Guinness Global Innovators Fund

Innovation | Quality | Growth | Conviction

INVESTMENT COMMENTARY – July 2017

About the Fund

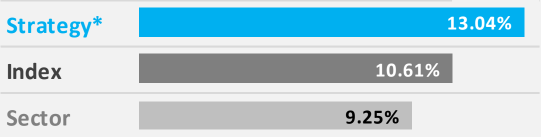
The Fund is a global growth fund designed to provide exposure to companies benefiting from innovations in technology, communication, globalisation or innovative management strategies. The Fund holds a concentrated portfolio of large and medium-sized companies in any industry and in any region.

Fund size	£80m
AUM in strategy	£228m
Fund launch date	31.10.14
Strategy launch date	01.05.03
Managers	Dr Ian Mortimer, CFA Matthew Page, CFA

Performance **30.06.17**

Cumulative % gross total return (GBP)	1 year	3 years	5 years	10 years
Strategy*	32.5	60.5	157.1	226.3
Index	22.3	56.0	112.9	141.2
Sector	23.7	43.1	89.2	91.6
Position in sector	15 /265	21 /232	5 /198	4 /130

Annualised % gross total return
from strategy inception (GBP)



Strategy	Guinness Global Innovators*
Index	MSCI World Index
Sector	IA Global

Past performance should not be taken as an indicator of future performance. The value of this investment and any income arising from it can fall as well as rise as a result of market and currency fluctuations.
***Composite simulation of performance. Guinness Global Innovators Fund (UCITS) launched on 31.10.14. Performance data prior to this date is based on the actual returns of a US mutual fund managed by the same team using the same investment process as applied to the UCITS version.** Source: Financial Express, bid to bid, gross total return, in GBP.

Summary performance

In the month of June the fund was down 0.1% (in GBP), versus the benchmark MSCI World Index down 0.2%. The fund therefore outperformed the index by 0.1% over the month.

Although dampened in June, the fund's good performance continued in the second quarter and it was up 2.5% (in GBP), outperforming the index by 2.2%. In the first quarter of this year the fund outperformed the index by 2.3%.

Year-to-date the fund is now up 10.3% (in GBP), versus the benchmark MSCI World Index up 5.6%, an outperformance of 4.7%.

On top of the fund's outperformance against the benchmark over the past year, versus peers in the IA Global sector it ranks in the top decile for its one-year performance. The long-term performance of the strategy remains very strong versus both the index and the IA Global Sector; its five and ten-year performance versus the sector place it in the top decile over both periods.

Figure 1: Global Innovators strategy performance:

Fund Y-class, GTR in GBP to 30.06.17	1yr	3yr	5yr	10yr
Fund	32.5	60.5	157.1	226.3
MSCI World	22.3	56.0	112.9	141.2
IA sector average	23.7	43.1	89.2	91.6
Rank vs peers	15 / 265	21 / 232	5 / 198	4 / 130

Past performance should not be taken as an indicator of future performance. The value of investments and any income arising from them can fall as well as rise as a result of market and currency fluctuations.

Quarter in review

World equity markets had another strong quarter, with the majority of gains occurring in April and May, and the MSCI World Index finished up 4.2% (in USD). This added to the positive start in Q1 2017.

In April, we saw another month of markets reacting to the uncertainty of political foray and follies from the U.S., Europe and Asia. Trump came to the end of his 100 days in office. Having laid out an ambitious list of goals in his '100-day action plan' last October, some were achieved and some were not.

In May, markets stayed largely buoyant despite elections, cyber-attacks, terrorist attacks and a deepening crisis relating to the Trump-Russian election interference allegations. In Europe, May began with a decisive victory by Emmanuel Macron, beating Marine Le Pen, and reducing the political uncertainty that was a worry to the markets at the beginning of the year. President Trump fired FBI Director James Comey, which caused worries over political interference with the criminal investigation into whether Mr. Trump's advisors colluded with the Russian government to influence the 2016 election. Speculation was fuelled further by the untimely hosting of the Russian Foreign Minister the same week and the subsequent accusation that Trump revealed highly classified intelligence during the same meeting. The so-called 'Trump Trade', which had dominated US markets since the election, arguably turned into the 'Trump Fade'. The US dollar gave up all the gains made after the election as hopes that Trump would rapidly introduce policies that would benefit the US economy largely receded. At the end of May, Trump withdrew the US from the Paris climate accord despite the pleas of allied governments. In Asia, China and the US agreed to a 10-point trade package designed to refresh trade relationships between the two countries. China's President Xi Jinping hosted 29 national leaders for a summit on the 'New Silk Road', which Chinese officials argue is focused on mutual economic development rather than enhancing Beijing's geopolitical power.

In June, the U.S. continued to show signs of a strengthening economy, with the equity rally showing little sign of ebbing and the unemployment rate trending down. The Federal Reserve Bank raised interest rates by 0.25% in June, the third rate rise (after those in December and March) in 7 months. Prior to this there had been no rate rise for a decade. The U.S. is the first major economy to move away from zero interest rates and Quantitative Easing, which were introduced in many economies in the aftermath of the Financial Crisis. Big questions remain over the huge increase in dollar denominated debts and whether the Fed will be successful in returning to a 'business-as-usual' monetary policy.

