Guinness Pan-European Equity Income

Investment Commentary – August 2026

RISK

This is a marketing communication. Please refer to the prospectus, supplement, KID and KIID for the Fund (available on our website), which contain detailed information on its 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 movement, and you may not get back the amount originally invested.

Past performance does not predict future returns.

ABOUT THE STRATEGY

Launch	19.02.2025
Index	MSCI Europe
Sector	IA Europe including UK
Manager	Will James
EU Domiciled	Guinness Pan-European Equity Income Fund

OBJECTIVE

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

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COMMENTARY

European equities delivered small gains in July, with the MSCI Europe Index returning 0.2% in GBP. The Guinness Pan-European Equity Income Fund returned 1.2%, outperforming the benchmark by one percentage point over the month.

July was characterised by an aggressive unwind of what has been a powerful momentum trade in global equity markets. Europe was no exception, with those companies exposed to the AI theme and in particular semiconductor companies bearing the brunt of the sell-off. On the other hand, companies that have been perceived to be 'disrupted' by AI such as software companies and media companies saw a bounce.

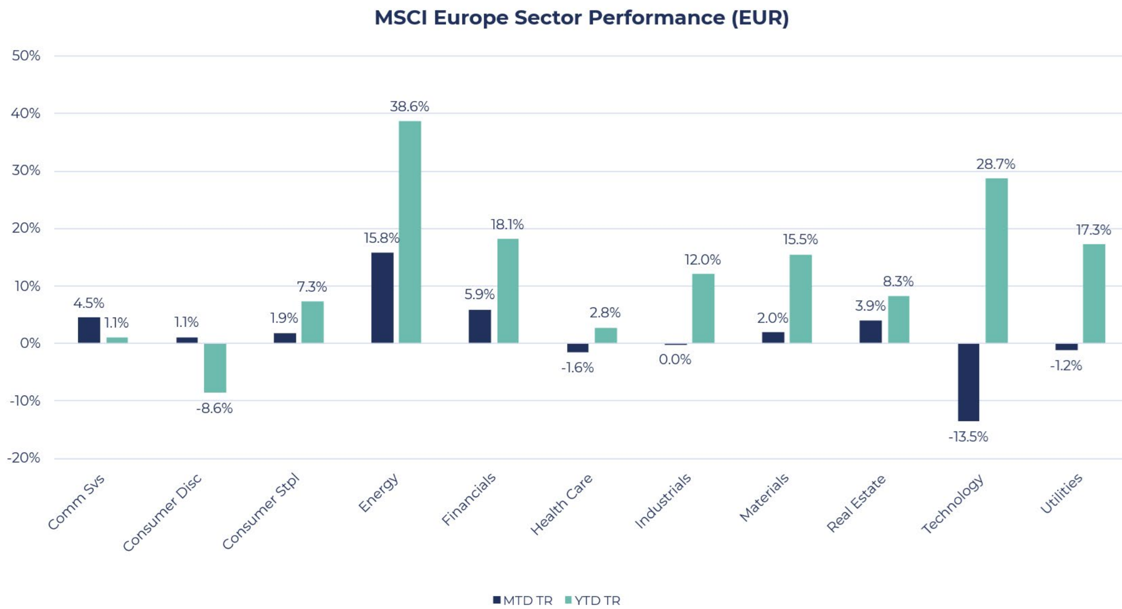
In the meantime, the Q2 earnings season kicked off with more than two thirds of the portfolio holdings reporting. Despite the ongoing geopolitical concerns, macro volatility and the market's current short-term focus, earnings delivery at a market and portfolio level was remarkably robust.

The AI-led momentum that had driven markets up in 2026 reversed over the month, with semiconductor names leading the fall of Information Technology, which was down -13.5% in EUR.

There was not a single shock but rather a rotation out of semiconductor-exposed names driven by stretched valuations, growth deceleration fears, and profit-taking. In Europe, ASML and BE Semiconductor both reported solid results, but neither delivered the earnings upgrades that elevated valuations required. Nvidia's financing arrangements with its own customers drew renewed scrutiny, raising questions about the durability of reported AI demand. In Korea, leveraged retail positioning in memory stocks such as Samsung and SK Hynix also led the correction. Altogether, the market reset both valuations and its expectations for future growth.

