

RISK

This is a marketing communication. Please refer to the prospectus, supplement, KIDs and KIIDs for the Funds (available on our website), which contain detailed information on their characteristics and objectives and full information on the risks, 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 and the income from it can fall as well as rise as a result of market and currency movement, and you may not get back the amount originally invested.

Past performance does not predict future returns.

ABOUT THE STRATEGY

Launch	19.12.2013
Index	MSCI Europe ex UK
Sector	IA Europe Excluding UK
Manager	Will James
EU Domiciled	Guinness European Equity Income Fund
UK Domiciled	WS Guinness European Equity Income Fund

OBJECTIVE

The Guinness European Equity Income Funds are designed to provide investors with exposure to high-quality dividend-paying companies in the Europe ex UK region. The Funds aim to provide capital appreciation and a source of income that has the potential to grow over time. The Funds are actively managed and use the MSCI Europe ex UK Index as a comparator benchmark only.

CONTENTS

Commentary	1
<b>Guinness European Equity Income Fund</b>	
Key Facts	13
Performance	14
<b>WS Guinness European Equity Income Fund</b>	
Key Facts	15
Performance	16
Important Information	17

COMMENTARY

In 2025, the Guinness European Equity Income Fund rose 21.4% (in GBP) compared to the MSCI Europe Ex UK Index, which rose by 26.2%. In Q4 2025, the Fund rose 6.6%, outperforming the MSCI Europe ex UK Index, which rose 6.1%, by 0.6 percentage points.

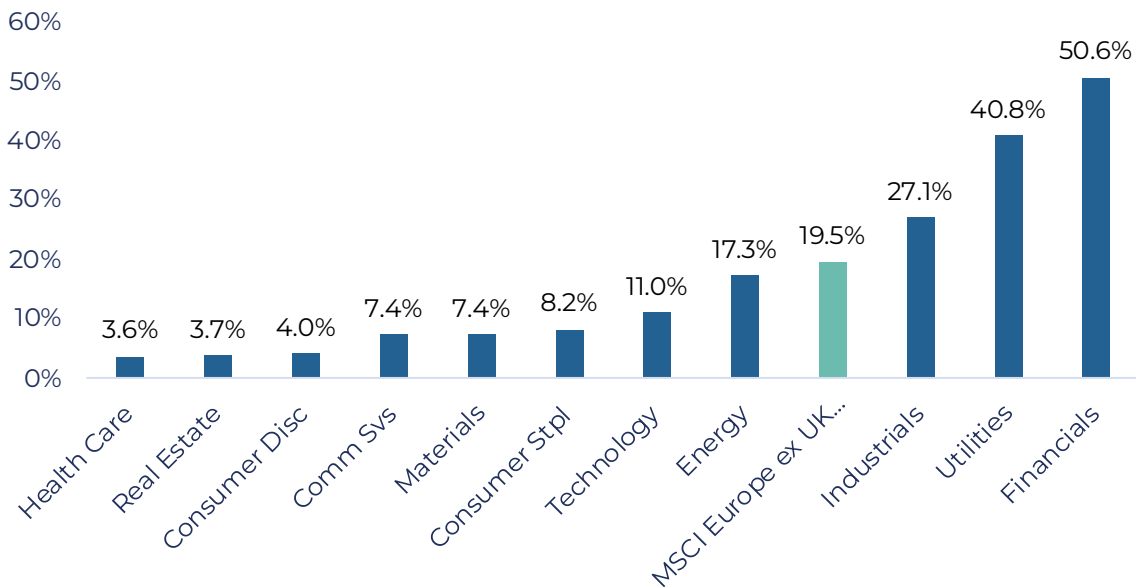
In Q4 2025, European equities sustained their late year momentum as investors leaned into a lower rates narrative in the US and continued rotation away from crowded, high multiple US tech exposure. MSCI Europe ex UK rose +5.98% (in USD), while the MSCI USA gained +2.33%. In local currency terms, MSCI Europe ex UK performed similarly at +6.03% in EUR vs MSCI USA return of 2.37% EUR. The backdrop was helped by a weaker US dollar and supportive European policy and fiscal expectations into year end. This reinforced a relative rerating for Europe markets vs the US despite ongoing trade and political noise.

In a year that was dominated by the uncertainty created by tariffs it was reassuring to see a broadening out of performance away from the very narrow market dynamics that typified the third quarter. By late 2025, it was clear that companies had managed to navigate their way relatively well through these headwinds. While growth in the Eurozone remained relatively subdued throughout the year, inflation remained well behaved and there were some signs that Germany was making progress on loosening its fiscal policy post the election of Friedrich Merz earlier in the year.

## Guinness European Equity Income

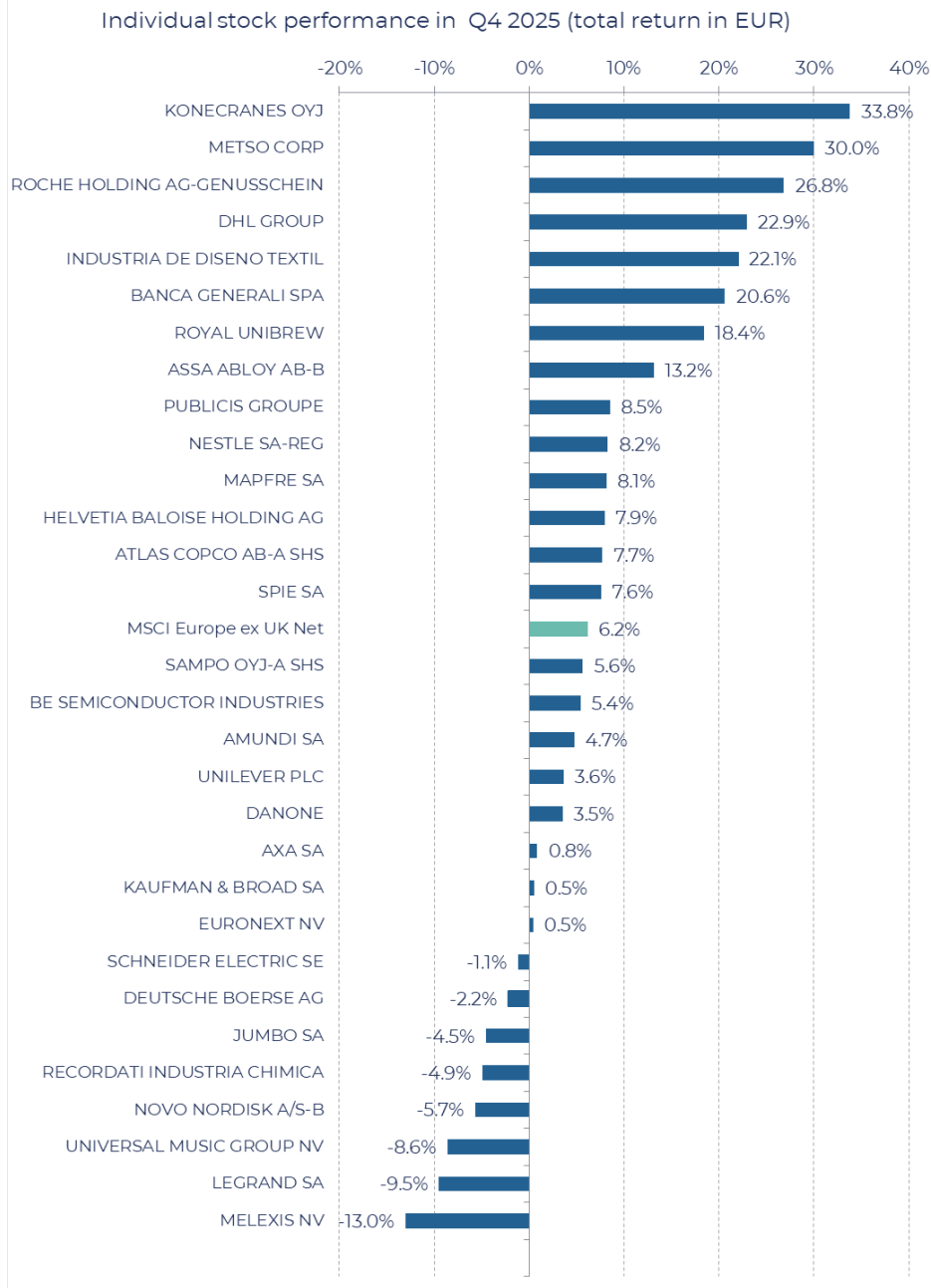
At a sector level, **Financials** (and within that, Banks in particular) were the leading MSCI Europe ex UK sector in both Q4 and for the full year, driven by a supportive yield curve and the prevailing focus on Euro revenue streams and limited exposure to the potential trade ructions and tariffs. At the other end of the spectrum, **Healthcare** struggled in part due to Novo Nordisk's weakness, and in part because of uncertainty regarding President Trump and his administration's approach to drug pricing and 'Most Favoured Nation' status. **Utilities** benefited from a combination of limited tariff risk and growing excitement about increasing energy demand to power the growth of Artificial Intelligence. While the **Consumer Discretionary** sector struggled due to tariff risk and a slowing automotive market, as well as signs that Luxury stocks continued to see a challenging demand picture.

