Guinness Greater China

Investment Commentary – April 2025

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

Launch	15.12.2015
Index	MSCI Golden Dragon
Sector	IA China & Greater China
Managers	Sharukh Malik CFA Edmund Harriss
EU Domiciled	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.

CONTENTS

SUMMARY

In the first quarter, the Guinness Greater China Fund (Y class, GBP) rose by 3.0%, while the benchmark, the MSCI Golden Dragon Net Total Return Index (MSCI Golden Dragon Index) rose by 0.5%, and the MSCI China Net Total Return Index (MSCI China Index) rose by 11.6%. Therefore, in the quarter the Fund outperformed the MSCI Golden Dragon Index by 2.5 percentage points and underperformed the MSCI China Index by 8.6 percentage points.

In March, the Guinness Greater China Fund (Y class, GBP) fell by 2.3%, while the benchmark, the MSCI Golden Dragon Index fell by 5.4%, and the MSCI China Index fell by 0.5%. Therefore, in the quarter the Fund outperformed the MSCI Golden Dragon Index by 3.0 percentage points and underperformed the MSCI China Index by 1.8 percentage points.

In the quarter, the strongest stocks in the Fund were Alibaba Group, JD.com and Tencent. The weakest were TSMC, Elite Material and Nari Technology. One pair of switches was made – we sold Xinyi Solar and bought Hongfa Technology.

In the quarter, contributors to Fund performance were stock selection in the Industrials sector and the underweight to the Energy and Utilities sectors. Detractors were the structural underweight to Tencent and Alibaba, and stock selection in the Information Technology and Consumer Discretionary sectors.

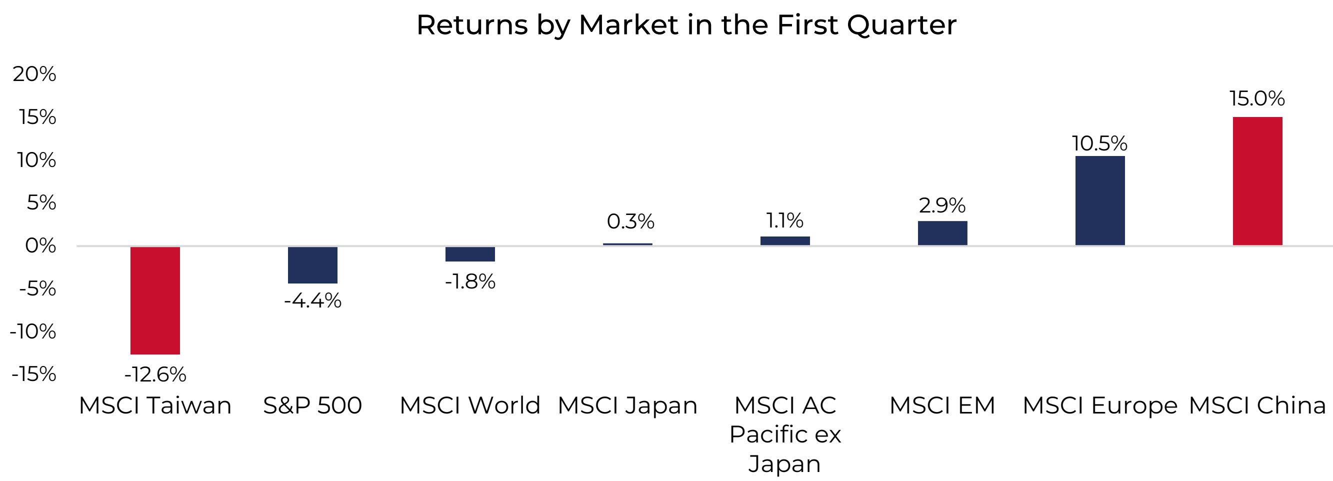
Of the Fund's holdings, the companies with the most direct revenue exposure to the US are Haier Smart Home (30% of revenue from the US), Shenzhou International (17%), Hongfa Technology (7%) and Midea (6%).

On a forward price/earnings basis, the Fund's holdings in aggregate are valued at 12.0x. With 77% of the Fund's revenue from China, the direct impact on the Fund's revenue and earnings is limited.

Analysis continued overleaf

MARKET COMMENTARY

(Performance data in the section in USD terms unless otherwise stated)



Data from 31/12/24 to 31/03/25, returns in USD, source: Bloomberg, Guinness Global Investors calculation

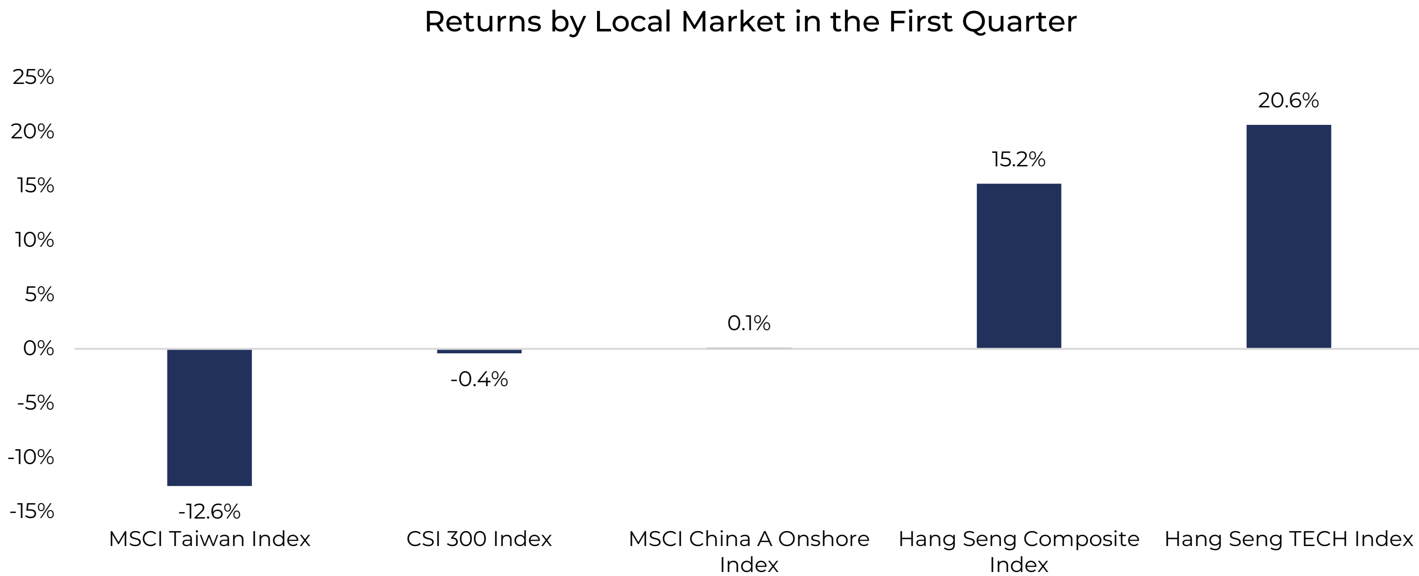
The unexpected release of DeepSeek reignited interest in Chinese markets. While it seems the technical advancements made by DeepSeek were anticipated by the industry, we argue hardly anyone expected it would be the Chinese to be the ones to make the advancements. Since DeepSeek's release, the major tech giants in China have come out with their own models which they claim to be as good as DeepSeek. AI related stocks therefore quickly surged. In China the listed companies with their own large language learning (LLM) models are found in Hong Kong, rather than in the onshore markets. These companies are namely Alibaba, Tencent and Baidu. Looking at market share for the cloud industry as measured by revenue, Alibaba is the largest with market share of 36%, followed by Huawei (not listed) at 19%, Tencent at 15% and Baidu at 6%.

