Guinness Global Innovators

Investment Commentary – July 2026

RISK

This is a marketing communication. Please refer to the Prospectus, Supplement, KID/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 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	01.05.2003
Index	MSCI World
Sector	IA Global
Managers	Dr Ian Mortimer, CFA Matthew Page, CFA
EU Domiciled	Guinness Global Innovators Fund
UK Domiciled	WS Guinness Global Innovators Fund

INVESTMENT POLICY

The Guinness Global Innovators Funds are designed to provide investors with global exposure to companies that benefit from innovations in technology, communication, globalisation, or innovative management strategies. Innovation can take many forms, and not just in disruptive tech-driven products. It is the intelligent application of ideas and is found in most industries and at different stages in the company lifecycle. The Funds are actively managed and use the MSCI World Index as a comparator benchmark only.

CONTENTS

COMMENTARY

In the second quarter of 2026, the Guinness Global Innovators Fund returned 13.8% (in GBP), the MSCI World Index returned 13.0%, and the IA Global sector average return was 13.1%. The Fund outperformed both the Index and its peer group average by 0.7 percentage points.

During the second quarter, much of the heightened geopolitical tension and market caution seen in the first quarter began to unwind. The de-escalation of the war in the Middle East helped stabilise sentiment, while Brent crude oil prices fell sharply after reaching $120 per barrel in April. This easing in energy market pressure reduced inflation concerns and supported a broad recovery across risk assets, even as bond markets remained directionless while investors continued to assess the impact of energy price volatility on growth and monetary policy.

Alongside the easing geopolitical backdrop, the quarter saw a powerful rotation back into the artificial intelligence trade. The US hyperscalers continued to raise guidance for their 2026 capital expenditure to new highs, driving renewed confidence in technology stocks and in particular AI supply chain beneficiaries in semiconductors and IT hardware. Developed market equities rose 13.9% over the quarter, while emerging markets surged 24% in their strongest quarterly gain since 2009, supported by exceptional performance in markets such as Korea and Taiwan. Korean index heavyweights SK Hynix and Samsung Electronics were among the clearest beneficiaries, soaring in value as demand for memory and semiconductor capacity accelerated. Growth stocks also outperformed value as investors once again favoured companies exposed to the infrastructure and 'picks and shovels' of the AI trade.

In this commentary, we look back at the key periods that have shaped equity markets this year. We examine the evolving macroeconomic backdrop before turning to recent capital market developments, including the SpaceX IPO, debt and equity issuance from US hyperscalers, and the implications of the significant capex cycle underway in the semiconductor industry.

The Fund's relative performance over the second quarter can be attributed to the following:

- The Fund benefited from its overweight to the Information Technology sector, which outperformed the broader index (+33.7% vs +13.8% in USD). This was supported by positive stock selection as Fund holdings including Applied Materials (+111.8%), KLA (+105.2%), and Lam Research (+103.0%) delivered robust returns greater than the MSCI World Information Technology sector.

- From an asset allocation perspective, the Fund's overweight position to Communication Services was a drag as the sector underperformed the wider benchmark (+7.2% vs +13.8%). Further, Fund holding Netflix (-25.7%) disappointed by not raising its full-year guidance. This created a stock selection headwind, despite the company releasing a solid set of quarterly results.

- The Fund had a tailwind from a zero-weight allocation to some of the benchmark's weaker sectors including Utilities (+0.1%), Materials (+1.4%), and Energy (-13.4%). Investors rotated away from the latter as progress was made towards de-escalating the US-Iran conflict that has affected energy supply.

It is pleasing to see the strategy in the top quartile versus the IA Global Sector over 3-, 10-, 15-, and 20-year periods, as well as since the launch in 2003.

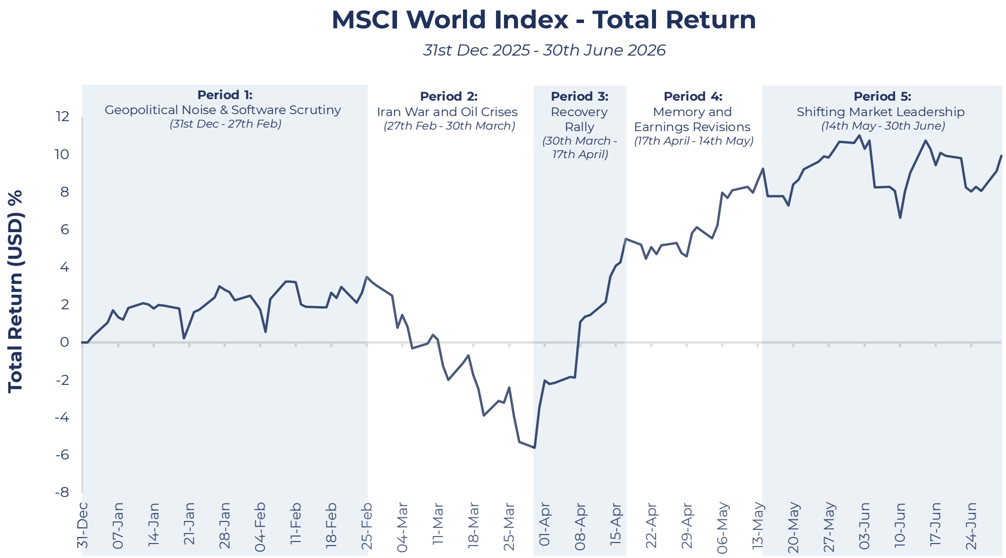
Past performance does not predict future returns.

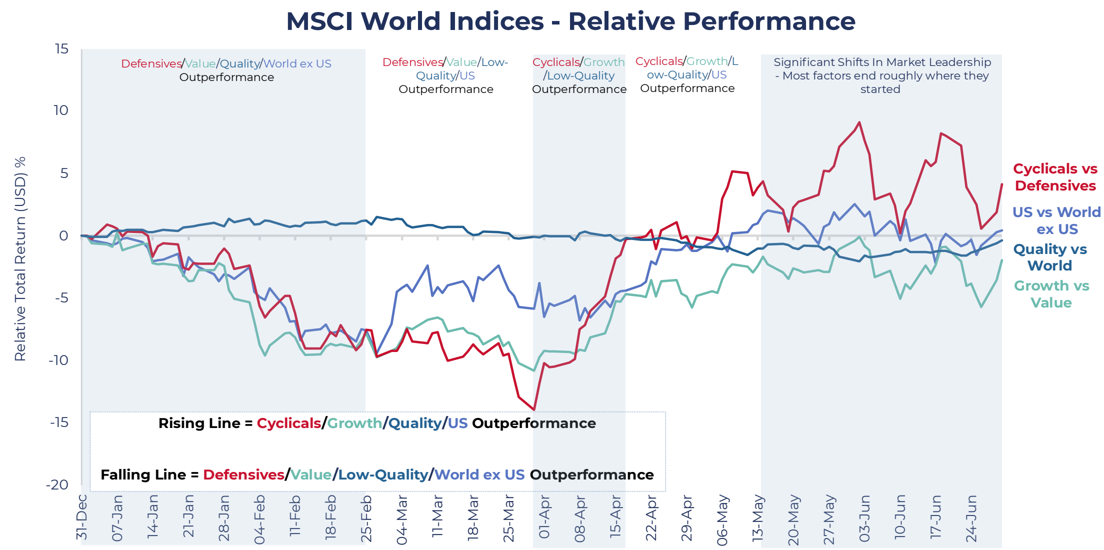
Cumulative % total return in GBP to 30th June 2026	YTD	1 year	3 years	5 years	10 years	15 years*	20 years*	Launch*
Guinness Global Innovators	8.7	21.0	63.8	68.2	326.1	743.5	1163.2	1722.6
MSCI World	11.2	25.3	62.4	79.2	246.1	472.9	638.8	1001.7
IA Global (average)	10.1	21.4	45.9	47.4	183.8	301.8	408.4	704.5
IA Global (ranking)	**	297/567	105/502	140/441	7/272	3/169	1/106	2/79
IA Global (quartile)	**	3	1	2	1	1	1	1

Source: FE fundinfo. Net of fees. Data as of 30th June 2026.
**Simulated past performance. Performance prior to the launch of the Guinness Global Innovators Fund (31.10.14) reflects the Guinness Atkinson Global Innovators Fund (IWIRX), a US mutual fund with the same investment process since 01/05/2003.*
***Ranking not shown in order to comply with European Securities and Markets Authority rules*

HALF YEAR IN REVIEW

Over the first half of the year, we identify five periods which help us to frame market performance. Rather than defining these simply by broad bull and bear-market moves, we instead characterise them by the shifts in leadership among underlying market factors, such as value versus growth, and defensives versus cyclicals, that occurred beneath the surface.





Source: Bloomberg, Guinness Global Investors, as of 30th June 2026

Period 1: Geopolitical noise and software scrutiny (31st December – 27th February)

Markets navigated much geopolitical noise in January and February, from regime uncertainty in Venezuela following American forces' capture of President Maduro, to Trump's Greenland ambitions straining relations in NATO, mutual tariff threats across Europe and Canada, and spiking Japanese yields on fiscal stimulus concerns. Despite this, the MSCI World Index climbed to all-time highs, led by international (ex-US) stocks, while the US underperformed as investors rotated out of mega-caps and AI-exposed software. Global software stocks fell 21% over the two months amid a structural reassessment of software economics as affected by AI, with DIY build risk and disintermediation alongside the erosion of seat-based pricing. Markets instead looked to 'HALO' stocks (Heavy Assets, Low Obsolescence), prioritising companies perceived to possess a level of natural immunity to AI-driven technological disruption. Whilst equities reached all-time highs, this was anything but a broad-based rally. Instead, the period was defined by a sharp and deliberate rotation away from US growth, mega-caps and software and into more defensive areas of the market alongside value and international equities – and more AI-immune HALO stocks in particular.

Period 2: The Iran war and oil crisis (27th February – 30th March)

Sentiment shifted abruptly at the end of February when US and Israeli strikes on Iran escalated into a regional war, with Iranian retaliation hitting Saudi Arabia, the United Arab Emirates, and Qatar. An effective closure of the Strait of Hormuz – through which roughly a fifth of global oil and liquefied natural gas (LNG) supply flows – sent energy and freight markets into turmoil: Brent crude jumped from $72 to $118 a barrel, the WCI freight benchmark rose 20% quarter-on-quarter, and European gas prices climbed nearly 50% after the halt to the flow of Qatar's LNG. The energy shock revived stagflation fears, undermining confidence that inflation was contained just as weak US jobs data and falling business and consumer confidence pressured growth forecasts. Expectations of interest rate cuts reversed sharply from two US 25 basis-point cuts priced in at the beginning of the year to near zero by the end of the period, while Europe swung from a c.50% chance of one cut to pricing three hikes. With yields rising and gold failing to act as a safe haven, Bank of America's fund manager survey showed the fastest rush into cash since Covid. Defensives and value outperformed, while energy-importing markets, especially in Asia, sold off hardest.

