

## RISK

This is a marketing communication. Please refer to the prospectus, supplement, KIDs and KIIDs for the Fund, which contain detailed information on its characteristics and objectives, 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 can fall as well as rise as a result of market and currency movement, and you may not get back the amount originally invested. Further details on the risk factors are included in the Fund's documentation, available on our website.

Past performance does not predict future returns.

## ABOUT THE STRATEGY

<b>Launch</b>	15.12.2015
<b>Index</b>	MSCI Golden Dragon
<b>Sector</b>	IA China & Greater China
<b>Managers</b>	Sharukh Malik CFA Edmund Harriss
<b>EU Domiciled</b>	Guinness Greater China Fund

## OBJECTIVE

The Guinness Greater China Fund is designed to provide investors with exposure to economic expansion and demographic trends in China and Taiwan. The Fund is managed for capital growth and invests in profitable companies generating persistently high return on capital over the business cycle. The Fund is actively managed with the MSCI Golden Dragon used as a comparator benchmark only.

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## SUMMARY

In January, the Guinness Greater China Fund (Y class, GBP) fell by 0.3%, while the benchmark, the MSCI Golden Dragon Net Total Return Index (MSCI Golden Dragon Index) rose by 2.4%, and the MSCI China Net Total Return Index (MSCI China Index) rose by 1.5%. Therefore in the month the Fund underperformed the MSCI Golden Dragon Index by 2.7% and underperformed the MSCI China Index by 1.7%.

In January, relative to the MSCI China Index, contributors to the Fund's performance were stock selection in Communications Services and the underweight to the sector, and the underweight to the Utilities sector. Detractors were stock selection in the Consumer Discretionary, Health Care and Consumer Staples sectors.

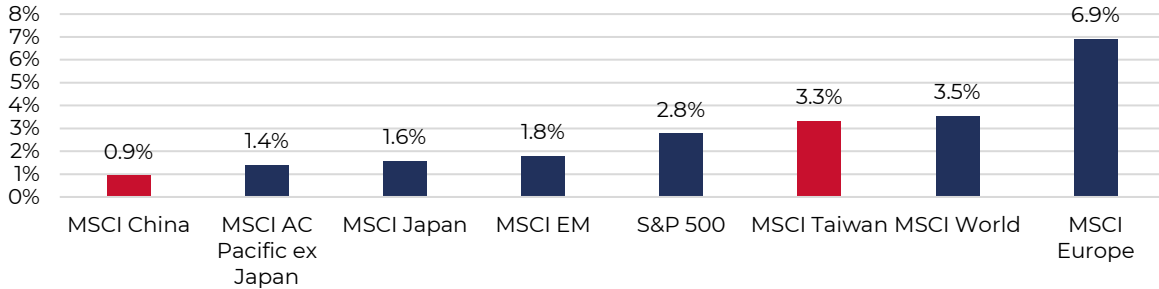
The US imposed 10% tariffs on all imports from China, which was far less than the 60% that Trump has previously threatened. China responded by levying 10-15% tariffs on imports of coal and liquefied natural gas, oil, agricultural machinery and larger cars. This was not the only response by the Chinese – an anti-trust probe was initiated on Google. PVH Corp (which owns Tommy Hilfiger and Calvin Klein) and Illumina were added to the Unreliable Entity List. The Chinese response was multifaceted but in our view was not designed to increase tensions with the US.

Over the Chinese New Year holidays, tourism revenue grew 7% year-on-year, 16% higher than 2019. But on a per capita basis, spending fell slightly to 91% of 2019's level.

COMMENTARY

(Performance data in the section in USD terms)

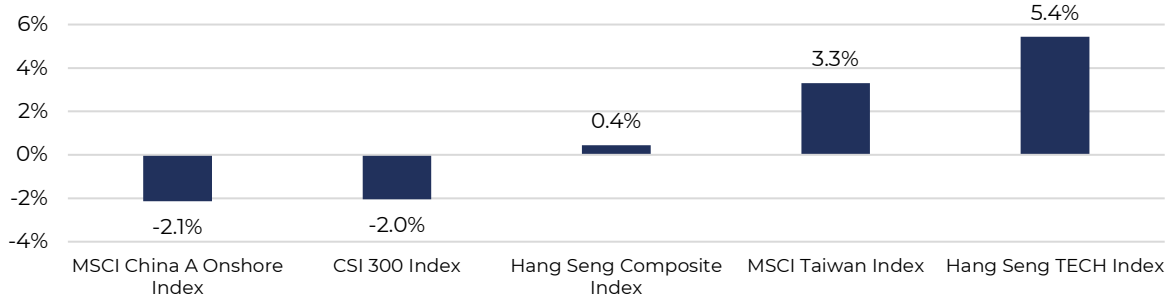
Returns by Market in January



(Data from 31/12/24 to 31/12/25, returns in USD, source: Bloomberg, Guinness Global Investors calculations)

Chinese equities started the month poorly but recovered following lower than expected tariffs from the US and the emergence of DeepSeek. In January, the MSCI China index rose by 0.9%, lagging the MSCI World Index, which rose by 3.5%.