The gains in China were predominantly driven by a few of the large tech stocks. We estimate of the 15.0% rise in the MSCI China Index, 4.5 percentage points (pp) was driven by Alibaba, 3.0pp from Tencent, 1.3pp from Xiaomi, 0.8pp from JD.com and 0.8pp from Pinduoduo. So, in total, 10.3pp of the 15.0pp rise in the index was driven by just five stocks.

Additionally, stabilising macro data was another factor driving Chinese markets. We regard September as the moment when government policy became more supportive for the economy, through a combination of: cuts in interest rates, the introduction of a household trade in program and corporate upgrade program, and more support for the real estate market.

We are now looking for the government to expand the size of its support for the economy. This year, funds allocated to the household trade in program have been doubled to CNY 300 bn (assuming USDCNY 7.25, this is equivalent to $41bn). But to put this into context, last year retail sales were worth CNY 49 trn ($6.8trn). So, the expanded support this year is worth only 0.6% of retail sales, and therefore we expect is likely to have a limited impact on boosting consumption. Increases have also been made to the basic pension and medicare, totalling CNY 384 bn ($53bn). Of course, not all of this increase is to be spent on consumption, but it is a step in the right direction. If the funds allocated to the trade in program were expanded to say, CNY 1 trn ($248bn), this would be worth 2.0% of retail sales (so 1.4% higher than the existing value) and would be more likely to boost consumption. The government has made boosting consumption a greater priority this year, but so far, no major credible policies have backed their rhetoric. With the US increasing tariffs on China, we think the probability of major stimulus targeting consumption has increased.

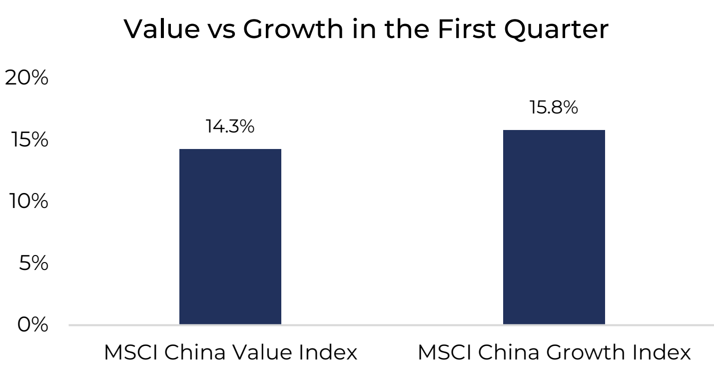
The household trade in program is to be funded by CNY 1.8 trn ($248bn) issuance of special government bonds, which is CNY 0.8 trn ($110bn) higher than last year's amount. Of the remaining funds, CNY 500 bn ($69bn) is to be spent on bank recapitalisation and CNY 1 trn ($138bn) is to be spent on funding corporate equipment upgrades and investments in areas of strategic importance.

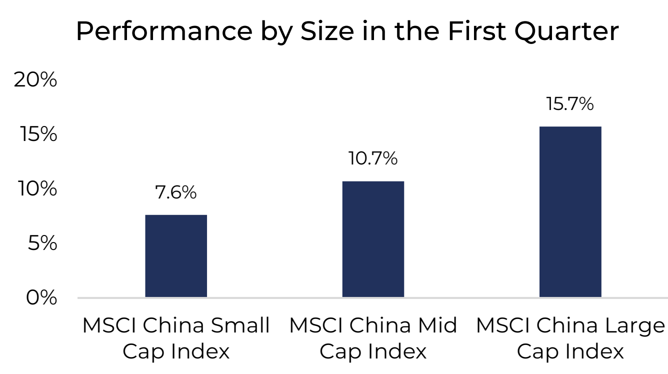


Data from 31/12/24 to 31/03/25, returns in USD, source: Bloomberg, Guinness Global Investors calculations

As the listed tech companies with their own LLM models are found in Hong Kong, the Hang Seng Composite was far stronger than the A share market. In the first quarter, the Hang Seng Composite Index rallied by 15.2% and the Hang Seng Tech Index rallied by 20.6%. This was led by the likes of Alibaba, Tencent, BYD and Xiaomi. Onshore markets, as measured by the MSCI China A Onshore Index, lack the presence of Internet tech companies with their own proprietary LLMs and so only rose by 0.1%. However, there were pockets of the A share market that did well such as humanoid robotics stocks and semiconductor stocks.

