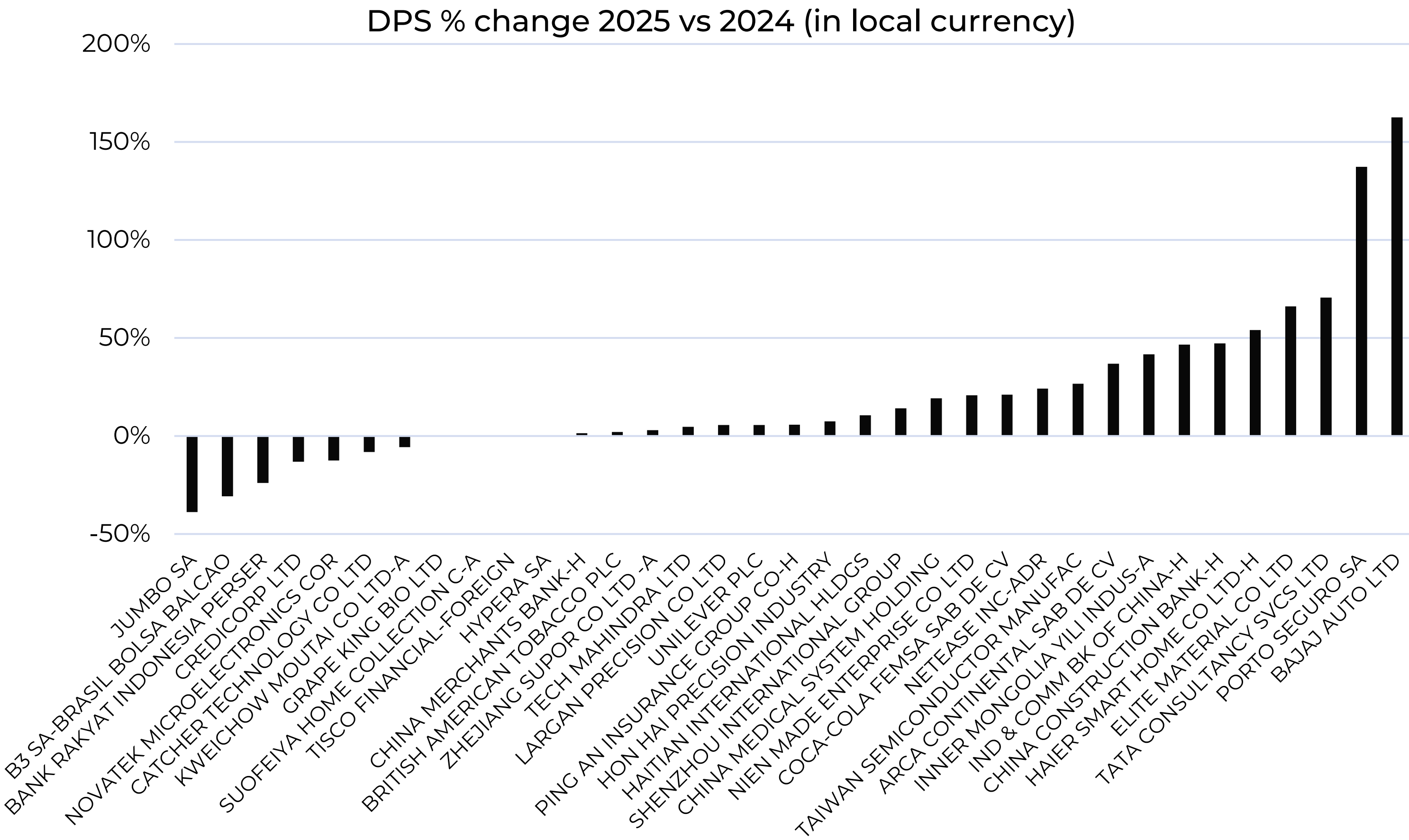
Source: Guinness Global Investors. Y share class dividend growth in GBP, 2025

As the chart shows, the most recently declared dividend for the second half of 2025 brings the total to a new record of 52 pence per unit. This represents 5.9% growth year-on-year. As noted on previous occasions, some timing differences arose last year, with more dividends coming into the first half of the year versus the second. Dividends also benefited from local currency strength. Nevertheless, the growth in distribution also reflects genuine progress in earnings on the part of our portfolio companies.

While the fund distribution has reached a new high, we note that for the benchmark, the dividend per share figure is still 4% below the level of 2022.

While we do not expect the fund distribution to grow in every 12-month period, we expect growth over the long term. Since the launch of the fund to 2025, the sterling dividend has grown at a compound annual growth rate of 6.7%, compared with a rate of 2.6% per annum for the benchmark. This higher compound annual rate is closer to our expectation for long-run earnings growth.

The following shows the change in dividends per share for each company during 2025 compared with 2024. We show the percentage change, measuring dividend per share in local currency.



Source: Bloomberg. Based on ex-dividend date, 2025

The companies shown are the 35 that were held for the entirety of this year (note four were purchased in 2024, but the remainder were also held for the entirety of that year). For the group of 35 stocks, the mean dividend increase was 20.1% and the median was 5.8%. (the latter corresponds with the fund distribution growth for the GBP class, which was up 5.9% year on year). As well as operational performance, the comparisons are also affected by the timing of distributions (particularly around year-end) and the payment of special dividends, which are typically treated as 'one-off' in nature.

Among the stronger performers, Bajaj Auto saw an increase of 163%, with a higher level of dividend effectively catching up from the lower dividend in 2024. Porto Seguro, dividend up 137%, again represents a recovery from paying a lower dividend in the prior year. Tata Consultancy Services paid a relatively large special dividend at the start of 2025, taking the overall dividend payment up 71%. Elite Material has seen strong growth in the dividend along with significant growth in earnings.