### MSCI Europe ex UK Sector performance



*In Euro, Source: Bloomberg, 31.12.24 to 31.12.25 in EUR*

## STOCK PERFORMANCE



Source: Bloomberg, December 2025

## Contributors

**Konecranes (+34%)** was up strongly in Q4 due to strong reported numbers and a guidance upgrade. The Q3 update delivered a clear fundamental catalyst for Konecranes. Orders were well ahead of forecasts, and group margins hit a high of 16.7% EBITA with healthy momentum across all three business areas (Industrial Service, Industrial Equipment, Port Solutions). The market also rewarded the company's large aftermarket (about 65% of EBITA), which helps explain returns on invested capital running ahead of peers. This was followed by a margin guidance upgrade in November. Management attributed this to continued strong execution, efficient cost management, and a timing-related tailwind from tariffs continuing in Q4. Finally, the US trade policy narrative proved supportive. Konecranes' leading share among Western peers in port cranes leaves it well placed if U.S. ship-to-shore crane tariffs stay in place. Tariff headlines in the U.S. were described by management as manageable headwinds to monitor rather than margin-dilutive risks at the group level.

**Metso Corp (+30%)** Q4 outperformance was driven by an updated mid-term strategy alongside supportive mining tailwinds. Management's "We go beyond" strategy puts customers' experience, sustainability, and a bigger aftermarket mix first. This was underpinned by 2028 targets of a CAGR of more than 7%, adjusted EBITA of more than 18%, and clear profitability goals for each segment. Visibility improved as they set explicit Capital Markets Day targets, gave clearer guidance on dividends, and reaffirmed a steady market outlook. After rebranding and streamlining, management is executing a "buy small, integrate fast" M&A playbook to add capabilities and deepen aftermarket exposure. Investor appetite for Metso was reinforced by its exposure to copper and gold mining tailwinds.

**Roche (+27%)** reported continued sales momentum over the first nine months of 2025 and raised its 2025 earnings outlook in late October. In addition, Roche delivered two high-impact Phase III readouts in November and December. (Phase III is the late-stage clinical trial phase that drug companies run before they can apply for regulatory approval) Results for fenebrutinib showed "unprecedented" positive results in multiple sclerosis in November. This was followed by data for giredestrant (a treatment for early-stage breast cancer), which showed a 30% reduction in invasive disease recurrence or death vs standard endocrine therapy.

### Detractors

**Melexis (-13%)** struggled due to a reframing of its long-term growth targets at its November Capital Markets Day. Melexis had previously articulated an ambition of  $\geq 10\%$  automotive sales CAGR (2024–2030) (under a stated assumption of flat global vehicle production) but shifted its headline objective to "high single-digit sales CAGR". This was understandable given the previous guidance was set post-COVID, when demand and growth potential appeared stronger. That said, profitability targets were reiterated, and Melexis remains well placed to capture ongoing growth in China and benefit from the burgeoning Humanoid Robotics market.

**Legrand (-9.5%)** lagged the benchmark in Q4 because the market pivoted from celebrating a very strong H1 2025 to discounting a clear Q3 deceleration, prompting profit taking and a de-rating of the data centre momentum narrative. In its 9-month 2025 release, Legrand reported a slight miss on sales and margins while Q3 organic sales slowed, albeit to a respectable +6.7%. Fortunately, we had already trimmed the position when it was close to its all-time high.

**Universal Music Group (-8.6%)** underperformed amid a perceived stock overhang related to both the announced US listing and market concern that their largest shareholder, Bolloré, may be forced to sell part of their stake to purchase more Vivendi shares following an earlier court ruling.

The best and worst-performing stocks of 2025 were **Mapfre (+84%)** and **Novo Nordisk (-47%)**.

**Mapfre (+84%)** was the best-performing stock of 2025. Its outperformance was driven by a rate/underwriting regime tailwind and a credible earnings and payout rerating. On the tape, Mapfre's share price rose from €2.446 (31 Dec 2024) to €4.282 (31 Dec 2025), a roughly +75% increase. Shareholders also received a €0.165 gross dividend per share in 2025, bringing the total return into the low 80% range. Mapfre's non-life underwriting profitability improved materially throughout the year as its combined ratio fell (profits rose) and the technical result rose sharply. This was driven by tighter underwriting and cautious reserving. The combined ratio improvement was mainly driven by General P&C and Auto. In parallel, Mapfre explicitly highlighted that financial income and the Life business were contributing positively. As older assets mature, insurers can reinvest at higher yields. That raises investment income and improves the quality of earnings. Finally, the capital return policy reinforced the rerating, and Mapfre increased dividends. This included the 2025 interim dividend and a higher total paid in 2025. The company also set more ambitious profitability goals, including a higher return on equity and a better combined ratio target.