Period 3: Market recovery rally (30th March – 17th April)

Markets recovered strongly from late March into mid-April as the absence of further escalation stabilised risk appetite, even though the Middle East conflict remained unresolved. Oil prices eased from March highs, yields stopped rising, and investors unwound defensive positioning. This was more of a relief rally than genuine macro improvement, with growth and cyclicals rebounding while defensives gave back relative gains. Information Technology and Communication Services led, buoyed by renewed interest in AI infrastructure, semiconductors and certain internet names. Software also recovered, although confidence stayed selective due to ongoing concerns over AI disruption, pricing models, and legacy platform durability.

Period 4: Memory, Lower-quality software and earnings revisions (17th April – 14th May)

The market rally initially reflected a broad recovery in risk appetite post-March, but by mid-April the next phase concentrated in areas seeing most aggressive earnings upgrades, particularly the semiconductor value chain linked to AI infrastructure. Semiconductor industry revenues grew +79% year-on-year in Q1 2026, led by memory, where DRAM and NAND sales surged +271% on soaring prices as AI hardware demand continued to outstrip supply. The AI supply shortage narrative broadened beyond memory and graphics processing units (GPUs) to encompass leading-edge wafer capacity, optical components, and power and cooling infrastructure, with markets rotating towards well-positioned AI infrastructure build-out names. Software had a partial recovery thanks to numerous strong Q1 reports that challenged the AI disintermediation narrative, but performance was heavily bifurcated: gains were largely confined to cash-generative platform software, non-seat-based consumption models and models with deep data repositories – those deemed to be least susceptible to AI disintermediation. Beyond these names, the broader software landscape remained a laggard; companies that missed guidance or expectations or failed to reassure markets over near-term AI risks suffered further double-digit sell-offs.

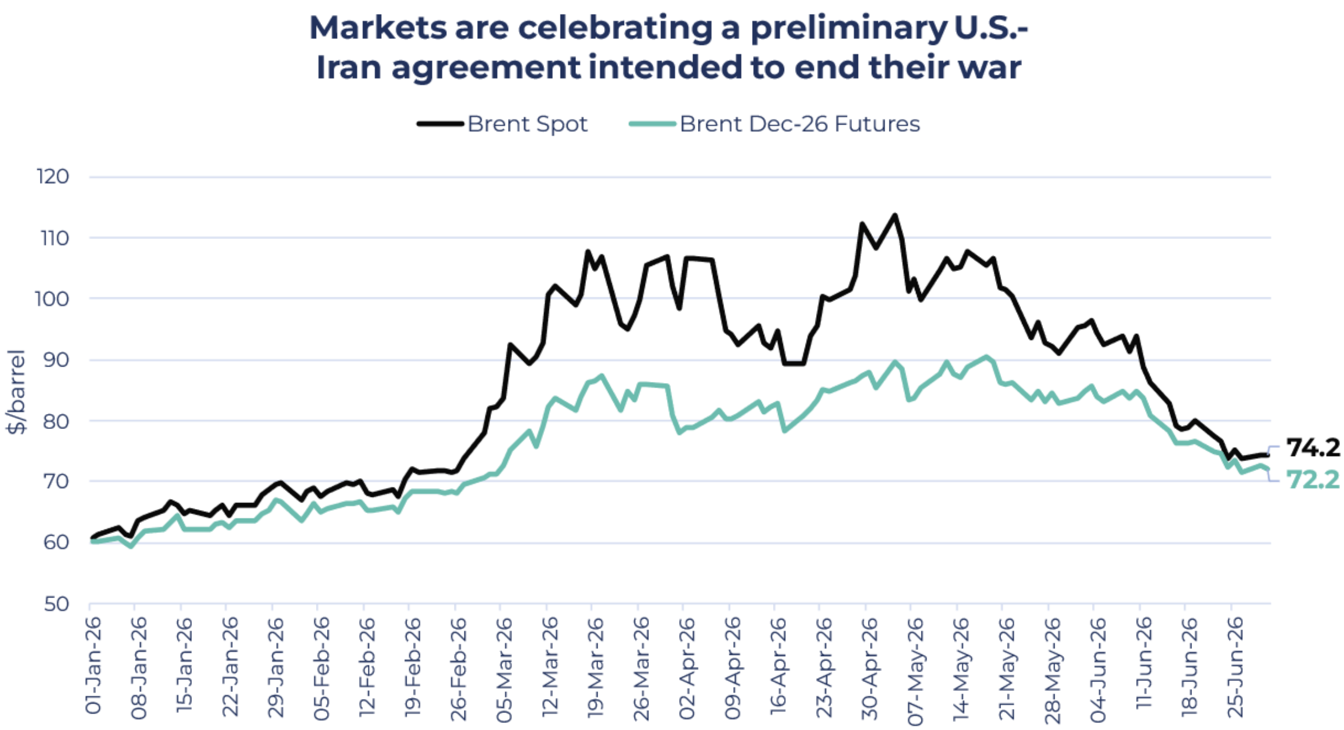
Period 5: Volatile markets with fast-shifting leadership (14th May – 30th June)

Macro conditions shifted dramatically in late May. US-Iran tensions unwound somewhat, reducing the conflict's risk premium, with a ceasefire and Memorandum of Understanding allowing for a partial reopening of the Strait of Hormuz. Brent crude prices were driven down to c.$70 per barrel, near pre-war levels. However, market relief was capped by persistent inflation, which reached a three-year high in May. This backdrop supported a perceivably more hawkish tone from new Federal Reserve Chair Kevin Warsh, whose comments focused strictly on price stability. This prompted markets to price in earlier rate hikes including one by the end of 2026. The Magnificent Seven materially underperformed the rest of the market, partly as investor scepticism grew over near-term AI monetisation. Instead, markets rotated towards the chipmakers and semiconductor equipment manufacturers which would benefit from their large capex plans regardless of the level of future AI monetisation. Investors also rotated into areas perceived as more insulated from AI disruption, with Financials, Industrials and Healthcare among the strongest contributors to performance over the period. This broadening of the market allowed the MSCI World Equally Weighted Index to outperform its more familiar counterpart, which is weighted by market capitalisation, from mid-May. Overall, while the market remains near all-time highs, this period was marked by multiple shifts in leadership as investors balanced secular AI growth enthusiasm and macro caution, rotating between defensives vs cyclicals and value vs growth although greater emphasis on quality has returned.

KEY MARKET THEMES OVER Q2

The war premium unwinds

Brent crude fell sharply over June from around $96 a barrel at the start of the month to the mid-$70s by its end, a decline of over 20%. The move reflects the unwinding of the geopolitical risk premium built into prices during the conflict earlier in the year. Progress toward de-escalation through the month, culminating in the signing of an interim US-Iran agreement on 17 June to reopen the Strait of Hormuz and extend the ceasefire, unwound the forces that had pushed Brent above $100 earlier in 2026. The signing of an interim agreement was also felt in oil futures markets, with Brent December 2026 futures trading at the end of June almost at par with spot prices, as depicted in the graph below, something not seen since before the war started. Although it represents a clear de-escalation, the deal is only preliminary. Key issues, notably Iran's nuclear programme, remain unresolved, and the broader oil market's return to balance is not yet a certainty. At the time of writing, the US and Iran were trading military strikes after the Islamic Republic had seemingly attacked ships in the Strait of Hormuz.

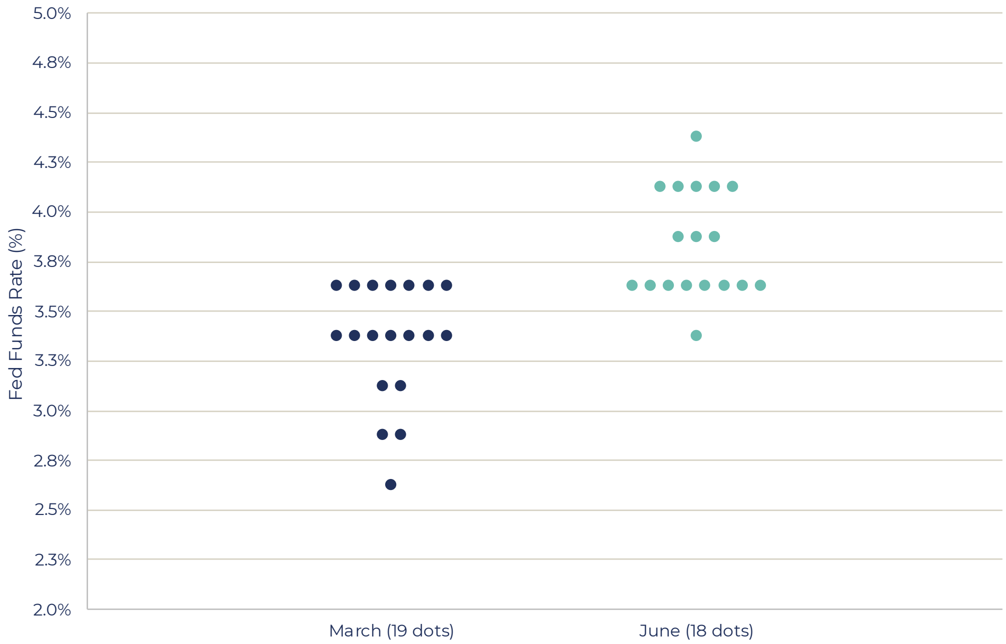


Source: Bloomberg, Guinness Global Investors, as of 30th June 2026

Warsh and the Federal Reserve

The inflationary uncertainty stemming from the war in Iran is being exacerbated by newfound confusion about how the Federal Reserve (Fed) is now thinking about such economic shocks. Earlier this year, President Trump nominated a new Chair, Kevin Warsh, to the Federal Open Market Committee (FOMC), which sets interest rates and releases statements on the macroeconomic outlook. Warsh has previously been vocal in criticising the communication methods of the FOMC and made clear he would enact change once in the role. In June, all forward guidance was removed from the committee's policy statements and Warsh refused to submit any forecasts of his own for the Summary of Economic Projections (SEP). This meant that the 'dot plot' – the chart showing FOMC members' estimates for where the federal funds rate will be in the future – had one less data point than last quarter.

