

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

Emerging markets continued their sharp rally in May. The MSCI Emerging Markets Index rose 10.6% (in GBP). The Fund underperformed in the strong market, rising 2.2% in the month. Relative underperformance was again driven partly by gains made in the Korean memory stocks, which are not held in the fund.

Emerging markets outperformed developed markets in the month, as the MSCI World was up 5.4%. The US market was ahead of this, with the S&P 500 Index up 6.1%.

Within emerging markets, Asia was the best-performing region, up 13.0%. EMEA (Europe, Middle East and Africa) was next, up 2.1%. Latin America was the weakest performer, down 3.4%. Value and Growth both performed well, with Value the better of the two, up 11.1% versus Growth up 10.1%.

Among the largest countries, the best performers were Korea (+36.4%) and Taiwan (+17.5%), both led by AI-exposed technology stocks. Mexico also performed well (+4.4%). The worst-performing countries were Brazil (-8.4%), China (-2.2%), and Malaysia (-0.9%).

The strongest-performing stocks in the portfolio for the month overall were Largan Precision (+42.3%), Hon Hai (+34.0%), and Novatek (+18.7%). The weakest performers were China Medical (-16.6%), Suofeiya Home (-15.2%), and Haier Smart Home (-9.4%).

EVENTS DURING THE MONTH

Brent plummeted c.19%, its worst month since Covid, as investors grew optimistic around a US-Iran ceasefire deal that would reopen the Strait of Hormuz.

The European Central Bank warned that President Trump risks triggering a financial crisis as a result of the continued war with Iran, changes in trade policies, and a retreat from international co-operation. Stretched asset valuations and doubt over the sustainability of high government debt levels have increased the levels of risk.

China's BYD, the world's largest maker of electric vehicles, committed to minimise supply-chain financing, with the goal to pay suppliers within 60 days. The move should transition the company from using promissory notes to conventional bank notes and cash.

Europe's biggest economies circulated a joint paper, prior to the meeting of the European Commission, pressing for new trade barriers in the face of trading partners that contribute to 'structural industrial overcapacity'. Beijing warned of retaliation against any targeted measures.

Marco Rubio, the US Secretary of State, announced India had committed to the purchase of \$500 billion-worth of American goods over the next five years, with a focus on energy, technology, and agriculture.

Taiwan surpassed India to become the world's fifth-largest equity market, with South Korea pushing into sixth place shortly after. The change was driven by the rally in AI and semiconductor stocks.

Bank of Korea governor Shin Hyun-Song forecasted that GDP growth would increase by 0.7 percentage points, driven by a surge in semiconductor exports from the AI boom, which should offset the estimated 0.4 percentage-point hit from the global energy shock.

Samsung announced a profit-sharing agreement expected to award workers in the memory chip segment an average bonus of \$400,000 after a threatened strike by the company's labour union.

Several investment banks including Goldman Sachs abandoned calls for Chinese monetary easing in 2026, pushing back forecasts as leaders signalled confidence in growth and minimal urgency for increased support.

PORTFOLIO UPDATE



China Construction Bank reported Q1 2026 results which beat on revenue +11%, and profit +4% year-on-year. Net Interest Margin improved +8 basis points (bps) over the quarter to reach +1.36% due to deposit repricing (one third of deposits repriced in 1Q26), while year-over-year net interest margin contracted -5bps but remained better than peers. Fees rose +7% on a stronger equity market turnover (+70% y/y) and new mutual fund sales (+29% y/y). Fee growth is expected to remain positive through FY26. Credit costs rose +0.87% (+60bps q/q, +14bps y/y) because of retail and SME weakness, while strong revenue growth in the quarter gave cover to provision aggressively ahead of anticipated future losses. Management anticipates favourable revenue and profit growth for FY26, driven by robust non-interest income, enhanced risk control and lower cost-to-income ratio.



Novatek Microelectronics released Q1 earnings which were down year-over-year but beat consensus across all metrics. Revenue grew +1.4% quarter-on-quarter (-14.7% y/y), and gross margin came in ahead of guidance and consensus up +1.4 percentage points q/q (-0.7 pp y/y) on a better product mix as SoC (System on Chip) increased to 44% of total sales. Q2 sales are guided to increase 21% q/q with growth across all three business lines, and with SoC outperforming with Edge AI as a powerful growth driver. Headwinds for PC and smartphone shipments are expected to continue in FY26, and Novatek remains cautious for 2H26 consumer electronics product demand, macro uncertainties, and inflationary component pricing, which could lead to weaker-than-seasonal results. However, full-year 2026 growth is expected on higher SoC pricing, new product launches, and rising demand for imaging and machine vision Edge AI both in China and overseas.