**Novo Nordisk (-47%)** was the worst-performing stock of the year. It lagged the MSCI Europe ex UK in 2025 as the market repeatedly revised down the durability of the obesity franchise and, crucially, the multiple it was willing to pay for it. The year began with the aftershocks of December's CagriSema readout (22.7% vs the 25% target), and January compounded the derating as Medicare Part D price negotiations expanded to additional drugs including Ozempic, Wegovy and Rybelsus. Through March, Novo continued to suffer from the aftereffects of the worse-than-expected outcome for its Cagrisema trial in December, which saw the PE derating.

In July, a sharp selloff followed revised guidance and the naming of a new CEO (Mike Doustdar, an internal appointment after a protracted vacancy), which the market read as a “Novo-like” continuity choice rather than the hoped-for US experienced outsider. The guidance cut highlighted a competitive issue in the US that many investors had not fully priced in, with some compounding pharmacies continuing to supply Wegovy-style copy products even after the FDA said shortages were resolved.

Taken together, the underperformance was best explained as a sequence of negative catalysts that shifted the market from pricing Novo as a stable growth compounder with semi-regulatory pricing power to a franchise facing competitive, policy and governance regime uncertainty. A change that operated primarily through multiple compressions and expectations reset, rather than through any single quarter of weak reported numbers. Given the tough 2025, management is ensuring that market expectations remain conservative. While the quality of the franchise has come under scrutiny, the valuation and dividend have more than discounted the tougher competitive backdrop, and we added more to the position.

### PORTFOLIO ACTIVITY

In line with our ‘one in, one out’ policy, we made five purchases against five sales in 2025. As a reminder, any portfolio activity is driven by a notable change in our conviction level for any existing holding within the portfolio, in terms of quality, valuation, or dividend.

In April, we purchased **BE Semiconductor** following the sale of **TietoEvy**, and acquired **Spie SA** in connection with the sale of **ABB**. Followed by the purchase of **Jumbo** and the sale of **Salmar** in July. In September, **Capgemini** was sold and replaced with **Metso**. Finally, we entered the investment in **Inditex** and exited **EssilorLuxottica** in October. In each case, we saw a step up the quality curve to higher margins, higher returns, and better long-term capital and dividend growth potential. A summary of the rationales is shown below and a more detailed overview that we wrote at time of purchase follows.

SELLS		
Company	Description	Rationale
EssilorLuxottica	French-Italian eyewear	Aggressive rerating leaving valuation at all time highs while market complacent re competition in ‘smart glass’
Cap Gemini	French IT Services	Despite derating and demand at trough levels, advent of AI raises questions around the growth trajectory
Salmar	Norwegian salmon	Stretched balance sheet post multiple acquisitions with potential risk to dividend
ABB	Swiss Industrial	Restructuring largely complete which saw valuation discount to sector close and dividend yield compress
TietoEvy	Finnish IT Services	Disappointing results from strategic repositioning, balance sheet stretched and dividend cover tight
BUYS		
Company	Description	Rationale
Inditex	Spanish retail	Combination of quality & strength of business model, growth profile, fortress balance sheet and attractive dividend
Metso	Finnish Mining Eqpt	Restructuring post Outotec merger leaves Metso well placed to see an expansion of returns. Mining upcycle offers positive optionality
Jumbo	Greek retail	Ongoing steady high margin growth driven by prudent expansion in Eastern Europe. Strong balance sheet supports ongoing cash returns
SPIE	French Electrical Engineer	Strong market position serving ongoing electrification efforts across Europe. Ongoing value accretive M&A with robust dividend growth profile
BE Semiconductor	Dutch Semi Eqpt	At cycle trough with material upside to revenues, cashflow and dividend should adoption



**BE Semiconductor (BESI)** was purchased in April. BESI makes and services semiconductor packaging equipment that connects the chip to other electronic components, as well as protects it. The company is well placed, dominating the higher-value back-end manufacturing stage (when the semiconductor chip is converted into a product) of the semiconductor value chain across assembly and packaging.

Notably, BESI is the market leader in the emerging field of hybrid bonding, which is critical to the successful development of leading-edge nodes and the efficiencies required for AI applications. Foundries are still nascent in their build-out and integration of hybrid bonding since TSMC first adopted the technology some three years ago. However, the signs are promising with rising adoption rates across both high-bandwidth memory makers and leading logic manufacturers, as highlighted by Q1 2025 results. Scope for high and enduring returns looks good given that hybrid bonding systems, which command ASPs some 2x-8x higher than traditional packaging systems, operate in an integrated front-end environment where switching costs are meaningfully higher, and quality rather than price is the most important factor. Widespread adoption of hybrid bonding should also drive significant growth in higher-margin service revenue for BESI, which currently accounts for around just 15% of sales.

April saw a significant vote of confidence in BESI and its long-term prospects, as the US semiconductor equipment company Applied Materials took a 9% ownership stake in BESI on the 15<sup>th</sup> April. The pair have been collaborating since 2020 to develop the industry's first fully integrated equipment solution for die-based hybrid bonding; and in BESI's words, the collaboration "brings together Applied's expertise in front-end wafer and chip processing with BESI's leadership position in bonding accuracy and speed".

BESI has a strong track record of generating persistent high cash returns (over 8% per annum) for over 10 years, and good financial flexibility with a net cash balance sheet position. Further, the company operates a flexible business model characterised by multi-sourcing, with around 15% - 20% of staff being temporary, and around 70% of the workforce based in Asia. Resulting in persistently stable high (and rising) gross margins, and a strong ability to navigate all weather environments, such as the current time, when important mobile and automotive end markets are in the doldrums and while we wait for large-scale leading-edge and AI-related orders to ramp up.

This high level of agility, combined with rising high-end orders, gives us confidence that BESI can weather current markets and hold the shares while we wait for better days ahead. Earnings multiples of around 23x 2026e aren't low but need to be seen in the context of returns on equity of over 40%. Finally, a dividend yield of 3.7% and an ongoing share buyback programme mean we are paid to wait. In our view, this is a high-quality company positioned to capitalise on rapidly expanding new markets, and one that is well aligned with shareholders, supported by the presence of company founder and current CEO Richard Blickman, a meaningful presence on the shareholder register.



**SPIE** was also introduced to the Strategy during the month of April. Despite wider macroeconomic concerns, this subsector is experiencing a cyclical upturn driven by growing demand pools such as:

- Grid Transmission and Distribution: Modernisation & Greenfield
- Energy Efficiency Directives in buildings
- Communications & data centre build out

SPIE has over 50% of its revenues exposed to these high-growth end markets, leaving it well placed in Northern European markets, particularly Germany. The recent announcement from Germany regarding its long-awaited fiscal package (with up to €500bn in funds available for infrastructure investment) further supports SPIE's attractive growth opportunity.

Recent full-year results came in above expectations across the board, beating on EBITA margins and organic growth, while generating solid Free Cash Flow (FCF). This was backed up by mid-term guidance at the Capital Markets Day in March, which highlighted room for continued margin expansion. Q1 numbers also highlighted the benefits of recent M&A and the strength of the German and Benelux markets. Commentary on the growing confidence of German customers and their willingness to invest was also forthcoming.

