

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 movements, 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 their 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 the **first quarter**, the Guinness China A Share Fund (Y class, GBP) fell by 1.4%, while the benchmark, the MSCI China A Onshore Net Return Index, fell by 0.2%. Therefore the Fund underperformed the benchmark by 1.2 percentage points (pp).

Contributors to relative performance were the large underweight in Financials, which underperformed, and stock selection in Information Technology and Materials. Detractors were the overweight to Consumer Discretionary along with stock selection, stock selection in Industrials, and the underweight to Energy, where the Fund has no exposure.

The portfolio's strongest stocks in the quarter were Hangzhou First Applied Material, Xiamen Faratronic and Shanghai Putailai New Energy. The weakest were China Tourism Group Duty Free, Shengyi Technology and Haier Smart Home.

In **March**, the Guinness China A Share Fund fell by 7.1%, while the benchmark, the MSCI China A Onshore Net Return Index, fell by 6.6%. Therefore the Fund underperformed the benchmark by 0.5pp.

Contributors to relative performance were the underweight to Materials and Information Technology, along with stock selection. Detractors were stock selection in Industrials and Consumer Discretionary.

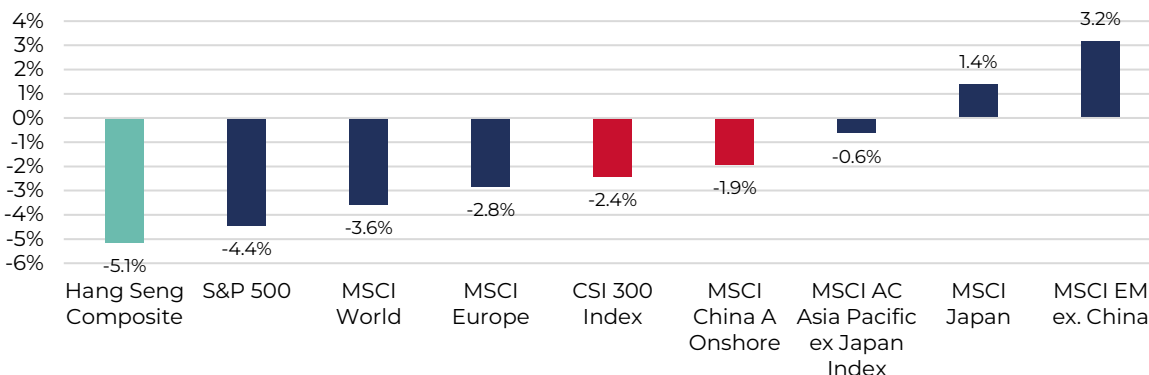
We initiated a position in Weichai Power, a leading manufacturer of heavy-duty engines, where we see an opportunity to benefit from growing demand for power solutions linked to data centre expansion.

We believe current market conditions are creating opportunities with valuations disconnected from improving fundamentals across key holdings. Markets are underestimating the earnings recovery and AI-linked demand embedded in our Industrials holdings. Cyclical weakness in consumption is being treated as permanent, leading to an underappreciation of long-term cash flow potential.