In Europe, Macron won a solid majority in French assembly elections, giving him considerable power as he embarks on reforms to reinvigorate the economy and restore French influence in Europe. Formal talks began in Brussels on Britain's withdrawal from the EU. It is unclear how long the initial phase will last but with limited time and much uncertainty surrounding a plethora of complex issues, negotiations need to progress quickly. The Italian government approved the bailout of Popolare di Vicenza and Veneto Banca. The state will inject €5bn of taxpayers' money, but will also offer additional guarantees of up to €12bn to cover losses from the two banks' bad loans. The market perceived the news to be positive for the sector overall, as it removes the risk of meaningful deposit outflows. However, the deal looks less favourable for Italy's taxpayers, who get only the bad assets of the two banks.

In Asia, North Korea is back in the headlines after several months of relative calm. Its armed forces launched a ballistic missile into waters between Korea and Japan, renewing fears of escalating tensions with the U.S. and allies. This came shortly after the death of a US student, Otto Warmbier, who was detained in North Korea for 17 months before being returned to the US in a coma. The timing of his death is sensitive for US policy towards Pyongyang as Donald Trump made North Korea his top foreign policy priority after entering office with warnings over the country's progress on nuclear-armed missiles. Chinese stocks have gained direct entry in MSCI's global benchmark equity index for the first time, a milestone in Beijing's efforts to draw international funds into the world's second-largest market. The move means mainland stocks, known as A-shares, will next year be included in MSCI's flagship emerging markets index, although this will happen in phases.

Equity markets have continued through Q2 with an extension of the broad-based rally seen in Q1. Developed market equities all performed well, with Europe leading the pack (S&P500 +3.1% Q2, +9.3% YTD, FTSE100 +4.7% Q2, +10.3% YTD, Euro STOXX +7.1% Q2, 16.1% YTD, all total return in USD). Emerging market equities (MSCI EM +6.4% Q2, +18.6% YTD) and Asian equities (MSCI AC Asia-Pac ex Japan +6.3% Q2, +20.1% YTD) have continued to rally after recovering from weaker performance in late 2016.

The sectors that did well this quarter (Information Technology, Health Care, Financials and Industrials) and lagged (Energy) the markets were broadly the same as last quarter. Health Care and Financials saw a recovery in May and June, whereas Information Technology reversed some gains in June. The Financials sector got a boost as the big U.S. banks passed their stress tests and announced a return to large dividend payments (which had been curtailed after the Financial Crisis) which the market took positively. The Information Technology sector has seen several short-term sell-offs over the past few months. The rationales postulated for these have been inconsistent, with market commentators pointing to profit-taking or negative analyst reports on the sector spurring a knee-jerk reaction in the markets. The upcoming earnings season will be closely watched for evidence that the sector will deliver on the rally seen in the first half of this year, or that it will begin to slow.

Performance drivers

Chart 1 shows the over and underweight positioning of the fund by sector. Our overweight relative to the benchmark in Information Technology (c.35% overweight as at 30.06.2017) and our underweight positioning in Energy (c.3% underweight) and Telecommunications (c.3% underweight) were the largest positives during the quarter. The largest sector underperformance was in Financials (representing a c. 11% underweight versus the benchmark) and Health Care (c. 4% underweight), although in absolute terms our financial stocks added to fund performance. The chart below shows the sector breakdown of the fund in absolute terms and relative to the benchmark to highlight any over/underweights.

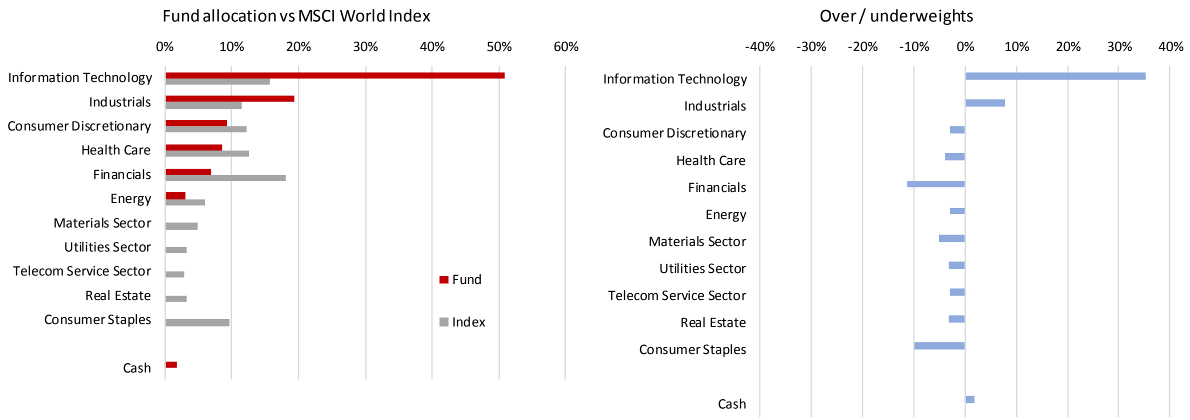


Chart 1: Sector breakdown of the fund versus MSCI World Index. Guinness Asset Management, Bloomberg (data as at 30.06.2017)

In terms of US geographic exposure, the fund is 3% overweight versus the benchmark (as measured by country of domicile). The fund had a c.64% weighting to the US (as at 30.06.2017) which compares to the index at c.61% - This made no discernible difference to performance last quarter.