Hon Hai Precision (which trades as Foxconn) released strong results with an operating margin beat of 3.6%, driven by ramping up the consignment mix for application-specific integrated circuits (ASICs) and NVIDIA-based 'HGX' models and increased vertical integration in liquid cooling. Sales performed in line with guidance (-19% q/q), with computing holding better on new product launch and MacBook Neo strength. Earnings per share of NT\$3.56 was broadly in line with consensus but dragged by a non-operating profit loss of NT\$1.6bn owed to foreign exchange losses and interest expenses. FX losses have continued to be a headwind due to the company's revenue being denominated in US dollars while costs are partly denominated in New Taiwan dollars. Interest expenses largely reflect a debt load that funds capacity expansion and working capital for AI server expansion. The company guided for a stronger server outlook, maintaining triple-digit rack shipments and over 40% market share. Average selling prices should increase on incremental Vera Rubin contributions (Nvidia's next-gen AI computing platform), while traditional servers should maintain solid double-digit growth year-over-year. Overall sales are guided to be up 5-14% y/y for FY26, led by Cloud/Networking but with resilience returning to Smartphones in H2, supported by foldable models and casings.



Nien Made reported results that slightly missed consensus but expects better margins in the second quarter on price hikes and high seasonality for custom-made products. Q1 sales remained flat year-over-year at NT\$7.3bn (-5% q/q, +4% y/y in USD

Guinness Emerging Markets Equity Income Fund

terms). Gross profit margin came in at 59.1% (+0.9ppt y/y, +0.1ppt q/q) owing to lower tariffs and price hikes in custom-made products, although still slightly below consensus. Operating profit margin (28.1%) missed expectations on a higher Opex ratio (+1.4ppt y/y) due to workforce investments (particularly in Europe) and new store openings (Japan). Net profit also suffered (-7% y/y, -16% q/q) on a higher effective tax rate of 25.6% despite better pre-tax profit. Management guides for better product efficiency in Q2 to mitigate raw material cost pressures and have three months of inventory with multiple procurement sources secured. Nien also expects demand for window coverings to remain intact in 2Q and for market share gains in premium and mass-market products. Cash dividend is expected to be at least NT\$16/share going forward.



Bajaj Auto reported Q4 2026 earnings beat with revenue up +32% y/y supported by +24% in volume growth. EBITDA (earnings before interest, tax, depreciation and amortisation) margin remained flat q/q at 20.8% despite commodity headwinds and supported by currency tailwinds in the export business, while absolute EBITDA (+36% y/y) was broadly in-line. Gross margin declined 7bps y/y, but expanded 20bps sequentially owed to cost and pricing actions to cushion commodity cost impact (staff expenses -35bps y/y, other expenses -23bps y/y). Management expects the domestic motorcycle industry to grow c.7-9% in the near term, aided by a low base in H1 2026. However, momentum will be hard to sustain in H2 2027 due to a higher base, which was driven by Goods and Services Tax cuts and the festive season. Demand for entry-level products is expected to moderate as around 40% of raw material headwinds were passed onto consumers via price hikes in April. The company plans to respond by focusing on premium 150+cc/125cc segments and maintaining market-share gains with planned launches from July onwards. The board also approved a onetime 100% payout of FY26 profit via a Rs150/share dividend and a Rs56.3bn buyback at Rs12,000/share, marking the group's 100-year milestone.



B3 Brasil Bolsa Balcao reported earnings which were in line with consensus on a positive top line, with revenue growth of +9% q/q and +21% y/y, and net income coming in at R\$1.5bn (+63% q/q and +34% y/y) just above estimates. Revenues were driven by diversification in segments with Markets up +21%, Capital market solutions up +29%, Data analytics up +23% and Tech & Platforms up +15% year-over-year. Expenses rose +11% y/y but third-party services reduced -37% y/y. Notably, the company recorded their highest average daily volume in March at 16.6 million contracts, driven by war volatility. In predictive markets, B3 launched contracts for Ibovespa (the main Brazilian equity index), US dollar, and Bitcoin, currently only on offering to professional investors although pending removal of regulatory restrictions. The company also listed its first IPO in five years with the hope this will encourage further activity despite constrained demand. Management plan to continue to return excess capital to shareholders via Interest on Capital distributions, dividends and buybacks.



Netease reported Q1 2026 earnings, which beat consensus with revenue up +6% year-over-year, driven by their game business line and underpinned by deferred revenues recognised from the previous quarter. Gross margin also expanded 5.3ppt lower on iOS/Android commission rates on payment channels and AI-integration cost benefits. Net profit remained flat but ahead of muted market expectations by +11%. Management noted strength in the Fantasy Westward Journey and Where Winds Meet (WWM) games, and plans to continue to allocate resources for WWM to enhance cross-device capabilities, aiming to make it a franchise title in their global portfolio. Non-game business slightly offset revenue growth elsewhere, with value-added services and Youdao advertising underperformance, but the Cloud Music and Innovative Businesses divisions grew in line. Operational expenditure reduced on lower-than-expected sales & marketing costs, lower admin (-25.8%) and headcount reduction, which should be an ongoing, structural change. Buybacks reached USD 100 million in Q1, with a USD 2.9 billion quota remaining until 9th January 2029.