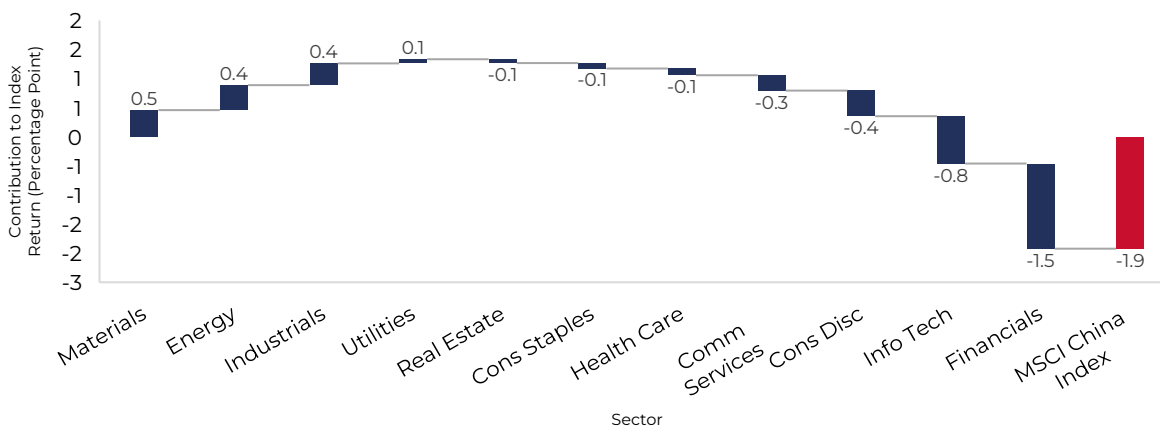
MARKET COMMENTARY

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

Returns by Market in the First Quarter



Contribution to MSCI China A Onshore Index Returns in the First Quarter



Data from 31/12/25 to 31/03/26, returns in USD, source: Factset, Bloomberg, Guinness Global Investors calculations)

In the first quarter, the MSCI China A Onshore Index fell by 1.9%, outperforming developed markets as measured by the MSCI World Index, which fell by 3.6%. Market performance was largely driven by weakness in Financials and Information Technology stocks.

Within Financials, the largest drags were Ping An Insurance Group, Agricultural Bank of China and Shanghai Pudong Development Bank. Net interest margins (NIMs) declined across the major banks in 2025, reflecting interest rate cuts by the central bank and increased competition on loan pricing. While banks expect further margin compression in 2026, the pace of decline is anticipated to moderate. The market sell-off in March also weighed on brokers and insurance companies, which have increased their equity exposure over the past 12 months, making earnings more sensitive to equity market movements.

Within Information Technology, the largest drags were Cambricon Technologies, Foxconn Industrial Internet and Luxshare Precision. More broadly, the de-rating in AI-related names reflects a normalisation following strong performance in 2025, alongside shifting expectations for global interest rates. In our view, this is beginning to create a broader opportunity set beyond last year’s winners, particularly in areas with indirect exposure to AI-driven demand.

In particular, we see compelling opportunities in Industrials, where companies are benefiting from improving pricing dynamics, a stabilisation in end-market demand, and increasing exposure to the AI-related infrastructure build-out, including power generation and grid investment. Despite these tailwinds, valuations remain subdued, reflecting continued market scepticism around a cyclical recovery and a lack of recognition of these emerging growth drivers.

China's Exposure to Oil and Gas from the Strait of Hormuz

Relative to other countries in Asia, China appears to be more resilient to the ongoing energy shock. We estimate that 25-30% of China's oil demand is exposed to the Strait of Hormuz while only 6% of its gas supply is at risk, reflecting significant pipeline imports from Russia.

Of China's primary energy consumption, crude oil and liquefied natural gas (LNG) accounted for 28% of the total which is well below the world average. While coal's share has been falling for more a decade, it is still the largest share of China's energy consumption at 51%, while renewables take up 22%. That said, substitution is limited in certain sectors, meaning industries such as transport, aviation and petrochemicals remain exposed to oil price volatility.

The government has mechanisms in place to limit the pass-through of higher crude oil prices to consumers and businesses. Generally speaking, when crude oil prices are above \$80/barrel (bbl), refining margins are lowered and State Owned Enterprises such as Sinopec absorb higher prices via a reduction in their refining margins. Margins are compressed until \$130/bbl, at which point refining margins fall to zero. Beyond this price, further administrative and fiscal measures are used to cap gasoline and diesel prices.

Therefore we believe inflation sensitivity is likely to be moderate. Motor fuel accounts for c.2.5% of the Consumer Price Index (CPI) basket, and a 10% rise in oil prices is estimated to add only c.0.1 percentage points (pp) to CPI and 0.5–0.6pp to the Producer Price Index (PPI). The impact of natural gas is likely smaller, given its low weighting in the PPI basket (c.1.5%) and likely low weight in the CPI basket.