While growing end markets provide good visibility into SPIE's growth trajectory, 75% of revenues come from maintenance contracts, which are essentially recurring. This adds a 'defensive' and attractive aspect to the business model. While revenue growth is solid (>5% over the next 3 years and beyond according to Bloomberg consensus), SPIE continues to grow its margins due to bolt-on M&A, scale benefits and a focus on higher value contracts. This supports an expanding Return on Equity above 20% in 2025. SPIE also targets 100% FCF conversion from operating profit (before amortisation), something which it has reliably hit since 2015, supporting ongoing acquisitions to help continue building market share and scale in what remains a fragmented industry. In addition, given SPIE's cash generation, the balance sheet is strong, with net debt/EBITDA below 1.5x.

Given the underlying quality and growth potential of the business, we believe that SPIE offers compelling value at c.13x FY2 P/E with a FCF yield of >8% and an attractive, well-covered and growing (c.15% 3-year historic CAGR) dividend yield of c.3%. Should SPIE continue to deliver as we expect, dividend growth should continue to remain strong in future years. As of the end of 2024, 9.6% of the company was owned by employees, with CEO Louette Gauthier owning 1.5%. This highlights the company's alignment with fellow shareholders and its focus on ongoing shareholder value creation. The fact that SPIE operates in a 'defensive' industry, which is relatively immune to the business cycle or discrete policy risk, further reinforces SPIE's appeal as an investment within the Strategy.



**Jumbo** (purchased in July) is a Hypermarket low-cost concept without food, fashion or electronics operating in Greece, Cyprus, Romania and Bulgaria with franchise agreements across the Balkan (non-Euro) states. Jumbo operates 89 stores: 53 in Greece, 6 in Cyprus, 10 in Bulgaria and 20 in Romania. Having originally sold mainly toys, the company has diversified into other low-cost products. Home products make up 39% of sales; seasonal, 24%; toys, 19%; miscellaneous, 8%; stationery, 6%; baby products, 3%.

Returns are very attractive with a company-calculated ROCE of 30% (average of the last 2 years). In addition, the balance sheet is rock-solid, with net cash, and the Chairman vowing that Jumbo will never leverage the balance sheet for the sake of growth (he points to the Greek crisis as evidence of the pitfalls of too much debt). Capital allocation is prudent with a vision to add one store every three years in Greece, an additional two in Cyprus over the next five years, and one in Bulgaria in the next two or three years, with the main growth coming from Romania, which they believe could be a similar size to Greece within 10 years. The franchise stores are essentially a 'riskless' option for Jumbo. They generate fees with limited country risk but have a buyout option should one of the franchisee countries (such as Serbia) join the Euro. Interestingly, one of their franchise partners has also just launched the Jumbo concept in Canada.

In addition, the company returns cash to shareholders regularly through share buybacks (when the share price/valuation is low) and dividends. They have recently discontinued the buyback and will return more cash through dividends.

The combination of a unique concept in a part of Continental Europe growing faster than the established core, a prudent and diligent management team, high returns, a low valuation, and an attractive dividend made Jumbo the ideal replacement for Salmar.

As a result of the switch, all three characteristics by which we assess our holdings across the portfolio have improved: Quality through the prism of Return on Capital – 14.9% (JUMBO) vs 9% (Salmar) - and leverage (Debt/Equity) – 5% vs 105%; Valuation – e.g. PE of 11.8x next 12m vs 18.8x; Dividend – c.6% vs an 'unsecure' c.4%.



# Metso

**Metso**, which was purchased in September, is a Finnish industrial machinery company that specialises in sustainable technologies, end-to-end solutions, and services for the aggregates, minerals processing, and metals refining industries. It has been on something of a journey over the last five years following the merger of its minerals business with Outotec in 2020. This has led to ongoing cost reductions as businesses were brought together against a backdrop of relatively challenging market conditions. However, it is clear that the business is starting to see the benefits of previous efficiency gains with a new management team focused on the organic growth opportunity presented by developments in the combined organisation's end markets, both cyclical and structural. Mining capital expenditure growth has, until recently, lagged price dynamics, and despite copper prices being well above the 90th percentile of the cost curve, capex growth has not yet responded. This suggests a delayed but imminent capex response, assuming prices remain elevated. It is clear that pipeline visibility is high. As the CEO suggested on the recent Q3 numbers call:

*"The difference compared to one or two years ago is that there's more concrete, tangible actions happening already at the customer side [...] 2026 is almost guaranteed that these orders start to come through [...] one order might even come at the end of this year."*

Metso is well-positioned in the downstream part of the value chain to continue converting and improving demand into high, sustainable returns on capital. Furthermore, it generates over 50% of its revenues from services, providing an attractive base of recurring revenue.

## Is Metso poised for the next big mining cycle?

Investor debate is shifting from "if" to "how big" as gold and copper lead what Barclays calls the strongest mining capex up-cycle in over a decade. With commodity prices near the top of the industry cost curve, miners are generating FCF.

- **Gold:** Internal rate of returns (IRR) north of 30–35% are catalysing reinvestment and resulting in mines being increasingly willing to exploit lower-grade or deeper ore deposits. An IRR above Metso's cost of capital means each euro invested creates more value with faster payback and stronger cash generation. Additionally, if Metso's solutions lift customers' project IRRs, more projects tend to get approved, supporting new equipment orders and later aftermarket demand.
- **Copper:** 2026–28 could see around 1.5 million tonnes per annum of new capacity sanctioned, with an average project internal rate of returns around 25%. Electrification and grid build-out structurally underpin copper demand, while ore grades are expected to fall below 0.6% by 2030. Lower grades mean more tonnes milled, higher wear and processing intensity. This results in a greater need for core processing kit (crushers, grinding mills, flotation) and consumables. Thus, amplifying Metso's volumes and aftermarket pull-through.

From 2020 to 2024, most copper spending was at brownfield sites (c.75%), but brokers expect 2025 to 2028 to swing toward greenfield projects (c.79%), with large developments in Chile, Peru, Argentina, the DRC, and the US Southwest. Brownfield refers to land that has previously been developed for industrial or commercial purposes. Hence, upgrades or expansions at existing mines are faster to approve and tend to drive Metso's retrofit equipment and high-margin services. Greenfield mines refer to brand-new mines that require larger upfront equipment packages and longer lead times, and, as such, they expand Metso's installed base and feed future aftermarket demand. These shifts play to areas where Metso already has a sizable installed base and local service hubs. As copper final investment decisions start to land, Metso sees a larger greenfield equipment opportunity and has set medium-term growth and margin targets consistent with stronger new equipment demand. In the near term, firm gold and copper prices keep existing mines focused on maximising output through debottlenecking and brownfield upgrades. Finally, Metso has moved from its early-cycle integration phase after its 2020 merger into a mid-cycle replacement-and-brownfield stance, supported by a services-heavy mix and the exit of its ferrous business. Metso enters this upturn with the right exposure, the right product set, and an expanding aftermarket flywheel.



