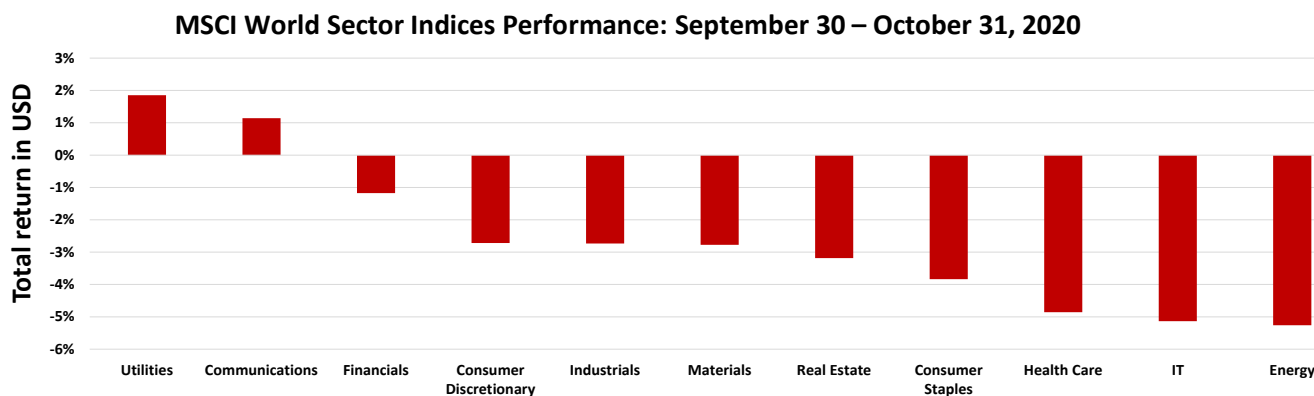


October in Review

Global equities closed lower in October after markets faced a number of worries: resurging COVID-19 cases, a lack of progress on another US fiscal stimulus, US Presidential election uncertainties, and disappointing quarterly earnings releases from several tech heavyweights. The culmination of these worries resulted in the MSCI World Index closing the last week of October with its biggest weekly loss since March, while the Cboe Volatility Index (VIX Index) – also known as the “Fear Gauge” – spiked to its highest level since early April.

All sectors, bar Utilities and Communications, saw declines last month, and no exposure in either proved a drag on the Fund’s performance. Perhaps expectedly, the two sectors performed relatively better given their defensive nature; however, this style bias did not benefit other sectors such as Energy (where we have no holdings), and Consumer Staples and Healthcare (where we are relatively overweight vs the benchmark).



Source: Bloomberg. As of October 31, 2020

Energy was the worst performing sector in October due to a combination of economic growth concerns (impacting oil demand) and supply worries (increased Iranian and Libyan oil production and a risk that OPEC+ supply cuts may not be extended into next year).

Perhaps surprisingly, after leading for most of the year, IT was also among the worst performers in October, and an underweight positioning here was beneficial for the Fund. Profit-taking and a rotation into value-oriented names seemed to influence the sell-off, while disappointing results from some of the larger-weighted tech companies added to the sector’s woes. In the Fund, good stock selection – with Paychex and TSMC performing particularly well – offset some of the broader declines.

The largest contributor to the Fund’s underperformance in the month came via our Consumer Staple exposure, in particular:

- Our tobacco holdings, British American Tobacco and Imperial Brands performed poorly in October (-10.5% and -10.2% respectively, in USD) as renewed



lockdowns delayed the rollout of the companies’ potential alternative-tobacco initiatives, seen as being crucial to combat the long-term trend of falling cigarette sales.

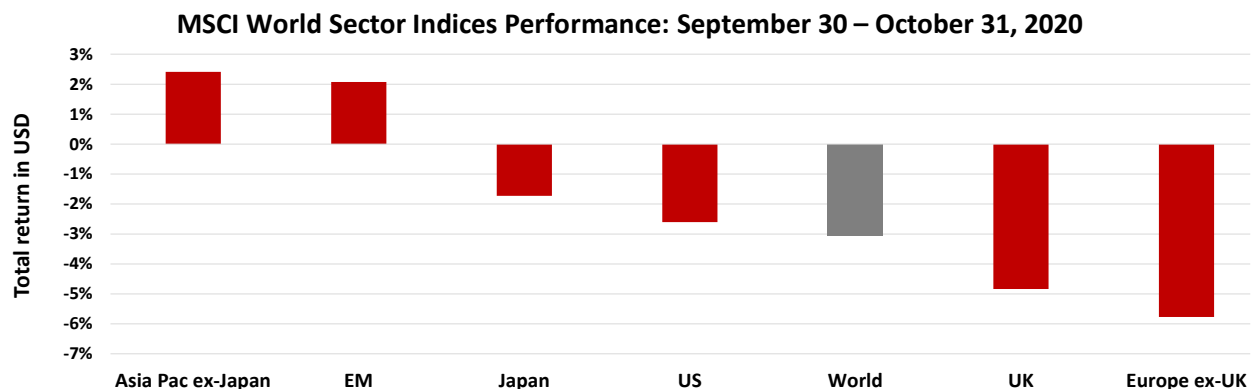
- Danone also performed particularly poorly, down -14.7% in USD, after the global dairy food and water producer announced a large management reorganization and a proposed shake up of its product portfolio due to falling revenue growth. The company is putting businesses that contribute €500mn (\$585mn) up for sale and is shifting to a system of management more focused on geography rather than product groups.



