

RISK

This is a marketing communication. Please refer to the prospectus, supplement and KID/KIID 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 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. The Fund invests only in stocks of companies that are based in, or with significant business activities in China; it is therefore susceptible to the performance of that region. In addition, at least 80% of the assets will be in China A shares, which have a greater participation by retail investors than other markets, so its performance may be more volatile. 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	09.03.2023
Index	MSCI China A Onshore Index
Sector	IA China / Greater China
Managers	Sharukh Malik Edmund Harriss
EU Domiciled	Guinness China A Share Fund

OBJECTIVE

The Fund invests in quality, profitable companies exposed to the structural growth themes we have identified in the China A share market. These themes are built upon changes we have seen in incomes, demographics, production advances and the application of technology in consumer, industrial and infrastructure settings. The Fund is actively managed and uses the MSCI China A Onshore Index as a comparator benchmark only.

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SUMMARY

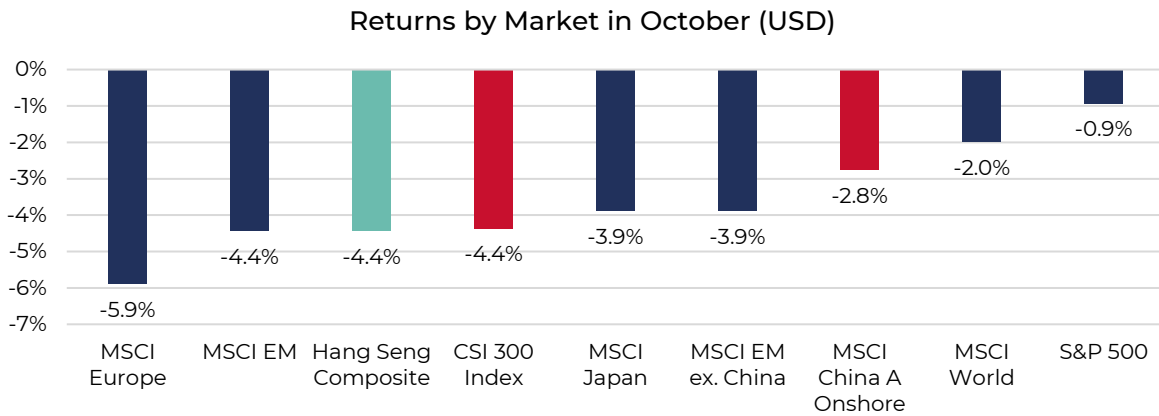
In October, the Guinness China A Share Fund (Y class, GBP) fell by 0.6%, while the benchmark, the MSCI China A Onshore Net Return Index (MSCI China A Onshore Index) rose by 1.4%.

Outperformers in the Fund were Shanghai Putailai New Energy, Zhejiang Jingsheng Mechanical & Electrical and Xiamen Faratronic. Underperformers were Jiangsu Hengli Hydraulic, G-bits Network Technology and China Tourism Group Duty Free.