Energy (+15.8% in EUR), by contrast, led the broader index as oil rallied due to renewed Middle East tensions. Financials (+5.9%) and Communication Services (+4.5%) also outperformed; Real Estate (+3.9%), Materials (+2.0%), Consumer Discretionary (+1.1%) and Consumer Staples (+1.9%) posted modest gains, while Health Care (-1.6%), Utilities (-1.2%) and Industrials (0.0%) were broadly flat.

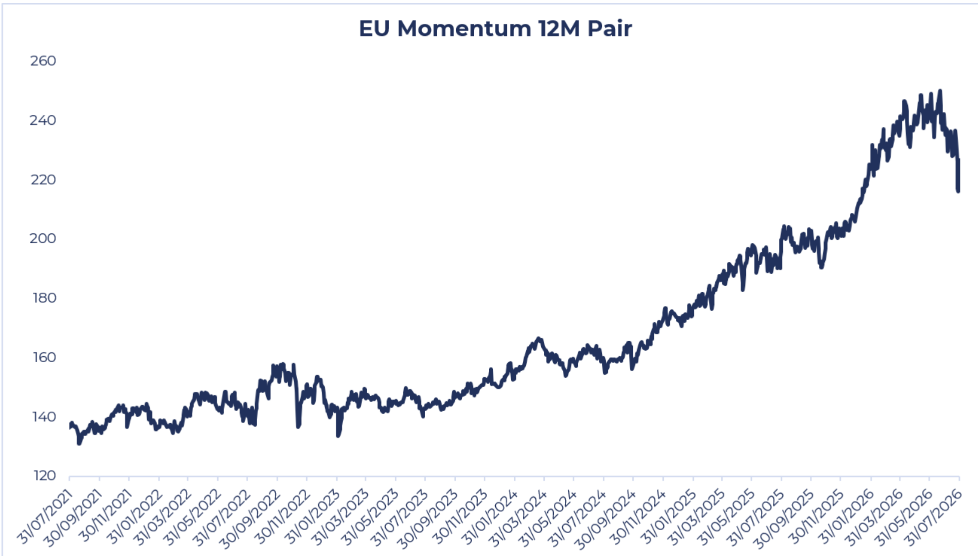
Year-to-date, Energy remains the runaway leader (+38.6% in EUR), extending its lead further in July, with Technology still second (+28.7%) despite the month's reversal. Utilities (+17.3%), Financials (+18.1%), Industrials (+12.0%) and Materials (+15.5%) all remain ahead of the broader market. Consumer Staples (+7.3%), Health Care (+2.8%) and Real Estate (+8.3%) show more modest gains, Communication Services (+1.1%) is roughly flat, and Consumer Discretionary (-8.6%) remains the worst performer, still weighed by tariff anxiety and softened Chinese demand across autos, luxury and retail.



Source: Bloomberg; EUR, 31.07.2026

EARNINGS SEASON AND MOMENTUM UNWIND

July arrived against the backdrop of an aggressive momentum unwind across global markets, with Europe no exception. The chart below, which tracks the MSCI Europe Equity Momentum Index (MSEEMOMO), shows that after a multi-year run, the momentum trade saw a steep reversal in July. This indicates the early signs of a rotation back into quality (benefiting the strategy) and away from the year's AI winners.



Source: Morgan Stanley, July 2026.
Chart shows MSEEMOMO, a custom benchmark that represents an equal notional pair trade: long EU stocks with positive price momentum, short EU stocks with negative price momentum. A rise indicates that momentum stocks are outperforming, and a fall indicates that they are underperforming. Rebalanced daily

However, against that backdrop, the European earnings season has so far been one of the best for a number of quarters, with positive revisions across most sectors. Pleasingly, portfolio holdings' results to date have largely reflected this trend with approximately 75% of holdings that have reported beating expectations.