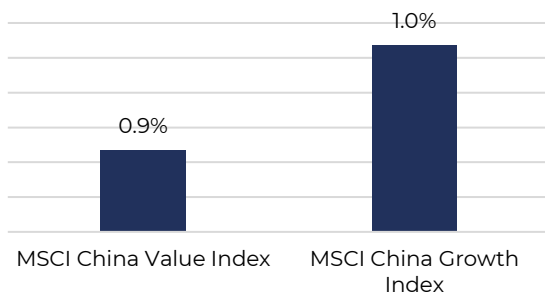
Returns by Local Market in January



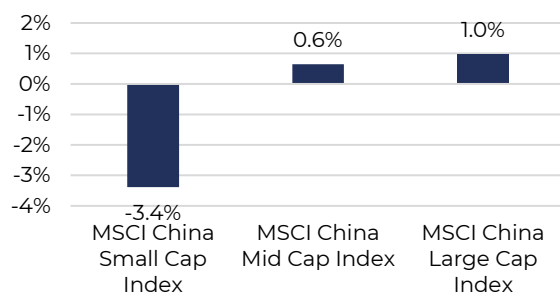
(Data from 31/12/24 to 31/01/25, returns in USD, source: Bloomberg, Guinness Global Investors calculations)

Offshore markets, as measured by the Hang Seng Composite Index, were stronger as they rose 0.4%. In particular, note the Hang Seng Tech Index rose by 5.4%. Onshore markets, as measured by the MSCI China A Onshore Index, fell by 2.1%.

Value vs Growth in January



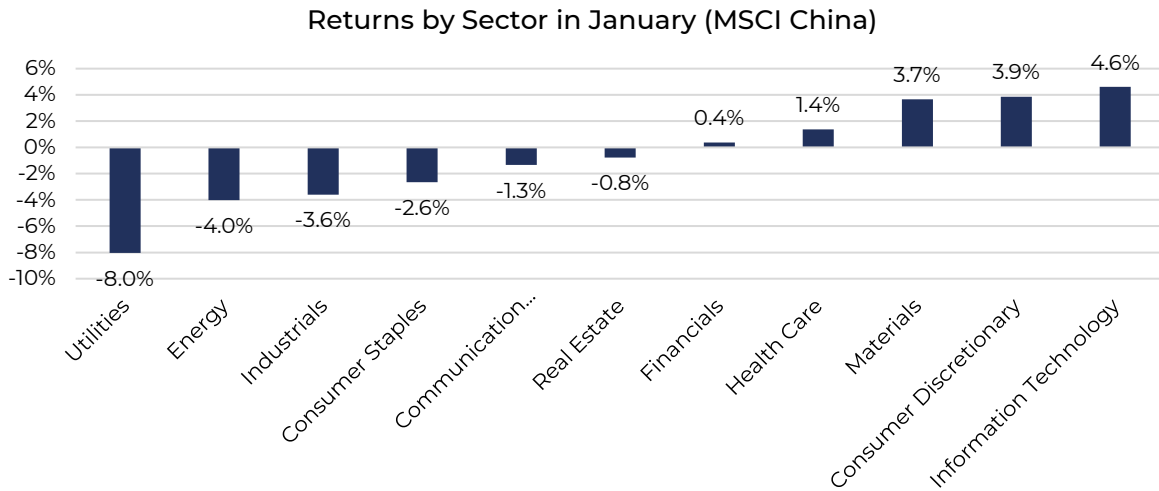
Performance by Size in January



(Data from 31/12/24 to 31/01/25, returns in USD, source: Bloomberg, Guinness Global Investors calculations)

Value and growth stocks performed similarly, rising c.1%. Large-caps outperformed, rising 1.0% while small-caps noticeably underperformed, falling 3.4%.

## Guinness Greater China



(Data from 31/12/24 to 31/01/25, returns in USD, source: Bloomberg, Guinness Global Investors calculations)

The best performing sectors were Information Technology (total return +5%), Consumer Discretionary (+4%) and Materials (+4%). Within the Information Technology sector, companies perceived to benefit from AI were strong, led by Xiaomi, Kingdee International Software and GCL Technology. In the Consumer Discretionary sector, Alibaba, Pinduoduo and JD.com provided the bulk of returns. In the Materials sector, strength was driven by gold (rising global prices) and aluminium stocks.