# INDITEX

**Inditex** was introduced to the strategy in September. The company owns high-street brands such as Zara, Massimo Dutti, and Bershka. Inditex's shares have struggled this year on concerns around the potential for slowing like-for-like growth. In our view, the market continues to undervalue the sustainability of Inditex's high returns, mispricing it as a mature retailer rather than a structural free cash flow compounding machine. Post a period of heavy investment, Inditex will lower reinvestment needs going forward, suggesting that any incremental sales growth will compound at a much faster rate. Backed by its dominant and differentiated distribution capability, this should see improved productivity and an expansion in Returns on Invested Capital. In addition, with limited investment needs beyond self-funding organic growth (and €11bn of cash on the balance sheet), Inditex is well positioned to continue returning cash to shareholders through ordinary and special dividends.

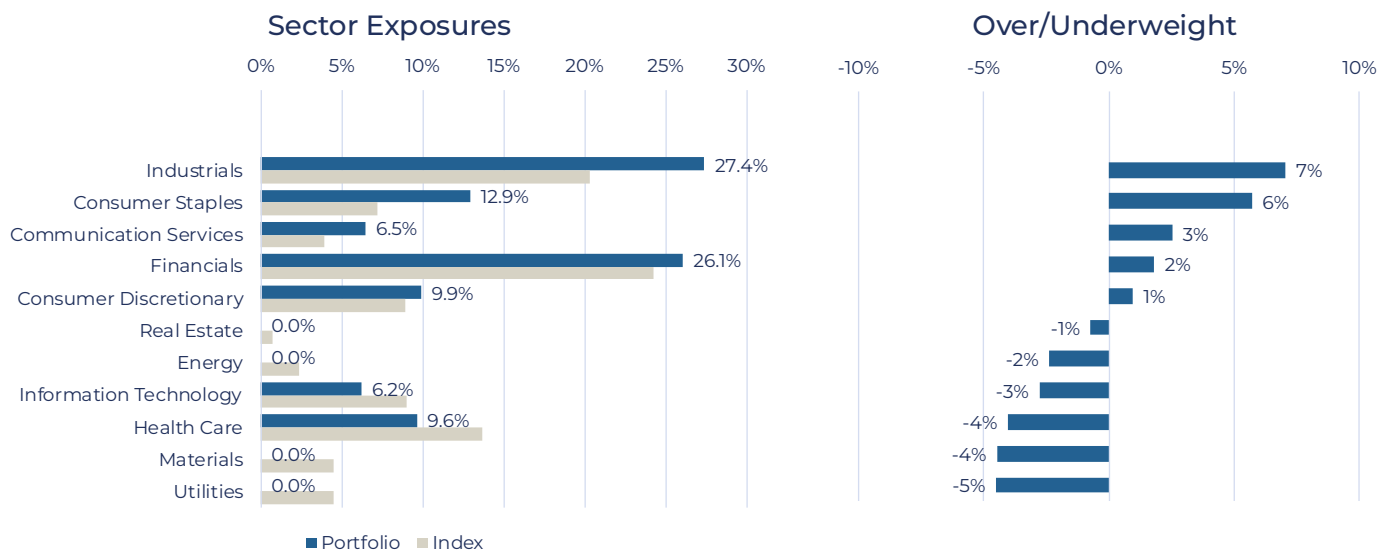
Post this change (Inditex vs EssilorLuxottica), all measures by which we assess our investments improved:

- Quality: CFROI: 15% vs 13%; Net debt/ebitda: -1.4x (ie net cash) vs 1.4x
- Valuation: 12m forward PE c.22x vs c.40x
- Dividend: 2026 dividend yield c.3.9% vs c.1.4%

## POSITIONING

The Guinness European Equity Income Fund is characterised by a high 85% active share against the MSCI Europe Ex UK benchmark. Our focus on companies with good track records, that are in charge of their own destiny and have the potential to deliver high and rising returns for a long time, means the Fund currently has no exposure to commodity and regulated sectors like Materials, Utilities, Real Estate, Energy, and Banks. Meanwhile, sectors like Industrials, Financials, Consumer Staples, and Communication Services, in which the Fund is overweight, hold many of the high-quality, globally leading, and scalable companies that we find attractive.

### Sector over/underweight % breakdown of the Fund versus MSCI Europe ex UK

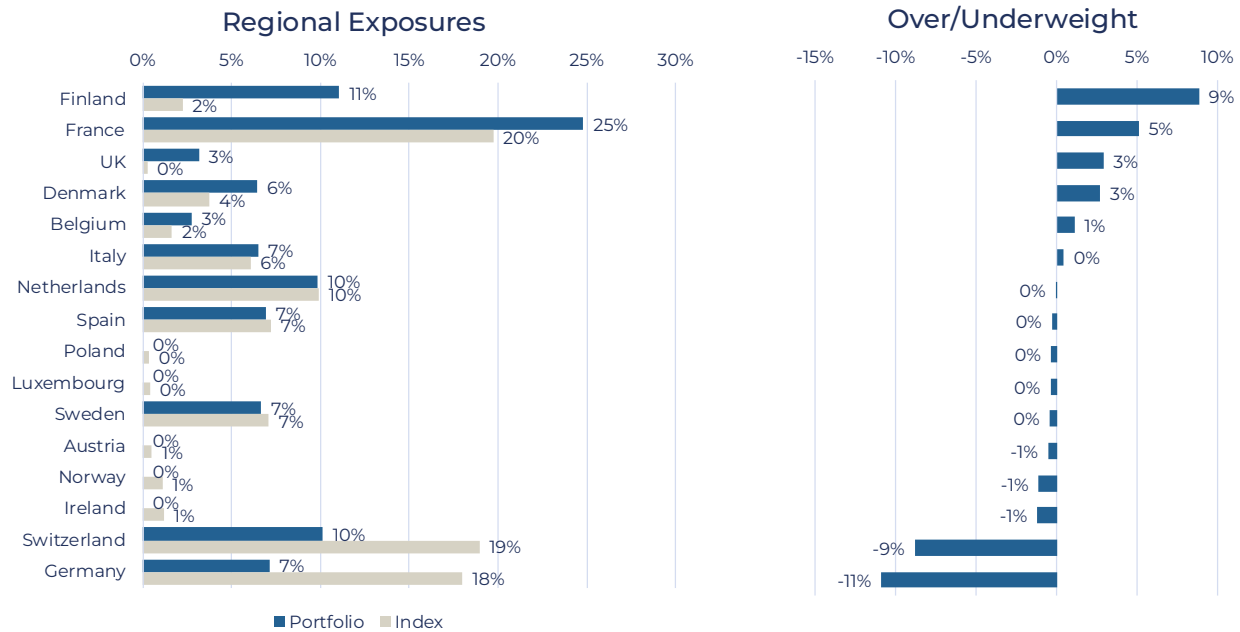


Guinness Global Investors, Bloomberg (data as at 31.12.2025)

The Guinness European Equity Income Fund's country over- and underweight positions are a function of our bottom-up and index/style agnostic approach.