China has also built a Strategic Petroleum Reserve, with 1.4 billion barrels accumulated, which provides import cover of 112 days. This is slightly below 127 days for OECD nations, excluding the US and Canada.

ATTRIBUTION

In the first quarter, the Guinness China A Share Fund (Y class, USD) fell by 3.3%, while the benchmark, the MSCI China A Onshore Index, fell by 1.9%. Therefore the Fund underperformed by 1.4pp.

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

- The large underweight in Financials, which underperformed.
- Stock selection in Information Technology, driven by Hangzhou First Applied Material and Xiamen Faratronic, as well as names not held such as Cambricon Technologies, Foxconn Industrial Internet and Luxshare Precision.
- Stock selection in Materials, driven by Shanghai Putailai New Energy and Shandong Sinocera.

Areas which detracted from the Fund's relative performance were:

- The overweight to Consumer Discretionary, as well as stock selection driven by China Tourism Group, Haier Smart Home and Guangzhou Restaurant Group.
- Stock selection in Industrials, driven by Jiangsu Hengli Hydraulic, CATL (not held), Shenzhen Inovance Technology and Hongfa Technology.
- The underweight to Energy, where the Fund has no exposure.

In March, the Guinness China A Share Fund (Y class, USD) fell by 8.8%, while the benchmark, the MSCI China A Onshore Index, fell by 8.3%. The Fund underperformed by 0.6pp.

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

Guinness China A Share

- A combination of the underweight to Materials along with stock selection, driven by Shanghai Putailai New Energy and names not held such as Zijin Mining and CMOC Group.
- The underweight to Information Technology and stock selection driven by Xiamen Faratronic and names not held such as Hygon Information Technology and Cambricon Technologies.

Areas which detracted from the Fund's relative performance were:

- Stock selection in Industrials, driven by Shandong Himile Mechanical, Jiangsu Hengli Hydraulic, Sany Heavy Industry, CATL (not held), Weichai Power, Hongfa Technology and Sino Seal.
- Stock selection in Consumer Discretionary, driven by Haier Smart Home and China Tourism Group Duty Free.

STOCK PERFORMANCE

Strongest Stocks



Hangzhou First Applied Material (total return +27.4%) is the world's largest manufacturer of solar encapsulation film, which is used to protect solar modules. Its primary raw material is a derivative of oil and gas, and developments in the Middle East have led to a significant increase in input costs. In the short term, First Applied is benefiting from its leading market share, allowing it to raise prices. In addition, the company is selling inventory produced at lower historical costs into a higher price environment, providing a temporary increase to margins. But with inventory days of c.54, this benefit is likely to be short-lived. As inventories are replenished at higher spot prices, the margin uplift is expected to normalise. Looking beyond the next month or two, higher input costs have historically been associated with higher solar film prices, suggesting that the company may be able to pass on higher costs to customers. At the same time, smaller competitors who already under pressure from industry oversupply and weak profitability may struggle to do the same. This could accelerate industry rationalisation and provide First Applied with an opportunity to further consolidate market share.



Xiamen Faratronic (+20.6%) saw fourth quarter revenue growth moderate to 4% while the gross margin declined 1.5pp to 30.0%, reflecting ongoing pricing pressure in the EV segment which also took up a larger share of overall revenue. However, this was offset by stronger operating leverage, with the operating margin expanding 2.6pp to 24.8% and earnings per share (EPS) increasing 15%. More broadly, 2025 performance remained solid, with revenue up 12% and EPS up 15%, underpinned by healthy growth across EVs, solar, Energy Storage Solutions (ESS) and industrial segments. While EV pricing dynamics remain a headwind, management indicated prices are nearing floor levels and the company is maintaining discipline on project selection. Looking ahead, the company is guiding for continued double-digit growth in 2026, supported by EV, industrial and emerging applications such as AI data centres and power infrastructure.



