Guinness China RMB Income Fund

Investment Commentary – July 2026

RISK

This is a marketing communication. Please refer to the prospectus, supplement, KIDs and KIIDs for the Fund (available on our website), which contain detailed information on its characteristics and objectives and full information on the risks, before making any final investment decisions.

The Guinness China RMB Income Fund is a bond fund. Investors should be willing and able to assume the risks of bond and fixed income 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 may invest more than 35% of its assets in transferable securities and money market instruments issued or guaranteed by certain government or public issuers. The Investment Manager currently expects that any such exposure above 35% would only be considered in respect of securities issued or guaranteed by the Government of the People's Republic of China.

Past performance does not predict future returns.

ABOUT THE STRATEGY

Launch	09.03.2023
Sector	IA Specialist Bond
Manager	EPIC Investment Partners

OBJECTIVE

The Guinness China RMB Income Fund aims to provide investors with a combination of capital appreciation and income. The Fund invests in a range of bonds and fixed income investments, which will be denominated or hedged back to Renminbi (Renminbi or RMB being the official currency of China). The Fund buys government and quasi-sovereign bonds in the onshore China bond market and supranational and high-grade corporate credit in the offshore bond market. The Fund is actively managed without reference to a benchmark.

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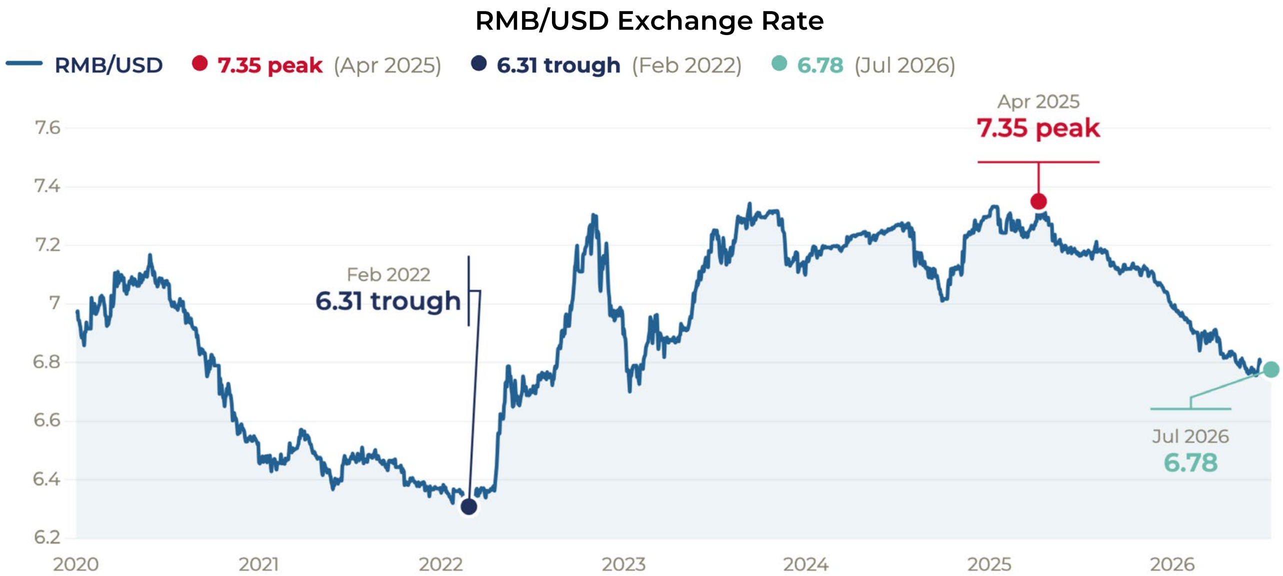
COMMENTARY

China's economy is currently facing a "two-speed" trajectory. Hard data reveals a clear stabilisation pattern; the economy grew by 4.7% in the first half of the year, tracking tightly with Beijing's lowered 4.5% to 5.0% target. However, this growth remains highly uneven. On the supply side, advanced industrial production is thriving, surging by 5.4%, driven by double-digit spikes in high-tech manufacturing, electric vehicles, lithium batteries, and industrial robotics. Conversely, domestic demand and the private consumer market remain stubborn laggards, heavily weighed down by a five-year long real estate downturn where property investments have collapsed another 18%.

Policy-wise, Beijing is resisting consumer-focused large-scale stimuli, choosing instead to double down on supply-side industrial restructuring. The People's Central Bank of China (PBOC) is executing a "moderately loose" monetary policy, injecting massive liquidity directly into targeted corridors, including over CNY 760bn in low-cost funding to private enterprises and investing hugely in facilities dedicated to tech innovation. Furthermore, state policy has pivoted away from rescuing private mega-developers, and is now focused instead on state-directed absorption of housing inventory while introducing long-term structural targets aimed at lifting total retail sales to CNY 60trn by 2030.