FOMC: YE26 Fed Funds Rate Projections

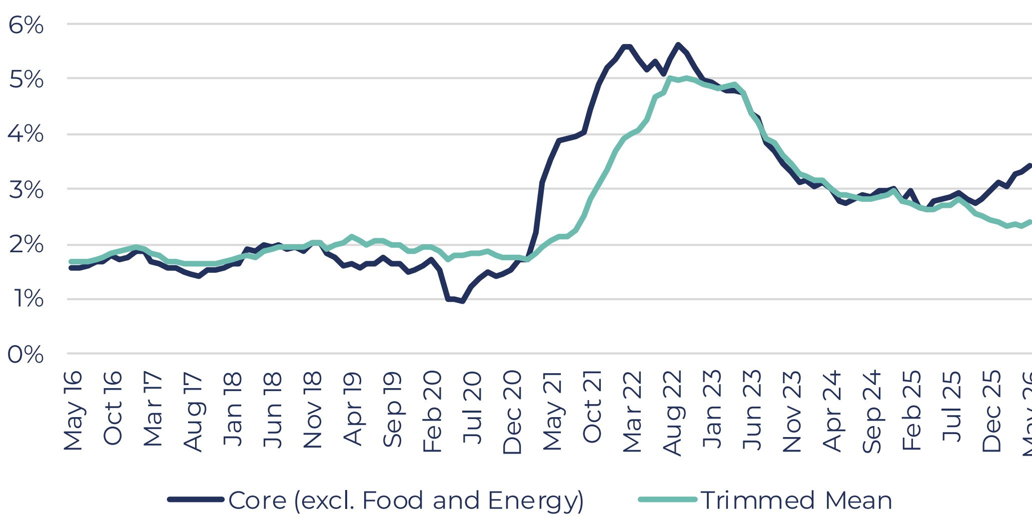


Source: Guinness Global Investors, Bloomberg, as of 30th June 2026

The chart also shows a hawkish shift from the committee, with the median expectation for the federal funds rate by year end increasing from 3.375% at the March meeting to 3.750% in June. This, paired with Warsh saying repeatedly at the press conference that inflation was still too high, caused markets to change their expectation from one rate rise in the next 12 months to two hikes.

On the other hand, Warsh was appointed by Trump, who has clearly stated his preference for lower rates. One way to justify delaying hikes would be to use a different measure of inflation; and Warsh has already expressed a preference for using trimmed mean inflation. This personal consumption expenditures (PCE) measure omits outlying components before taking an average of what remains. Conveniently for those who are more dovish, trimmed mean PCE has been falling recently while the core version (excluding food and energy) continues to rise. This is because the trim is asymmetric – it removes components where the price change is below the 24th percentile and above the 69th in the distribution. Of late, higher percentiles have seen price increases above or equal to lower ones, so taking more off the top has biased the measure downwards.

Personal Consumption Expenditure (YoY % Change)



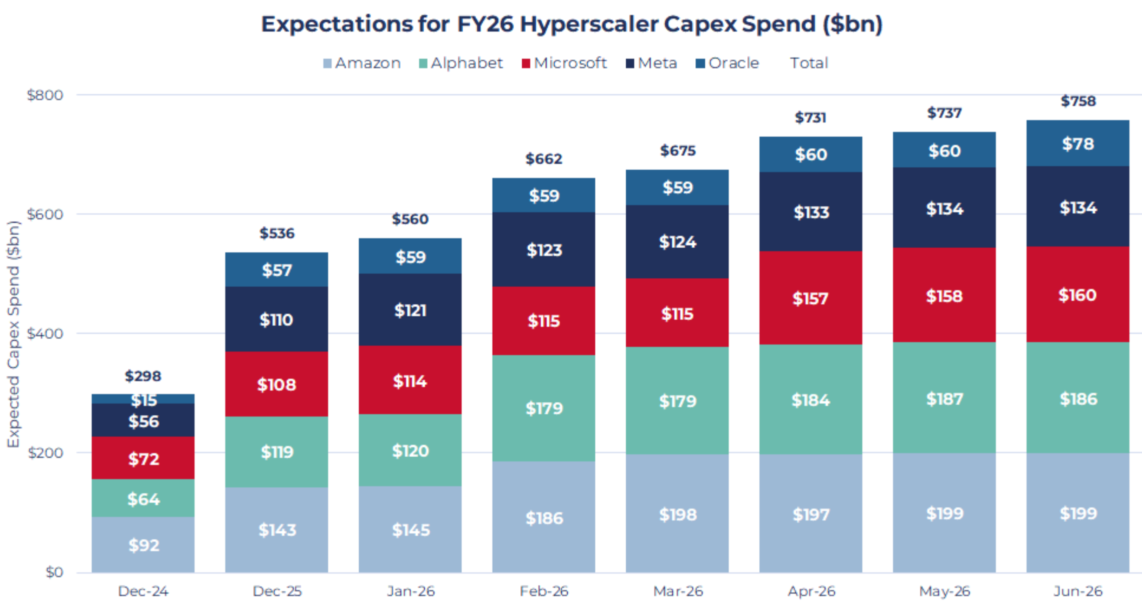
Source: Guinness Global Investors, Federal Reserve Bank of St. Louis, as of 30th June 2026

All of this contributes to growing uncertainty regarding the future path of interest rates. With or without forward guidance, markets will interpret new information in the context of how they believe the Fed will respond. Reducing communications risks making investors jumpier and affecting central bank credibility given the time lags present when implementing monetary policy. The potential for policy surprises is higher than it was before, which could cause borrowing costs to rise, regardless of what the Fed decides to do with interest rates.

That said, the lack of forward guidance could help to remove the 'Fed put', which is based on the market's belief the Fed will always step in to protect financial markets from major losses by either cutting rates or injecting liquidity. This presumption can artificially depress volatility, distort the cost of capital and create moral hazard. Removing this may give the Fed more flexibility to change course when presented with new information. Plus, trimmed means are less prone to revisions, which could reduce the noise the FOMC needs to cut through when making data-based decisions in the future. This has implications for individual companies which are making spending decisions predicated on their expected cost of capital.

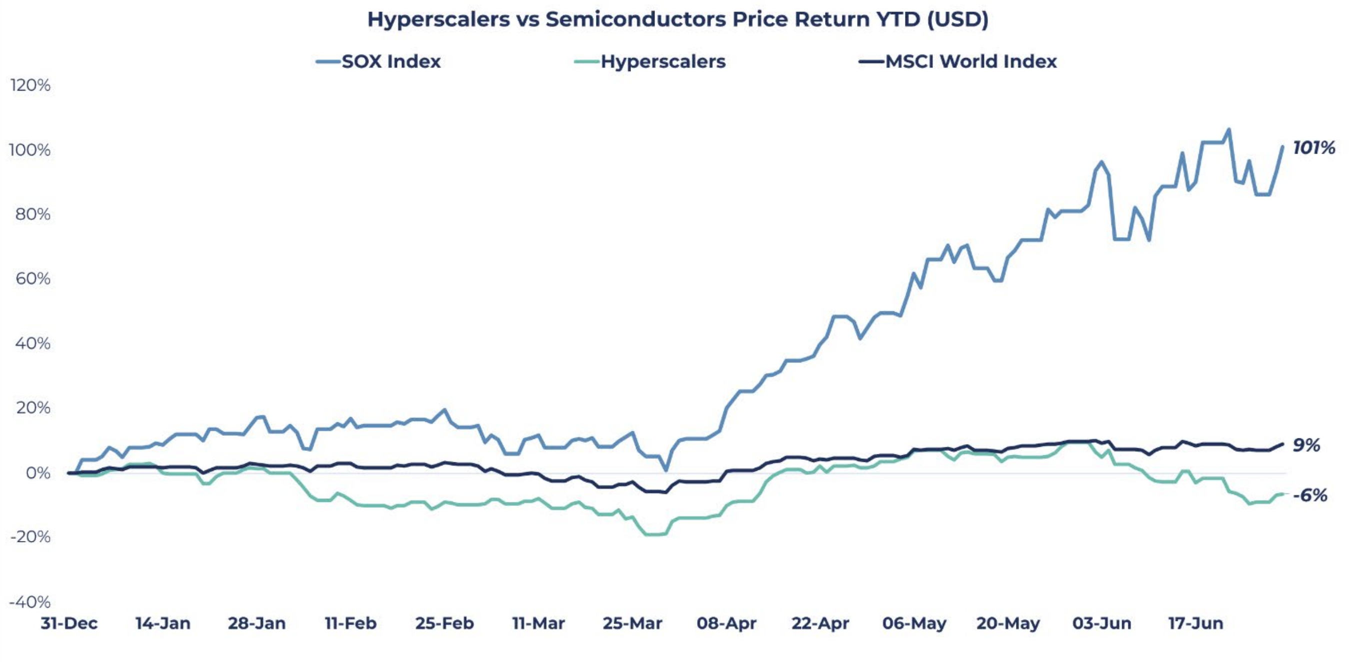
Hyperscaler capex

The current capex cycle is clearly intertwined with a sharp increase in semiconductor demand, and we believe continued hyperscaler spending is a key indicator that the AI infrastructure build-out is still underway. This spending is effectively funding the next phase of the data centre build-out. As hyperscalers scale both training and, increasingly, inference workloads, their willingness to keep lifting capex expectations supports the view that this semiconductor cycle could prove longer lasting and more structurally driven than previous upcycles. In each earnings cycle, the major hyperscalers have generally revised capex guidance higher and the direction of travel is striking. Expected FY26 hyperscaler capex has risen from around $298bn in December 2024 to $758bn by the end of the second quarter this year, more than doubling as Amazon, Alphabet, Microsoft, Meta and Oracle continue to commit capital to AI compute capacity.



Source: Bloomberg, Guinness Global Investors. Data as of 30th June 2026

Investor sentiment has increasingly diverged between the two sides of the AI infrastructure trade. While semiconductor stocks have continued to benefit from enthusiasm around the AI build-out, hyperscalers have come under pressure despite being central to the same theme. The scale of this ongoing hyperscaler capex is a cause for concern given the lack of visibility on its return on investment. Year-to-date, hyperscalers have significantly underperformed semiconductor stocks, as the market has been far more willing to reward the suppliers of AI infrastructure than the companies funding it. The chart below shows the SOX Semiconductor Index up around 101% year-to-date, dramatically outperforming both the MSCI World Index, up roughly 9%, and the hyperscalers (defined by a basket of the largest US-listed cloud infrastructure providers), down 6%. This divergence highlights a clear split within the technology sector: investors continue to reward chipmakers enabling the AI build-out, while hyperscalers have lagged as concerns grow around the scale, duration, and returns of their AI capital spending.