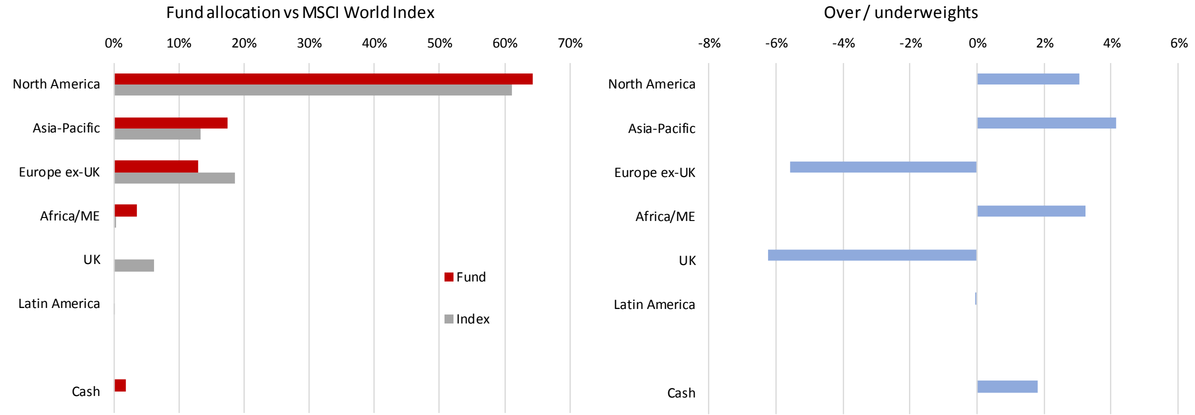


Chart 2: Geographic breakdown of the fund versus MSCI World Index. Guinness Asset Management, Bloomberg (data as at 30.06.2017)

There was no significant outperformance of mid to large-caps versus small-caps over the quarter.

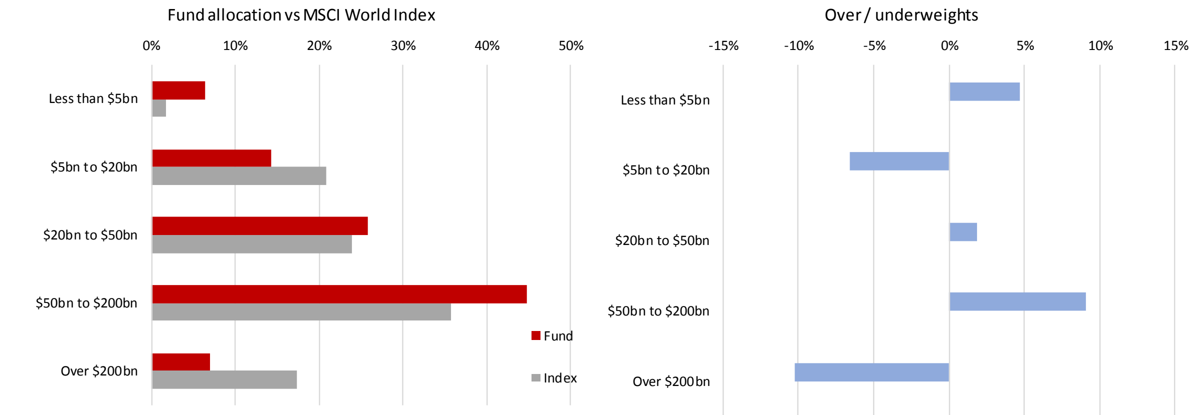


Chart 3: Market capitalisation breakdown of the fund versus MSCI World Index. Guinness Asset Management, Bloomberg (data as at 30.06.2017)

NVIDIA PayPal CATCHER 新东方 NEW ORIENTAL WISDOMTREE®

Individual companies that performed well over Q2 were Nvidia (up 32.8% total return in USD), PayPal (up 24.8%), Catcher Technology (up 21.1%), New Oriental Education (up 16.7%) and WisdomTree (up 13.0%).

Nvidia began the quarter by selling off a little in April, ending the month down 4.3% (total return in USD), following a couple of neutral or negative analyst reports which appeared to spur some profit taking. In our view, this was premature. We are still happy with Nvidia based on the process and metrics we employ in the Guinness Global Innovators Fund, focusing on innovation, quality and growth. On 9th May Nvidia released its financial results for the first quarter ending 30th April 2017, surprising the market consensus by 4.8% on an

EPS basis. Revenue was up 48% from a year ago and broad growth was seen across all platforms. One area that did particularly well was the datacentre computing business, utilising Nvidia's graphical processing unit (GPU) technology. This technology is suited to artificial intelligence and parallel computing processes, which are becoming increasingly important as more of the world's computer scientists, internet giants and start-ups make advances in artificial intelligence. Nvidia is also well positioned to take advantage of growth in autonomous driving systems by providing the computer platform to power its development. In May we saw a collaboration between Nvidia and Toyota to accelerate their introduction of autonomous cars. The market received this news well and it further cements Nvidia's position in one of many growing markets. There had been worries that Nvidia's core gaming segment would weaken, but results were surprisingly resilient and continued to grow.