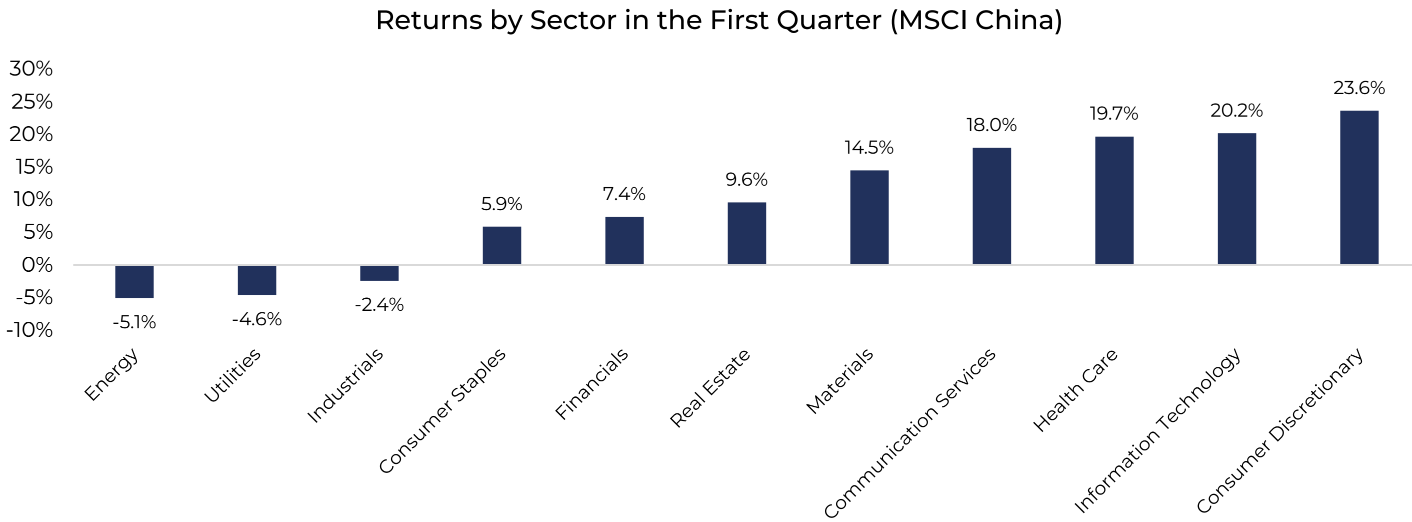
The MSCI Taiwan Index fell by 12.6% in the quarter. The Index is dominated by TSMC which has a 52% weight; more broadly, the Information Technology sector has a 79% weight. Following the release of DeepSeek, the Taiwanese market fell as some prevailing narratives begun to be questioned. One debate centre on the role of edge computing, where for example a smartphone chip may be good enough to provide many consumer facing AI applications, removing the need for a far more expensive advanced chip. If this were to be the case, demand for cutting edge chips would likely be much lower than current forecasts. Another debate carries on over the likely greater role of inference rather than training, and the associated shift in chips required. Additionally, from the perspective of the component manufacturers in Taiwan, they are likely to face more competition in their respective niches in AI hardware, leading to margin pressure and the risk of results not meeting expectations.





Data from 31/12/24 to 31/03/25, returns in USD, source: Bloomberg, Guinness Global Investors calculations

Value and growth stocks performed similarly, rising c.14-16%. Large caps outperformed, rising 15.7% while the small and mid-cap indexes rose by 7.6% and 10.7% respectively.



Data from 31/01/25 to 28/02/25, returns in USD, source: Bloomberg, Guinness Global Investors calculations

The best performing sectors were Consumer Discretionary (total return +23.6%), Information Technology (+20.2%) and Health Care (+19.7%). Within the Information Technology sector, companies perceived to benefit from AI were strong and much of the strength in the sector was driven by Xiaomi. In the Consumer Discretionary sector, Alibaba, BYD, Pinduoduo and JD.com contributed to the bulk of returns for the sector. Within the Health Care sector, it was the biologics names which were strong on potential changes to the pricing regime, which could boost margins for the industry.

The weakest sectors were Energy (-5.1%), Utilities (-4.6%) and Industrials (-2.4%). In the Energy sector, coal names were weak due to lower spot prices while Utilities lagged in a strong risk-on environment. In the Industrials sector, weaker names were China State Construction International, CATL and China Railway Group.

ATTRIBUTION

In the first quarter, the Guinness Greater China Fund (Y class, USD) rose by 6.1%, while the benchmark, the MSCI Golden Dragon Index rose by 3.6%, and the MSCI China Index rose by 15.0%. Therefore in the quarter the Fund outperformed the MSCI Golden Dragon Index by 2.5% and underperformed the MSCI China Index by 8.9%.

The MSCI Golden Dragon Index is a weighted average of the MSCI China, Taiwan and Hong Kong indexes. As of the end of February, Taiwan's weight in the Golden Dragon Index was ~35%. In the Fund, we hold two positions in Taiwan which collectively have a neutral weight of ~6.6%. As Taiwan significantly lagged China, the Fund benefited from its underweight to Taiwan.

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

- Stock selection in the Industrials sector, driven by Shenzhen Inovance Technology and Sany Heavy Industry.
- The underweight to the Energy and Utilities sectors, which both fell and to where the Fund has no exposure.

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

- The structural underweight to Tencent and Alibaba. 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 February, Tencent and Alibaba's weight in the MSCI China Index were 17% and 11% respectively, making them the largest two stocks by far in that index. Both outperformed in the quarter and so the Fund benefited from less of their outperformance than the index.
- Stock selection in the Information Technology sector, driven by Xiaomi (not held), TSMC and Elite Material.
- Stock selection in the Consumer Discretionary sector, driven by BYD and Meituan (neither held), as well as Haier Smart Home.

- Ultimately, the Fund's underweight to the following large cap stocks explains most of its underperformance versus the index: Alibaba and Tencent (both held), and Xiaomi, BYD and Pinduoduo (none held).

In March, the Guinness Greater China Fund (Y class, USD) rose by 0.1%, while the benchmark, the MSCI Golden Dragon Index fell by 3.0%, and the MSCI China Index rose by 2.0%. Therefore in the month the Fund outperformed the MSCI Golden Dragon Index by 3.1% and underperformed the MSCI China Index by 1.9%.

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

- A combination of the overweight to the Health Care sector and stock selection, driven by Sino Biopharmaceutical and CSPC Pharmaceutical.
- Stock selection in the Industrials sector, driven by Shenzhen Inovance Technology and Sany Heavy Industry.
- Stock selection in the Consumer Discretionary sector, driven by Zhejiang Supor, Midea Group and Travelsky.

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

- A combination of the overweight to the Information Technology sector and stock selection, driven by Elite Material and TSMC.
- Stock selection in the Financials sector, driven by not holding the large state-owned banks which outperformed.
- Stock selection in the Communication Services sector, driven by the structural underweight to Tencent which outperformed.

STOCK PERFORMANCE

Leaders in the First Quarter

In its most recent quarterly results, Alibaba (total return +55.9%) reported 8% revenue growth and 4% adjusted EBITA growth. Customer Management Revenue (CMR) rose by 9% following changes to the fee structure for the segment. Instead of being charged an annual fee, merchants on the company's platforms are now charged a 0.6% commission on sales as well as a transaction service fee which is based on sales. Most of the market's interest, however, was on Alibaba's cloud segment and AI. Cloud revenue rose by 13% in the quarter and management is aiming to spent CNY 300bn ($41bn) on capex on cloud infrastructure over the next three years. According to one broker estimate, this requires the company's cloud revenue to grow by 25-30% a year over the next three years to offset the greater depreciation costs, which is slightly higher than the 17% revenue growth for the cloud industry in 2024.