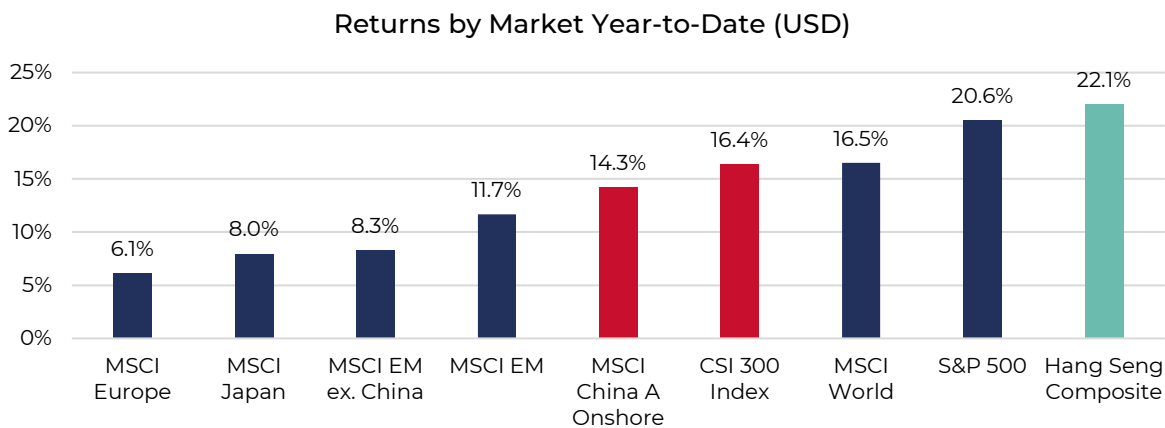
In October, relative to the benchmark, contributors to the Fund's performance were stock selection in the Materials, Consumer Staples, Utilities and Energy sectors. Detractors from performance were stock selection in the Consumer Discretionary, Industrials and Communication Services sectors.

MARKET COMMENTARY

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



(Data from 30/09/24 to 31/10/24, returns in USD, source: Bloomberg, Guinness Global Investors calculations)



(Data from 31/12/23 to 31/10/24, returns in USD, source: Bloomberg, Guinness Global Investors calculations)

After a very strong September, onshore markets gave back some of their gains in October, as the MSCI China A Onshore Index fell by 2.8% compared to the MSCI World Index which fell by 2.0%. The rally faded partly because the government failed to announce a major step-up in support for consumers. Year-to-date, the MSCI China A Onshore Index has risen by 14.3%, slightly behind the MSCI World Index which has risen by 16.5%.

ATTRIBUTION

In October, the Guinness China A Share Fund (Y class, USD) fell by 4.7%, while the benchmark, the MSCI China A Onshore Index fell by 2.8%. Therefore in October the Fund underperformed the benchmark by 1.9%.

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

- Stock selection in the Materials sector, driven by Shanghai Putailai New Energy.
- Stock selection in the Consumer Staples sector, driven by Kweichow Moutai (not held).

Guinness China A Share

- Stock selection in the Utilities and Energy sectors, which were underperforming sectors we have no exposure to.

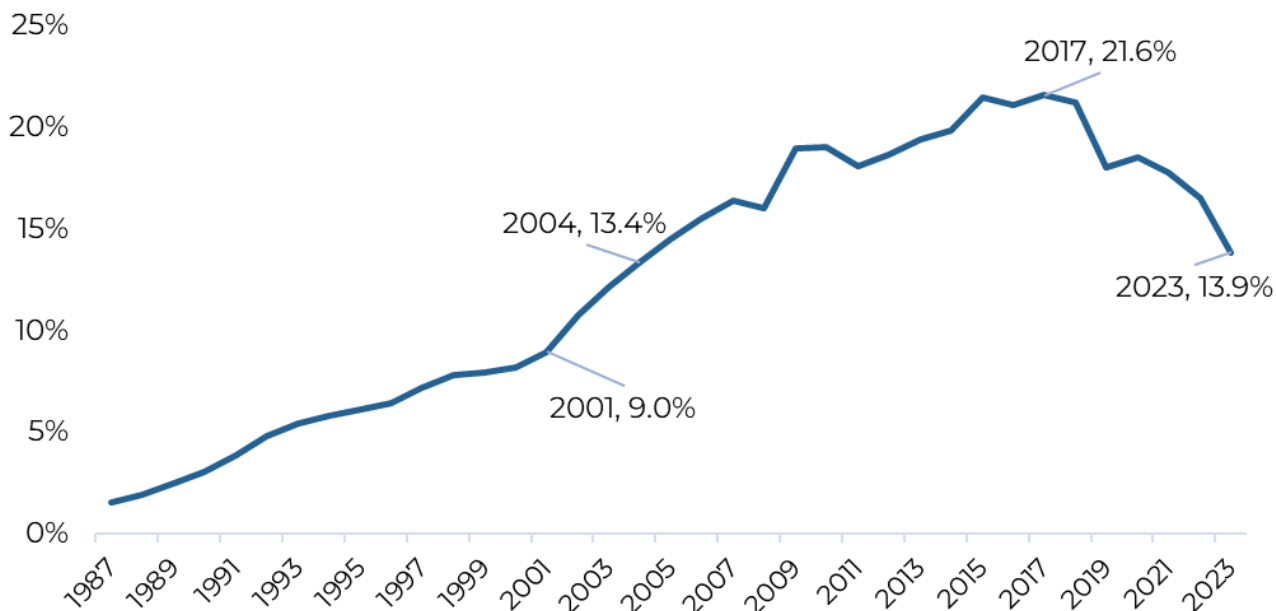
In September, areas which detracted from the Fund's relative performance were:

- Stock selection in the Consumer Discretionary sector, driven by China Tourism Group Duty Free, Zhejiang Supor and Guangzhou Restaurant Group.
- Stock selection in the Industrials sector, driven by Jiangsu Hengli Hydraulic, Shenzhen Inovance Technology and Hongfa Technology.
- Stock selection in the Communication Services sector, driven by G-bits Network Technology (not held).

OUTLOOK

The proposal by Trump to put 60% tariffs on Chinese imports is certainly eye-catching, but it likely only to accelerate a trend that has been evident for the last five years. The chart below, drawing on data from the US Census Bureau, shows the path taken by Chinese imports – growth from 1987 to 2000, acceleration after China's admission into the World Trade Organisation in 2000 to a peak in 2017. Since then, China's share has declined to its lowest level since 2004; and the nominal dollar value of \$426 billion is the lowest since 2012.

China Share of US Imports



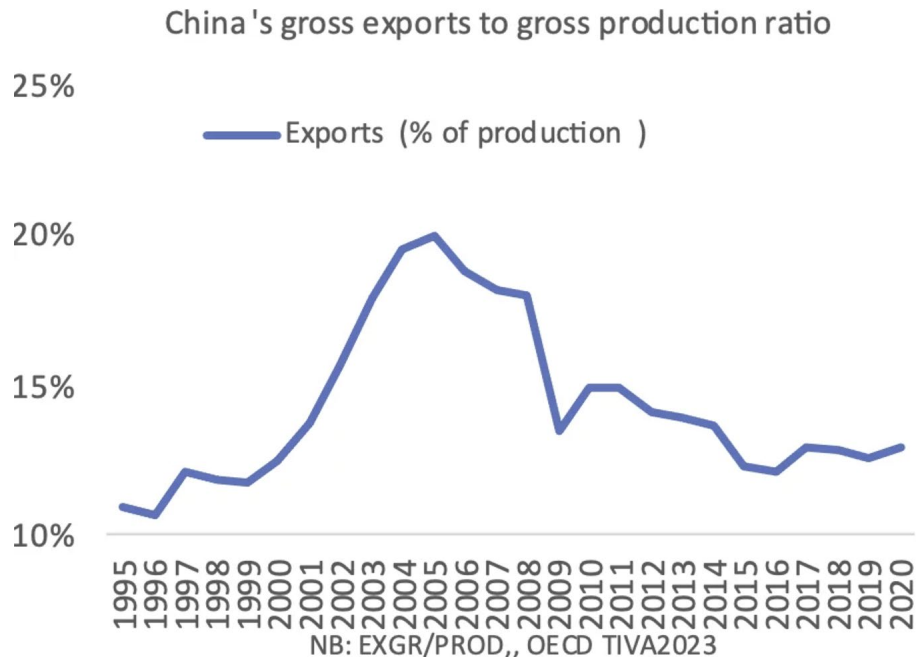
Source: U.S. Department of Commerce Census Bureau, 2024

Chinese companies have already had to come to terms with an unfriendly trading environment that was stepped up in Donald Trump's first term and then more stringently applied under Biden. Trade re-routing and the development of new markets have both been material trends over this period.