Within the weaker performers, Jumbo saw a dividend decline of 39%, but we note that the company is doing supplemental share buybacks. B3 also saw a moderation in the dividend payment, contracting 31%, but is similarly pursuing share buybacks. Bank Rakyat saw the dividend fall 24%; however, this was largely a timing function of a dividend paid early in 2024. Adjusting for this, the dividend only declined a more modest 7%.

Note: there are several factors that affect the distribution received by unit holders. Principally these are: the timing of buys and sells, local currency movement, differences in weightings in the portfolio and withholding taxes. The combination of these factors can cause differences between the dividend growth rates within the portfolio and the overall distribution.

PORTFOLIO CHANGES

Portfolio activity in 2025 was below the levels of recent years, with only one new position added to the fund and one position sold.

Addition

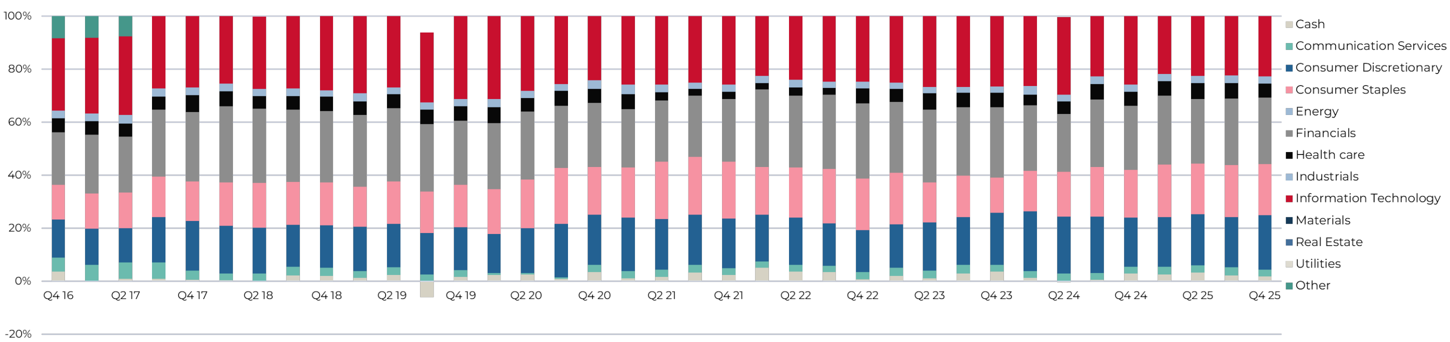
We added Anta Sports to the portfolio, a leading Chinese sportswear company listed in Hong Kong. The company has an impressive track record of marketing products to Chinese consumers under both its own brand and Western brands. Anta has achieved consistency in both returns on capital and growth over time while paying dividends at a meaningful level. We think the company has a good opportunity to expand geographically across South-East Asia and can benefit from pricing power in the domestic market, as management has the ability to shift the product/brand mix. For more information, please see our detailed piece on the company published in our December commentary.

Disposal

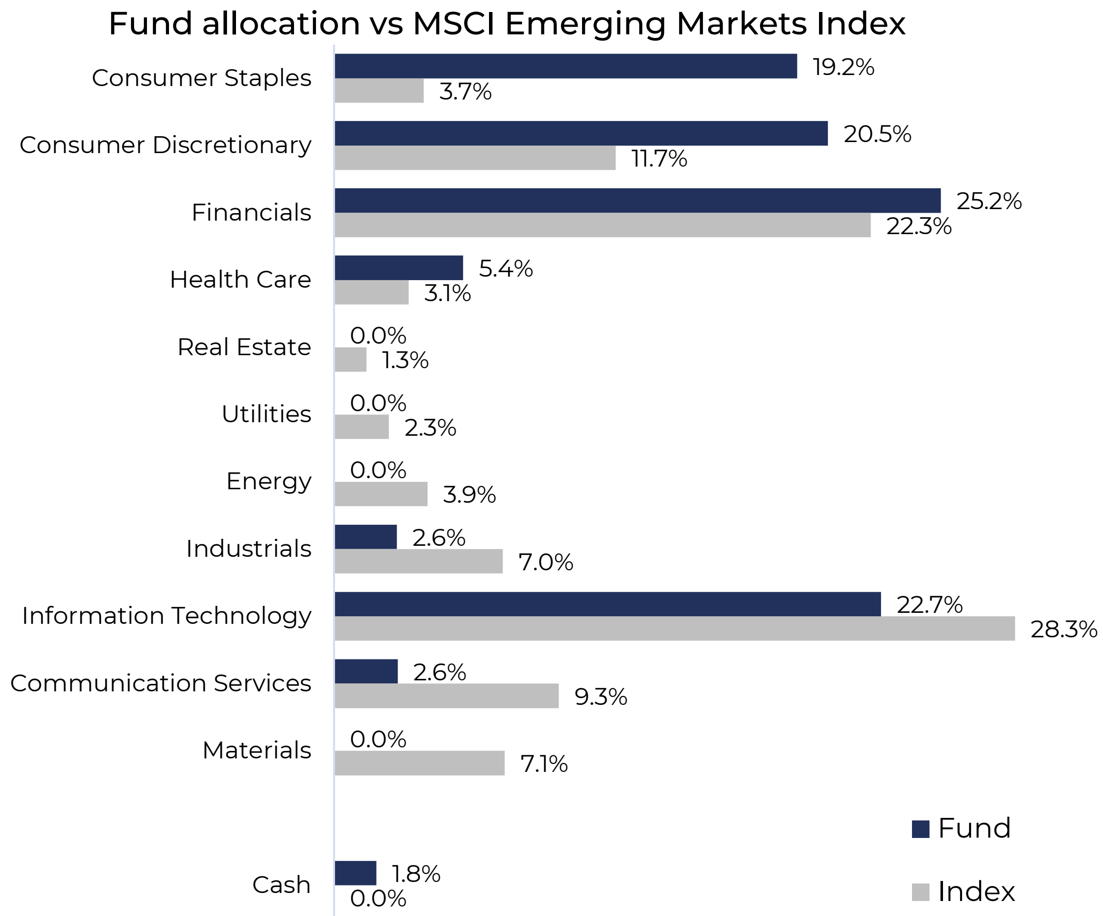
We sold our position in Broadcom. Broadcom has been a position held since inception of the fund and has made a very positive contribution to performance over that time. The company's management has demonstrated skilful acquisition abilities as it has worked to diversify revenue streams from different IT subsectors. This ability has come to be well recognised by the market, and we have sold the position on valuation grounds. We sought to redeploy the proceeds in a stock that offers better upside potential.