PayPal has been increasing its share of online payments as its newer rivals in the digital wallet arena (such as Apple and Visa) struggle to gain traction. It has focussed on adding services and improving the user experience. There are still some headwinds, such as Amazon offering its own digital wallet and not adding PayPal. However, PayPal processed less than 20% of 2016 global ecommerce retail sales (as estimated by eMarketer), which suggests there is significant potential for further growth. Mobile payments have seen strong growth, especially with the adoption of one-touch payments. PayPal's Braintree, its mobile and web payment system for ecommerce companies, is also expanding its payment types and product offerings. At the end of April, PayPal's earnings beat the market consensus by 6.3% on an EPS basis for the quarter. Sentiment subsequently improved through May and June, and the stock ended the quarter up 24.8%.

Catcher Technology performed well and ended the quarter up 21.1%. The metal casings supplier, whose key customer is Apple, has stated its expectation of a strong second half of the year due to increasing orders from existing and new clients. This was supported by strong May growth in year-on-year sales. These strong sales were supported by orders from the U.S. and South Korea. Catcher's investment in production capacity has increased, to prepare for an expected rise in demand over the next two years.

New Oriental Education, a China-based language training and test preparation services provider, saw strong fiscal Q3 results reported at the end of April, though guidance was cautious. Early in June it reached a record share price due to improved sentiment as it expanded into content creation for children, but the share price gave up its gains later in the month. Despite this, New Oriental Education ended the quarter up 16.7%

WisdomTree, an ETF provider, started the quarter with lacklustre performance due to the expectation of weaker net flows in Q2 2017. This expectation improved during May. In June, WisdomTree announced changes to its ETF family, with some older funds closing and new smart beta funds opening. Some performance can also be attributed to improved sentiment towards the Financial sector. WisdomTree ended the quarter up 13.0%.

AAC Technologies

AAC Technologies, the Chinese acoustic component manufacturer for smartphones, gained early in the quarter as Apple prepared to launch the iPhone's next iteration later this year. In early May, it was subject to a short seller's report by Gotham City Research which questioned the company's profit margins, accounting practices and intercompany dealings. AAC 'vigorously denied' the allegations and many research analysts disagreed with the assumptions made in the short seller's initial report. After the publication of a second longer report from Gotham, the stock fell further and was suspended. AAC again refuted the allegations, stating the report was not true or accurate. When the stock started trading again it rallied strongly as the market assessed the company's response to the allegations. Over the quarter the stock was up +8.4% (total return in USD).

Schlumberger, Cisco and FANUC had weaker performance over Q2. Schlumberger has seen negative revisions to Q2 EPS and to full-year 2017 and 2018 EPS, which weighed adversely on its shares. Generally, the headwinds affecting the energy sector are not yet subsiding. Several analysts downgraded Schlumberger over the quarter as the oil service growth outlook slowed. Schlumberger ended the quarter down 15.1% (total return in USD).

Cisco reported earnings in May which came in lower than expected, and the share price subsequently unwound the gains made in the previous quarter. Cisco is in the middle of making the transition to a business model based on software and recurring revenue, and in late June, it lowered sales and earnings forecasts. For the quarter Cisco was down 6.6%.

FANUC (down 6.0%), a Japanese manufacturer of factory automation systems and robots, gave disappointing profit guidance in April for 2017 and 2018. There were also doubts about increasing fixed costs and efforts to strengthen the robot division. The volatility of the stock will be in some part due to the currency effect of the yen versus the dollar.

Changes to portfolio

In the quarter we made no changes to the portfolio.

Positioning

The below chart highlights the geographic weighting of the portfolio both in terms of where the companies are domiciled and where their revenues come from – which can often be more illuminating.

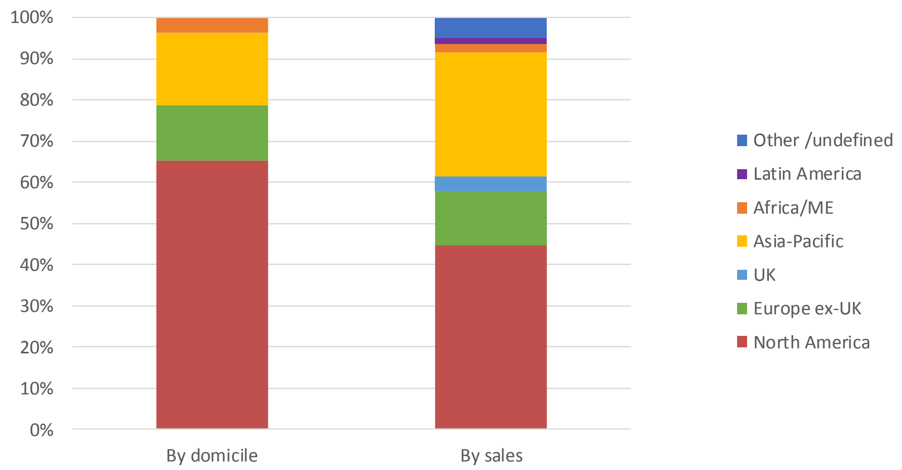


Chart 4: Geographic breakdown of the fund. Guinness Asset Management, Bloomberg (data as at 30.06.2017)

We would note two main points; (i) the lower exposure to the US the fund has when considered by revenues (c.44%) versus by domicile (c.64%), which arises because some companies are domiciled in the US but have large global exposure (such as Qualcomm); and (ii) the larger exposure to Asia by revenues (c.29%) than by domicile (c.17%).