The weakest sectors were Utilities (-8%), Energy (-4%) and Industrials (-4%). Within the Utilities sector, potential lower growth in volumes meant gas utilities were weak. In Energy, weakness was driven by lower oil and coal prices.

## ATTRIBUTION

In January, the Guinness Greater China Fund (Y class, USD) fell by 1.0%, while the benchmark, the MSCI Golden Dragon Index rose by 1.6%, and the MSCI China Index rose by 0.9%. Therefore in the month the Fund underperformed the MSCI Golden Dragon Index by 2.6% and underperformed the MSCI China Index by 2.0%.

The MSCI Golden Dragon Index is a weighted average of the MSCI China, Taiwan and Hong Kong indexes. As of the end of January, Taiwan's weight in the Golden Dragon Index was c.39%. In the Fund, we hold two positions in Taiwan which collectively have a weight of c.6.5%. As the Fund is underweight to Taiwan compared to the benchmark, the Fund benefited from less of the outperformance of the MSCI Taiwan Index.

In January, relative to the MSCI China Index, areas which helped the Fund's performance were:

- Stock selection and the underweight to the Communication Services sector. The Fund is run on an equally weighted basis and so each position has a neutral weight of 3.3%. As of the end of January, Tencent's weight in the MSCI China Index was 15.6%, making it the largest stock in that index. Tencent underperformed in the month and so the Fund suffered from less of its underperformance than the index.
- The underweight to the Utilities sector, where the Fund has no exposure.

In January, areas which detracted from the Fund's relative performance were:

- Stock selection in the Consumer Discretionary sector, driven by the underweight to Pinduoduo (not held), as well as Alibaba and Travelsky (held). The Fund is run on an equally weighted basis and so each position has a neutral weight of 3.3%. As of the end of January, Alibaba's weight in the MSCI China Index was 8.6%, making it the second largest stock in that index. Alibaba outperformed in the month and so the Fund benefited from less of its outperformance than the index.

## Guinness Greater China

- Stock selection in the Health Care sector, driven by Sino Biopharmaceutical, CSPC Pharmaceutical and Beigine (not held).
- Stock selection in the Consumer Staples sector, driven by Inner Mongolia Yili and Chongqing Fuling Zhacai.

### TARIFFS

The US imposed 10% tariffs on all imports from China, which was far less than the 60% rate that Trump has previously threatened. In addition, the de minimis threshold was briefly dropped for imports from China. The de minimis rule exempts customs duty being paid on goods worth less than \$800, the rationale being that given the sheer volume of such goods, the administrative costs of applying customs duty is not worth the duty revenue. Chinese brands such as Shein and Temu have significantly benefited from this arrangement over the past few years. The US Postal Service briefly stopped accepting packages from China, but given no system was in place to inspect the relevant goods, the move was reversed. For now, the de minimis arrangement remains in place.

The Chinese response was multifaceted but, in our view, was not designed to increase tensions with the US. China levied a 10-15% tariff on goods such as coal, liquefied natural gas, crude oil and agricultural machinery. Imports of the relevant goods were only worth 9% of China's imports from the US last year, far less than the \$525bn of imports from the China that the US has just introduced tariffs on. An anti-trust probe was initiated on Google. PVH Corp (which owns Tommy Hilfiger and Calvin Klein) and Illumina were added to the Unreliable Entity List, which contains companies which are deemed to harm China's interests. Export controls were imposed on 25 rare earth metals.

### OUTLOOK

For the past few years, investors have focused on the problem areas in China, namely the negative effects of the move away from real estate and towards the new pillar industries. China's problem is that the growth from the new pillar industries has not yet been large enough to offset the weakness in property. We expect a turning point towards the end of 2026 or early 2027. If major government stimulus is to come, this turning point is likely to come earlier. Markets often move well before the fundamentals, so we remind investors of the innovations being made in China, of which DeepSeek is a good example. The Chinese now have models which are as good as those developed in the US. DeepSeek is not the only one – we also highlight Alibaba's Qwen model. In many other areas, the Chinese are catching up, if not leading; China's success in electric vehicles is widely recognised. We also highlight that China can make high-end chips despite the chip export restrictions from the US.