Shanghai Putailai New Energy (+18.5%) is a battery materials manufacturer that saw a notable recovery in both growth and profitability during 2025. In the fourth quarter revenue increased 35%, with the gross margin expanding 7.0pp to 30.1%, while EPS turned positive from a loss in the prior year. Operationally, the company continues to demonstrate strong scale advantages, particularly in separators, where coated shipments grew 56% and base separator sales more than doubled. However, margins experienced some sequential pressure due to a mix shift toward lower-margin equipment, alongside higher impairments in the quarter. Looking ahead, management is guiding for strong volume growth across anodes and separators in 2026, with anode profitability expected to recover as lower-cost capacity ramps. Overall, the outlook remains positive, supported by scale, solid end-demand and improving operating leverage.

Weakest Stocks

cdf

China Tourism Group Duty Free (total return -24.6% in the first quarter) was the weaker performer over the period, despite early signs of stabilisation in underlying operations. In 4Q25, revenue returned to modest growth (+3% year-on-year), with the gross margin improving 4.8pp to 33.3% and EPS rising 54%. This was driven primarily by a recovery in Hainan, where sales rebounded strongly, aided by policy support and higher spending on premium categories. However the recovery remains uneven as the airport and online channels continued to decline. In addition, a goodwill impairment weighed on reported earnings. Looking ahead, while Hainan momentum has carried into early 2026, the outlook is tempered by structural headwinds, including reduced exposure under new airport contracts and ongoing channel mix pressures.



Shengyi Technology (-23.1%), a manufacturer of copper clad laminates (CCLs) used in printed circuit boards, was the Fund's top performer in 2025, rising 219.5%. In the first quarter, however, the stock experienced a sharp valuation de-rating, with its forward P/E multiple compressing from 34x to 23x. This largely mirrors the broader de-rating seen across a number of last year's AI-related winners. Despite this, fundamentals remain robust. The company continues to benefit from strong demand linked to AI data centre build-out across both the domestic and export market.

Haier

Haier Smart Home (-17.0%), a manufacturer of household appliances, was among the weaker performers in the quarter with a soft 4Q25 print marked by a broad earnings miss and margin compression. The weakness was driven by a combination of China demand softness as subsidies were phased out, elevated commodity costs (notably copper), and significant US tariff and pricing pressure. Positively overseas markets provided some offset, with European sales up 20% and emerging markets delivering strong double-digit growth. However, these were insufficient to offset US and domestic headwinds. Management expects 1Q26 to mark the trough, but near-term visibility remains constrained by weak demand and cost pressures.