In terms of sector weightings, the fund has zero weighting to Utilities, Materials, Telecoms, Consumer Staples and the newly created Real Estate sector (previously included in Financials but now counted separately by MSCI). The largest overweight positions are in Information Technology and Industrials. On the large overweight position to Information Technology it is worth noting that it is split between the three different subsectors of semiconductors (c.16% of the portfolio), software and services (c.18%), and technology hardware (c.17%).

To put this data into a historical context (for the fund at least) the two charts below show how the exposure of the fund has evolved since we launched the strategy back in 2003.

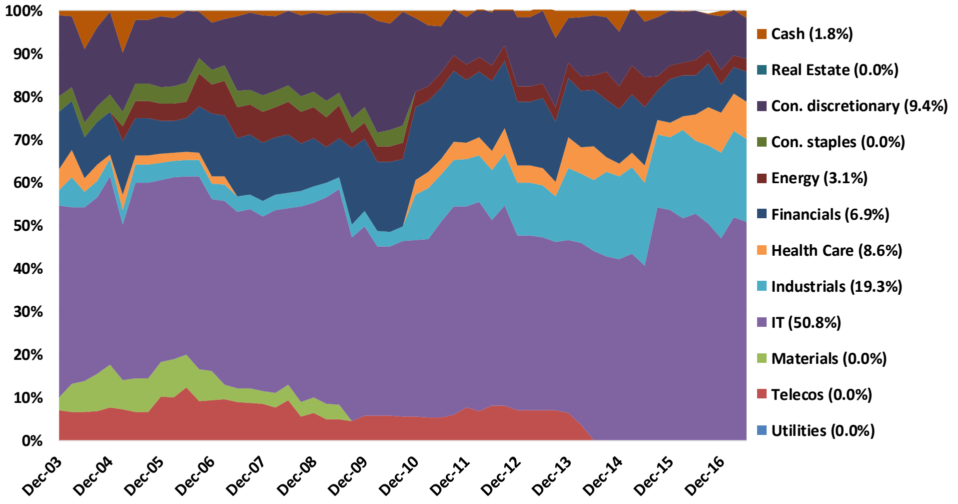


Chart 5: Sector breakdown of the fund since launch. Guinness Asset Management, Bloomberg (data as at 30.06.2017)

From a sector perspective, we made no changes last quarter, therefore the exposure of the fund has remained broadly unchanged.

From a geographic point of view, we made no changes last quarter therefore the exposure of the fund to each geographic region has remained broadly unchanged.

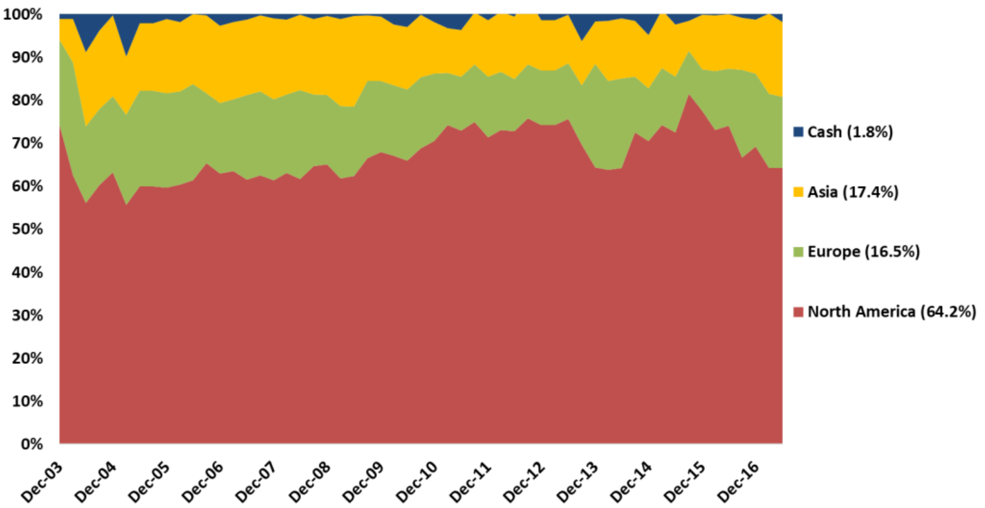


Chart 6: Geographic breakdown of the fund since launch. Guinness Asset Management, Bloomberg (data as at 30.06.2017)

Key fund metrics today

The four key tenets to our approach are innovation, quality, growth, and conviction.

		Fund	MSCI World Index
Innovation	R&D / Sales	8%	6%
	CAPEX / Sales	5%	8%
Quality	CFROI (2016)	18%	11%
	Weighted average net debt / equity	-9%	116%
Growth (& valuation)	Last 3 year sales growth (annualised)	11%	4%
	Estimated earnings growth (2018 vs 2017)	11%	10%
	FCF yield	5.6%	4.8%
	PE (2017e)	17.9	17.3
Conviction	Number of stocks	30	1650
	Active share	94%	-

Chart 7: Portfolio metrics versus index. Guinness Asset Management, Credit Suisse HOLT, Bloomberg (data as at 30.06.2017)

Innovation is hard to define and ultimately quite subjective, but we attempt to quantify it at the portfolio level by considering R&D spend as a proportion of sales. This shows the level, relative to total sales, at which a business is investing in its research and development and thus its intellectual property. We also look at capital expenditure as a percentage of sales to gauge how capital-intensive a company is. We are looking for companies that have lower capital requirements and are thus potentially better placed to grow, and grow profitably. As the table above shows, the fund owns companies that invest a higher proportion of their sales into R&D than the market and have significantly lower on-going capital requirements.