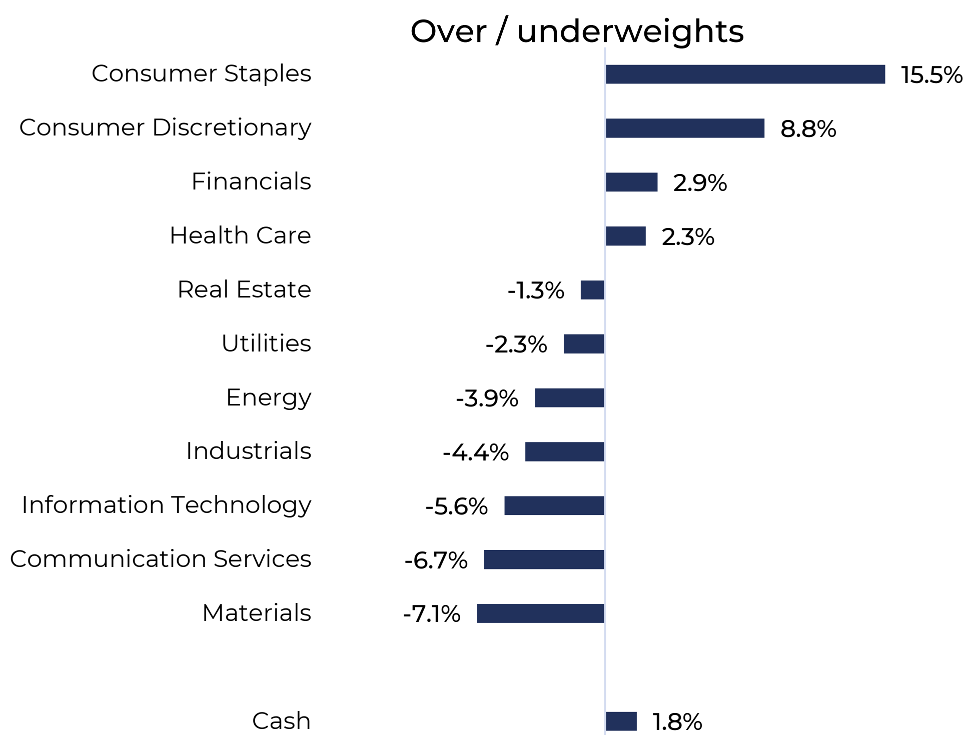
PORTFOLIO POSITIONING

Fund breakdown by sector



Source: Guinness Global Investors, 2025
'Other' refers to an India ETF held until direct Indian holdings became available to the fund when local market access was granted





Source: MSCI, Guinness Global Investors, 2025

The fund is significantly overweight Consumer Staples, as well as the Consumer Discretionary, Financials and Health Care sectors. The fund has no holdings in the Materials, Energy, Utilities or Real Estate sectors, and is also underweight Communication Services, Information Technology and Industrials.

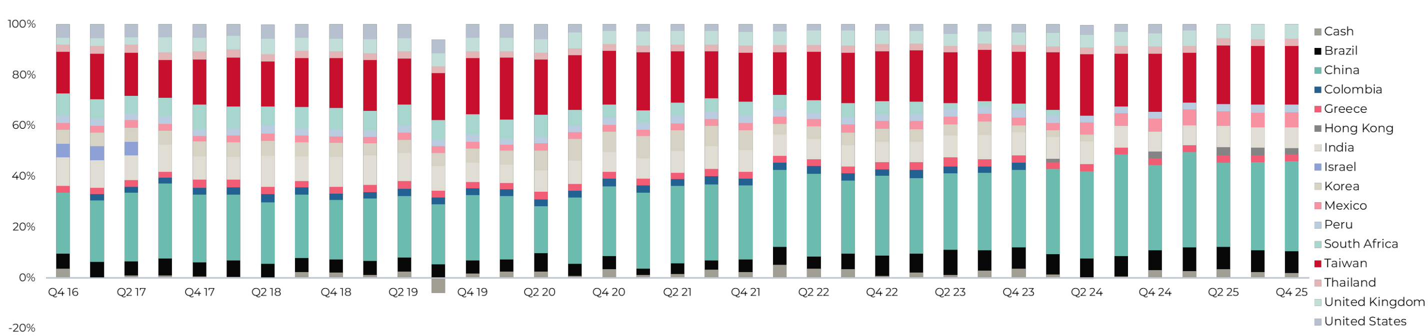
Sector breakdown by number of holdings

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Financials	9	9	10	10	9	9	9	10	9
Information Technology	8	9	9	9	9	9	11	10	11
Consumer Discretionary	8	7	7	6	7	7	6	6	6
Consumer Staples	7	7	5	7	8	7	6	6	6
Health care	2	2	2	2	1	2	2	2	2
Communication Services	1	1	1	1	1	1	1	1	1
Industrials	1	1	1	1	1	1	1	1	1
Energy	0	0	0	0	0	0	0	0	0
Materials	0	0	0	0	0	0	0	0	0
Real Estate	0	0	0	0	0	0	0	0	0
Utilities	0	0	0	0	0	0	0	0	0
Total	**36**	**36**	**35**	**36**	**36**	**36**	**36**	**36**	**36**