From China's perspective, this additional pressure will have an impact. To quantify this we need to put some numbers together. China's GDP in 2023 was worth US\$ 17.89 trillion and the total value of Chinese exports of goods, according to China customs data, was \$3.38 trillion or 18.9% of GDP on a gross basis. On China's own numbers, 14.8% of exports went to the US or about 2.75% of GDP. If we assumed, for example, a 25% drop in Chinese imports, then the impact on GDP on a gross basis is -0.6%.

Guinness China A Share

The wider effect, given as the export multiplier, is very hard to compute. It relies on measures of the marginal propensities to consume and save over time. But China's economic structure has changed very rapidly, as have income levels over the past 30 years, and it has been subject to fiscal shocks all of which make savings and spending patterns highly variable and therefore difficult to estimate. However, we can measure China's exports to gross production i.e. the proportion of China manufacturing output that is sold abroad. The chart below was produced by Professor Richard Baldwin of the IMD Business School for The Centre for Economic Policy Research (CEPR). Since 2004, the proportion of Chinese goods which are manufactured exports has been coming down and its economic dependence on exports is not as high as many assume.



Source: Baldwin 2024, IMD, OECD TiVA database (<https://cepr.org/voxeu/columns/china-worlds-sole-manufacturing-superpower-line-sketch-rise>)

Portfolio Managers

Sharukh Malik
Edmund Harriss

GUINNESS CHINA A SHARE FUND - FUND FACTS

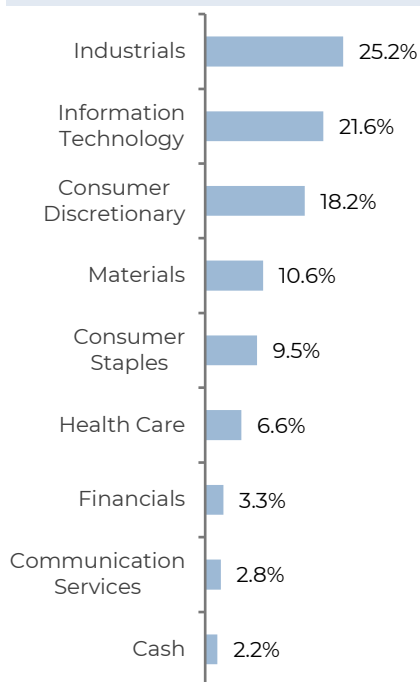
Fund size	\$0.7m
Fund launch	09.03.2023
OCF	0.89%
Benchmark	MSCI China A Onshore TR

GUINNESS CHINA A SHARE FUND - PORTFOLIO

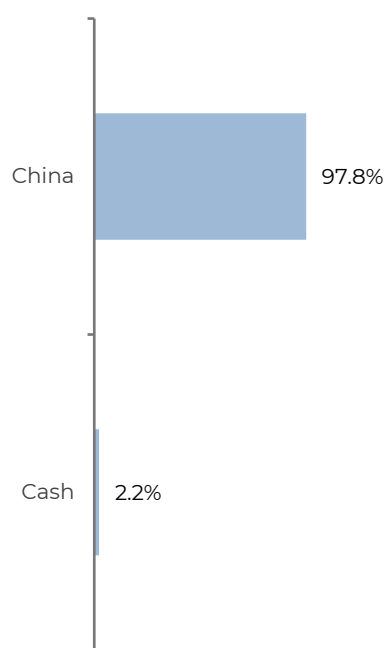
Top 10 holdings

Shanghai Putailai New Energy	4.0%
Sino Wealth Electronic Ltd	3.9%
Zhejiang Jingsheng Mechanical	3.8%
Xiamen Faratronic Co Ltd	3.8%
Zhejiang Weixing New Building	3.5%
Shenzhen Capchem Technology	3.5%
Hangzhou First Applied Materials	3.5%
Amoy Diagnostics	3.4%
Suofeiya Home Collection	3.4%
Shenzhen Inovance Technology	3.4%
Top 10 holdings	36.3%
Number of holdings	30

Sector



Country



Guinness China A Share Fund

Past performance does not predict future returns.