When we use the term ‘quality’, we are essentially assessing two main financial characteristics that we want to see in any company we might invest in, regardless of how innovative it is or how fast it is growing. These two simple characteristics are a high return on capital (and specifically above the cost of capital) and a good balance sheet. It is pleasing to see that the portfolio significantly outpaces the index in both of these. The cash flow return on investment is over 60% higher (18% versus 11%) and in aggregate the portfolio is trading with a net cash position of 9%, versus a net debt-to-equity of 116% for the benchmark.

In terms of growth, we aim to provide a ‘good’ or ‘reasonable’ level of earnings growth from the portfolio. We try to avoid chasing companies with very high growth expectations as they are often likely to disappoint and can be accompanied by high valuations. Today the expected year-on-year earnings growth of the portfolio is around 11%, which is approximately 1% higher than the market. However, because of the superior companies we are investing in we believe we stand a better chance of achieving this expected growth. We also note the historic revenue growth achieved by companies held in the portfolio today is almost three times higher than that achieved by the benchmark.

We have always attempted to apply a valuation discipline to stock selection as we do not want to pay up for future growth because of its illusive nature. We therefore include a simple forward PE metric in the table above to show that the fund is trading only at a small premium to the broad market. On a free cashflow (FCF) yield basis, however, the fund is 17% higher than the broad market.

We continue to hold 30 stocks, all equally weighted. This means the fund is genuinely index agnostic, as the 94% active share illustrates.

Looking more closely at the margins of the companies held in the portfolio, Chart 8 highlights the increased positive skew of the EBIT margin of the companies we hold versus those in the benchmark. There is a distinct peak at 30% EBIT margin, with a higher proportion of companies above this point than the benchmark and far fewer 'low margin' businesses. The median EBIT margin of the companies held in portfolio is 22%, versus the benchmark median of 14%.

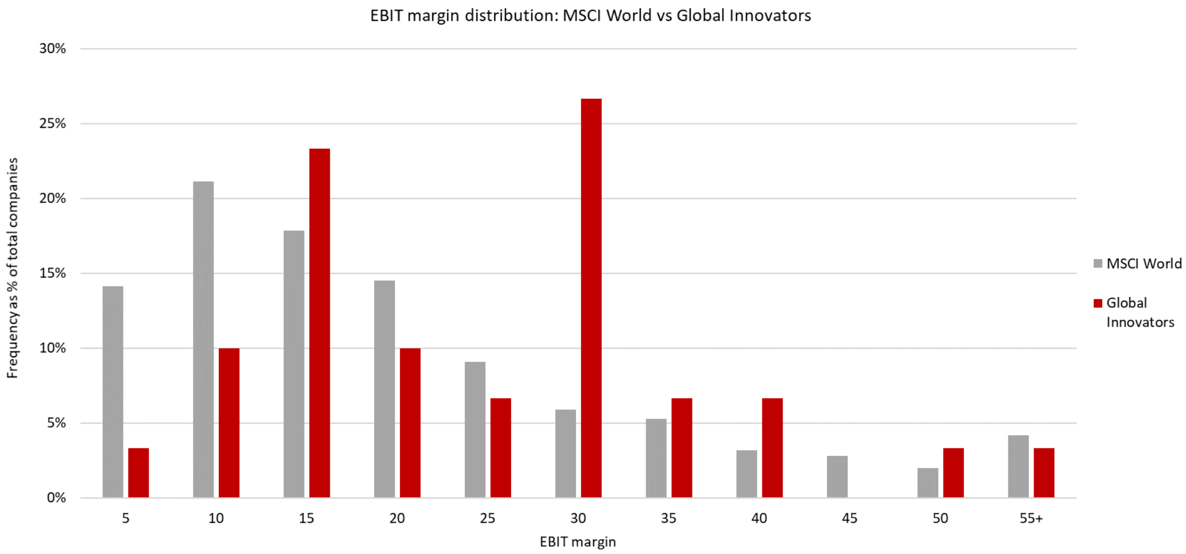


Chart 8: Distribution of EBIT Margin by frequency as a % of total companies. Guinness Asset Management

Charts 9 and 10 shows the EBIT margin versus the cash flow return on investment (CFROI) of the Global Innovators Fund and the individual sectors of the MSCI World. Chart 10 breaks out the Global Innovators Fund into the individual companies that are held. Of note is the position of the overall fund in Chart 9, towards the higher range of both EBIT margin and CFROI. This is indicative of our approach of selecting not only high-margin companies, but also high-quality companies. It also highlights that certain sectors such as Energy, Materials, Utilities and Telecom Services generally have lower EBIT margin, and the fund is generally underweight these sectors. In contrast, the Information Technology sector, the portfolio's largest overweight, is in the higher range of both EBIT margin and CFROI.