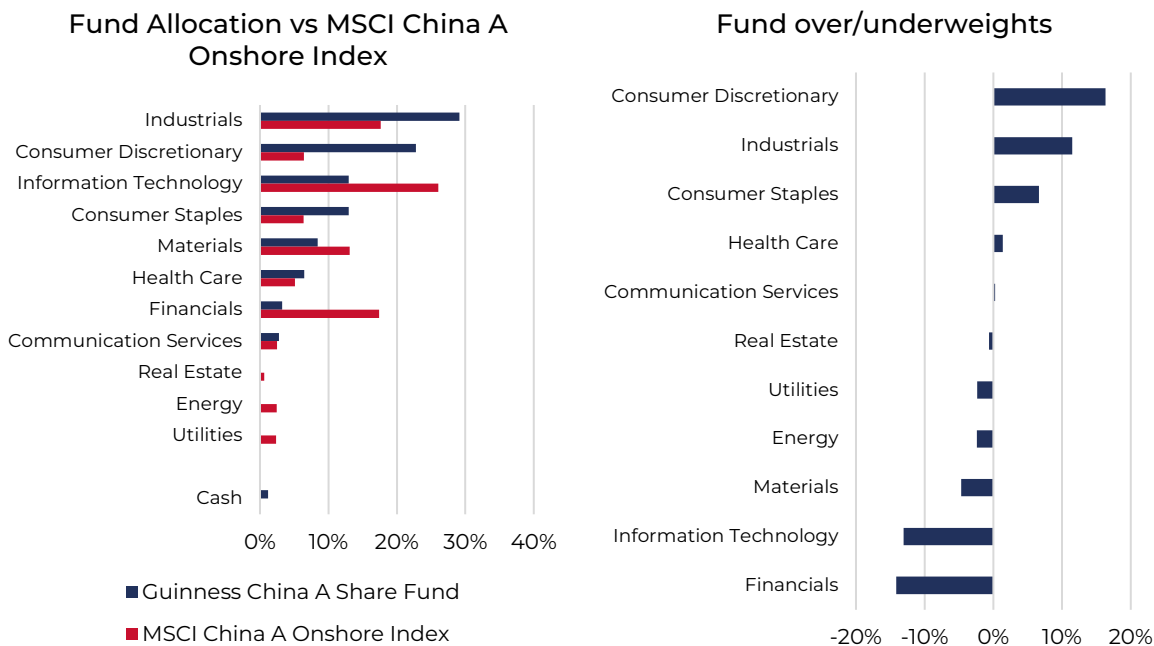
CHANGES TO THE PORTFOLIO

WEICHAI

We initiated a position in Weichai Power, a leading manufacturer of heavy-duty engines, where we see an opportunity to benefit from growing demand for power solutions linked to data centre expansion. In our view, the market does not fully reflect this growth opportunity, continuing to value the business largely as a traditional engine manufacturer while undervaluing the aftermarket servicing opportunity, which provides a source of high-margin, recurring revenue. The company's capability in both diesel and gas-powered generation positions it well to benefit from growing demand for flexible and reliable on-site power solutions, across both primary and backup use cases.

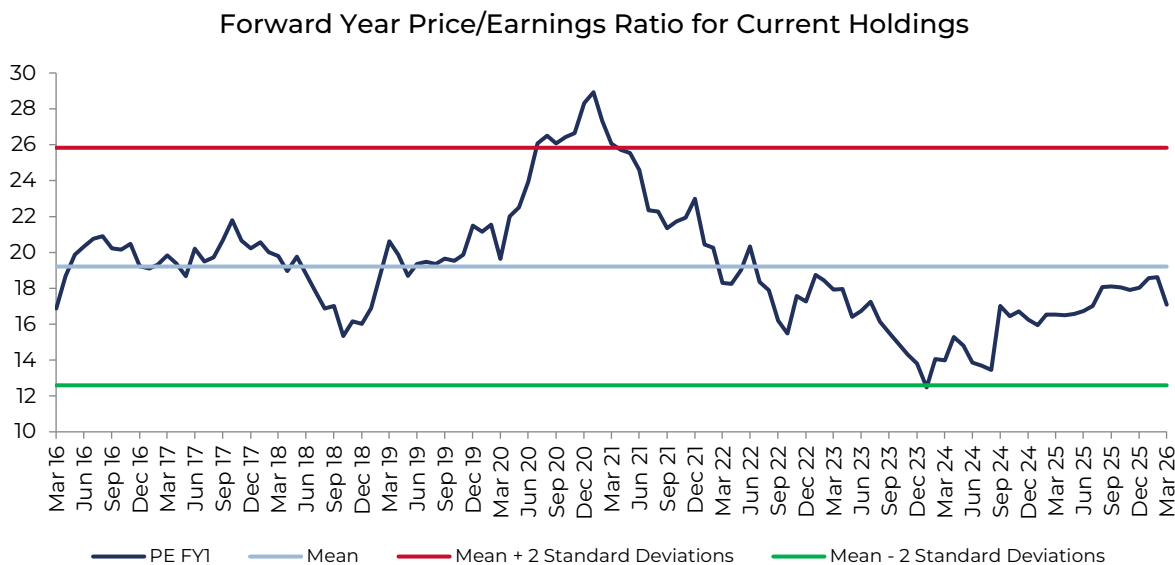
PORTFOLIO POSITIONING

On a sector basis, the Fund’s largest exposures are to the Industrials, Consumer Discretionary and Information Technology sectors. Relative to the MSCI China A Onshore Index, the Fund is overweight Consumer Discretionary and Industrials, while underweight Financials and Information Technology.