Source: Guinness Global Investors, 2025

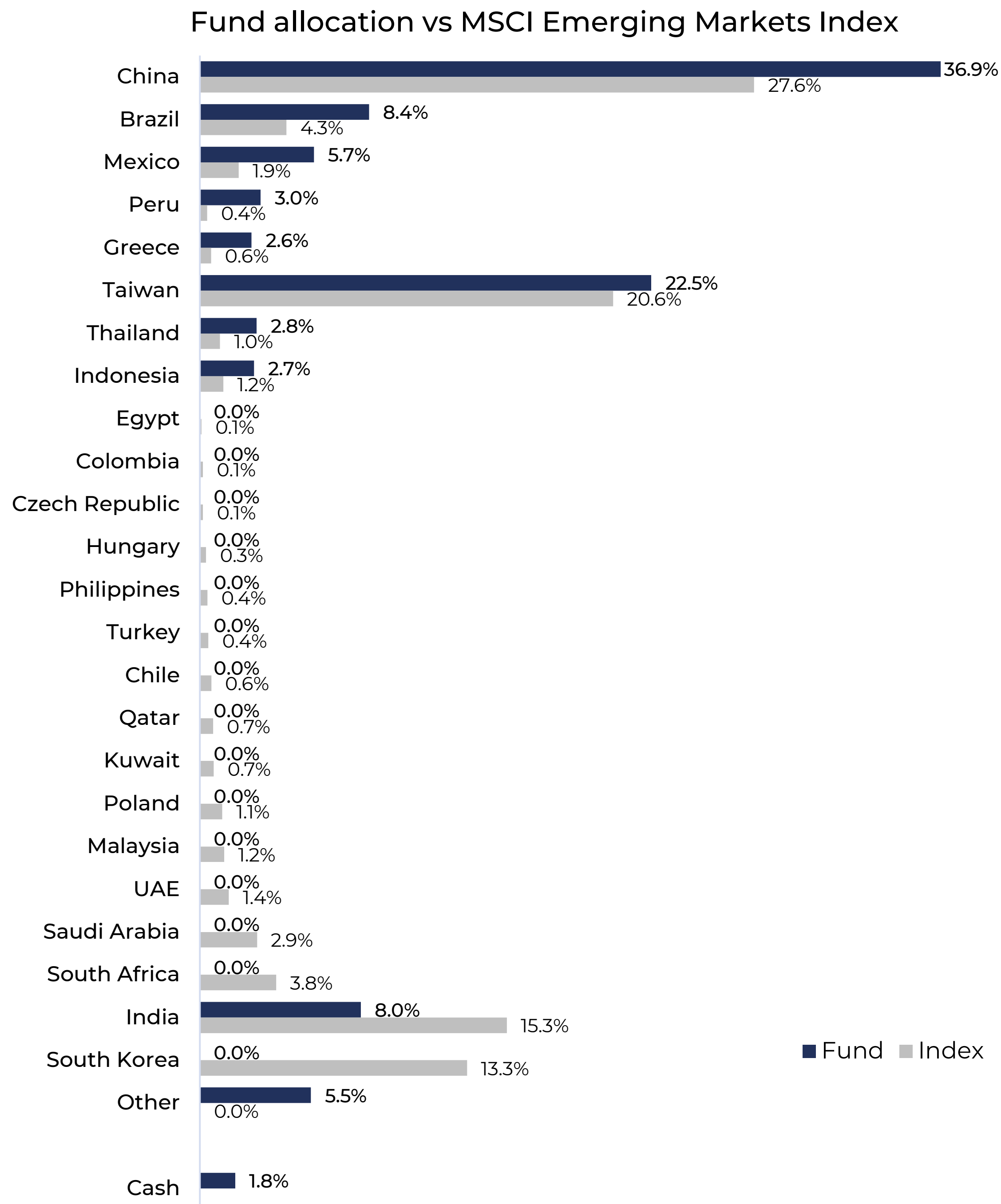
The effect of the switches during the year was to increase exposure to Consumer Discretionary by one position (2.75% at neutral weight) and to decrease exposure to Information Technology.