Tencent's (+19.0%) results continue to beat expectations. Revenue in the Online Gaming segment grew by 20% in the fourth quarter while in the Advertising segment growth was 18%. Revenue from the company's Video Accounts (equivalent to Tiktok) grew by 60% despite the currently low number of adverts being pushed. The market's focus has shifted to how Tencent is likely to utilise AI across its business. Unlike Alibaba, Tencent is likely to use AI to improve its internal efficiency. In the Online Gaming segment, AI can be used to efficiently create dialogue for characters as well as provide analytics for gamers. In the Advertising segment, management point out that Chinese consumers spend 33% of their screen time on Tencent's apps, but Tencent only has 10% market share in China's advertising industry. The company has been continuously improving its advertising infrastructure to improve the quality of ads, conversion rates and revenue per impressions. Tencent is also building out its own search engine using AI, with solid user growth and retention figures.

JD.com (+18.6%) is one of China's largest e-commerce companies. It reported an acceleration in sales growth in the fourth quarter, driven by the consumer-trade in program and an increase in market share. Encouragingly its General Merchandise segment, which has lower exposure to the trade-in program than the company's Electronics & Appliances segment, also had solid growth. Management's long-term is to grow at a faster pace than China's overall retail sales growth, as well as to expand net margins from current levels (4.1% last year) to high single digits. This is likely to come from selling a greater mix of higher margin products and increasing efficiency across the supply chain and fulfilment centres.

Laggards in the First Quarter

In January Trump threatened to impose as high as 100% tariffs on Taiwanese semiconductors. Whereas the Biden administration incentivised TSMC (total return -16.0%) to expand in the US through subsidies, the Trump administration is attempting to force TSMC's hand through the punitive route of tariffs. The company now faces a tricky balancing act. On the one hand, the US is its biggest market and for geopolitical reasons, the country now aims to have its own manufacturing capability to produce advanced chips. Intel is not capable in doing this and so TSMC is the administration's next best option. On the other hand, TSMC wants to protect its intellectual capital, which is its key source of competitive advantage, and to keep its best production facilities in Taiwan. An expansion into the US is likely to lead to some margin contraction due to the higher costs in the country relative to Taiwan.

Elite Material (-12.9%) is a manufacturer and seller of Copper Clad Laminates (CCL) used in Printed Circuit Boards. The company enjoys dominant market share (more than 75%) in the high-end M8 grade of CCLs, used in leading-edge products, including those related to AI. Its share price has been relatively weak this year despite a strong earnings result in February, and positive growth outlook related to the company's continued dominant position in AI-related servers and switches. We attribute this more to macro themes rather than stock specific weakness; AI-related names saw a cooling-off period earlier this year following a year of strong investor enthusiasm, and geopolitical concerns have continued to rise since the new Trump administration.

Nari Technology (-12.7%) makes equipment and software for the electricity grid and its majority shareholder is China's State Grid. Its share price has been defensive over the past few years and so in a risk on environment, the market looked past the stock. Approval for Nari's Ultra High Voltage (UHV) power lines have been slower than expected and there may be some pricing pressure on a few products sold to the grid. We expect approvals to pick up later in the year and on pricing, we do not see signs of broad-based price cuts for Nari's goods.

Portfolio Changes

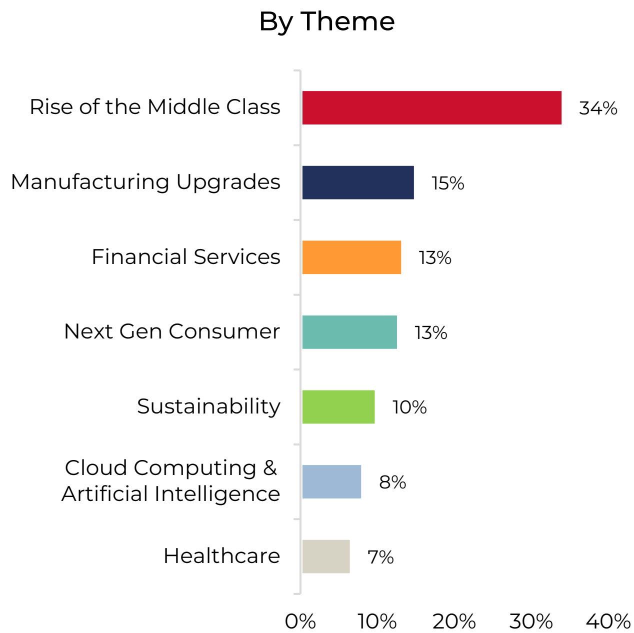
We sold Xinyi Solar, which is the world's largest manufacturer of solar glass. Given the oversupply in the solar industry, its leading position has not allowed it to escape the pricing pressure seen across all parts of the supply chain. A combination of falling solar glass prices and idle capacity meant the company's gross margins fell significantly last year. Impairments on some equipment and inventory put further pressure on net profits. Though we do believe the company is doing better than most of its competition, we do not see the oversupply in the industry ending soon.

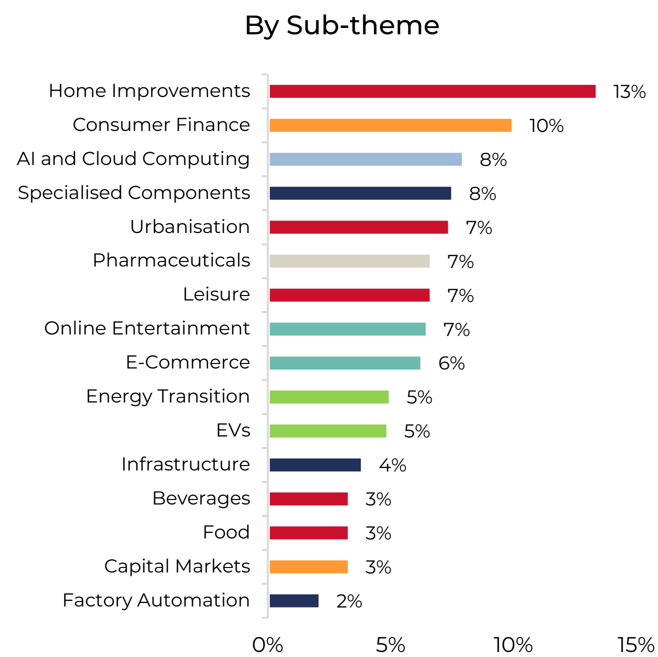
In its place we bought Hongfa Technology, which is the world's largest electric relay manufacturer. A relay is a switch that allows a low-voltage signal to control a higher voltage circuit and is a critical component used across many applications. Hongfa's relays are used in various downstream markets, the most important of which are the automobile, home appliances and power industries. We argue the company has several structural growth opportunities to take advantage of:

- Cars, whether internal combustion engine (ICE) or electric vehicles (EVs), are becoming smarter and more functions are continuously being added. These functions require more relays, which increases the total addressable market for Hongfa.
- Rising market share for EVs implies greater demand for high voltage direct current (HVDC) relays, which are used to enable fast charging for EVs. Hongfa is a major supplier to BYD and so should benefit from BYD's rising popularity.
- In China, it is likely we will see a boom in data centre construction to facilitate AI development, which will place greater demand on the power grid. This may increase the State Grid's capex plans, which is likely to lead to greater demand for Hongfa's power relays.