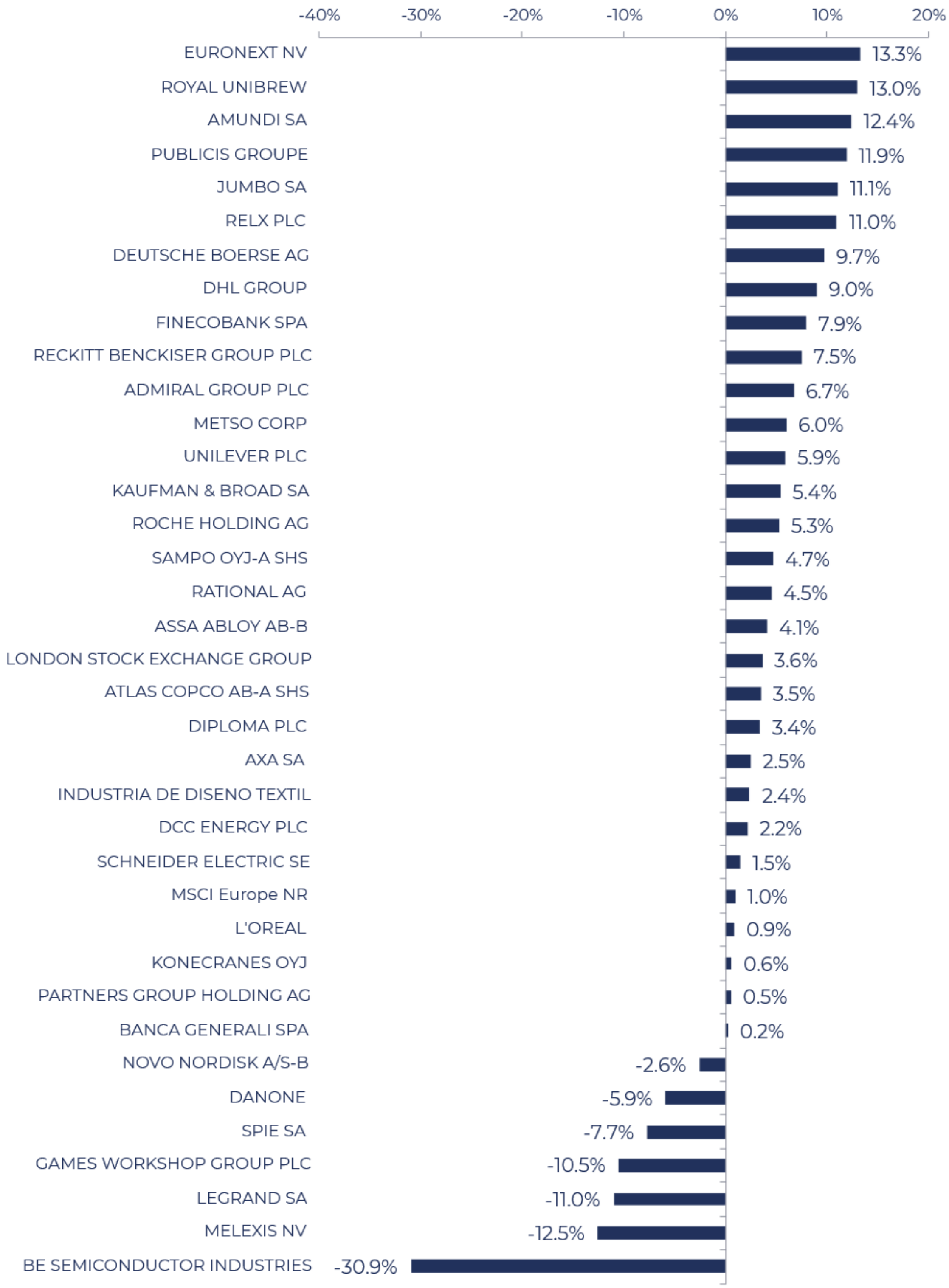
Results from the Industrials cluster generally beat expectations. **Atlas Copco's** second quarter was broad-based, with group orders up 13.4% against consensus and Vacuum Technique the stand-out at 59% organic growth on strong semiconductor and general industrial demand, though margins were the soft spot as ramp-up costs and M&A dilution offset favourable pricing. **Metso's** minerals orders grew 21%, an 8% beat, with the backlog continuing to build at a book-to-bill of 1.1x. **DHL** issued a positive profit warning, with second-quarter earnings before interest and tax up 29% year-on-year, a 19% beat, led by Express on weight growth and cost actions, and raised full-year guidance to above €6.5 billion. **Diploma** delivered its third consecutive guidance upgrade this financial year, with organic growth raised to around 14% and margin guidance to 26.5%, though management flagged the pace as unlikely to repeat. **Konecranes** posted strong orders, up 15% and a 14% beat, but revenue and EBITA (earnings before interest, tax and amortisation) margin both missed, and the market marked the shares down 8% despite no change to full-year numbers.