Fund breakdown by country

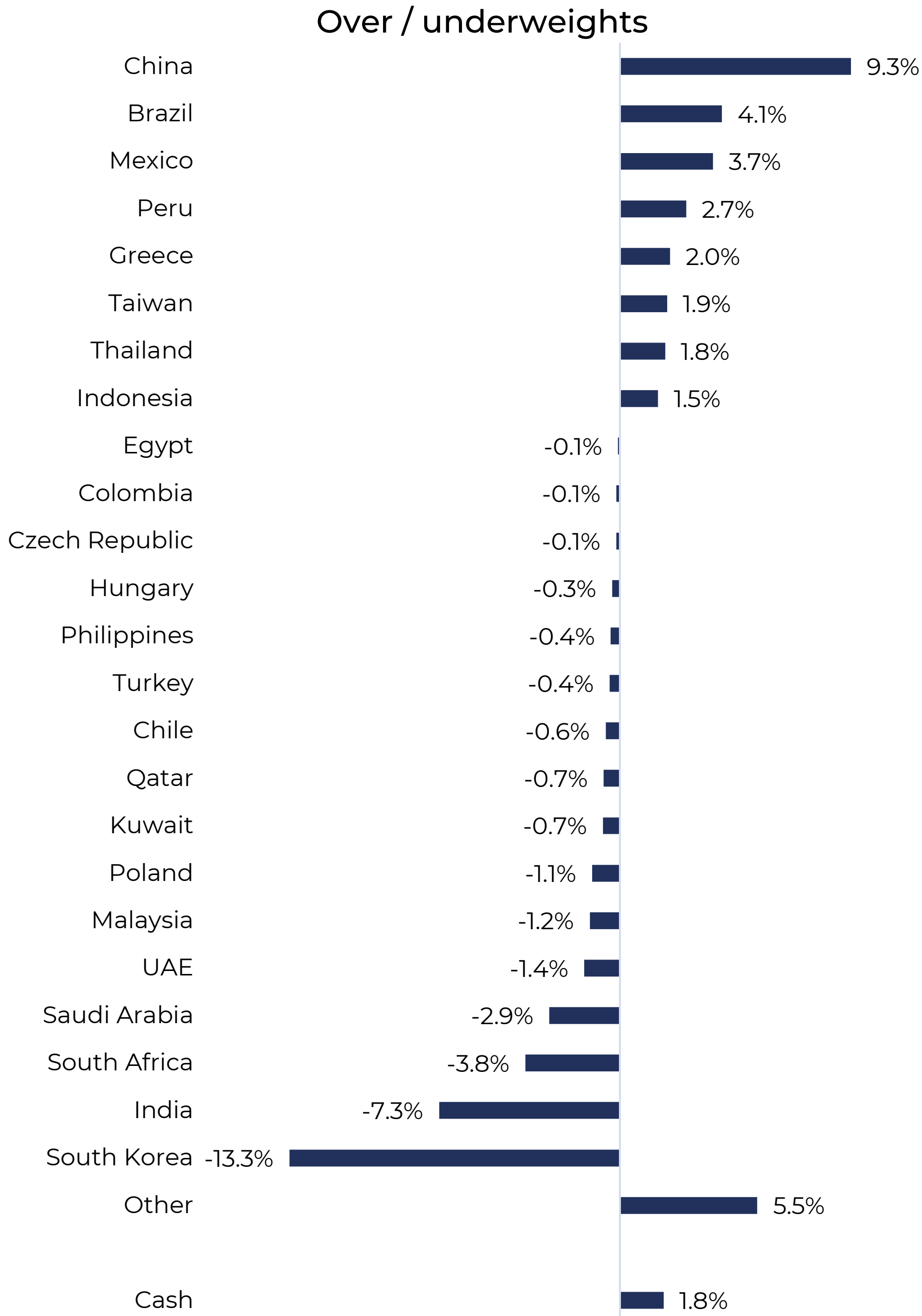


Source: Guinness Global Investors, 2025

Benchmark-relative weights by country are as follows:



Source: MSCI, Guinness Global Investors, 2025



Source: MSCI, Guinness Global Investors, 2025

The fund's biggest overweights are to China, Brazil and Mexico, and the 'other' category, which reflects the fund's two UK holdings that derive more than 50% of their revenue from emerging markets. The biggest underweights are to South Korea, India, South Africa and Saudi Arabia.

Again, by number of companies, our exposure at year-end 2025 and the preceding eight years was as follows:

	2025	2024	2023	2022	2021	2020	2019	2018	2017
China	14	13	12	11	11	10	9	9	9
Taiwan	8	8	7	7	7	8	8	7	7
India	3	3	3	3	3	3	3	4	4
Brazil	3	3	3	3	2	2	2	2	2
Mexico	2	2	1	1	1	1	1	1	1
Greece	1	1	1	1	1	1	1	1	1
Peru	1	1	1	1	1	1	1	1	1
Thailand	1	1	1	1	1	1	1	1	1
Indonesia	1	1	0	0	0	0	0	0	0
Korea	0	0	1	2	3	3	2	2	2
South Africa	0	0	1	2	2	2	3	3	3
Colombia	0	0	1	1	1	1	1	1	1
Other	2	3	3	3	3	3	4	4	4
Total	**36**	**36**	**35**	**36**	**36**	**36**	**36**	**36**	**36**

Source: Guinness Global Investors, 2025

Geographic exposures shifted marginally over the course of the year. The effect of the switches during the year was to increase exposure to China one position and to reduce exposure to 'other'.

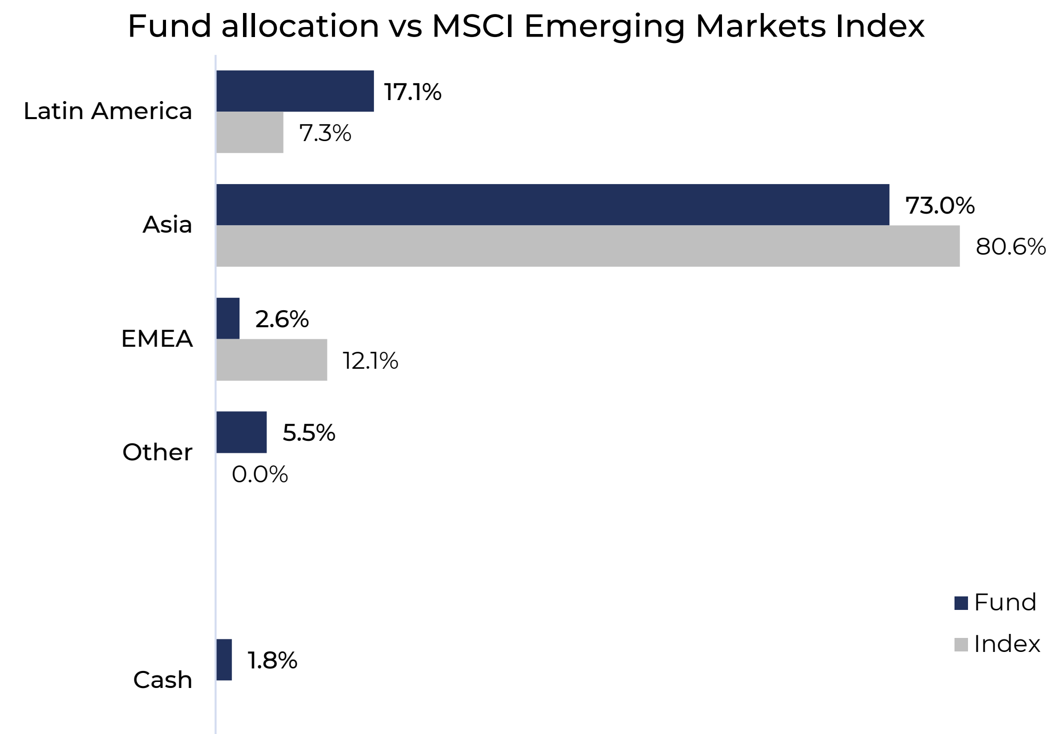
From a regional perspective, the position at year-end was as follows:

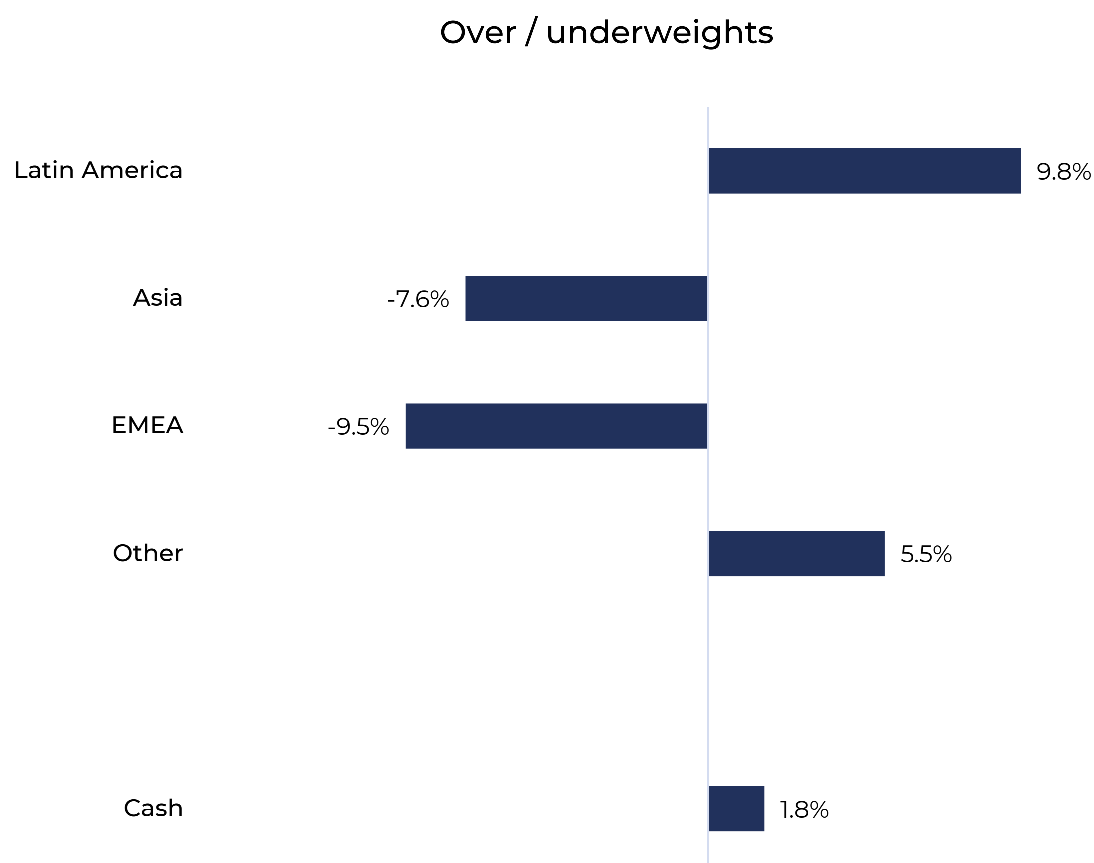
	2025	2024	2023	2022	2021	2020	2019	2018	2017
Asia	27	26	24	24	25	25	23	23	23
Latin America	6	6	6	6	5	5	5	5	5
EMEA	1	1	2	3	3	3	4	4	4
Other	2	3	3	3	3	3	4	4	4
Total	**36**	**36**	**35**	**36**	**36**	**36**	**36**	**36**	**36**

Source: Guinness Global Investors, 2025

The net effect of the switches was to increase exposure to Asia by one position and reduce the exposure to 'other'.

Benchmark-relative weights by region are as follows:





Source: MSCI, Guinness Global Investors, 2025

OUTLOOK

Following the strong performance of emerging markets in 2025, we start 2026 with market expectations broadly positive. Over the next three years, to 2028, the expectation is for earnings to grow around 15% per annum. While these forecasts are subject to revision, they highlight the considerable potential for emerging markets to deliver meaningful returns.

AI was clearly one of the main drivers affecting global markets in 2025, leading to the strong performance of the Information Technology sector, particularly parts of the Asian IT supply chain. This has remained a theme early in 2026. As discussed, this is an area where we do have exposure within the portfolio, but different position sizing to the benchmark due to our portfolio construction. There has also been a shift away from unbridled enthusiasm; the market is increasingly questioning whether the spending on computing infrastructure that has been committed will yield sufficient returns on capital. Separately, one of the things we are also looking at this earnings season is whether companies start recording a benefit from AI in terms of improved operational efficiency, which may, in some cases, provide a net benefit to profit margins.