Source: Guinness Global Investors, Bloomberg 31.12.19 to 31.07.26

The renminbi (RMB) is navigating domestic depreciation pressures and a massive state-led push for internationalisation. Given internal rate cuts and the dollar's persistent strength, the PBOC has been managing the currency's daily trading band. At the same time, Beijing has leveraged bilateral currency swaps, expanded offshore RMB liquidity, and refined mechanisms like the "Bond Connect" to boost cross-border renminbi usage. This strategic push has elevated the RMB's role as a resilient, sanction-insulated trade settlement tool, particularly as major trade volumes move to independent platforms like China's Cross-Border Interbank Payment System.

PORTFOLIO REVIEW

Past performance does not indicate future returns.

The Fund's CNH Y class gained +0.54% in the first half of the year.

The GACI First Investment Company (GACI) 2027 green bond was the star performer through the period, gaining c.1.2%, the China Government bonds also performed well.

The yield on the 2-year benchmark China Government bond closed 13 basis points (bps) lower at 1.23%.

The onshore and offshore renminbi returned +3.39% and +3.49%, respectively, against the dollar. Against the euro, the currencies returned +6.30% and +6.41%, respectively.

The A1 (WARF) rated portfolio yields 1.69% and has a duration of 1.41 years.

During the period, we rotated proceeds from the maturity of the KfW 2026 issue into the German state-owned development bank KfW 2.75% 2027s bond. In June, the China Government bond matured, we added China Government Bond 3.6% 2027s.

OUTLOOK

The outlook for China through the second half of 2026 remains anchored to its entrenched K-shaped trajectory. Headline real GDP growth is widely projected to sit between 4.4% and 4.8%, aligning smoothly with Beijing's official targets. High-tech manufacturing, green energy infrastructure, and robust exports of AI-related hardware will continue to serve as the economy's primary growth engines. However, the disconnect between macro and micro perspectives is expected to persist. The ongoing property market correction and muted consumer confidence will also continue to drag down domestic retail and local investment.

To bridge this gap, policy in the coming months will likely lean on targeted fiscal acceleration over large-scale monetary easing. The central bank is expected to preserve a moderately loose but cautious stance, with analysts forecasting modest, incremental cuts of 20bps to policy rates alongside potential reserve requirement ratio (RRR) reductions later in the year to grease the wheels of liquidity. This conservative pace is designed specifically to underpin the renminbi. Supported by cooling geopolitical friction and structured offshore trading mechanisms, the renminbi is anticipated to trade within a stable, defence-backed range.

GUINNESS CHINA RMB INCOME FUND - FUND FACTS

Fund size	¥31.8m
Fund launch	09.03.2023
OCF	0.60%
Benchmark	N/A
Historic yield	2.3% (Y CNH Dist)

Historic yield reflects the distributions declared over the past 12 months expressed as a percentage of the mid-market price, as at the latest month end. It does not include any preliminary charges. Investors may be subject to tax on the distribution.

GUINNESS CHINA RMB INCOME FUND - PORTFOLIO

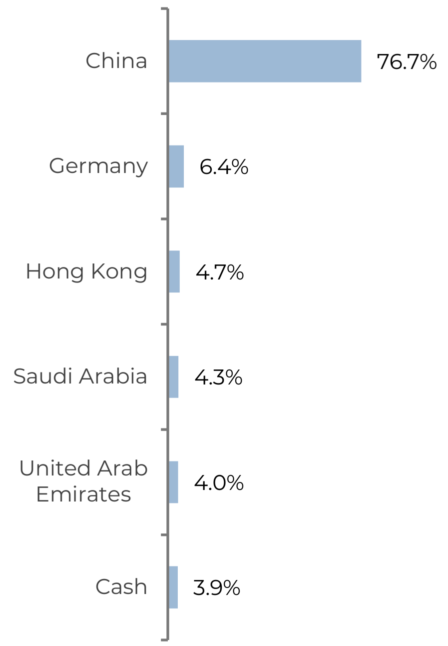
Top 10 holdings

China Govt Bond 3.60% 27/06/2028	8.2%
China Govt Bond 2.39% 15/03/2029	8.1%
China Govt Bond 2.52% 04/08/2028	8.1%
China Govt Bond 1.88% 10/04/2028	7.9%
China Govt Bond 2.28% 15/03/2027	7.9%
China Govt Bond 1.75% 21/02/2027	7.9%
China Govt Bond 1.42% 04/06/2029	7.9%
China Exim Bank 4.15% 18/06/2027	6.5%
KFW 2.75% 26/04/2027	6.4%
China Govt Bond 3.38% 04/07/2026	6.3%
Top 10 holdings	75.1%
Number of holdings	15

Credit ratings

AAA	6.4%
AA	13.0%
A	76.7%

Country



Past performance does not predict future returns.