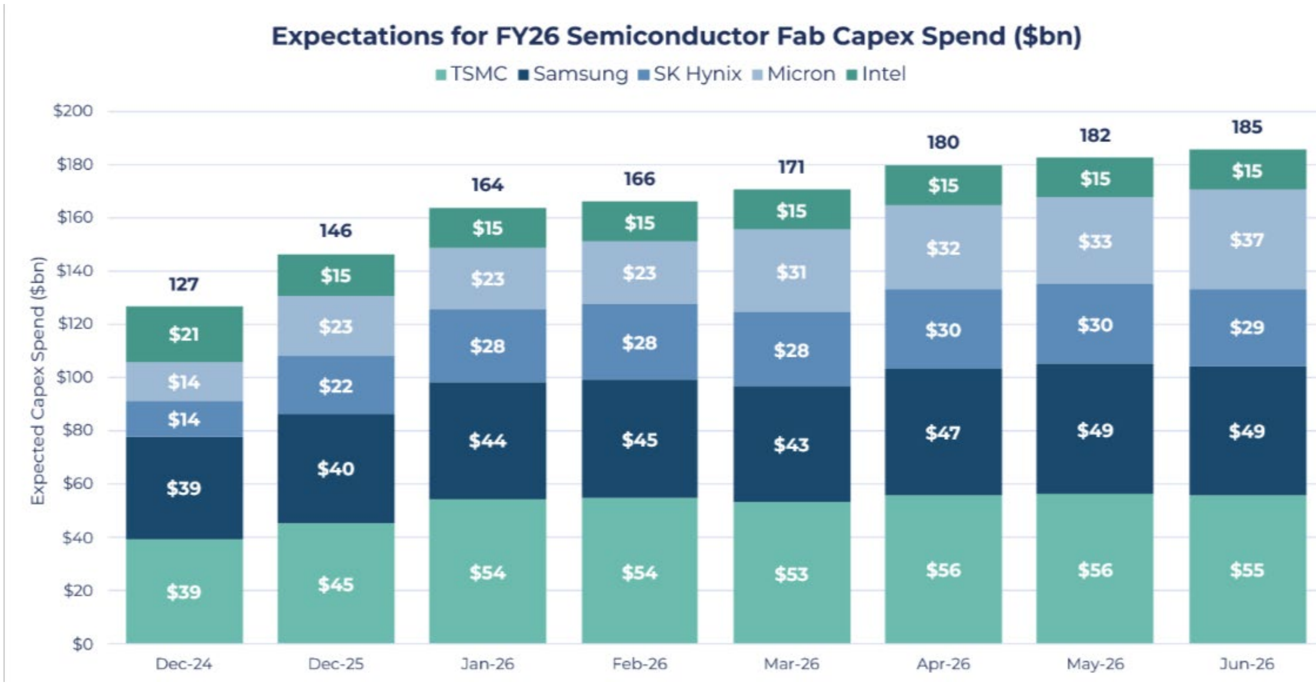


Source: Bloomberg, Guinness Global Investors, UBS 'Hyperscaler' basket. Data as of 30th June 2026

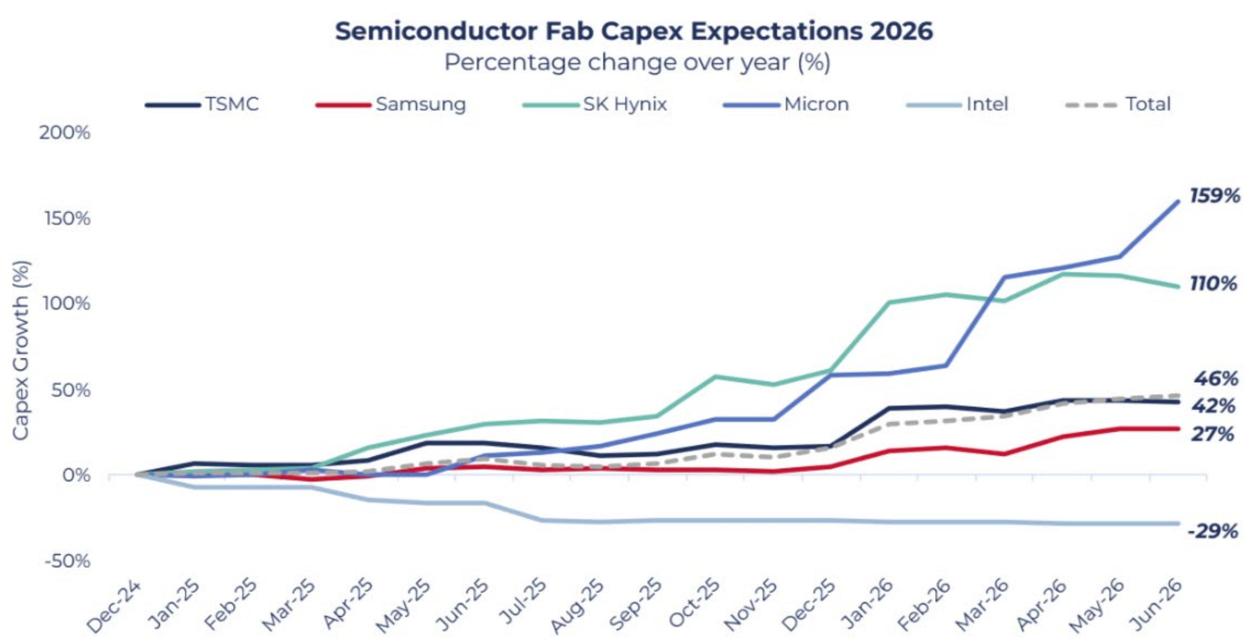
Foundry Capex

While hyperscaler capex is clearly a key focus area for markets, foundry and memory capex are becoming increasingly important in a semiconductor rally that is being driven by both supply constraints and huge AI-led demand due to the critical role of semiconductors in AI applications. The memory cycle remains highly cyclical and commoditised: when capacity is tight, pricing rises quickly; when new supply arrives too fast or demand weakens, pricing can fall just as quickly. This cycle is therefore being supported by AI-driven demand for high-bandwidth memory (HBM), DRAM and NAND, but also by the fact that supply cannot be added immediately. Memory player Micron has explicitly pointed to cleanroom constraints, long construction lead times and limited DRAM and NAND supply all constraining server demand.

There are now clear signals that both foundries and memory fabs (fabrication facilities) are preparing to increase spending to address these bottlenecks. As shown in the first chart below, expectations for FY26 capex on fabs have risen from $146bn in December last year to $185bn by June 2026, while the second chart shows that expected capex growth has also broadened, with total spending across the key fabs rising to 46% by October 2026. The strongest upward revisions are in memory: Micron is now expected to grow capex by 159% and SK Hynix by 110% compared to expectations before the cycle began in 2025. TSMC also stands out on the logic side, with expected capex growth rising to 42%, reflecting stronger demand for advanced foundry and packaging capacity. This fits the company-level signals: TSMC, historically more conservative on capacity, is now guiding FY26 capex toward the high end of its range, while Micron, SK Hynix and Samsung are planning large multi-year investments to ease tight AI memory supply. However, supply constraints may remain in place for some time, even as companies commit to higher spending, as new fab and memory capacity takes years to build.



Source: Bloomberg, Guinness Global Investors. Data as of 30th June 2026



Source: Bloomberg, Guinness Global Investors. Data as of 30th June 2026

What do capital markets tell us?

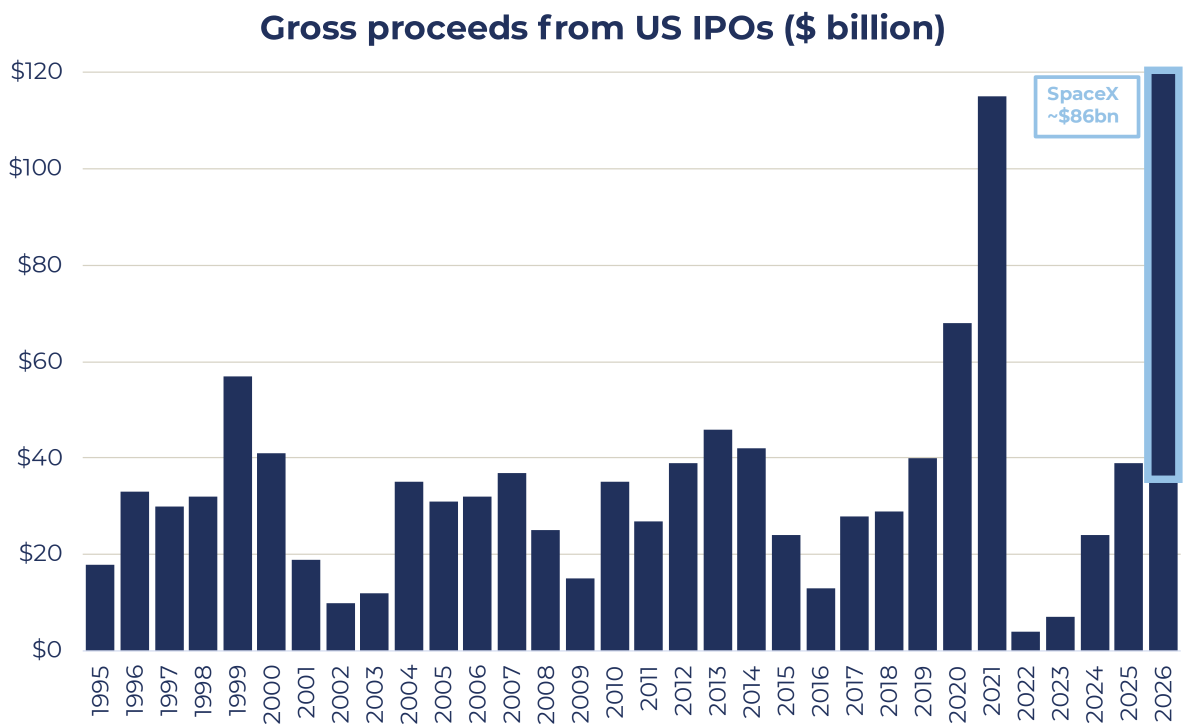
Although every market cycle is different, elevated capital raises are a recognisable feature of late cycle stages. Companies raise funds to invest in growth and pursue attractive returns, and management has a clear incentive to do so when valuations are elevated, since equity and debt are effectively cheaper to issue. Companies know this, which is why a broad pick-up in capital raises is often a sign that valuations have become stretched relative to underlying fundamentals. Furthermore, executives sometimes overestimate the scale of future demand, leading to a mismatch between supply and demand when supply eventually comes online later in the cycle.