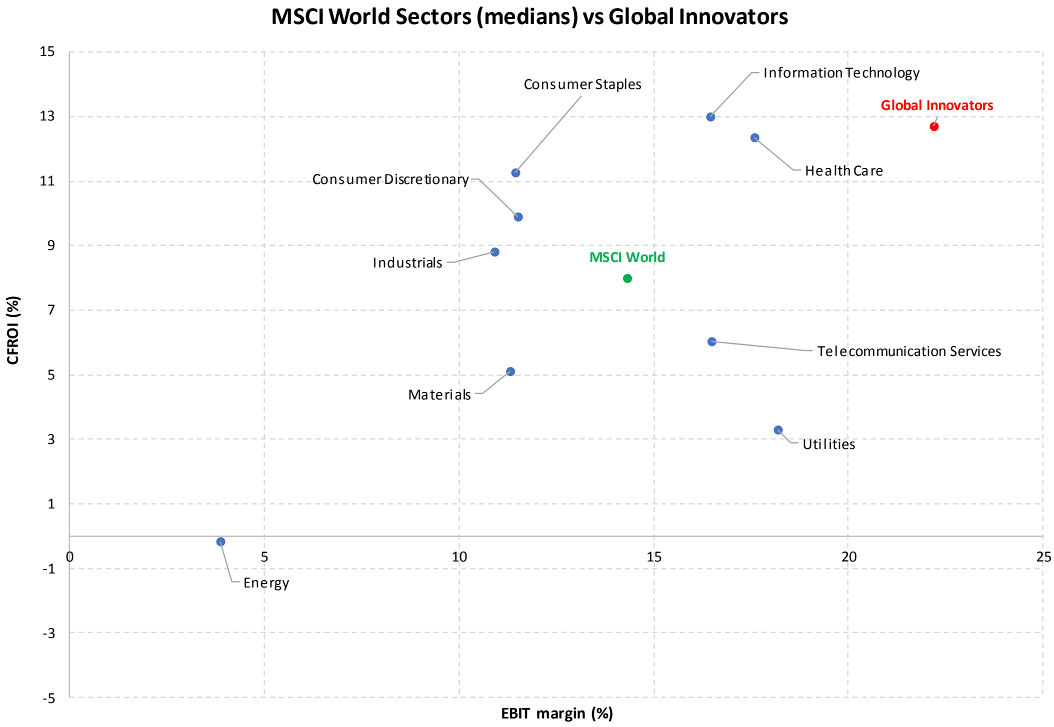


Chart 9: EBIT Margin versus CFROI for the Global Innovators Fund and the individual sectors of the MSCI World (all medians, and excluding Financials and Real Estate). Guinness Asset Management

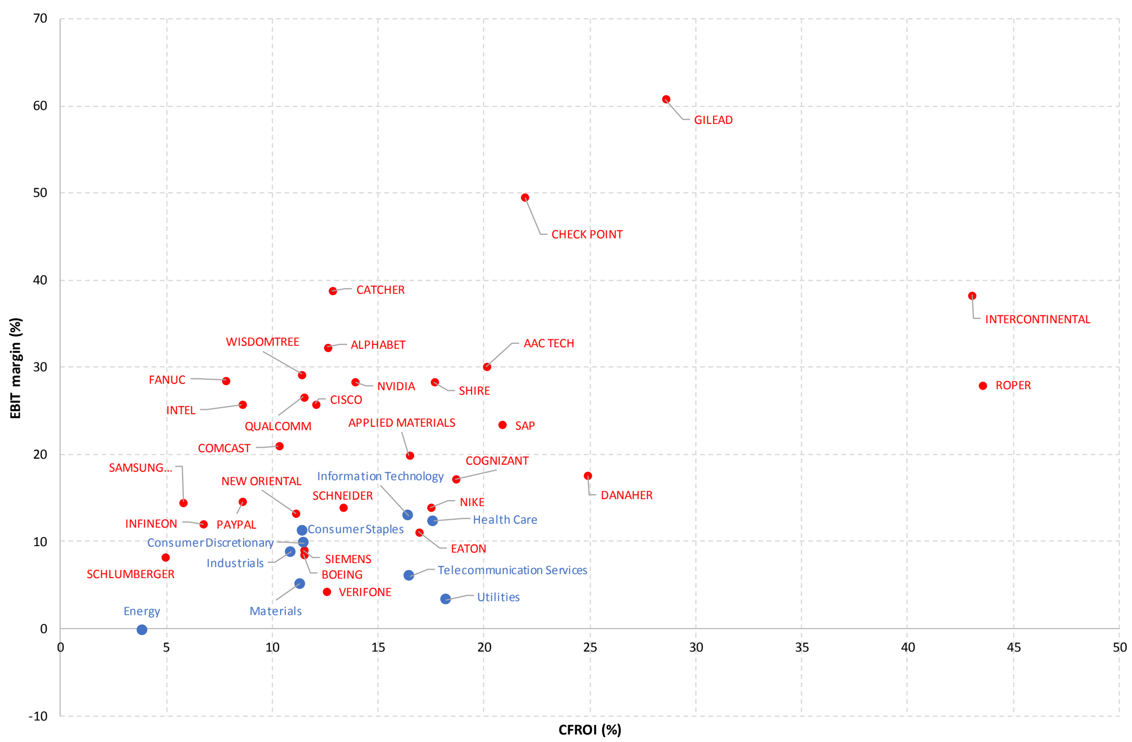


Chart 10: EBIT Margin versus CFROI for the companies in the Global Innovators Fund and the individual sectors of the MSCI World. Guinness Asset Management

Outlook

Generally speaking, the fund has outperformed in periods of rising markets and underperformed slightly in periods of falling markets. It is orientated towards growth, but not at any price. Therefore, its recent outperformance is what we might have expected as the more cyclical parts of the market, and in particular Information Technology, have performed well.