PORTFOLIO POSITIONING

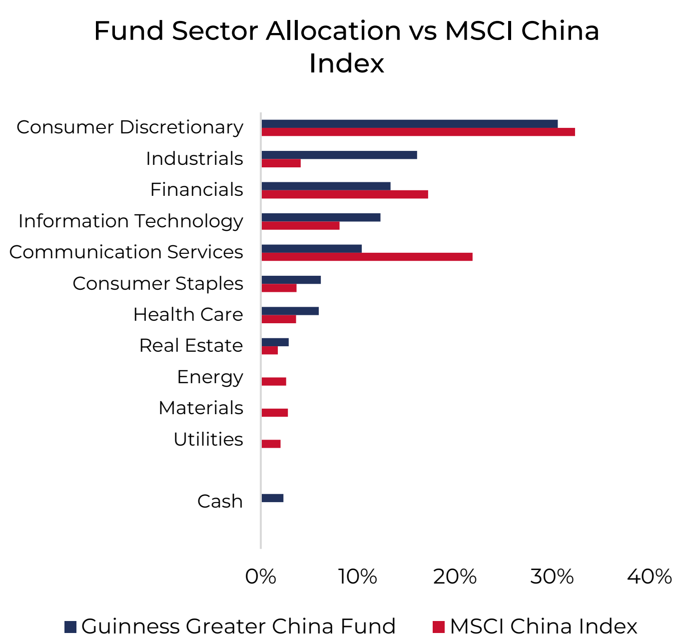
By theme, the Fund's largest exposures are to the Rise of the Middle Class, followed by Manufacturing Upgrades and Financial Services. Important subthemes include Home Improvements, Consumer Finance and AI and Cloud Computing.

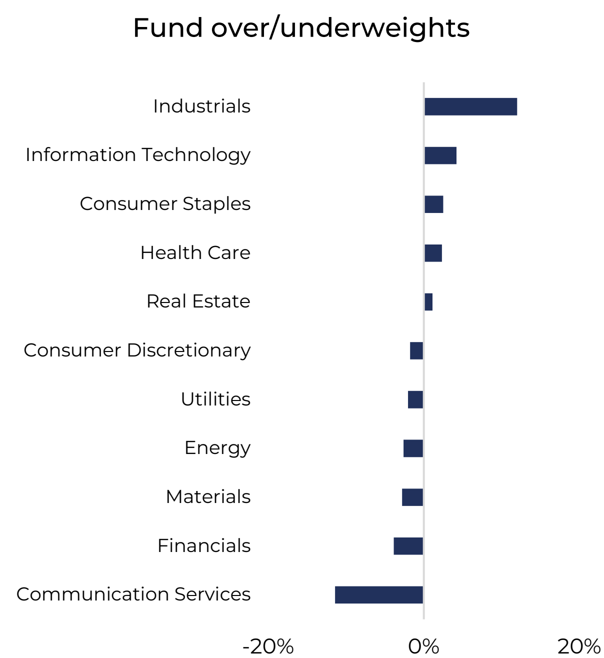




Data as of 31/03/25, source: Guinness Global Investors calculations. Data assumes portfolio is equally weighted

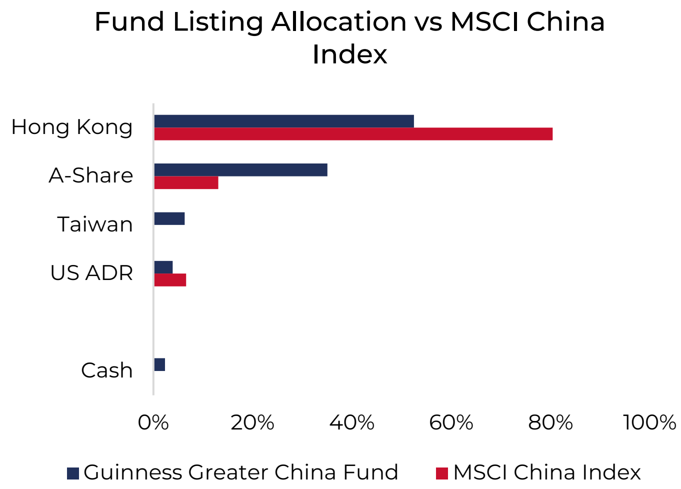
On a sector basis, the Fund's largest exposures are to the Consumer Discretionary and Industrials sectors. Relative to the MSCI China Index, the Fund is overweight in the Industrials and Information Technology sectors. The Fund is underweight in the Communication Services sector.

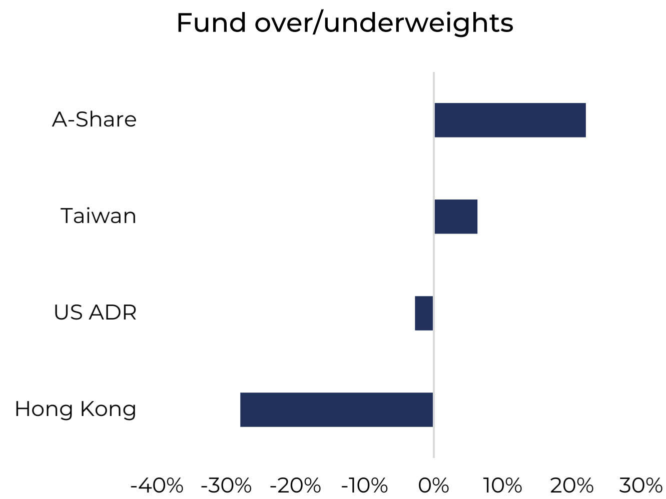




Data as of 31/03/25, source: Guinness Global Investors calculations, Bloomberg

On a listing basis, the Fund has 52% exposure to stocks listed in Hong Kong, 35% exposure to the A share market and a small 6% allocation to Taiwan. Relative to the MSCI China Index, this makes the Fund 22% overweight to the A share market and 28% underweight to stocks listed in Hong Kong.