Recent months have offered a live illustration of this dynamic in the AI space. SpaceX completed the largest initial public offering (IPO) on record in June, raising roughly $86 billion at a valuation of $1.77 trillion. Anthropic and OpenAI have each since filed confidentially with the SEC for listings later this year, at valuations of roughly $965 billion and up to $1 trillion respectively.

Alphabet has also taken advantage of this strong investor sentiment. In June, the company priced close to $85bn in equity, including a private placement with Berkshire Hathaway, only weeks after raising nearly $32bn in bonds in February, both to help fund its AI infrastructure build-out. Alphabet generated $174bn of operating cash flow over the past year and had not raised meaningful equity since 2006. Its tapping both equity and debt markets within weeks indicates the scale of the AI infrastructure build-out.

A spike in capital raised is not, on its own, a reason to call a market top, but it is a useful compass as we navigate the AI capital cycle. The signal needs to be weighed against other factors: above all, the scale of future demand, especially where an emerging technology offers the prospect of attractive returns on capital. Additionally, some of the hyperscalers, such as Meta and Alphabet, have been able to improve their legacy businesses via AI investments, effectively consuming part of the supply they have brought online.

Even though we are only half-way through 2026, gross proceeds from US IPOs are already at $120bn (with SpaceX accounting for c.$86bn), above the record 2021 year. However, a key difference between 2026 and previous market peaks lies in the number of deals rather than their size. The market has averaged roughly 100 IPOs a year over the past 25 years, and 2026 is tracking close to that level, compared with more than 250 in 2021 and nearly 400 in 1999.



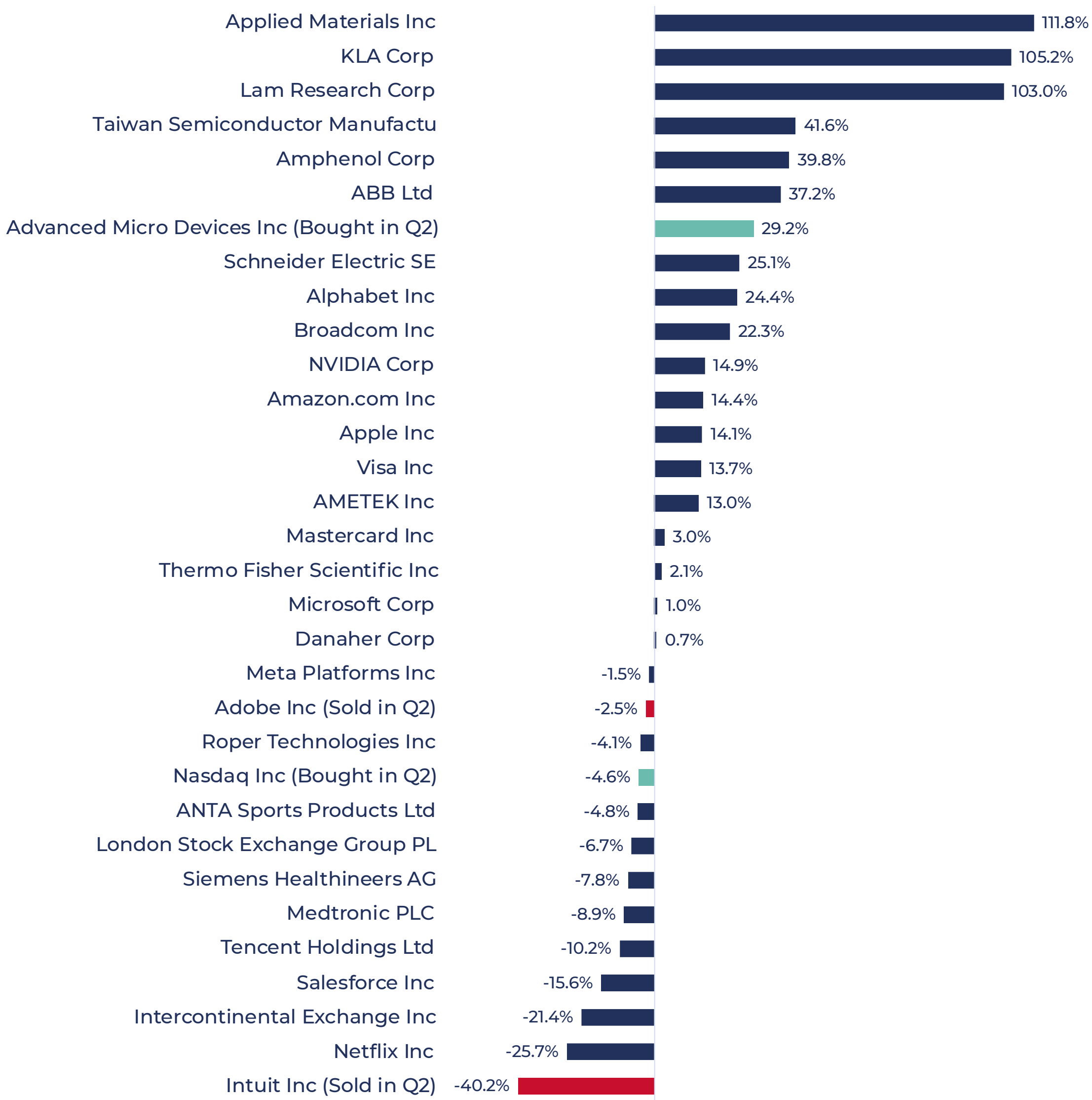
Source: FactSet, Goldman Sachs Research, Guinness Global Investors; US IPOs greater than $25m in value. Data as of 23rd June 2026.

On the debt side, a similar pattern has emerged. Companies like Meta, Alphabet, and Oracle, none of which had issued much debt in recent years, have all turned to bond markets to help fund AI capital expenditure. Meta priced a $30 billion bond deal in October, its largest in years, while Oracle has been the most aggressive borrower of the group, raising $43 billion in debt over the past year and planning more. Together, the five major hyperscalers issued roughly $121 billion in bonds in 2025, more than four times their average in previous years, and 2026 issuance is expected to be even higher as AI spending across the group approaches $760 billion at the end of June.

As ever, we will continue to monitor the progress of these factors over the rest of the year.

INDIVIDUAL STOCK PERFORMANCE

The chart below shows the portfolio constituents' returns over Q2 2026 in USD.



Source: Guinness Global Investors, Bloomberg, as of 30th June 2026

Semiconductor equipment manufacturers

The Fund holds three semiconductor equipment manufacturers, which provide wafer fabrication equipment (WFE). They were the top performers over the quarter: Applied Materials (+111.8% in USD), KLA (+105.2%), and LAM Research (+103.0%). WFE companies sit at the heart of the semiconductor value chain, supplying the highly specialised tools needed to manufacture advanced chips. As demand for AI, high-performance computing and data centre infrastructure has accelerated, foundries and integrated device manufacturers have responded with record levels of capital expenditure, driving a strong upcycle in WFE spending. The AI infrastructure build-out is particularly supportive, as hyperscalers require not only more chips, but increasingly complex and advanced architectures, materially increasing equipment intensity across the manufacturing process. As a result, these companies have been printing strong quarterly earnings reports. Applied

Materials, as the broadest player across front-end, process control and advanced packaging, remains well positioned to capture share as chipmakers invest across the full manufacturing stack. Recent results and forward commentary from management pointed to a clear inflection in growth beginning in the second half of FY26, highlighting the firm's significant exposure and leading role in the global AI infrastructure build-out. KLA, the leader in process control and yield management, continues to play a critical role as semiconductor manufacturing becomes increasingly complex. Demand for its inspection and metrology tools remains structurally supported by the transition to advanced nodes, high-bandwidth memory and advanced packaging, where small improvements in yield have a large economic impact for customers. Lam, which specialises in etch and deposition, has been supported by accelerating DRAM and high-bandwidth memory demand, resilient China revenues, and faster-than-expected growth in its high-margin services business. Management has repeatedly raised its outlook for global WFE spending, framing the current cycle as supply-constrained rather than demand-constrained, and extended their elevated growth outlook into 2026 and 2027. While valuations of WFE stocks have become more demanding following strong performance, the combination of structural AI demand, rising equipment intensity and highly recurring service revenues reinforces our conviction in these holdings as high-quality beneficiaries of the next tailwind to semiconductor growth.

NETFLIX

Netflix (-25.7% in USD)

Netflix, the streaming giant, was one of the Fund's weaker performers over the quarter, following a harsh share price reaction to its last quarterly print. Shares sold off despite strong organic growth driven by strong membership numbers, higher pricing, and increased advertising revenue. There was also a boost to earnings per share from the termination fee related to Paramount's merger with Warner Bros, as Netflix had previously been in talks to acquire the latter's studio and streaming assets. However, the market was disappointed by Netflix choosing to maintain guidance for 2026 despite the positive momentum seen in the first quarter. This was taken as a potential indicator of growth deceleration in future quarters, with some questioning whether Netflix can sustain pricing power given the increases it has already pushed through the subscriber base. The company also announced the departure of its Co-founder and Chairman Reed Hastings to focus on philanthropic and other pursuits. Netflix has since named its longstanding board member Jay Hoag as his successor, indicating there should be continuity in the firm's strategy. The bid for Warner Bros was a departure from Netflix's historic *modus operandi*, so it was encouraging to see it display capital discipline by refusing to engage in a bidding war. Its withdrawal from the process signalled a return to the existing organic growth strategy of heavy internal investment into content. It has resumed share buybacks – which had been paused while the Warner Bros discussions were ongoing – and these are expected to increase in future quarters. Netflix is actively scaling its advertising capabilities to expand its ad-supported tier: rolling out interactive video ads, leveraging AI to automate ad targeting, and shifting the bulk of its ad business toward programmatic channels (where advertisers can bid for a certain number of viewers in a particular demographic, for example). In our view, Netflix continues to generate strong, recurring cash flows and separate itself from legacy media peers as a dominant, high-quality company.

CHANGES TO THE PORTFOLIO

In Q2 2026, we made two switches in the portfolio, purchasing AMD and Nasdaq and selling Adobe and Intuit.