## Guinness European Equity Income

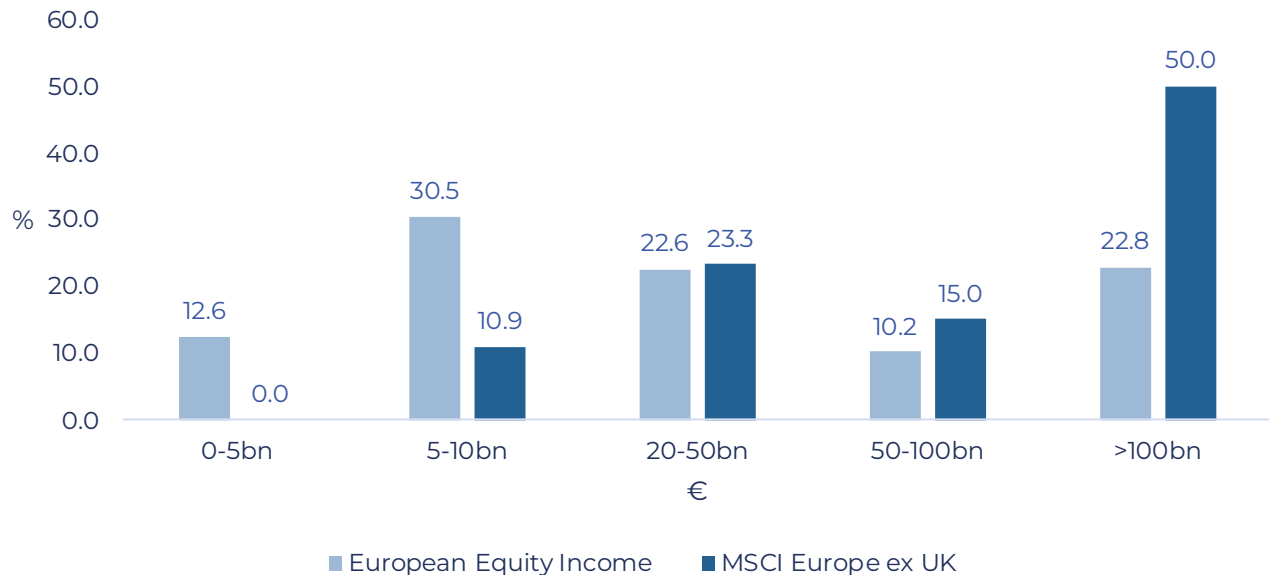
Regional breakdown of the Fund versus MSCI Europe ex UK Index on a geographic basis



Guinness Global Investors, Bloomberg (data as at 31.12.2025)

\*UK exposure represents Unilever, which is now domiciled in the UK and listed in the UK, and on Euronext Amsterdam

## Market capitalisation breakdown



Guinness Global Investors, Bloomberg (data as at 31.12.2025)

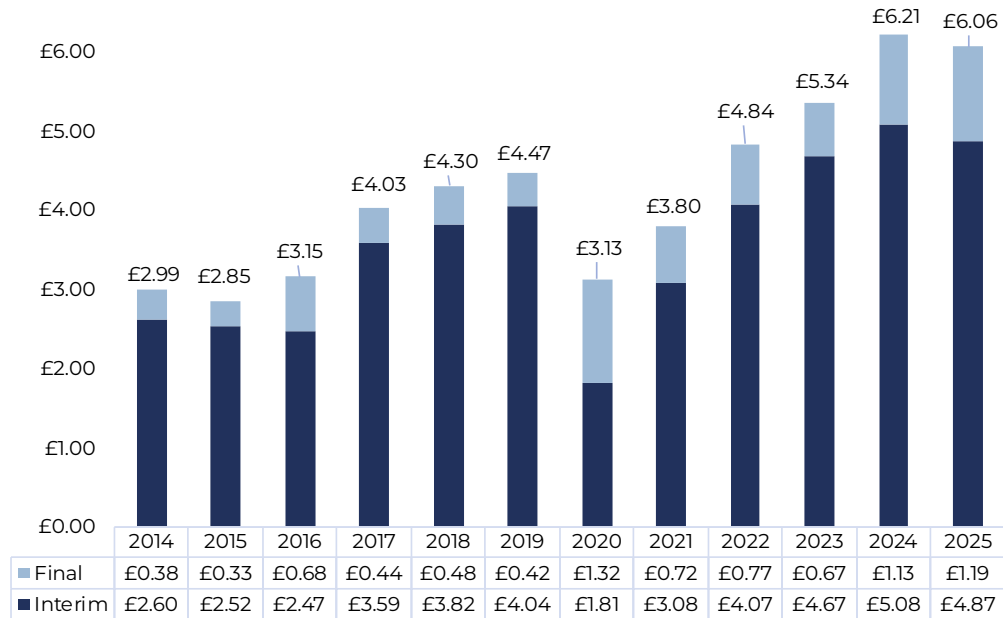
The strategy employs a multi-cap approach and continues to find the best combination of quality, valuation and dividend in the companies below €50bn.

## THE DIVIDEND

In 2025, the F share class GBP dividend saw a small decline of -2.4% to £0.606 (July 2025 and January 2026 payments) while the aggregate local currency dividend growth of the underlying holdings was c.5%. The difference in growth was due to the weakness of the USD, which affected the amount paid out in other currencies at the Fund level (since USD is used for accounting at the Fund umbrella level). Despite this, the Fund's **dividend compound annual growth rate (CAGR) is a healthy 6.6%** in GBP since inception on December 19<sup>th</sup>, 2013.

Based on year-end pricing, the last twelve-month (LTM) dividend yield is **3.0%** (net of withholding tax, vs MSCI Europe ex UK at 2.6% gross).

Fund dividend history since inception (Class F GBP) – 6.6% CAGR



Guinness Global Investors, January 2026

H1 Interim paid in July in blue, H2 Final paid in January in grey; Prior to April 2024, the F Class Dist GBP was previously named Z Dist GBP.

Of the 30 broadly equally weighted portfolio holdings, 24 companies grew their dividend and 4 held their dividend flat in 2025. 2 companies cut their dividend: Salmar on the back of unsustainably high growth in 2024, given their policy to hand back excess cash when they generate it; and Kaufman, which delivered a mid-single digit cut as expected in line with earnings.

In addition, it is also worth noting that several companies (i.e. 30% of the portfolio) continue to buy back shares. Interestingly, these share buybacks are spread across various sectors. Notably:

Melexis	Technology
BE Semiconductor	Technology
Deutsche Post	Industrials
Royal Unibrew	Consumer Staples
Unilever	Consumer Staples
Euronext	Financials
AXA	Financials
Sampo	Financials
Deutsche Boerse	Financials

All the share buybacks are part of companies' stated capital return policies (vs to offset the dilution that stems from issuing share options), both to ensure an optimal capital structure and a reflection of their strong underlying cash flow generation.

## PORTFOLIO TODAY AND OUTLOOK

### Key Fund Metrics Today

The four key tenets to our approach are: quality, value, dividend, and conviction. We follow these metrics at the portfolio level to make sure we are providing what we say we will. At the quarter end, we are pleased to report that the portfolio continues to deliver on all four of these measures relative to the benchmark MSCI Europe ex UK Index.