Despite an increasingly uncertain US policy environment, the US economic backdrop was supportive of emerging markets last year. US trade policy and the Federal Reserve's rate cuts contributed to dollar weakness, which was both a symptom of and a driver for investors to reassess their US equity exposure and to reappraise opportunities elsewhere. A further such driver was emerging markets enjoying the tailwinds of easing inflation, stronger balance sheets, and favourable central bank policies. Debt burdens have also been eased amid dollar weakness, contributing to a more favourable macroprudential outlook and driving positive investor sentiment.

Combined with very attractive starting valuations, emerging markets were among the prime beneficiaries of this shift in asset allocation last year, with money flowing back into the region – and especially into large-cap stocks in the emerging market index. We expect the relatively benign developed market backdrop to continue in 2026, while emerging market economies remain resilient. If we continue to see this sustained interest in emerging market allocations (which remain at low levels), our expectation is that the rally should ultimately broaden across the market cap spectrum. While we recognise the strong recent momentum, emerging market stocks remain undervalued, trading at a steep discount to developed markets and thus presenting an attractive entry point.

While the US-centric narrative is that China is a country mired with problems, from the fall-out of a weakened property sector to the challenges in youth employment in the labour market. The overcapacity that has built up in many industries is expected to weigh on profitability and returns. We also note the subdued levels of current consumption – made more apparent by companies lapping strong comparatives from Q4 2024, on elevated stimulus.

However, we think there is support for the more China-centric view. The mostly stable policy environment has yielded vast improvements in China's productive capabilities, and the full impact is starting to become apparent. Real estate has undoubtedly been a drag on the economy over the past few years; however, we are now at a point where the contribution from China's new pillar industries should outweigh the real estate drag. With valuations still very low, we don't think this has necessarily been fully reflected in the market.

The overcapacity that does exist in some sectors has been acknowledged and is being tackled by the 'anti-involution' drive. New export capabilities are therefore a source of strength in the short term, helping absorb excess capacity. A strong manufacturing economy, with strong trading relationships with foreign countries, also provides the support needed to bolster domestic consumption. Incentives and stimulus have played a part previously in this transition – and this could well prove to be the case again in future.

As an emerging leader in technological innovation, underpinned by its unique combination of state-funded R&D, mass production capacity, and integrated supply chains, China is increasingly well positioned to meet the demands of the rapidly evolving global economy in next-generation industries.

We view India as generally still quite an expensive market (particularly in certain sectors) and one driven by high levels of retail participation. Should slowing earnings growth start to weigh more on sentiment, we may see more opportunities arise and valuations moderate.

The emphasis we place on the underlying quality of a business, earning high returns on capital and generating cash, provides the underpinning for rewarding shareholders with dividends while seeking to compound their earnings over the long term. It is this combination, embedded in an equally weighted portfolio, that we believe works particularly well in an emerging-market context and provides investors with a disciplined strategy with which to navigate an uncertain environment.

Portfolio Managers

Edmund Harriss
Mark Hammonds

GUINNESS EMERGING MARKETS EQUITY INCOME FUND - FUND FACTS

Fund size	$19.9m
Fund launch	23.12.2016
OCF	0.77%
Benchmark	MSCI Emerging Markets
Historic yield	4.1% (Y GBP Dist)

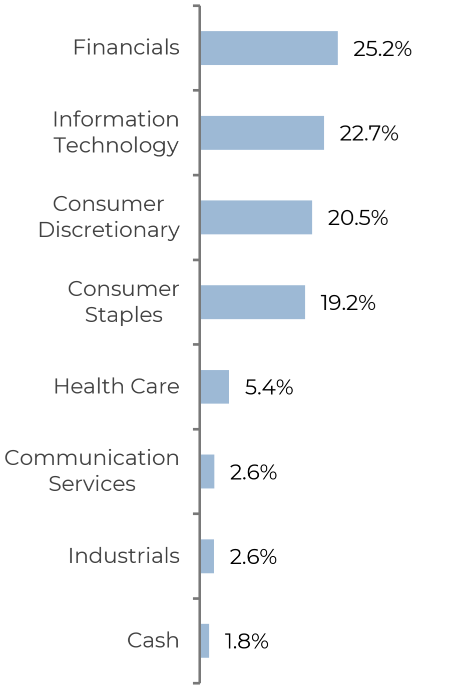
GUINNESS EMERGING MARKETS EQUITY INCOME FUND - PORTFOLIO

Top 10 holdings

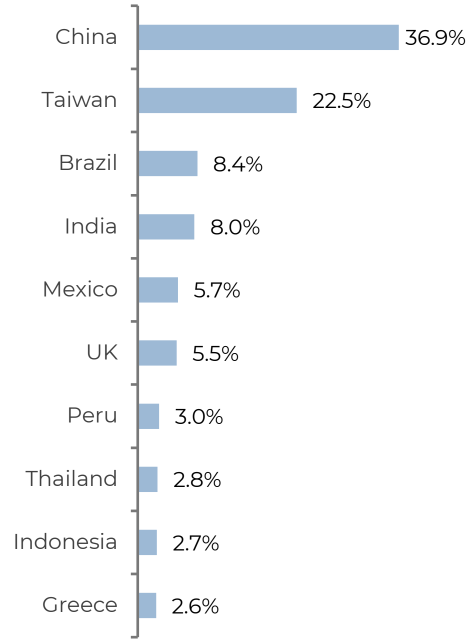
Largan Precision	3.4%
Elite Material	3.2%
Credicorp	3.0%
Ping An Insurance	2.9%
Arca Continental SAB de CV	2.9%
Hypera	2.9%
Catcher Technology	2.9%
UNILEVER NV	2.8%
B3 SA - Brasil Bolsa Balcao	2.8%
Tisco Financial Foreign	2.8%

Top 10 holdings	29.7%
Number of holdings	36

Sector



Country



Past performance does not predict future returns.