Data as of 31/03/26, source: Guinness Global Investors calculations, Bloomberg

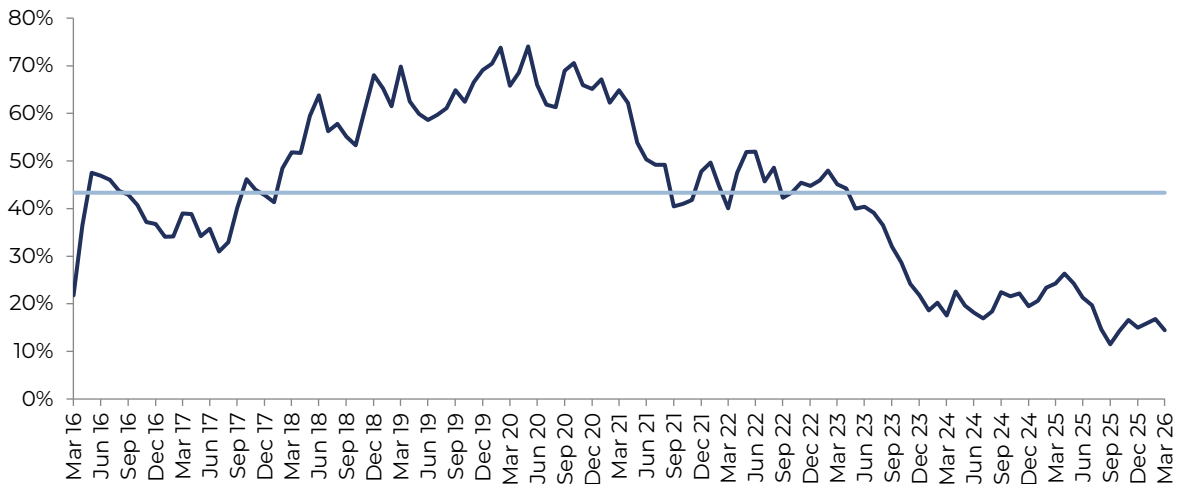
OUTLOOK



(Data from 31/12/15 to 31/03/26, source: Bloomberg, Guinness Global Investors calculations. Calculations assume an equally weighted portfolio)

Guinness China A Share

Current Holdings' FY1 Price/Earnings Premium vs MSCI China A Onshore Index



(Data from 31/12/15 to 31/03/26, source: Bloomberg, Guinness Global Investors calculations. Calculations assume an equally weighted portfolio)

On a forward basis, the Fund is trading on a price/earnings ratio of 17.1x, below its long-term average of 19.2x. The current holdings' premium relative to the MSCI China A Onshore Index stands at 15%, which is well below the long-term average of 43%. Since September 2025, this premium has started to recover, reflecting improving fundamentals and increasing recognition of opportunities within the Industrials sector, where the Fund is 11% overweight. We believe the recent market pullback presents an attractive entry point. Overall, the portfolio is trading at low valuations both in absolute terms and relative to the index, despite improving fundamentals across key holdings. In our view, the market is pricing in current cyclical weakness in consumption as if permanent, while underappreciating recovery potential in Industrials and structural earnings growth linked to China's industrial upgrading.

We believe the operating environment for Industrials is likely to improve as the drag from property moderates. Additionally, improving Producer Price Index (PPI) inflation is expected to support pricing and margin expansion for Industrial companies. Several of our holdings are also benefiting from the power and infrastructure build-out for AI data centres. Despite this, they continue to trade at materially lower valuations than more direct beneficiaries of AI such as semiconductor stocks, which significantly outperformed in the early stages of the AI rally. While the short-term operating environment for our Industrials has weakened due to geopolitical disruptions related to the Iran conflict, our long-term approach to investing allows us to look past these disruptions. In our view, valuations do not reflect these improving fundamentals, with the market continuing to discount cyclical weakness while underestimating both margin recovery and AI-related demand.