#### Portfolio Managers

Sharukh Malik  
Edmund Harriss

**GUINNESS GREATER CHINA FUND - FUND FACTS**

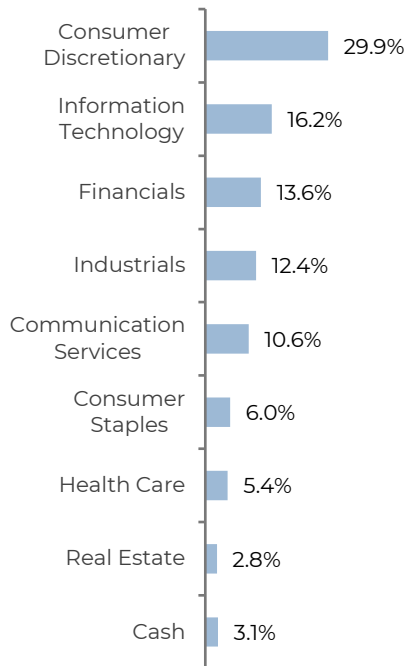
Fund size	\$7.9m
Fund launch	15.12.2015
OCF	0.89%
Benchmark	MSCI Golden Dragon TR

**GUINNESS GREATER CHINA FUND - PORTFOLIO**

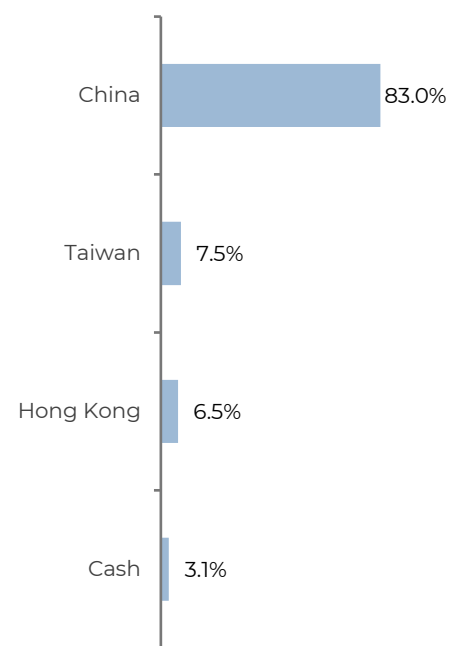
**Top 10 holdings**

JD.com	4.0%
Elite Material	4.0%
China Merchants Bank	4.0%
Tencent Holdings	3.9%
NetEase	3.8%
Midea Group Co Ltd	3.7%
Shenzhen Inovance Technology	3.6%
Taiwan Semiconductor	3.5%
Geely Automobile Holdings	3.4%
HKEX	3.3%
Top 10 holdings	37.2%
Number of holdings	30

**Sector**



**Country**



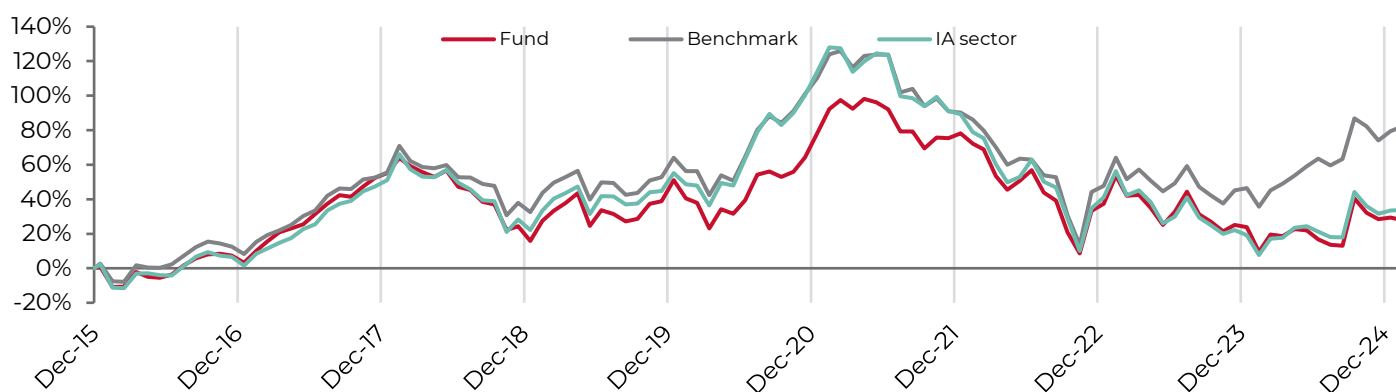
**GUINNESS GREATER CHINA FUND - CUMULATIVE PERFORMANCE**