Financials also had a strong month. **Euronext** beat across the board, with revenue up 17% and EBITDA (earnings before interest, tax, depreciation and amortisation) margin at 66%, with all segments better on both volume and non-volume-related activity. **Banca Generali's** net revenues grew 47% year-on-year, driven largely by performance fees, while **FinecoBank's** revenue and pre-tax profit both beat expectations, with management raising confidence in its 2026 and 2029 targets. **Amundi** grew assets under management (AUM) 8% quarter-on-quarter on strong retail flows which offset outflows linked to Unicredit, with net ETF inflows of €12 billion also contributing. **LSEG** raised organic revenue growth guidance to 7% to 7.5%, but the market judged the update uninspiring given consensus was already at 7.8% ahead of easier comparables in the second half.

Within Healthcare, **Roche's** core business beat comfortably, with sales up 6% and core earnings per share ahead by 7%, driven by broad pharma strength. Amongst the strategy's overweight exposure to Consumer Staples both **Unilever** and **L'Oréal** delivered strong results against expectations. Having suffered the wrath of the market after the unexpected announcement of the sale of its Foods division to the US firm McCormick in March, Unilever's share price rallied. This was driven by a recovery in emerging markets as well as strength in its Home & Personal Care division (on which it will focus after the disposal), while Foods was weaker, leading the market (for the moment) to positively reappraise the deal. L'Oréal continues to deliver market-leading growth, demonstrating its flexible yet dominant market position. **Games Workshop's** core sales grew 10.9%, led by 17.2% growth in Trade, with core operating profit up 15.7% and core operating margin expanding to 39.1% from 37.5%. Year-end cash rose to nearly £183 million, which gives confidence that excess cash will continue to be returned to shareholders.

STOCK PERFORMANCE

Individual stock performance in July



Source: Bloomberg, EUR, 31.07.2026

Leaders

Euronext (+13.3% in EUR)

In late July, Euronext delivered a very strong set of numbers with sales up +17% year-on-year (4% beat) with adjusted EBITDA up +21% (8% beat) and EBITDA margin at 66% (250 basis point beat). Operating leverage was driven by lower costs than expected. All segments – both volume and non-volume-related – were better and with current trading strong.

Royal Unibrew (+13.0%)

Royal Unibrew's strong performance in July 2026 was driven by a combination of favourable summer weather, new strategic licensing agreements, and the continued execution of its substantial share buy-back programme.

Amundi (+12.4%)

Amundi's strong numbers were driven by net management fees. Sales were up +18% and Profit Before Tax up +29% year-on-year, a 7% and 13% beat respectively. AUM was up +8% quarter-on-quarter with strong retail flows offset somewhat by Unicredit outflows. ETFs were strong, illustrated by +12bn of net inflows in Q2. Amundi is delivering on its strategic objectives.

Laggards

BE Semiconductor (-30.9%)

Besi delivered solid numbers with sales up +69% year-on-year, strong orders +130% year-on-year driven by recovery in the mainstream business as well as growing hybrid bonding demand. Sequential quarterly revenue improvement was guided to +10-15%. The wrinkle was the lack of an HBM (High Bandwidth Memory) order, which was required to instil further confidence in the longevity of earnings recovery given share price strength and heightened market expectations. We had already taken large amounts of profit at end of June, for the third time this year, through our rebalancing process. However, we remain comfortable with Besi's role in facilitating the next leg of semiconductor technology transition.

Melexis (-12.5%)

There were no fireworks at results, but they were solid enough. There are signs that Melexis is nearing a trough in the cycle and management commentary suggesting there are the green shoots of a recovery in demand. Sales were better than expected while the lack of operating leverage at the EBIT line was seen as relatively disappointing. This was explained by choosing not to put prices up, which peers have been doing, preferring long-term relationships over short-term profit. Pleasingly, the interim dividend was held at €1.3, equating to an attractive 5.3% dividend yield for a company on the cusp of a recovery in end demand. Again, we had taken profit at the end of June given the strong performance of the sector.

Legrand (-11.0%)

Delivered a mixed set of results. Sales were up 10% year-on-year (a 3% beat) driven by US data centres and the energy transition, while Europe, the rest of the world and general construction remains weak. EBITA was up 12% year-on-year, 1% ahead of expectations. EBIT margin was a bit weaker than expected given M&A and the associated dilution this brings in the initial stages. More positively, management upgraded guidance leading to low-single-digit upgrades.