Portfolio metrics versus index

		Guinness European Income Fund	MSCI Europe ex UK Index	Guinness Delta vs. MSCI Europe ex UK
<b>Quality</b>	Debt / equity %	73.0	193.0	-120.0
	Net debt / Equity %	39.4	63.1	-23.7
	Best ROE %	24.0	12.7	11.3
<b>Value</b>	PE (2026e)	16.2	16.0	0.2
	FCF Yield %	6.6	5.0	1.6
<b>Dividend</b>	Dividend Yield % 12m fwd	3.6	3.1	0.5
	Weighted average payout ratio %	59.6	66.5	-6.9
<b>Conviction</b>	Number of stocks	30	333	-303.0
	Active share	85	NA	

Guinness Asset Management, Bloomberg (data as at 31.12.2025)

### Conclusion

As we move into the early part of 2026, it is clear that the geopolitical backdrop remains the primary source of risk, and volatility is expected to continue. From shifting trade alliances to the ongoing imperative for energy and defence autonomy, markets and Europe as a collective appear to be operating in a state of perpetual flux over the last year or so.

However, post a surprisingly strong yet challenging 2025, given the tariff concerns and trade uncertainty, we are now observing a welcome stabilisation in earnings expectations. Crucially, the "fiscal drag" that long characterised the region is shifting toward a potential fiscal impulse. Led by a significant pivot in German infrastructure and defence spending, estimated to reach nearly 4% of GDP, one should hopefully see a trickle-down effect across Europe. This transition from purely monetary support to targeted fiscal investment provides a more durable floor for earnings growth in Europe, ceteris paribus. In addition to this potential fiscal boost, the structural challenge of European competitiveness remains front and centre. The landmark recommendations put forward by Mario Draghi serve as a vital roadmap for the region. To avoid falling further behind the US and China, Europe must address its innovation gap and fragmented capital markets.

In a world where growth remains scarce and volatility is a constant companion, the virtues of Quality, Value, and Dividends become even more compelling. While the broader market may be swayed by the geopolitical noise, "AI euphoria" or speculative rotations, our focus remains anchored in the compounding power of the high-quality European businesses we are able to find, where the fundamental positive signals found by focusing on high returns on invested capital (ROIC) and resilient FCFs help us ignore the noise. By focusing on attractively valued, high-quality companies with sustainable, growing dividends, we aim to capture the benefits of Europe's fiscal awakening while shielding the portfolio from the incessant "noise" of global geopolitics. In 2026 and beyond, we believe the prize goes to the patient investor who prioritises fundamental strength over the vagaries of 'the market'.

We thank you for your continued support.

**Will James, Portfolio Manager**

**GUINNESS EUROPEAN EQUITY INCOME FUND - FUND FACTS**

Fund size	\$129.8m
Fund launch	19.12.2013
OCF	0.77%
Benchmark	MSCI Europe ex UK TR
Historic yield	3.0% (Y GBP Dist)

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.

**GUINNESS EUROPEAN EQUITY INCOME FUND - PORTFOLIO**

Top 10 holdings	Sector	Country
Konecranes 4.0%	Industrials 27.4%	France 24.9%
Metso Corporation 3.9%	Financials 26.2%	Netherlands 12.8%
Roche Holding 3.7%	Consumer Staples 13.1%	Finland 11.1%
Deutsche Post 3.6%	Consumer Discretionary 9.9%	Switzerland 10.1%
Inditex 3.6%	Health Care 9.6%	Germany 7.2%
Banca Generali 3.6%	Communication Services 6.5%	Spain 7.0%
Deutsche Boerse 3.6%	Information Technology 5.8%	Sweden 6.7%
Royal Unibrew 3.5%	Cash 1.4%	Italy 6.5%
Publicis Groupe 3.4%		Denmark 6.5%
SPIE SA 3.4%		Other 5.8%
Top 10 holdings 36.3%		
Number of holdings		

## Guinness European Equity Income Fund

Past performance does not predict future returns.

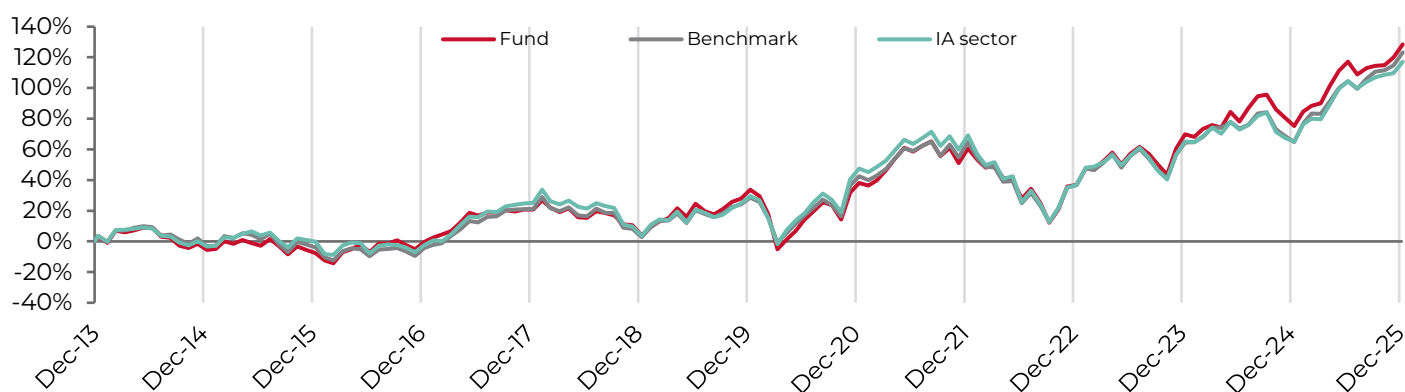
### GUINNESS EUROPEAN EQUITY INCOME FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+2.4%	+21.4%	+21.4%	+49.4%	+68.2%	+170.3%
MSCI Europe ex UK TR	+2.4%	+26.2%	+26.2%	+47.7%	+59.3%	+154.4%
IA Europe Excluding UK TR	+2.0%	+22.5%	+22.5%	+42.1%	+49.6%	+138.1%
(USD)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+3.9%	+30.4%	+30.4%	+67.1%	+65.5%	+147.1%
MSCI Europe ex UK TR	+3.9%	+35.5%	+35.5%	+65.2%	+56.7%	+132.2%
IA Europe Excluding UK TR	+3.6%	+31.6%	+31.6%	+58.9%	+47.2%	+117.3%
(EUR)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+2.7%	+15.0%	+15.0%	+51.8%	+72.4%	+128.0%
MSCI Europe ex UK TR	+2.7%	+19.5%	+19.5%	+50.1%	+63.3%	+114.7%
IA Europe Excluding UK TR	+2.4%	+16.0%	+16.0%	+44.4%	+53.4%	+101.0%