As we noted above, and as a result of the outperformance in the first quarter, the fund is now trading at a small 3.6% premium to the broad market on a PE ratio basis (fund 17.9x 2017 expected earnings vs MSCI World Index 17.3x) after trading at a discount for much of 2016. The longer-term premium of the fund versus the broader market has been in the 10-20% range, and so we still believe the portfolio offers good value relative to the market today (c. 3.5%). Moreover, when we look at the portfolio on a free cash flow yield basis the portfolio is very attractively valued relative to the index (with 5.6% vs MSCI World Index at 4.8%).

We thank you for your continued support.

Thank you for your continued support.

Portfolio Managers
Dr Ian Mortimer, CFA
Matthew Page, CFA

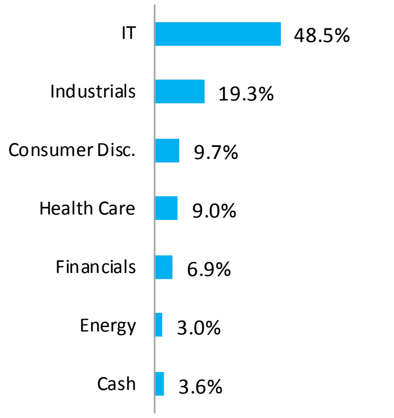
Analysts
Joshua Cole
Sagar Thanki

PORTFOLIO **30/06/2017**

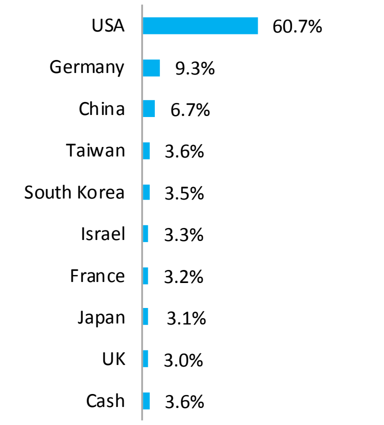
Fund top 10 holdings

AAC Technologies	3.6%
Paypal	3.6%
Catcher Technology	3.6%
NIKE INC -CL B	3.6%
Samsung Electronics GDR	3.5%
Wisdomtree Investments	3.5%
Intercontinental Exchange	3.4%
Boeing	3.4%
Cognizant Tech Solutions	3.3%
Check Point Software	3.3%
% of Fund in top 10	34.8%
Total number of stocks in Fund	30

Sector analysis



Geographic allocation



30/06/2017

Annualised % gross total return from strategy inception (GBP)

Guinness Global Innovators strategy*	13.04%
MSCI World Index	10.61%
IA Global sector average	9.25%

Discrete years % gross total return (GBP)

	Jun '13	Jun '14	Jun '15	Jun '16	Jun '17
Guinness Global Innovators strategy*	31.8	21.5	9.7	10.4	32.5
MSCI World Index	23.3	10.6	10.9	15.0	22.3
IA Global sector average	21.4	9.0	8.4	6.7	23.7

Cumulative % gross total return (GBP)

	1 month	Year-to-date	1 year	3 years	5 years	10 years
Guinness Global Innovators strategy*	-0.1	10.3	32.5	60.5	157.1	226.3
MSCI World Index	-0.2	5.6	22.3	56.0	112.9	141.2
IA Global sector average	-0.5	7.1	23.7	43.1	89.2	91.6

RISK ANALYSIS

30/06/2017

Annualised, weekly, 5 years, in GBP	Index	Sector	Strategy*
Alpha	0	0.53	3.49
Beta	1	0.81	1.10
Information ratio	0	-0.38	0.86
Maximum drawdown	-14.03	-17.08	-17.14
R squared	1	0.80	0.86
Sharpe ratio	0.97	0.85	1.20
Tracking error	0	5.56	5.53
Volatility	12.35	11.24	14.64

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***Composite simulation of performance. Guinness Global Innovators Fund (UCITS) launched on 31.10.14. Performance data prior to this date is based on the actual returns of a US mutual fund managed by the same investment team using the same investment process as applied to the UCITS version. The past performance of the US mutual fund is not indicative of the future performance of Guinness Global Innovators Fund.**
Source: Financial Express, bid to bid, gross total return, in GBP

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Important information

Issued by Guinness Asset Management Limited, authorised and regulated by the Financial Conduct Authority.

This report is primarily designed to inform you about Guinness Global Innovators 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.

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.

Risk
The Guinness Global Innovators 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. Details on the risk factors are included in the Fund's documentation, available on our website.

Documentation
The documentation needed to make an investment, including the Prospectus, the Key Investor Information Document (KIID) and the Application Form, is available from the website www.guinnessfunds.com , or free of charge from:-

- the Manager: Capita Financial Managers (Ireland) Limited, 2 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland; or,
- the Promoter and Investment Manager: Guinness Asset Management Ltd, 14 Queen Anne's Gate, London SW1H 9AA.

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
The prospectus and KIID for Switzerland, the articles of association, and the annual and semi-annual reports can be obtained free of charge from the representative in Switzerland, Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva, Switzerland, Tel. +41 22 705 11 77, www.carnegie-fund-services.ch. 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 may be recorded and monitored.