Buys

Advanced Micro Devices (AMD) is a fabless semiconductor company focused on high-performance and AI computing. It designs and sells a broad portfolio of AI-optimised processors and networking chips, positioning itself as a full-stack solutions provider across cloud and AI infrastructure while maintaining strong competitive positioning in PC and gaming end-markets. AMD has notably closed the performance gap with Nvidia in recent years, driven by targeted acquisitions and sustained software investment. The Helios platform, built on AMD's acquisition of systems integrator ZT Systems, is AMD's first rack-scale system unifying graphical processing units (GPUs), computer processing units (CPUs) and Pensando networking into a frontier AI infrastructure solution, and should be a material growth driver from 2027 onwards.

AMD is also structurally advantaged by a shift in data centre computational architecture. Its EPYC server CPUs offer industry-leading performance-per-dollar and have taken substantial share from Intel in enterprise and cloud deployments. The rapid build-out of AI infrastructure is driving demand for high core-density server CPUs to meet the orchestration requirements of agentic workloads, and the rise of AI agents could push the CPU-to-GPU deployment ratio toward parity, representing a four-times to eight-times increase from current levels. Beyond the data centre, AMD's edge AI and FPGA franchises represent underappreciated optionality, with meaningful exposure to inference at the edge as AI workloads migrate beyond centralised infrastructure.

AMD's transformation is largely the product of its CEO, Lisa Su, whose tenure since 2014 represents one of the most consequential leadership runs in semiconductor history. She converted an underfunded, unfocused company with a deteriorating PC CPU franchise and no credible path to profitability into a high-quality, profitable, diversified semiconductor powerhouse.

Looking ahead, we expect significant top-line growth as the AI build-out progresses and, importantly, even stronger bottom-line expansion. AMD's operating margin opportunity is compelling, driven by improving unit economics and operating leverage as volumes scale. At 45x one-year forward price-earnings ratio, the valuation is objectively demanding but not excessive given the potential for 50% annualised earnings growth to 2030. Importantly, the market has a consistent track record of underestimating structural inflection points in AI infrastructure, with GPU and memory demand being the clearest precedents. We believe server CPU is in the early stages of the same pattern and poised to accelerate meaningfully over the coming years, making AMD an attractive investment opportunity.

Nasdaq is best understood not as a traditional exchange but as a global technology, data, and analytics company that happens to own a major stock exchange, a positioning it has deliberately built since its 2017 strategic pivot away from transaction-driven revenue towards higher-growth, higher-margin software and analytics.

Nasdaq's business is diversified across three segments. Through its Financial Technology segment, the firm is strategically positioned to benefit from a structural rise in compliance and transparency requirements as regulators demand more granular and frequent reporting from banks globally. This segment also houses Calypso, a trading and risk-management platform whose demand is underpinned by the growing complexity of trading, collateral, and risk requirements at large financial institutions. The Capital Access Platforms segment includes listing fees, market data subscriptions and index licensing on products such as the Nasdaq-100. Lastly, its exchange business, although originally the direct driver of the business, has become more of an enabler for other business segments, as trading activity generates proprietary pricing data that the company repackages and monetises, while providing the firm with a partial hedge during periods of heightened market volatility. Further, its 60% recurring revenue mix offers protection against economic downturns. From a growth standpoint, bottom-line growth should outpace top-line growth over the medium and long term due to margin expansion driven by operating leverage, cost synergies and the growing weight of higher-margin solutions.

We originally looked at Nasdaq at the end of last year, when the stock traded at around 23x forward price-earnings ratio. Since then, partly driven by the broader 'SaaSpocalypse', the stock has de-rated to 19x, which we view as an attractive entry point given the quality and growth characteristics of the business. We believe Nasdaq being caught up in this sell-off is not justified, since its business is built on data, analytics, and exchange infrastructure rather than the kind of seat-based enterprise software which AI agents might displace. While AI is not expected to be a primary driver, we have more confidence Nasdaq will be a net beneficiary of AI than we did with Intuit, which we have sold. Precision requirements, high switching costs, data ownership, security, and domain expertise all limit AI-driven disintermediation risk, whilst its structured data delivery positions Nasdaq as a critical input provider for AI systems rather than a casualty of them.

Sells

Adobe

We initially bought **Adobe** for its high-quality fundamentals: a subscription-based model that generated over 96% of revenue, profit margins approaching 30%, and a deep distribution network supported by strong brand equity. We believed these attributes would provide a durable competitive edge and saw potential for Adobe to expand into historically underpenetrated segments such as non-traditional enterprise users and individual creators to enable deeper monetisation.

However, the shares have struggled recently due to the rapidly changing and increasingly competitive landscape in the creative design and data analytics markets. Initially, Adobe was seen as a beneficiary of the AI boom as its flagship tool Firefly quickly gained momentum, generated over 16 billion creative outputs and set adoption records. Despite this early promise, the picture has since been muddied by a disconnect between upbeat management commentary and the lack of a growth inflection that would be expected to follow.

While Adobe was focusing on the longer term by prioritising user proliferation rather than immediate product monetisation, we felt achieving an inflection in the backlog and sales growth through pricing was going to be more difficult than previously envisioned. In particular, the potential need to adapt the industry-standard SaaS model to incorporate the token intensity of AI product presents a real challenge for the company. This has been compounded by the announced retirement of long-time CEO Shantanu Narayen and company changes to segment reporting, further complicating analysts' ability to assess performance over time. In light of these ongoing headwinds and the lack of clarity over how Adobe might have to adapt their model in the future, we saw better opportunities elsewhere and decided to exit the position.

intuit

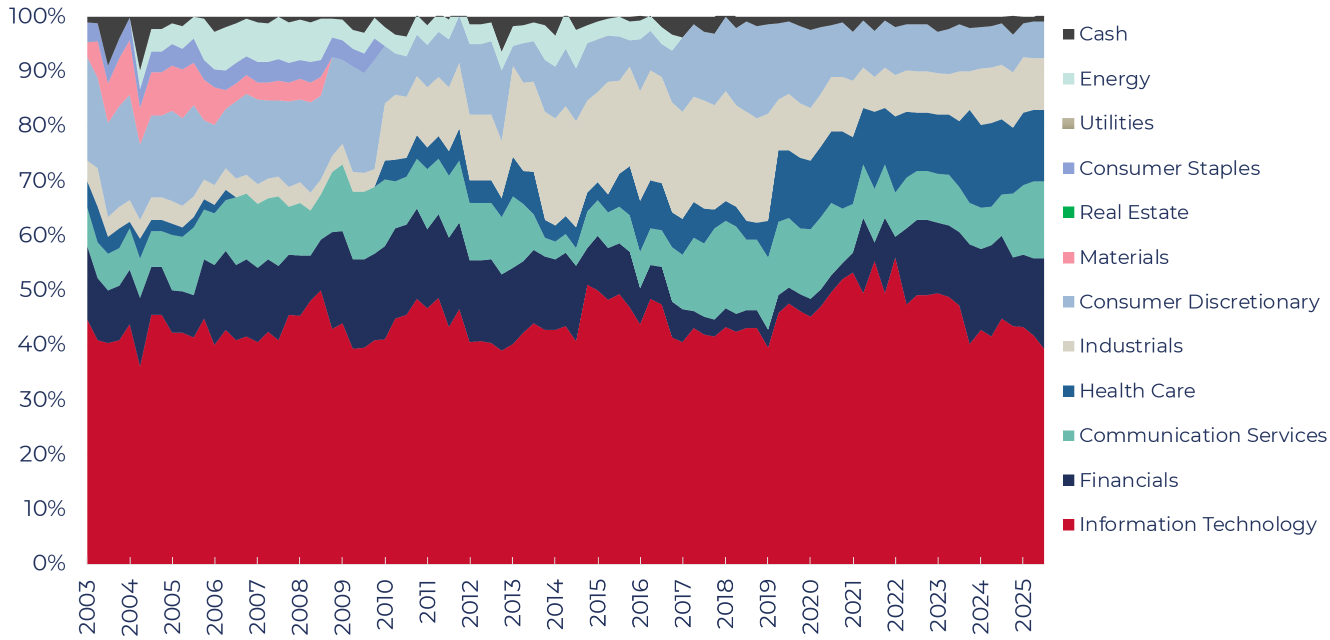
We initially bought **Intuit** for its market-leading position in mission-critical tax and accounting software, a deeply embedded QuickBooks platform with significant switching costs, and a strong consumer brand in TurboTax. QuickBooks' c.80% market share, high customer retention and accountant-led distribution created a durable competitive advantage, while Intuit's expanding ecosystem across payments, payroll, lending, Mailchimp, and tax services provided a clear runway for long-term growth and further monetisation.

Toward the end of 2025 and in early 2026, markets became increasingly concerned with the 'Saaspocalypse', the implications of AI disruption of the software sector, causing sentiment on the stock to sour. While Intuit continued to deliver resilient results overall, its most recent earnings print changed the thesis for us. Revenue and earnings were modestly ahead of consensus, but the quarter was overshadowed by disappointing TurboTax performance, where revenue growth of 7% fell short of expectations (c.8%) and paid DIY returns declined sharply, particularly among price-sensitive, lower-income filers. This reignited concerns that Intuit's pricing power and share at the lower end of the tax market may be more vulnerable than previously anticipated.

Although QuickBooks remains a high-quality asset, embedded in small business workflows and supported by a growing services layer, we felt the quarter weakened the durability of the broader Intuit thesis. In particular, TurboTax's DIY weakness, combined with management's shift toward 'value-based' pricing, suggests that the moat around simple tax filing may be eroding faster than expected. This further complicated the potential for re-rating as we believe AI does not need to fully displace TurboTax to create a problem; it only needs to pressure willingness to pay in commoditised filing use cases. While other products, namely QuickBooks Online Advanced and Intuit Enterprise Suite, continue to offer attractive growth opportunities, the risk of a faster-than-expected plateau in TurboTax, alongside limited near-term clarity on AI monetisation, led us to conclude that there were better opportunities elsewhere and we decided to exit the position.

PORTFOLIO CHARACTERISTICS

The two charts below show how the exposure of the portfolio has evolved since the strategy's launch in 2003. We continue to hold no exposure to Real Estate, Energy, Materials, Consumer Staples, and Utilities and are therefore underweight these sectors relative to the benchmark.