### GUINNESS EUROPEAN EQUITY INCOME FUND - ANNUAL PERFORMANCE

(GBP)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+21.4%	+5.0%	+17.2%	-4.2%	+17.5%	+0.1%	+23.7%	-8.8%	+10.7%	+28.5%
MSCI Europe ex UK TR	+26.2%	+1.9%	+14.8%	-7.6%	+16.7%	+7.5%	+20.0%	-9.9%	+15.8%	+18.6%
IA Europe Excluding UK TR	+22.5%	+1.7%	+14.0%	-9.0%	+15.8%	+10.3%	+20.3%	-12.2%	+17.3%	+16.4%
(USD)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+30.4%	+3.1%	+24.2%	-14.9%	+16.4%	+3.3%	+28.6%	-14.0%	+21.2%	+7.8%
MSCI Europe ex UK TR	+35.5%	+0.1%	+21.7%	-18.0%	+15.7%	+10.9%	+24.8%	-15.1%	+26.8%	-0.6%
IA Europe Excluding UK TR	+31.6%	-0.1%	+20.8%	-19.2%	+14.7%	+13.8%	+25.2%	-17.3%	+28.4%	-2.4%
(EUR)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+15.0%	+10.0%	+20.0%	-9.3%	+25.2%	-5.2%	+31.1%	-9.8%	+6.4%	+10.9%
MSCI Europe ex UK TR	+19.5%	+6.8%	+17.6%	-12.6%	+24.4%	+1.7%	+27.1%	-10.9%	+11.4%	+2.4%
IA Europe Excluding UK TR	+16.0%	+6.6%	+16.7%	-13.9%	+23.4%	+4.4%	+27.5%	-13.1%	+12.8%	+0.5%

### GUINNESS EUROPEAN 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.

## WS GUINNESS EUROPEAN EQUITY INCOME FUND - FUND FACTS

Fund size	£1.4m
Fund launch	30.12.2022
OCF	0.77%
Benchmark	MSCI Europe ex UK TR
Historic yield	2.9% (Y Inc)

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.

## WS GUINNESS EUROPEAN EQUITY INCOME FUND - PORTFOLIO

Top 10 holdings		Sector		Country	
Konecranes	4.1%	Industrials	27.8%	France	25.0%
Roche Holding	3.9%	Financials	26.9%	Netherlands	12.7%
Metso Corporation	3.9%	Consumer Staples	13.2%	Finland	11.4%
Deutsche Post	3.8%	Consumer Discretionary	10.0%	Switzerland	10.4%
Banca Generali	3.7%	Health Care	9.7%	Germany	7.2%
Inditex	3.7%	Communication Services	6.5%	Sweden	7.1%
Atlas Copco	3.6%	Information Technology	5.8%	Spain	7.0%
Royal Unibrew	3.5%	Cash	0.2%	Italy	6.7%
Assa Abloy AB	3.5%			Denmark	6.4%
Sampo	3.5%			Other	5.9%
Top 10 holdings	37.2%				
Number of holdings	30				



## WS Guinness European Equity Income Fund

Past performance does not predict future returns.

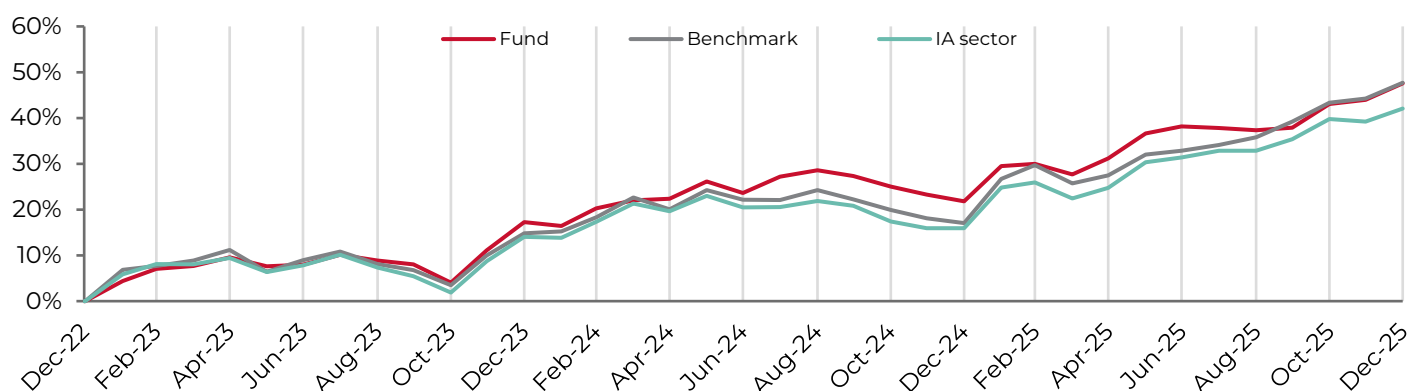
### WS GUINNESS EUROPEAN EQUITY INCOME FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+2.5%	+21.1%	+21.1%	+47.6%	-	-
MSCI Europe ex UK TR	+2.4%	+26.2%	+26.2%	+47.7%	-	-
IA Europe Excluding UK TR	+2.0%	+22.5%	+22.5%	+42.1%	-	-

### WS GUINNESS EUROPEAN EQUITY INCOME FUND - ANNUAL PERFORMANCE

(GBP)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+21.1%	+3.9%	+17.3%	-	-	-	-	-	-	-
MSCI Europe ex UK TR	+26.2%	+1.9%	+14.8%	-	-	-	-	-	-	-
IA Europe Excluding UK TR	+22.5%	+1.7%	+14.0%	-	-	-	-	-	-	-

### WS GUINNESS EUROPEAN EQUITY INCOME FUND - PERFORMANCE SINCE LAUNCH (GBP)



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.

## IMPORTANT INFORMATION

**Issued by Guinness Global Investors** which is a trading name of Guinness Asset Management Limited which is authorised and regulated by the Financial Conduct Authority.

This report is primarily designed to inform you about the Guinness European Equity Income Fund and the WS Guinness European Equity Income Fund. It may provide information about the Funds' 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](http://www.guinnessgi.com).

This document is provided for information only and all the information contained in it is believed to be reliable but may be inaccurate or incomplete; any opinions stated are honestly held at the time of writing, but are not guaranteed. The contents of the document should not therefore be relied upon. It should not be taken as a recommendation to make an investment in the Funds or to buy or sell individual securities, nor does it constitute an offer for sale. If you decide to invest, you will be buying shares in the Fund and will not be investing directly in the underlying assets of the Fund.

### GUINNESS EUROPEAN EQUITY INCOME FUND

#### 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](http://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.

#### 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, REYL & Cie S.A., Rue du Rhône 4, 1204 Geneva, Switzerland. The paying agent is Banque Cantonale de Genève, 17 Quai de l'Île, 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 EUROPEAN EQUITY INCOME 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/](http://www.fundsolutions.net/uk/guinness-global-investors/) or free of charge from:-

Waystone Management (UK) Limited  
PO Box 389  
Darlington  
DL1 9UF  
General Enquiries: 0345 922 0044  
E-Mail: [wtas-investorservices@waystone.com](mailto:wtas-investorservices@waystone.com)  
Dealing: [ordergroup@waystone.com](mailto:ordergroup@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.

Telephone calls will be recorded and monitored.