Credicorp's Q1 2026 results outperformed expectations, led by a 30% expansion in net income quarter-over-quarter. Asset quality was a notable highlight, as cost-of-risk declined -50bps to 1.55, and the non-performing loan ratio contracting -30bps to 2.9%. Results were supported by the improved repayment trend in retail banking and positive asset quality across Peru's financial system. Core fee income grew +3% q/q supported by institutional trading revenue as Yape transactions (digital platform), however was partially offset by elevated costs (Opex +23% y/y). Reported growth in loan rises (+1.9%) was affected by non-cash adjustment for BCP Bolivia and FX moves, without which results would have been softer (+1% q/q). Management reaffirmed 2026 guidance, with a targeted return on average equity of 19.5%.

OUTLOOK

Results for our portfolio companies have generally been strong over the first quarter. AI is of course providing a structural tailwind, both to those companies that have direct exposure to the sector, but also increasingly to adjacent parts of the IT supply chain. The promise of on-device AI may well provide the impetus to trigger another upgrade cycle in consumer electronics, as manufacturers equip hardware to be able to run AI models locally.

Elsewhere, we have seen good performance from other sectors. Mexican exposure has provided good diversification, regaining ground from Brazilian stocks that performed well earlier this year. While consumption in China has been a drag on results, we are seeing very early indications of a recovery in sentiment, as continually easing pressures in the property sector combine with positive local stock market performance. A more sustained recovery in sentiment would likely have a significant positive impact on many of the portfolio holdings.

We continue to focus on the underlying quality of a business. The ability to earn high returns on capital and generate cash provides the underpinning for rewarding shareholders with dividends while seeking to compound their earnings over the long term. And we believe it is this process of cash generation and reinvestment that is likely to be the long-term determinant of returns.

Companies with such a track record have shown the ability to navigate periods of uncertainty in the past, and we think are well-positioned to do so again. 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 access to a disciplined strategy for navigating uncertain environments.