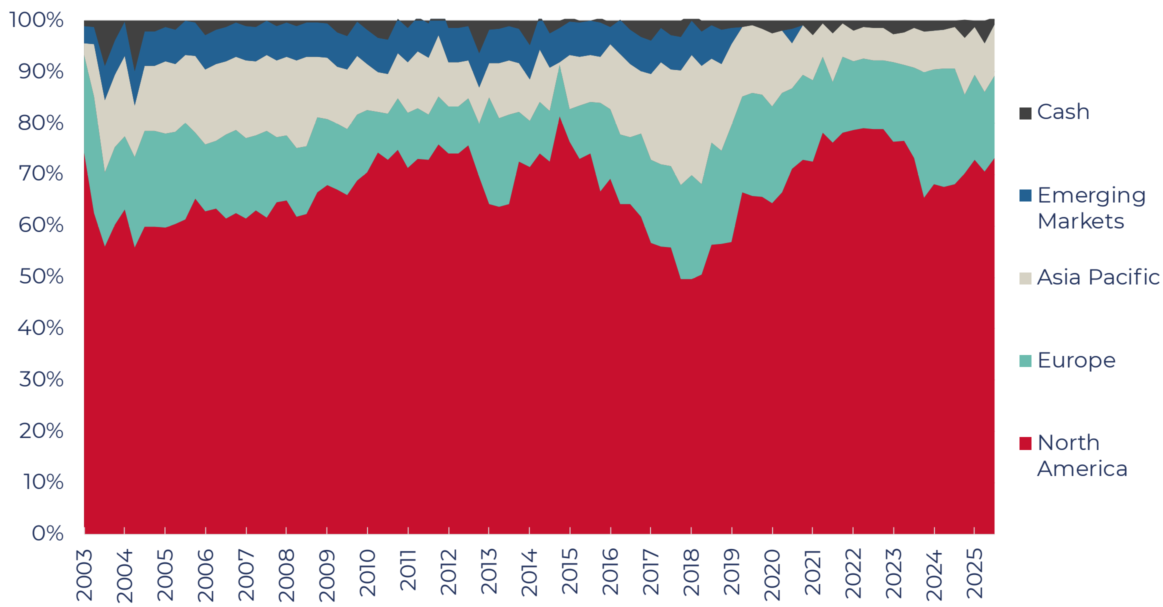
Portfolio sector breakdown. Guinness Global Investors, Bloomberg (data as of 30th June 2026)

The Fund continues to have a large overweight to IT (9%), but this is slightly lower than last quarter due to Intuit, an IT company being switched for Nasdaq, a Financials business. Selling Adobe and buying AMD did not change the Fund's headline sector exposure, as they both sit within IT, albeit in different subsectors. This meant the Fund's allocation to software decreased in favour of semiconductors.

Sector breakdown of the Fund versus MSCI World Index

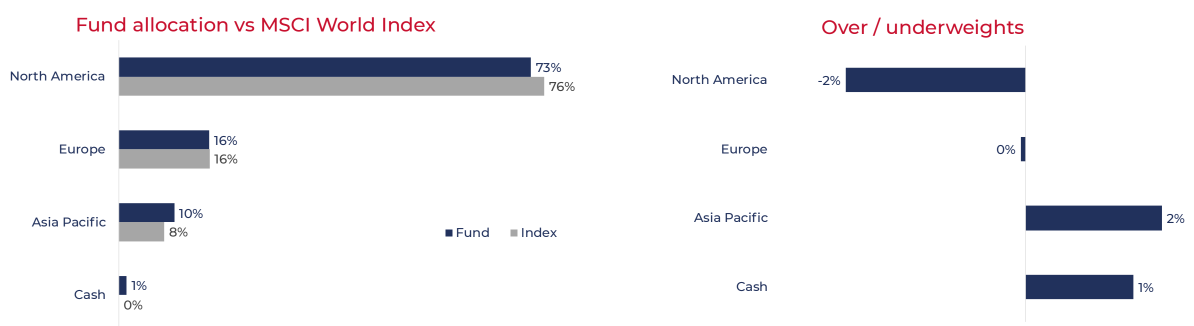
Source: Guinness Global Investors, Bloomberg (data as of 30th June 2026)

On a regional basis, North America continues to be the largest exposure (73%), followed by Europe (16%) and Asia Pacific (10%). Relative to the benchmark, the Fund has a small underweight position to North America and to Europe and a slight overweight position to Asia Pacific.



Portfolio geographic breakdown. Source: Guinness Global Investors, Bloomberg (data as of 30th June 2026)

Geographic breakdown versus MSCI World Index



Source: Guinness Global Investors, Bloomberg (data as of 30th June 2026)

OUTLOOK

The Guinness Global Innovators Fund seeks to invest in quality growth companies trading at reasonable valuations. With this approach, we aim to invest in companies that are experiencing faster profit growth, larger margins and lower susceptibility to cyclical pressures. In particular, our focus on quality growth-at-a-reasonable-price has shown its strength in avoiding the highly valued non-profitable tech businesses that have swung between large rises and falls but ultimately underperformed significantly over the post-pandemic period.

The following table illustrates how the portfolio reflects the four key tenets of our approach of growth, quality, valuation, and conviction.

- **Growth** drives long-term returns. We focus on companies with exposure to long-term secular growth themes that are expected to grow faster than the market over time and which may offer more predictable, sustainable growth.

- **Quality** protects against downside risks. We focus on high and consistent return on capital, balance sheet strength, and sustainable competitive advantages.
- **Valuation** is important – we want to avoid overpaying for (uncertain) future growth today.
- **Conviction** is reflected in our low-turnover, high active share, 30-stock, approximately equal-weight portfolio.

The Fund has many superior characteristics to the broad market: higher sales and earnings growth, superior return on capital, and greater balance sheet strength, with higher historic growth. The Fund currently trades at a 15.2% premium to the MSCI World Index on a price/earnings (P/E) basis (2026e), with expected earnings growth (2026 vs 2025) of 20.7% vs the MSCI World of 19.4%. Compared to the MSCI World Growth Index, the Fund trades at a -18.1% discount (P/E 2026e), but with a comparable level of expected earnings growth.

Portfolio metrics versus MSCI World Index		Fund	MSCI World Index
Growth	Trailing 5-year sales growth (annualised)	14.3%	5.5%
	Estimated earnings growth (12M forward)	20.7%	19.4%
Quality	Median Return-on-Capital	24.5%	9.6%
	Median net debt / equity	19.5%	39.4%
Valuation	Price/Earnings ratio (2026e)	23.5x	20.4x
	Price/Earnings (2027e)	20.1x	17.9x
Conviction	Number of stocks	30	1283
	Active share	77%	-

Source: Guinness Global Investors, Bloomberg, as of 30th June 2026

The current market environment has been shaped by heightened geopolitical tensions, including the ongoing conflict involving Iran, rising inflationary pressures and evolving monetary policy expectations. At the same time, weakness across parts of the software sector has tempered what had previously been very strong enthusiasm for AI-related stocks, while growing debate around whether the AI trade has entered bubble territory has added another layer of caution to investor sentiment. These dynamics have contributed to increased market volatility and a more uncertain backdrop for global equities. Despite a complex macro-economic setting, stock fundamentals have shown resilience, giving us reassurance in our bottom-up approach to stock-picking. We are confident that the Fund's focus on high-quality growth stocks, underpinned by structural innovation themes, stands us in good stead. Our research process helps to identify these quality growth companies whilst also maintaining a valuation discipline, which is particularly important in the context of a market where valuation is front of mind. In addition, our equally weighted positions limit over-reliance on any single company. We continue to focus on these key tenets in the Fund and remain confident of this process over the long term.

We look forward to updating you on the progress of the fund over the remainder of 2026 and thank you for your continued support.

Portfolio Managers
Matthew Page, CFA
Dr Ian Mortimer, CFA

Investment Analysts
Sagar Thanki, CFA
Joseph Stephens, CFA
William van der Weyden
Loshini Subendran
Eric Santa Menargues, CFA
Laura Neill, CFA

GUINNESS GLOBAL INNOVATORS FUND - FUND FACTS

Fund size	$1402.8m
Fund launch	31.10.2014
OCF	0.79%
Benchmark	MSCI World TR

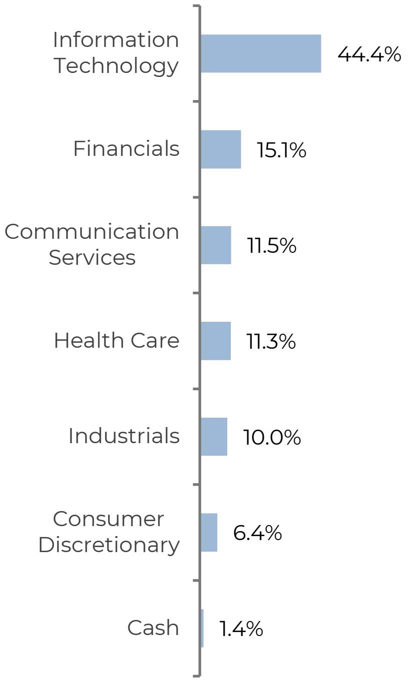
GUINNESS GLOBAL INNOVATORS FUND - PORTFOLIO

Top 10 holdings

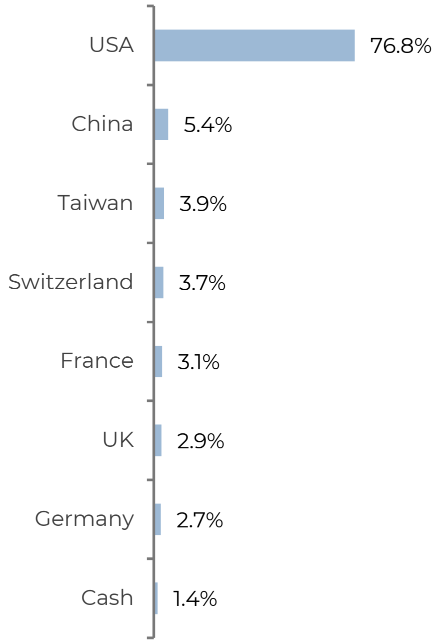
KLA-Tencor	5.0%
Applied Materials	4.7%
Lam Research Corp	4.4%
AMD	4.1%
Taiwan Semiconductor	3.9%
ABB	3.7%
Broadcom	3.7%
Amphenol Corp	3.6%
Alphabet	3.6%
Amazon.com	3.5%

Top 10 holdings	40.3%
Number of holdings	30

Sector



Country



Past performance does not predict future returns.