OUTLOOK

As we edge closer to some sort of resolution in the Middle East, it is gratifying to see that the strategy's holdings are continuing to navigate the current environment well. This is testament to the underlying quality of the business models, effective capital allocation and experience of the management teams after an 'interesting' few years for European equities. While it is clear that in the short term the marginal buyers of equities everywhere do not appear to be long-only active managers, we remain convinced that when the dust settles, the market will likely return its attention to Europe's recovery. Germany's fiscal pivot and the broader pro-growth agenda have not gone away, and the structural case that drew investors to Europe at the start of the year remains intact.

We will not try to forecast the path of oil, inflation or rates, but nor do we need to: we would rather own businesses that can navigate a range of outcomes by continuously adapting through effective capital allocation than position the portfolio for any one of the multitude of possible outcomes.

The lesson of the past few years is that quality matters most when the world is least predictable. In a more fragmented, politically volatile environment, we prefer to anchor on what stays constant, or what a business can control, rather than on the macro variables that constantly shift. The businesses best placed to weather whatever comes next tend to share the same traits that we look for: high cash returns on capital sustained through the cycle, fortress balance sheets, and the pricing power to pass through costs when weaker competitors cannot. In fact, these types of businesses tend to emerge stronger after crises. They are also, in our view, companies that can continue to pay and grow their dividends, funded by strong free cash flow and disciplined capital allocation. On recent evidence, there are the first signs that the market may well be starting to realise this.

While the near term is likely to stay volatile, we remain patient, prudent and positive. Our focus remains on owning high-quality businesses that continue to generate cash and pay dividends and which have found themselves, given the vagaries of the current market environment, at increasingly attractive absolute and relative valuations.

Portfolio Manager

Will James, CFA

GUINNESS PAN-EUROPEAN EQUITY INCOME FUND - FUND FACTS

Fund size	$5.2m
Fund launch	19.02.2025
OCF	0.77%
Benchmark	MSCI Europe TR
Historic yield	3.1% (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.

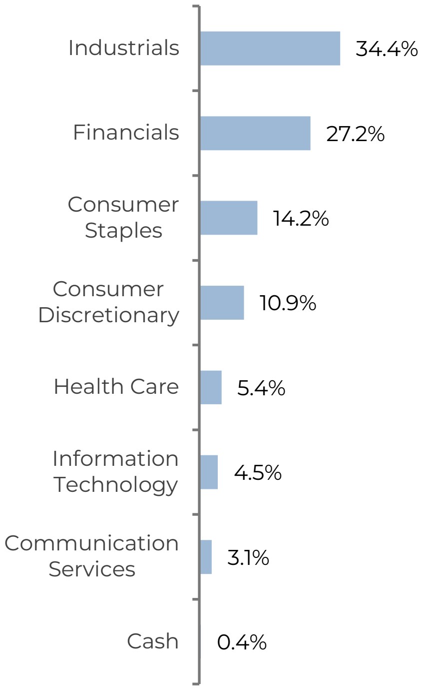
GUINNESS PAN-EUROPEAN EQUITY INCOME FUND - PORTFOLIO

Top 10 holdings

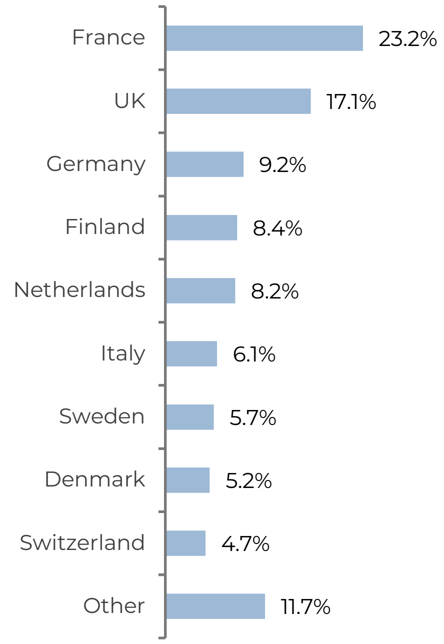
DCC	3.5%
DHL Group	3.3%
Admiral Group	3.3%
Unilever	3.1%
Banca Generali	3.1%
Deutsche Boerse	3.1%
Publicis Groupe	3.1%
FinecoBank SPA	3.0%
Euronext	3.0%
Games Workshop	3.0%

Top 10 holdings	31.4%
Number of holdings	36

Sector



Country



Past performance does not predict future returns.