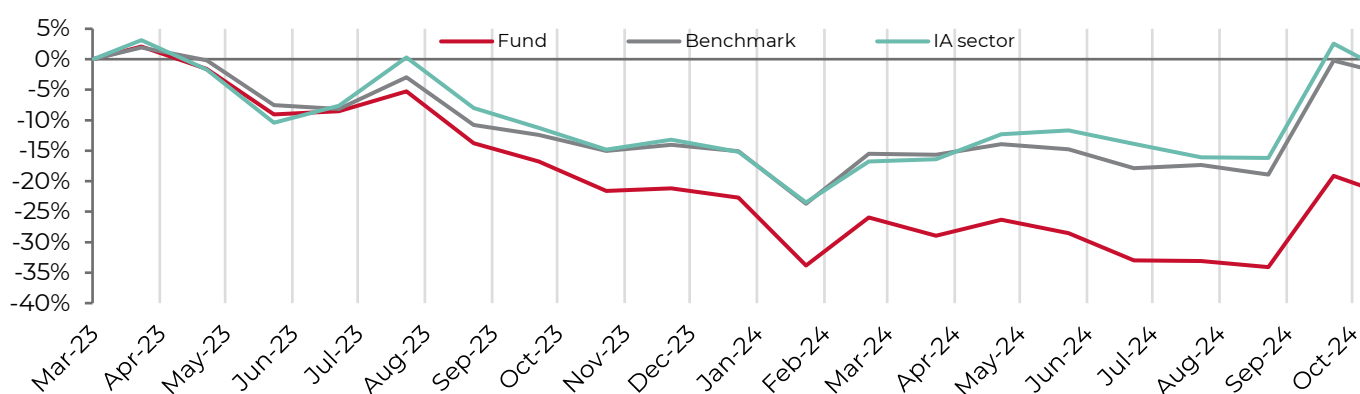
GUINNESS CHINA A SHARE FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	-0.6%	-1.2%	-7.3%	-	-	-
MSCI China A Onshore TR	+1.4%	+13.3%	+7.7%	-	-	-
IA China/Greater China TR	-1.6%	+13.0%	+7.2%	-	-	-
(USD)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	-4.7%	-0.4%	-1.8%	-	-	-
MSCI China A Onshore TR	-2.8%	+14.3%	+14.2%	-	-	-
IA China/Greater China TR	-5.7%	+14.0%	+13.5%	-	-	-
(EUR)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	-2.1%	+1.4%	-4.4%	-	-	-
MSCI China A Onshore TR	-0.1%	+16.3%	+11.1%	-	-	-
IA China/Greater China TR	-3.1%	+16.0%	+10.5%	-	-	-

GUINNESS CHINA A SHARE FUND - ANNUAL PERFORMANCE

(GBP)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	-	-	-	-	-	-	-	-	-	-
MSCI China A Onshore TR	-	-	-	-	-	-	-	-	-	-
IA China/Greater China TR	-	-	-	-	-	-	-	-	-	-
(USD)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	-	-	-	-	-	-	-	-	-	-
MSCI China A Onshore TR	-	-	-	-	-	-	-	-	-	-
IA China/Greater China TR	-	-	-	-	-	-	-	-	-	-
(EUR)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	-	-	-	-	-	-	-	-	-	-
MSCI China A Onshore TR	-	-	-	-	-	-	-	-	-	-
IA China/Greater China TR	-	-	-	-	-	-	-	-	-	-

GUINNESS CHINA A SHARE FUND - PERFORMANCE SINCE LAUNCH (USD)



Source: FE fundinfo to 31.10.24. 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 China A Share 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, 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 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.