The Fund is also 16% overweight in Consumer Discretionary stocks, where we see opportunities driven by low valuations. The government's recent "Two Sessions" provided no further policy support for consumption; in fact, funds for the consumer trade-in programme were cut by RMB 50bn (\$7.3bn) to RMB 250bn (\$36.4bn) for 2026. Additionally, a high base effect is weighing on growth for certain consumer-facing companies that benefited from subsidies last year but are no longer eligible. As a result, we have seen a valuation de-rating for these stocks and we believe the market is effectively pricing the current slowdown as permanent, assigning minimal value to future cash flows despite the potential for normalisation over time.

Over a five-year horizon, we do not expect the government to introduce major consumption stimulus. While pilot programmes can signal future policy direction, we currently see no initiatives with sufficient scale to materially boost consumption. Measures such as promoting the "night-time economy" are, in our view, not meaningful enough to significantly boost consumption. Instead, policy appears focused on upgrading the manufacturing sector and moving up the value chain. The objective is to increase output per worker, enabling higher wages and, indirectly, stronger consumption over time. Direct stimulus measures, such as widespread consumption vouchers, remain unlikely. President Xi has previously indicated that welfare expansion is difficult to reverse once implemented, citing Latin America as an example where populist

Guinness China A Share

policies have contributed to fiscal strain and the middle-income trap. Accordingly, the government's approach is to enhance public services, particularly in education, healthcare, and elderly care, rather than pursue broad-based income transfers. This reinforces our preference for companies exposed to industrial upgrading and productivity gains, rather than those reliant on near-term consumption stimulus. In this context, we continue to see attractive risk-reward in our current positioning, given the disconnect between valuations and underlying fundamentals.

Portfolio Managers

Sharukh Malik

Edmund Harriss

GUINNESS CHINA A SHARE FUND - FUND FACTS

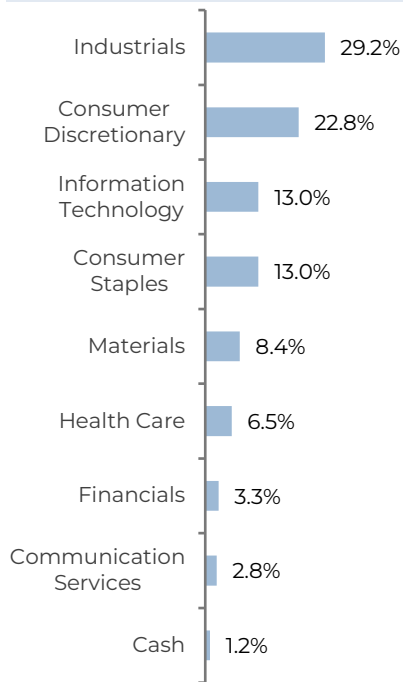
Fund size	\$1.1m
Fund launch	09.03.2023
OCF	0.77%
Benchmark	MSCI China A Onshore TR

GUINNESS CHINA A SHARE FUND - PORTFOLIO

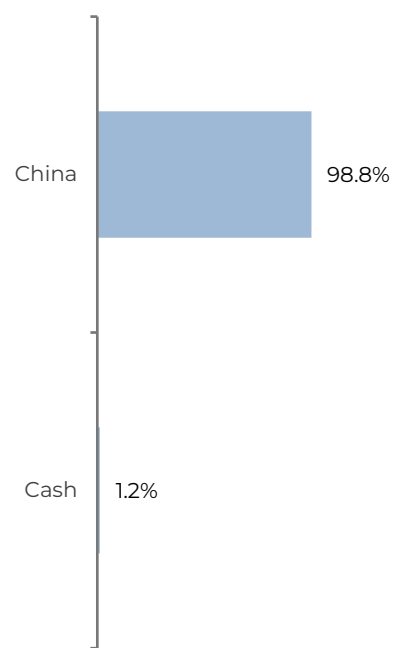
Top 10 holdings

Shandong Sinocera Functional	4.4%
Shanghai Putailai New Energy	4.0%
Hangzhou First Applied Materials	3.7%
Zhejiang Weixing New Building	3.7%
Midea Group	3.5%
Hongfa Technology	3.5%
Weichai Power	3.5%
Foshan Haitian Flavouring	3.5%
Jiangsu Hengli Hydraulic	3.4%
China Tourism Group Duty Free	3.4%
Top 10 holdings	36.6%
Number of holdings	30

Sector



Country



Guinness China A Share Fund

Past performance does not predict future returns.