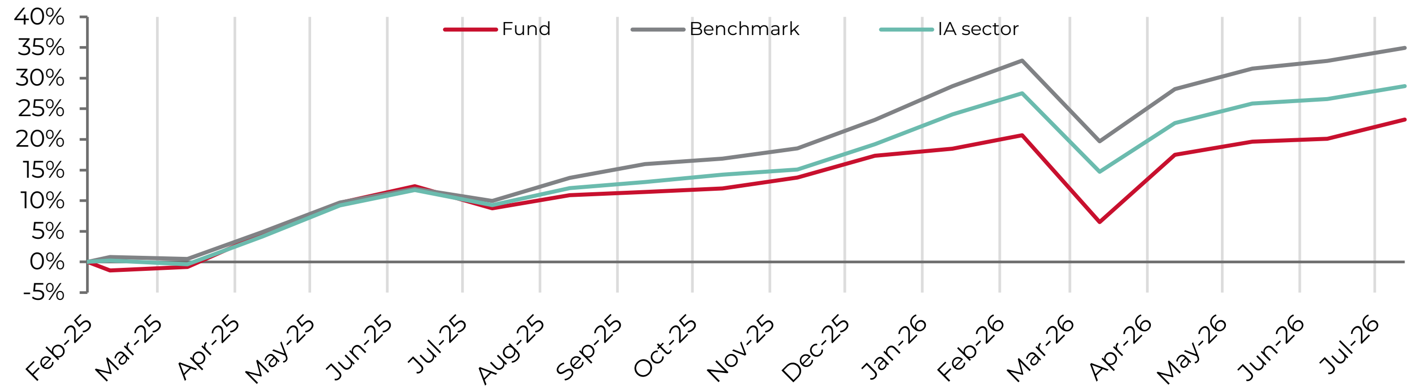
GUINNESS PAN-EUROPEAN EQUITY INCOME FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+1.2%	+5.0%	+11.5%	-	-	-
MSCI Europe TR	+0.2%	+9.5%	+20.7%	-	-	-
IA Europe including UK TR	+0.3%	+7.9%	+15.8%	-	-	-
(USD)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+2.6%	+5.0%	+13.3%	-	-	-
MSCI Europe TR	+1.6%	+9.5%	+22.7%	-	-	-
IA Europe including UK TR	+1.7%	+8.0%	+17.8%	-	-	-
(EUR)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+1.9%	+7.2%	+12.7%	-	-	-
MSCI Europe TR	+1.0%	+11.8%	+22.1%	-	-	-
IA Europe including UK TR	+1.0%	+10.2%	+17.2%	-	-	-

GUINNESS PAN-EUROPEAN EQUITY INCOME FUND - ANNUAL PERFORMANCE

(GBP)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	-	-	-	-	-	-	-	-	-	-
MSCI Europe TR	-	-	-	-	-	-	-	-	-	-
IA Europe including UK TR	-	-	-	-	-	-	-	-	-	-
(USD)	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Fund	-	-	-	-	-	-	-	-	-	-
MSCI Europe TR	-	-	-	-	-	-	-	-	-	-
IA Europe including UK TR	-	-	-	-	-	-	-	-	-	-
(EUR)	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Fund	-	-	-	-	-	-	-	-	-	-
MSCI Europe TR	-	-	-	-	-	-	-	-	-	-
IA Europe including UK TR	-	-	-	-	-	-	-	-	-	-

GUINNESS PAN-EUROPEAN EQUITY INCOME FUND - PERFORMANCE SINCE LAUNCH (USD)



Source: FE fundinfo net of fees to 31.07.26. Investors should note that fees and expenses are charged to the capital of the Fund. This reduces the return on your investment by an amount equivalent to the Ongoing Charges Figure (OCF). The current OCF is 0.77%. Returns for share classes with a different OCF will vary accordingly. Transaction costs also apply and are incurred when a fund buys or sells holdings. The performance returns do not reflect any initial charge; any such charge will also reduce the return. Graph data is in USD.

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 Pan-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.

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GUINNESS PAN-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 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.

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