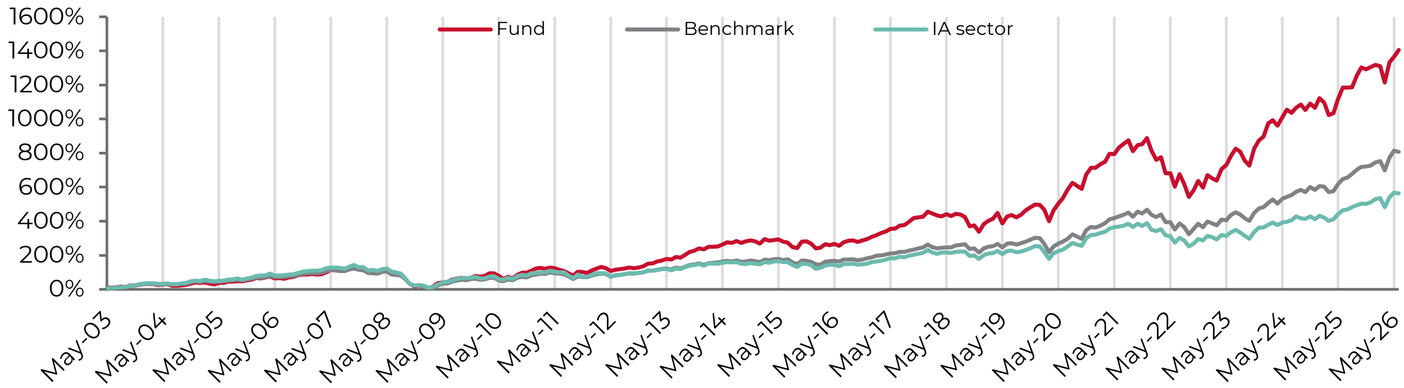
GUINNESS GLOBAL INNOVATORS FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+4.4%	+8.6%	+21.0%	+63.8%	+68.2%	+326.1%
MSCI World TR	+0.8%	+11.2%	+25.3%	+62.4%	+79.2%	+246.1%
IA Global TR	+0.8%	+10.1%	+21.4%	+45.9%	+47.4%	+183.8%
(USD)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+2.8%	+7.2%	+17.2%	+71.0%	+61.6%	+323.3%
MSCI World TR	-0.7%	+9.7%	+21.3%	+69.5%	+72.1%	+243.6%
IA Global TR	-0.7%	+8.7%	+17.6%	+52.3%	+41.7%	+181.8%
(EUR)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+4.9%	+10.1%	+20.3%	+63.2%	+67.6%	+311.1%
MSCI World TR	+1.3%	+12.7%	+24.6%	+61.8%	+78.5%	+233.9%
IA Global TR	+1.3%	+11.6%	+20.7%	+45.3%	+46.9%	+173.8%

GUINNESS GLOBAL INNOVATORS FUND - ANNUAL PERFORMANCE

(GBP)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+12.1%	+21.9%	+32.1%	-20.7%	+22.6%	+32.1%	+31.3%	-11.9%	+22.0%	+27.7%
MSCI World TR	+12.8%	+20.8%	+16.8%	-7.8%	+22.9%	+12.3%	+22.7%	-3.0%	+11.8%	+28.2%
IA Global TR	+11.2%	+12.6%	+12.7%	-11.1%	+17.7%	+15.3%	+21.9%	-5.7%	+14.0%	+23.3%
(USD)	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Fund	+20.4%	+19.7%	+40.0%	-29.6%	+21.5%	+36.3%	+36.6%	-17.0%	+33.6%	+7.2%
MSCI World TR	+21.1%	+18.7%	+23.8%	-18.1%	+21.8%	+15.9%	+27.7%	-8.7%	+22.4%	+7.5%
IA Global TR	+19.4%	+10.6%	+19.4%	-21.0%	+16.6%	+18.9%	+26.8%	-11.2%	+24.8%	+3.4%
(EUR)	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Fund	+6.1%	+27.7%	+35.2%	-25.0%	+30.7%	+25.0%	+39.1%	-12.8%	+17.3%	+10.2%
MSCI World TR	+6.8%	+26.6%	+19.6%	-12.8%	+31.1%	+6.3%	+30.0%	-4.1%	+7.5%	+10.7%
IA Global TR	+5.3%	+18.0%	+15.4%	-15.8%	+25.5%	+9.1%	+29.2%	-6.8%	+9.6%	+6.5%

GUINNESS GLOBAL INNOVATORS FUND - PERFORMANCE SINCE LAUNCH (USD)



Simulated past performance prior to the launch of the Guinness Global Innovators Fund (31.10.14) reflecting a US mutual fund which has the same investment process since the strategy's launch on 01.05.03.
Source: FE fundinfo net of fees to 30.06.26. 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 0.79%. Returns for share classes with a different OCF will vary accordingly. Transaction costs also apply and are incurred when a fund buys or sells holdings. The performance returns do not reflect any initial charge; any such charge will also reduce the return. Graph data is in USD from 01.05.03.

WS GUINNESS GLOBAL INNOVATORS FUND - FUND FACTS

Fund size	£26.8m
Fund launch	30.12.2022
OCF	0.79%
Benchmark	MSCI World TR

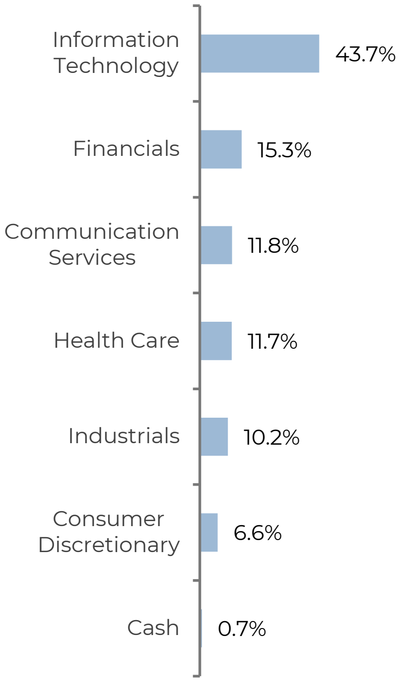
WS GUINNESS GLOBAL INNOVATORS FUND - PORTFOLIO

Top 10 holdings

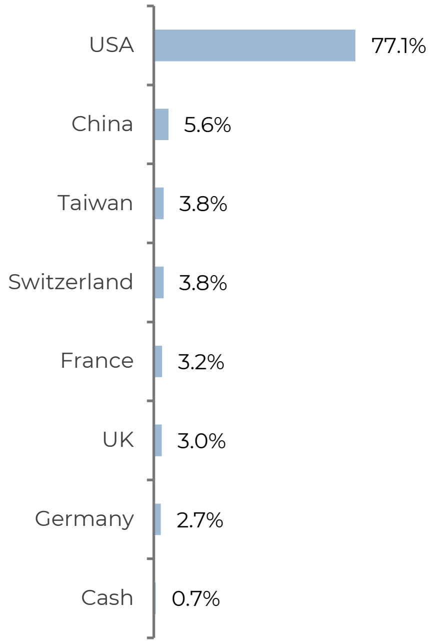
KLA-Tencor	4.7%
Applied Materials	4.7%
Lam Research Corp	4.3%
AMD	3.9%
Taiwan Semiconductor	3.8%
ABB	3.8%
Broadcom	3.7%
Alphabet	3.6%
Amazon.com	3.6%
Amphenol Corp	3.5%

Top 10 holdings	37.3%
Number of holdings	30

Sector



Country



Past performance does not predict future returns.

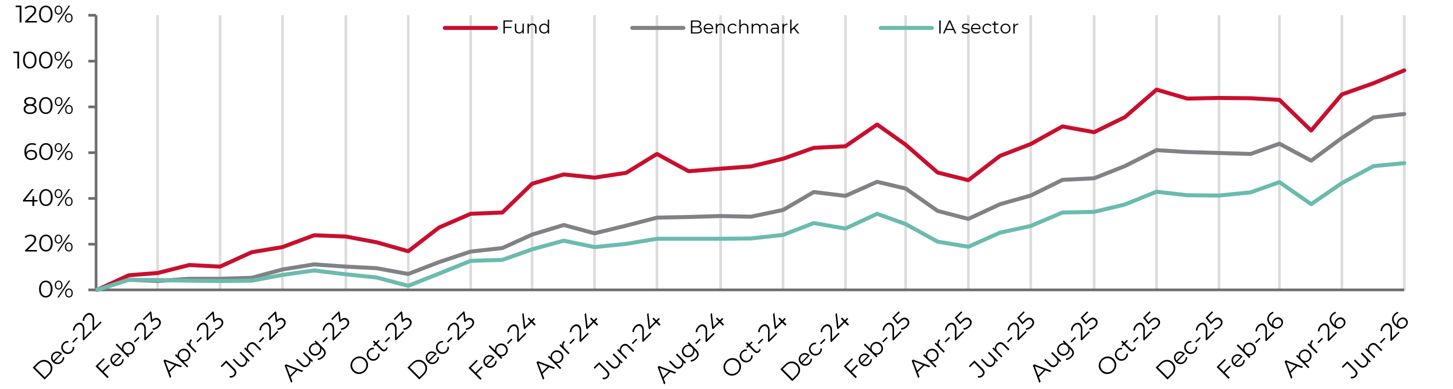
WS GUINNESS GLOBAL INNOVATORS FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+2.9%	+6.5%	+19.7%	+65.0%	-	-
MSCI World TR	+0.8%	+11.2%	+25.3%	+62.4%	-	-
IA Global TR	+0.8%	+10.1%	+21.4%	+45.9%	-	-

WS GUINNESS GLOBAL INNOVATORS FUND - ANNUAL PERFORMANCE

(GBP)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+13.0%	+22.2%	+33.3%	-	-	-	-	-	-	-
MSCI World TR	+12.8%	+20.8%	+16.8%	-	-	-	-	-	-	-
IA Global TR	+11.2%	+12.6%	+12.7%	-	-	-	-	-	-	-

WS GUINNESS GLOBAL INNOVATORS FUND - PERFORMANCE SINCE LAUNCH (GBP)



Source: FE fundinfo net of fees to 30.06.26. 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 0.79%. 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 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 the Guinness Global Innovators Fund and the WS Guinness Global Innovators 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.

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 GLOBAL INNOVATORS 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'Ile, 1204 Geneva, Switzerland.

Singapore

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

WS GUINNESS GLOBAL INNOVATORS FUND

Documentation

The documentation needed to make an investment, including the Prospectus, the Key Investor Information Document (KIID) and the Application Form, is available in English from www.fundsolutions.net/uk/guinness-global-investors/ or free of charge from:-

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

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.