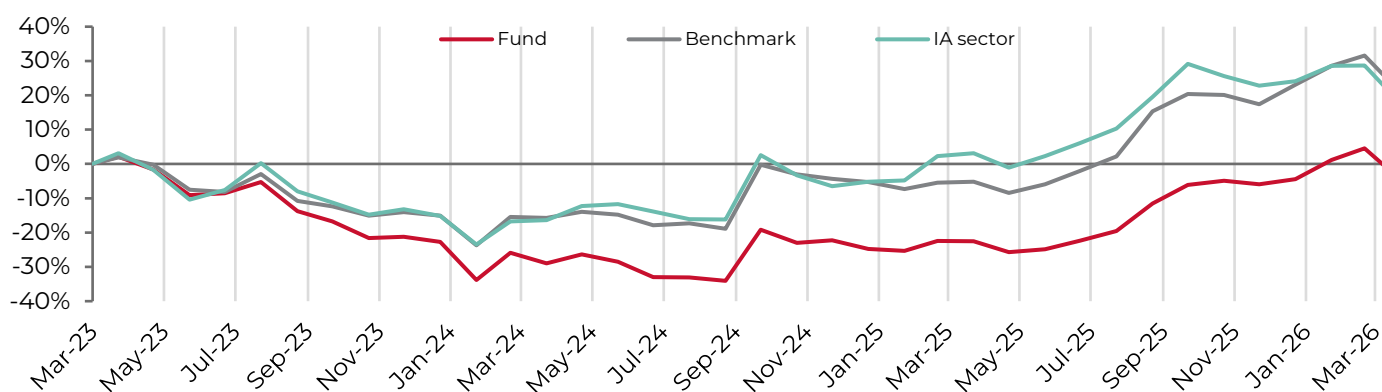
GUINNESS CHINA A SHARE FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	-7.1%	-1.4%	+20.5%	-12.5%	-	-
MSCI China A Onshore TR	-6.5%	+0.0%	+24.6%	+11.1%	-	-
IA China/Greater China TR	-6.9%	-3.4%	+11.5%	+6.9%	-	-
(USD)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	-8.8%	-3.3%	+23.1%	-6.7%	-	-
MSCI China A Onshore TR	-8.3%	-1.9%	+27.3%	+18.4%	-	-
IA China/Greater China TR	-8.7%	-5.3%	+13.9%	+14.0%	-	-
(EUR)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	-6.6%	-1.4%	+15.4%	-12.0%	-	-
MSCI China A Onshore TR	-6.0%	+0.0%	+19.4%	+11.7%	-	-
IA China/Greater China TR	-6.4%	-3.5%	+6.8%	+7.5%	-	-

GUINNESS CHINA A SHARE FUND - ANNUAL PERFORMANCE

(GBP)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+22.1%	-1.0%	-	-	-	-	-	-	-	-
MSCI China A Onshore TR	+21.0%	+13.6%	-	-	-	-	-	-	-	-
IA China/Greater China TR	+21.9%	+13.8%	-	-	-	-	-	-	-	-
(USD)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+31.1%	-2.7%	-	-	-	-	-	-	-	-
MSCI China A Onshore TR	+29.9%	+11.6%	-	-	-	-	-	-	-	-
IA China/Greater China TR	+30.9%	+11.8%	-	-	-	-	-	-	-	-
(EUR)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+15.6%	+3.8%	-	-	-	-	-	-	-	-
MSCI China A Onshore TR	+14.6%	+19.0%	-	-	-	-	-	-	-	-
IA China/Greater China TR	+15.4%	+19.2%	-	-	-	-	-	-	-	-

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



Source: FE fundinfo net of fees to 31.03.26. 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.

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. 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.

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, 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'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.