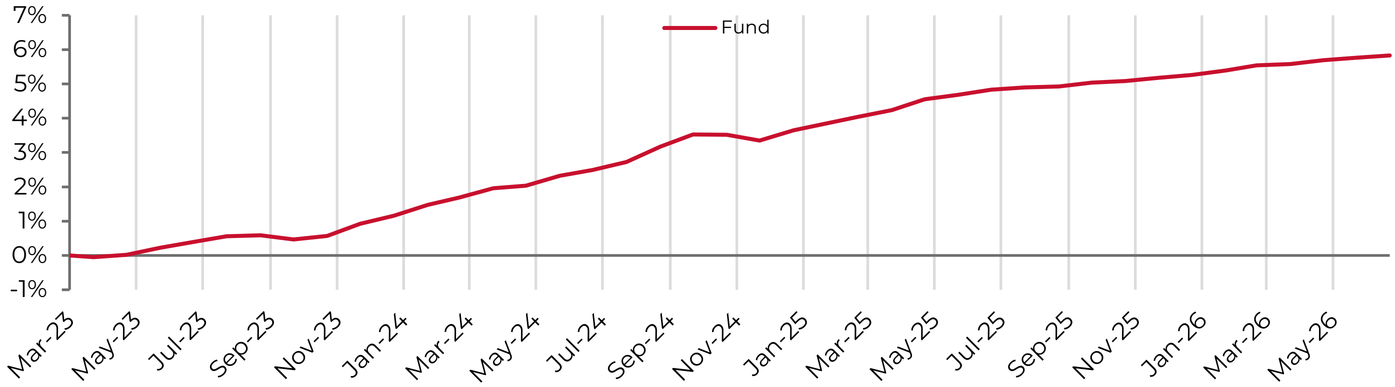
GUINNESS CHINA RMB INCOME FUND - CUMULATIVE PERFORMANCE

(CNH)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+0.1%	+0.5%	+1.0%	+5.4%	-	-
(GBP)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+1.2%	+4.8%	+10.0%	+8.2%	-	-
(USD)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	-0.3%	+3.4%	+6.5%	+12.9%	-	-
(EUR)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+1.7%	+6.2%	+9.4%	+7.8%	-	-

GUINNESS CHINA RMB INCOME FUND - ANNUAL PERFORMANCE

(CNH)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+1.5%	+2.5%	-	-	-	-	-	-	-	-
(GBP)	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Fund	-0.6%	+1.2%	-	-	-	-	-	-	-	-
(USD)	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Fund	+6.8%	-0.6%	-	-	-	-	-	-	-	-
(EUR)	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Fund	-5.8%	+6.0%	-	-	-	-	-	-	-	-

GUINNESS CHINA RMB INCOME FUND - PERFORMANCE SINCE LAUNCH (USD)



Source: FE fundinfo net of fees to 30.06.26. Graph is in CNH. 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 0.60%. 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, which is a trading name of Guinness Asset Management Limited which is authorised and regulated by the Financial Conduct Authority and registered with the Securities and Exchange Commission ("SEC"). SEC registration does not imply a certain level of skill or training.

This report is primarily designed to inform you about fixed interest securities and equity and fixed interest markets invested in by the Guinness China RMB Income 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, Supplement, Key Information Document (KID) / Key Investor Information Document (KIID) and the Application Form, is available in English from www.guinnessgi.com or free of charge from:-

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

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

Investor Rights
A summary of investor rights in English, including collective redress mechanisms, is available here: https://www.waystone.com/waystone-policies/

Residency
In countries where the Fund is not registered for sale or in any other circumstances where its distribution is not authorised or is unlawful, the Fund should not be distributed to resident Retail Clients. **NOTE: THIS INVESTMENT IS NOT FOR SALE TO U.S. PERSONS.**

Structure & regulation
The Fund is a sub-fund of Guinness Asset Management Funds PLC (the "Company"), an open-ended umbrella-type investment company, incorporated in Ireland and authorised and supervised by the Central Bank of Ireland, which operates under EU legislation. If you are in any doubt about the suitability of investing in this Fund, please consult your investment or other professional adviser.

Switzerland
This is an advertising document. The prospectus and KID for Switzerland, the articles of association, and the annual and semi-annual reports can be obtained free of charge from the representative in Switzerland REYL & Cie S.A., Rue du Rhône 4, 1204 Geneva, Switzerland. The paying agent is Banque Cantonale de Genève, 17 Quai de l'Ile, 1204 Geneva, Switzerland.

Singapore
The Fund is not authorised or recognised by the Monetary Authority of Singapore ("MAS") and shares are not allowed to be offered to the retail public. The Fund is registered with the MAS as a Restricted Foreign Scheme. Shares of the Fund may only be offered to institutional and accredited investors (as defined in the Securities and Futures Act (Cap.289)) ('SFA') and this material is limited to the investors in those categories.

Glossary of Terms: A glossary explaining key investment terms used in our marketing materials is available here: https://www.guinnessgi.com/glossary

Telephone calls will be recorded and monitored