Data as of 31/03/25, source: Guinness Global Investors calculations, Bloomberg

Exposure to the US

For the Fund, 77% of revenue is derived from China and 23% from abroad. Stocks with greater US exposure are Haier Smart Home, Shenzhou International and Hongfa Technology.

- Haier Smart Home (30% of revenue from US) – Haier is one of the world's largest home appliances companies, selling goods such as air conditioners, fridges and washing machines. Of sales to the US, 50% of production is in the US, 30% is in Mexico and 15% is in China. The company is now considering relocating some offshore production into the US, and to set up new factories in countries with low tariffs with the US. The associated increase in costs may be partly shared with suppliers and consumers through price hikes in the US.
- Shenzhou International (17% of revenue from US) – for the past decade, this garment manufacturer has been diversifying its production facilities across South East Asia. This was initially due to economics, as rising wages in China meant that Vietnam and Cambodia were more attractive locations. In recent years, due to geopolitical risk this move into South East Asia also had diversification benefits. In 2016, 69% of staff were based in China and 31% were abroad. By 2023, 49% of staff were in China and 51% were abroad (split 29% Vietnam and 21% Cambodia). With the most recent set of tariff increases, the US now has a 46% tariff on Vietnam and 46% tariff on Cambodia, which was unexpected. We do not think the US wants to reshore the low-end manufacturing present in these countries; instead, the US is likely to want these countries to lower their tariffs on the US and to lower non-tariff barriers to trade.
- Hongfa Technology (c.7% of revenue directly from the US) – Hongfa has already been subject to 25% tariffs in the US since 2019 but its sales to the US have nevertheless done well. Hongfa has built additional factories in Germany and Indonesia and though these countries are now subject to tariffs, their tariff rates are lower than the China rates, so the company can move production around. For higher end relays, there are few alternative providers for Hongfa's customers to pick from so we expect the tariff burden to be shared.
- Midea (6% of revenue from the US) – Midea is one of the world's largest household appliances firms, well known for its air conditioning business. Though not disclosed in its annual report, separately Midea has indicated sales to the US are worth only 6% of revenue. This is mostly via the home appliances segment rather than the air conditioning business. Over the past few years, Midea has been expanding its footprint worldwide and now has production plants in Brazil, Indonesia, Italy, Thailand, India, Mexico and Egypt. The company can use these various sites, which have lower tariffs than China, to sell into the US. That said, with higher tariffs it is likely margins on US sales are to fall.

OUTLOOK

Of the Fund's 30 holdings, 18 have reported quarterly results and 24 have reported interim and full year results. The difference exists because in the onshore market companies report on a quarterly basis whereas in Hong Kong, most companies report on an interim basis. We summarise the fourth quarter results of the Fund's holdings as follows:

- The median sales growth was 9%.
- The median change in the gross margin was +1.0%.
- The median change in the operating margin was +1.9%.
- The median earnings per share (EPS) growth was +19%.

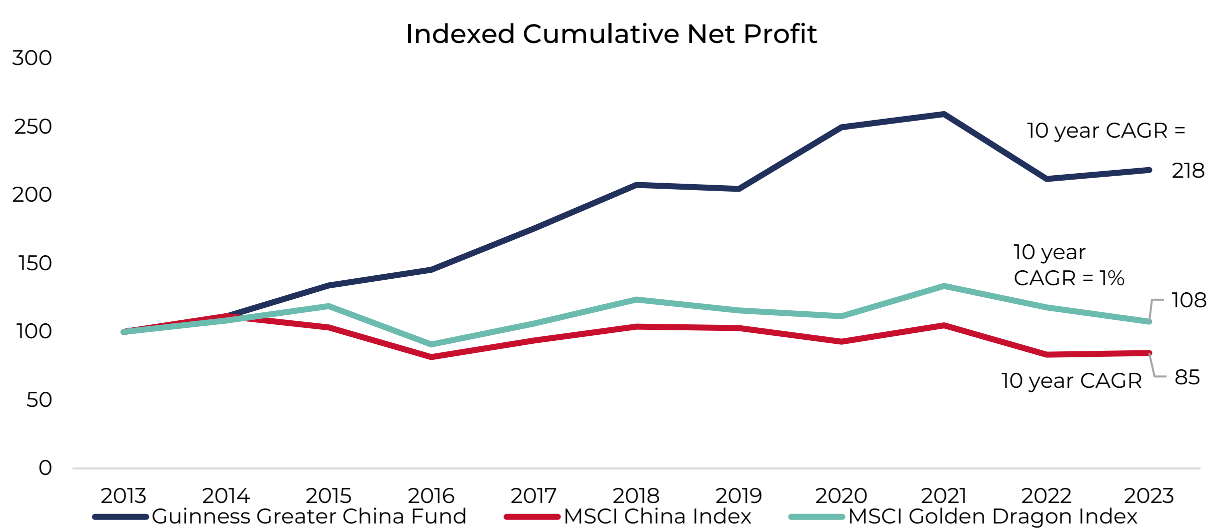
The second half results are summarised as follows:

- The median sales growth was 10%.
- The median change in the gross margin was +0.4%.
- The median change in the operating margin was +0.9%.
- The median earnings per share (EPS) growth was +24%.

The full year results are summarised as follows:

- The median sales growth was 9%.
- The median change in the gross margin was +0.6%.
- The median change in the operating margin was +0.8%.
- The median earnings per share (EPS) growth was +25%.