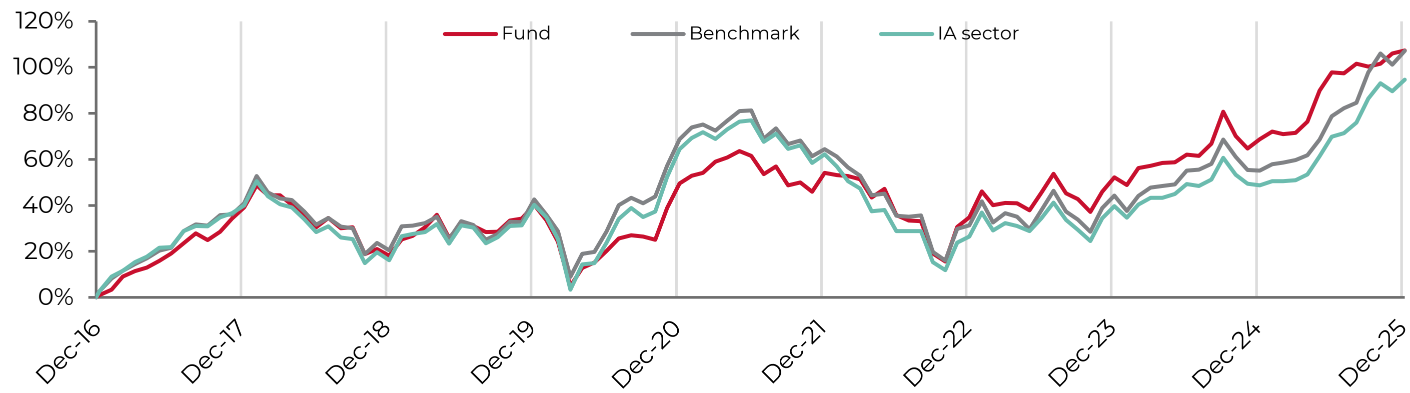
GUINNESS EMERGING MARKETS EQUITY INCOME FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	-0.9%	+14.4%	+14.4%	+37.6%	+40.9%	-
MSCI Emerging Markets	+1.5%	+24.4%	+24.4%	+41.0%	+24.8%	-
IA Global Emerging Markets TR	+1.1%	+21.9%	+21.9%	+37.6%	+20.3%	-
(USD)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+0.6%	+22.8%	+22.8%	+53.9%	+38.6%	-
MSCI Emerging Markets	+3.0%	+33.6%	+33.6%	+57.7%	+22.8%	-
IA Global Emerging Markets TR	+2.7%	+30.9%	+30.9%	+53.9%	+18.4%	-
(EUR)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	-0.6%	+8.3%	+8.3%	+39.8%	+44.4%	-
MSCI Emerging Markets	+1.8%	+17.8%	+17.8%	+43.3%	+28.0%	-
IA Global Emerging Markets TR	+1.4%	+15.4%	+15.4%	+39.9%	+23.3%	-

GUINNESS EMERGING MARKETS EQUITY INCOME FUND - ANNUAL PERFORMANCE

(GBP)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+14.4%	+12.9%	+6.6%	-1.6%	+4.0%	+3.4%	+14.2%	-9.8%	+25.8%	-
MSCI Emerging Markets	+24.4%	+9.4%	+3.6%	-10.0%	-1.6%	+14.7%	+13.9%	-9.3%	+25.4%	-
IA Global Emerging Markets TR	+21.9%	+8.2%	+4.3%	-12.2%	-0.5%	+13.6%	+16.0%	-11.8%	+24.4%	-
(USD)	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Fund	+22.8%	+10.9%	+12.9%	-12.6%	+3.0%	+6.7%	+18.8%	-15.1%	+37.7%	-
MSCI Emerging Markets	+33.6%	+7.5%	+9.8%	-20.1%	-2.5%	+18.3%	+18.4%	-14.6%	+37.3%	-
IA Global Emerging Markets TR	+30.9%	+6.3%	+10.5%	-22.0%	-1.4%	+17.3%	+20.7%	-16.9%	+36.2%	-
(EUR)	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Fund	+8.3%	+18.3%	+9.1%	-6.8%	+10.9%	-2.2%	+20.9%	-10.8%	+20.9%	-
MSCI Emerging Markets	+17.8%	+14.7%	+6.1%	-14.9%	+4.9%	+8.5%	+20.6%	-10.3%	+20.6%	-
IA Global Emerging Markets TR	+15.4%	+13.4%	+6.8%	-16.9%	+6.1%	+7.6%	+22.9%	-12.7%	+19.7%	-

GUINNESS EMERGING MARKETS EQUITY INCOME FUND - PERFORMANCE SINCE LAUNCH (USD)



Source: FE fundinfo net of fees to 31.12.25. 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. Historic yield reflects the distributions declared over the past 12 months expressed as a percentage of the mid-market price, as at the latest month end. It does not include any preliminary charges. Investors may be subject to tax on the distribution.

IMPORTANT INFORMATION

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This report is primarily designed to inform you about equities and equity markets invested in by the Guinness Emerging Markets Equity Income Fund. It may provide information about the Fund's portfolio, including recent activity and performance. It contains facts relating to the equity markets and our own interpretation. Any investment decision should take account of the subjectivity of the comments contained in the report. OCFs for all share classes are available on www.guinnessgi.com.

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Documentation
The documentation needed to make an investment, including the Prospectus, Supplement, 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.**

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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.

Telephone calls will be recorded and monitored