<b>(GBP)</b>	<b>1 Month</b>	<b>YTD</b>	<b>1 yr</b>	<b>3 yr</b>	<b>5 yr</b>	<b>10 yr</b>
Fund	-0.3%	-0.3%	+19.8%	-19.7%	-3.3%	-
MSCI Golden Dragon TR	+2.4%	+2.4%	+37.6%	+5.8%	+23.7%	-
IA China/Greater China TR	+1.2%	+1.2%	+27.5%	-19.2%	-4.4%	-
<b>(USD)</b>	<b>1 Month</b>	<b>YTD</b>	<b>1 yr</b>	<b>3 yr</b>	<b>5 yr</b>	<b>10 yr</b>
Fund	-1.0%	-1.0%	+16.9%	-25.7%	-8.9%	-
MSCI Golden Dragon TR	+1.6%	+1.6%	+34.3%	-2.1%	+16.6%	-
IA China/Greater China TR	+0.4%	+0.4%	+24.4%	-25.2%	-9.9%	-
<b>(EUR)</b>	<b>1 Month</b>	<b>YTD</b>	<b>1 yr</b>	<b>3 yr</b>	<b>5 yr</b>	<b>10 yr</b>
Fund	-1.4%	-1.4%	+22.1%	-19.8%	-2.8%	-
MSCI Golden Dragon TR	+1.2%	+1.2%	+40.3%	+5.6%	+24.3%	-
IA China/Greater China TR	+0.0%	+0.0%	+30.0%	-19.3%	-3.9%	-

**GUINNESS GREATER CHINA FUND - ANNUAL PERFORMANCE**

<b>(GBP)</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Fund	+6.4%	-15.0%	-13.3%	+1.0%	+14.2%	+25.3%	-20.7%	+37.6%	+22.1%	-
MSCI Golden Dragon TR	+24.7%	-6.5%	-12.6%	-8.6%	+24.2%	+19.0%	-9.5%	+31.3%	+25.7%	-
IA China/Greater China TR	+13.8%	-20.2%	-16.0%	-10.7%	+33.6%	+22.2%	-14.2%	+35.9%	+18.5%	-
<b>(USD)</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Fund	+4.5%	-9.9%	-23.0%	+0.1%	+17.9%	+30.4%	-25.3%	+50.4%	+2.3%	-
MSCI Golden Dragon TR	+22.5%	-0.9%	-22.3%	-9.5%	+28.2%	+23.8%	-14.8%	+43.8%	+5.4%	-
IA China/Greater China TR	+11.8%	-15.4%	-25.4%	-11.5%	+37.8%	+27.1%	-19.2%	+48.7%	-0.7%	-
<b>(EUR)</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Fund	+11.5%	-12.9%	-17.9%	+7.7%	+8.1%	+32.8%	-21.5%	+32.3%	+5.5%	-
MSCI Golden Dragon TR	+30.7%	-4.3%	-17.3%	-2.6%	+17.6%	+26.1%	-10.5%	+26.3%	+8.6%	-
IA China/Greater China TR	+19.2%	-18.3%	-20.5%	-4.8%	+26.4%	+29.4%	-15.1%	+30.6%	+2.3%	-

**GUINNESS GREATER CHINA FUND - PERFORMANCE SINCE LAUNCH (USD)**



Source: FE fundinfo to 31.01.25. Investors should note that fees and expenses are charged to the capital of the Fund. This reduces the return on your investment by an amount equivalent to the Ongoing Charges Figure (OCF). The current OCF for the share class used for the fund performance returns is 0.89%. 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**, a trading name of Guinness Asset Management Limited, which is authorised and regulated by the Financial Conduct Authority.

This report is designed to inform you about Guinness Greater China 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](http://www.guinnessgi.com).

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

### Documentation

The documentation needed to make an investment, including the Prospectus, Supplement, the Key Investor Document (KID) / Key Investor Information Document (KIID) and the Application Form, is available in English from [www.guinnessgi.com](http://www.guinnessgi.com) or free of charge from:-

- the Manager: Waystone Management Company (IE) Limited (Waystone IE) 2nd Floor 35 Shelbourne Road, Ballsbridge, Dublin D04 A4E0, Ireland: or ,
- the Promoter and Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ.

Waystone IE is a company incorporated under the laws of Ireland having its registered office at 35 Shelbourne Rd, Ballsbridge, Dublin, D04 A4E0 Ireland, which is authorised by the Central Bank of Ireland, has appointed Guinness Asset Management Ltd as Investment Manager to this fund, and as Manager has the right to terminate the arrangements made for the marketing of funds in accordance with the UCITS Directive.

### Investor Rights

A summary of investor rights in English 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.

Telephone calls will be recorded and monitored.