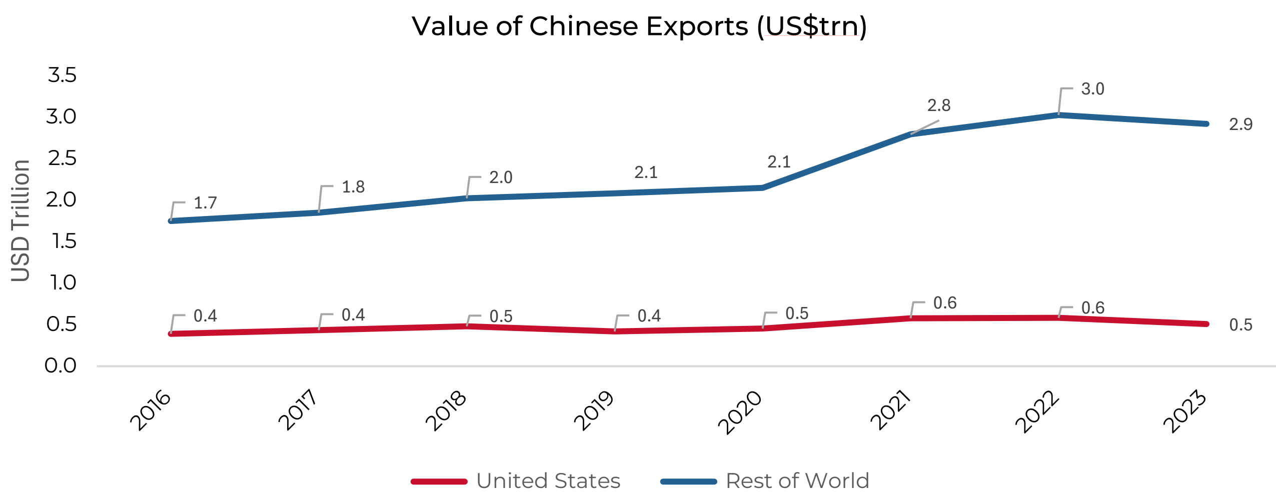
Despite the perception of Chinese markets and the Chinese economy, our companies in aggregate had a good 2024 in operational terms. This marks a second year of consecutive earnings growth for the Fund. The chart below shows the Fund's holdings' long-term earnings growth. Over the past 10 years, our companies have in aggregate generated net profit growth of 8% a year. This is far higher than the MSCI China Index, where earnings have actually contracted by 2% a year over the same period. That being said, we can see that Fund earnings peaked in 2021 and contracted in 2022. This contraction was driven partly by the extended covid lockdowns that China experienced. It was also partly a function of the intentional deleveraging of the property market that was initiated by the government in 2020, leading to an ongoing slowdown in the economy. We saw a 9% recovery in earnings for the Fund's holdings in 2023 and it is likely that with only six companies left to report in the Fund, 2024 earnings growth is to be higher than 2023 earnings growth.



Data as of 31/03/25, source: Guinness Global Investors calculations, Bloomberg. Sales in USD Fund series assumes $1m equally weighted into current holdings. Data for Guinness Greater China is a simulation based on actual, aggregate, historic data for the Fund's current holdings. The Fund was launched on 15.12.2015. Index data uses historic holdings as of the end of each year

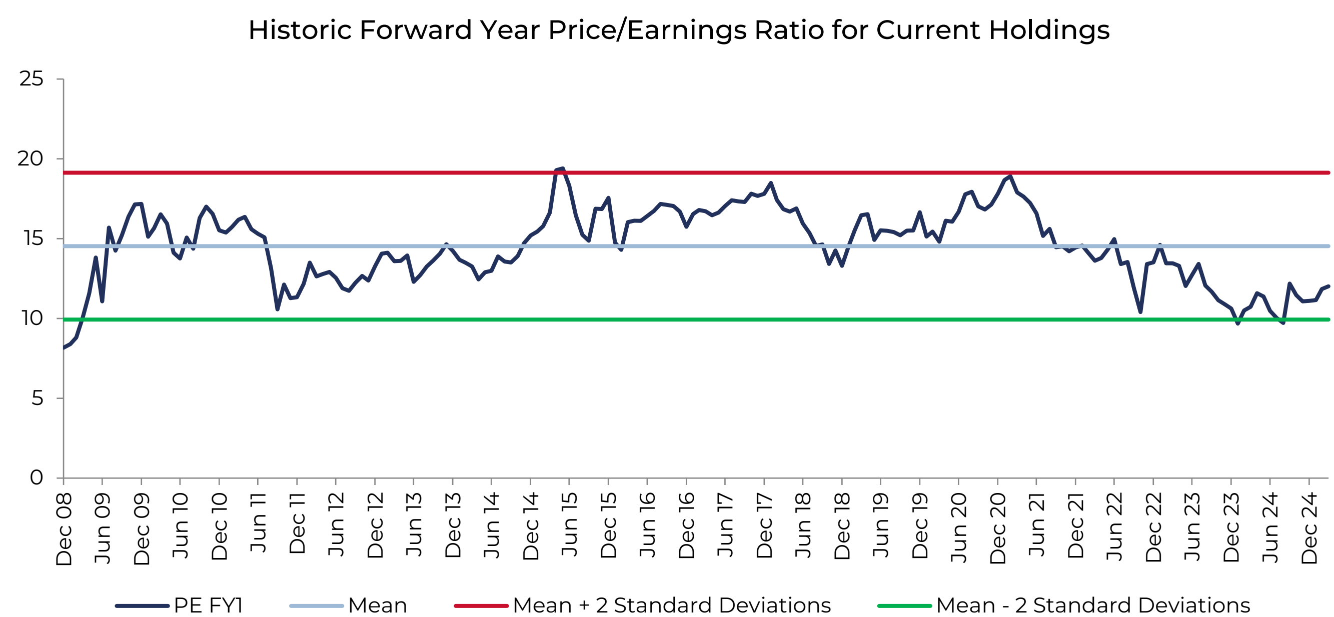
On the 3rd April, Trump imposed a 34% reciprocal tariff on imports from China, which is on top of the existing 20% tariffs introduced this year. This means the tariffs on China are now c.60-65%. In response, China imposed a 34% tariff on all imports from the US, as well as introducing further restrictions on rare earth exports to the US and an anti-trust probe into the local subsidiary of DuPont. Some American companies were added to the Unreliable Entity List and Export Control List.

It is likely the new tariffs on China are to drag China's GDP growth rate lower by up to two percentage points, but this assumes no policy reaction by the Chinese. Based on the commentary from the People's Daily (the Party Central Committee's official newspaper), to mitigate the impact of tariffs we may see further cuts to interest rates and the required reserve ratio. It is implied there is room for a further increase in fiscal deficits and issuance of special government bonds. This is likely to be used to fund increases in the household trade in program and corporate equipment upgrade programs.



Data as of 31/12/23, source: Guinness Global Investors calculations, IMF Direction of Trade Statistics

The People's Daily also points out that the economy is less reliant on exports to the US than in Trump's first term. In 2016, China's exports to the US accounted for 19% of its total exports. By 2024, this share had fallen to c.15%. Europe and emerging markets have been increasingly the focus of China's exports, and this trend is likely to accelerate as a result of the US's actions.