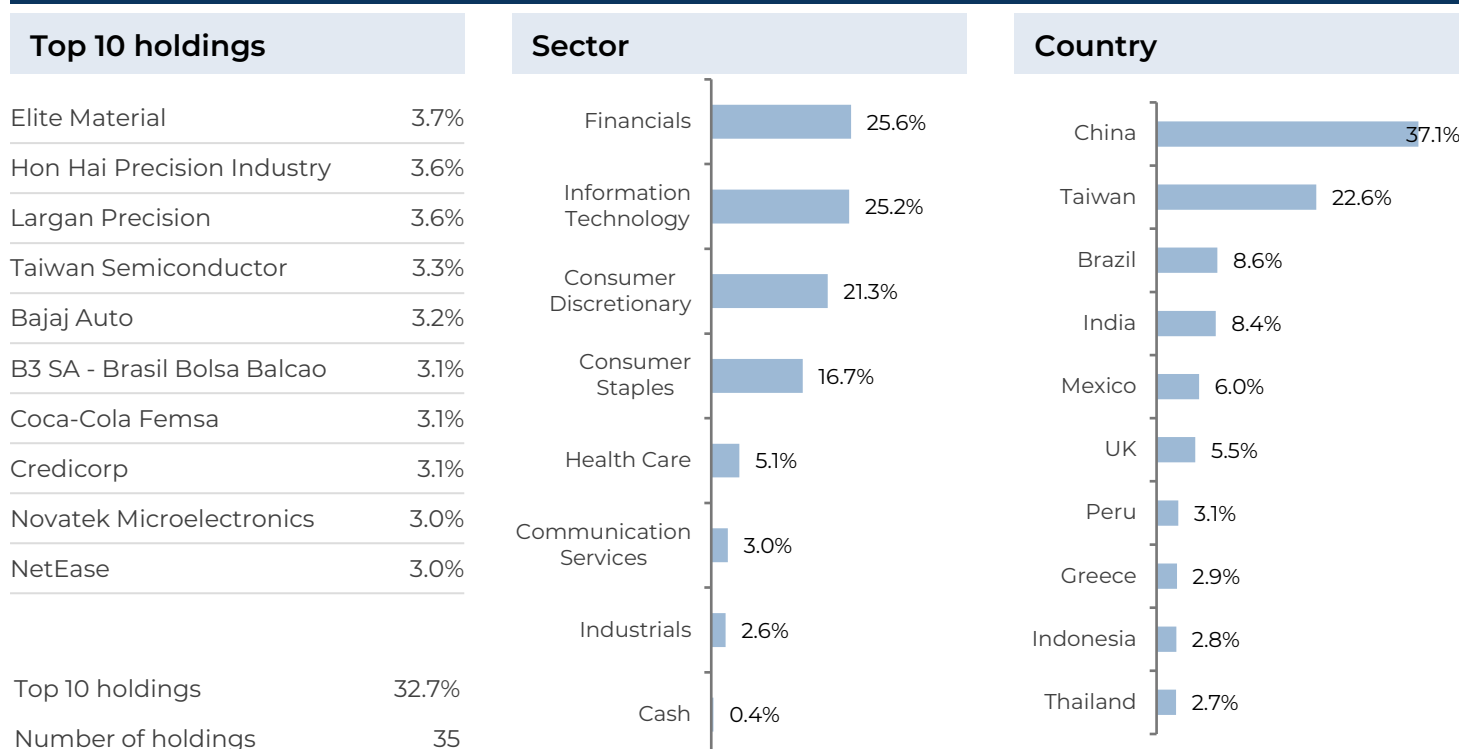
Portfolio Managers

Edmund Harriss
Mark Hammonds

GUINNESS EMERGING MARKETS EQUITY INCOME FUND - FUND FACTS

Fund size	\$23.5m
Fund launch	23.12.2016
OCF	0.77%
Benchmark	MSCI Emerging Markets
Historic yield	3.6% (Y GBP Dist)

GUINNESS EMERGING MARKETS EQUITY INCOME FUND - PORTFOLIO



Guinness Emerging Markets Equity Income Fund

Past performance does not predict future returns.

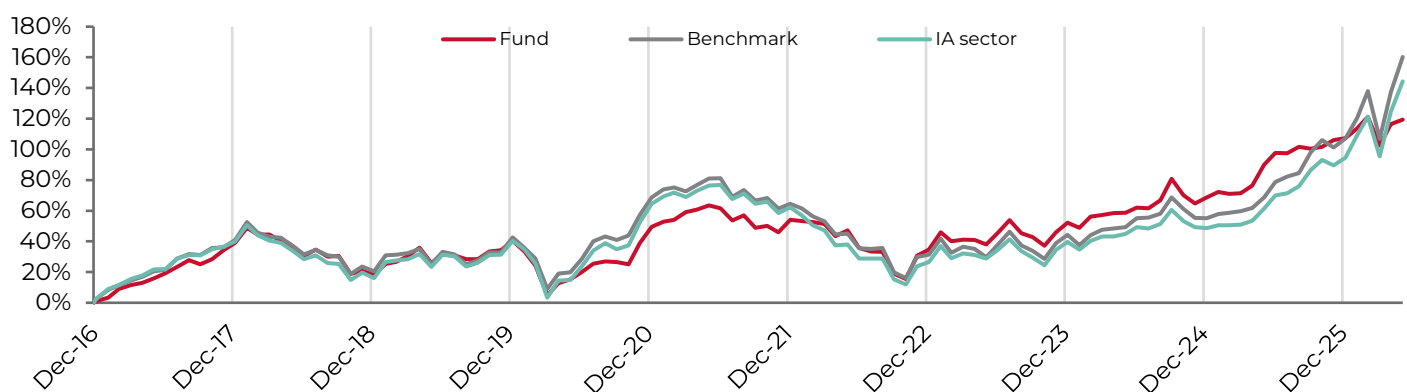
GUINNESS EMERGING MARKETS EQUITY INCOME FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+2.2%	+5.6%	+15.6%	+46.3%	+41.2%	-
MSCI Emerging Markets	+10.6%	+25.3%	+54.4%	+80.2%	+51.7%	-
IA Global Emerging Markets TR	+9.7%	+25.3%	+51.5%	+74.5%	+46.0%	-
(USD)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+1.4%	+5.8%	+15.6%	+59.1%	+34.2%	-
MSCI Emerging Markets	+9.7%	+25.6%	+54.3%	+96.0%	+43.8%	-
IA Global Emerging Markets TR	+8.8%	+25.5%	+51.5%	+89.7%	+38.5%	-
(EUR)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+1.9%	+6.5%	+12.4%	+45.4%	+40.1%	-
MSCI Emerging Markets	+10.3%	+26.4%	+50.1%	+79.1%	+50.7%	-
IA Global Emerging Markets TR	+9.4%	+26.3%	+47.3%	+73.3%	+45.1%	-

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

Issued by Guinness Global Investors, a trading name of Guinness Asset Management Limited, which is authorised and regulated by the Financial Conduct Authority and registered with the Securities and Exchange Commission ("SEC"). SEC registration does not imply a certain level of skill or training.

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.

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 Fund 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.

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.**

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.

Glossary of Terms: A glossary explaining key investment terms used in our marketing materials is available here: <https://www.guinnessgi.com/glossary>

Telephone calls will be recorded and monitored