Data from 31/12/08 to 31/03/25, source: Guinness Global Investors calculations, Bloomberg

For the Fund's holdings, the chart above shows the historic forward year price/earnings (P/E) ratio. From a valuation perspective, we are at very different levels to Trump's first term. In Feb-18, the month before Trump first initiated tariffs, our holdings were valued at 19.1x on a forward P/E basis and they de-rated to a low of 13.3x. Today, the economy is mid-way through an economic transition away from property towards the new pillar industries, and tariffs have been expected, though the pace of implementation was likely not. As of Mar-25, our holdings were valued on a forward P/E of 12.0x i.e. lower than in Trump's first term. Now given US tariffs on China are 60-65%, the Fund's lower valuation vs 2018/19 is somewhat justified. But with 77% of the Fund's revenue from China, the direct impact on the Fund's revenue and earnings is limited. The sell-off in the first few days of April does seem to be overdone for our quality set of companies, as even companies with zero exposure to the US have seen their share prices fall significantly.

Portfolio Managers

Sharukh Malik
Edmund Harriss

GUINNESS GREATER CHINA FUND - FUND FACTS

Fund size	$8.8m
Fund launch	15.12.2015
OCF	0.89%
Benchmark	MSCI Golden Dragon TR

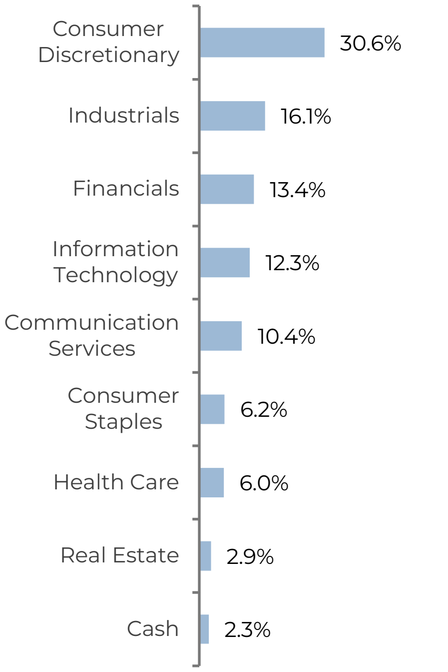
GUINNESS GREATER CHINA FUND - PORTFOLIO

Top 10 holdings

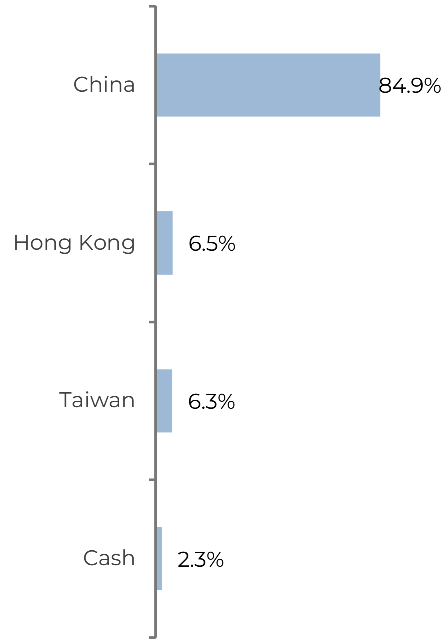
Tencent Holdings	4.4%
Alibaba Group	4.2%
China Merchants Bank	3.9%
JD.com	3.7%
Shenzhen Inovance Technology	3.6%
Geely Automobile Holdings	3.6%
TravelSky Technology	3.6%
Midea Group	3.6%
Hongfa Technology	3.5%
HKEX	3.4%

Top 10 holdings	37.3%
Number of holdings	30

Sector



Country



GUINNESS GLOBAL INVESTORS

Past performance does not predict future returns.

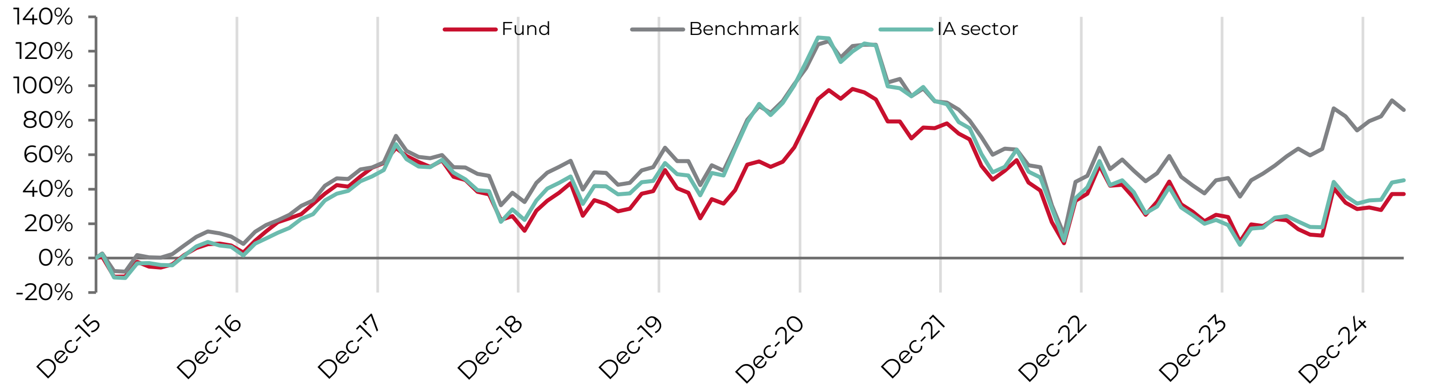
GUINNESS GREATER CHINA FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	-2.3%	+3.0%	+13.2%	-8.8%	+7.2%	-
MSCI Golden Dragon TR	-5.3%	+0.5%	+22.0%	+11.4%	+25.4%	-
IA China/Greater China TR	-1.6%	+5.6%	+20.8%	-7.6%	+2.3%	-
(USD)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+0.1%	+6.1%	+15.6%	-10.6%	+11.6%	-
MSCI Golden Dragon TR	-3.0%	+3.6%	+24.7%	+9.2%	+30.6%	-
IA China/Greater China TR	+0.9%	+8.8%	+23.4%	-9.4%	+6.5%	-
(EUR)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	-3.6%	+1.7%	+15.6%	-7.9%	+13.4%	-
MSCI Golden Dragon TR	-6.6%	-0.7%	+24.7%	+12.5%	+32.6%	-
IA China/Greater China TR	-2.9%	+4.3%	+23.4%	-6.7%	+8.1%	-

GUINNESS GREATER CHINA FUND - ANNUAL PERFORMANCE

(GBP)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
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%	-
(USD)	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
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%	-
(EUR)	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
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 net of fees to 31.03.25. 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 OCF used for the Fund performance returns is 0.89%. which was the OCF over the calendar year 2024. 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.

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 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.

Telephone calls will be recorded and monitored.