In October, investors reacted disappointingly to the company lowering both its 2020 profit margin forecast (from 16% to 14%) and sales growth target (from 4-5% to 3-5%). The sell-off was also compounded to by news that CFO Cecile Cabanis will not be succeeding Emmanuel Faber as CEO and is planning to leave the company.

After the recent €470mn sale of a stake in Japanese beverage maker Yakult Honsha Co., CEO Faber is set to make even more divestments as Danone assesses which brands will thrive in a post-COVID-19 world amid changing consumer habits. Faber ruled out an exit in any of the company’s existing categories, which are dairy and plant-based products, specialized nutrition and bottled water, but said that small brands, which were in vogue five years ago, have become less important. The company will also review factories, logistics, supplies and fleets in order to make them more efficient and to boost the company’s profitability.

Regionally, resurging COVID-19 cases in late October led to renewed lockdowns in Germany, France and the UK, whils in the US, the 7-day moving average for virus cases sits at an all-time high. As it has been for most of this year, higher infection numbers cast doubts on the prevalence of a sustained economic recovery and highlight the need for a medical solution (therapeutics or a vaccine) for a full economic recovery. It comes as no surprise then that locked-down Europe, and the UK, were the worst performing regions in October:



Source: Bloomberg. As of October 31, 2020

Guinness Atkinson
Dividend Builder Fund
Managers Update – November 2020

In the UK, the perennial issue of Brexit also re-emerged last month with the European Council meeting mid-month passing without a deal being struck; this was previously seen as a key deadline for any trade pact, though talks are set to continue as both sides seek to agree to a trade deal before the year end.

Asia Pac ex-Japan and EM, dominated by mainland China, were the best performing regions in the month. Success in controlling the virus has allowed economic recovery to gather pace; in China, third-quarter GDP growth printed at 4.9% year on year and the region is set to be the only major one to see positive aggregate economic growth over 2020 relative to 2019. Chinese imports have also recovered with the latest data for September showing 13.2% growth year on year.

We have one holding domiciled in China: Anta Sports, which was our best performing stock in October (+6.4% in USD). The company generates revenue through the manufacture of sporting goods, including footwear, apparel and accessories. ANTA is poised for greater market share in China as it seeks to woo affluent shoppers with pricier athletic gear. This includes their namesake products under the ANTA brand and other popular brands such as Fila and Descente, as well as Salomon and Arc'teryx – both owned by Amer Sports, who ANTA acquired. ANTA's sales growth is likely to accelerate due to the Amer acquisition; the move to acquire a European company gives ANTA Sports scale to expand geographically, as well as launch new products in China.

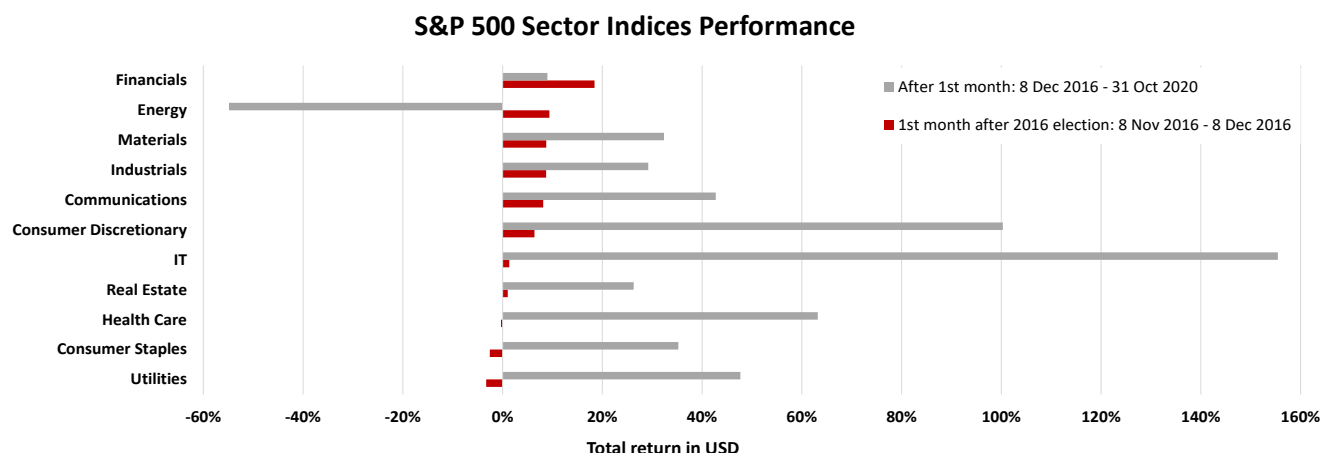


Finally, turning to the US, equity markets here also saw declines in October, and this was caused by increasing virus cases in many states and the impasse between House Democrats and Senate Republicans on a new fiscal stimulus package. As the optimism over stimulus waxed and waned, contributing to stock market movements, the unpredictability of the November 3rd Presidential Election added to the wider sense of uncertainty.

US Presidential Election 2020

We have now finally seen the outcome of the US Presidential Election, but we reiterate that we continue to run the Guinness Atkinson Dividend Builder Fund in the same manner as always and note we have not made any politically-influenced adjustments or changes to the portfolio holdings.

In the long run, we believe that company fundamentals matter more and investing based on politics only goes so far:



Source: Bloomberg. Ranked by 1st month S&P 500 performance. TR in USD. As of October 31, 2020

In 2016, Donald Trump’s campaign emphasized deregulation and protecting US manufacturing, so it was no surprise that in the month following the election, the best performing US sectors were Financials (+18.4% TR in USD) and Energy (+9.4%), two of the most highly regulated sectors. The next-best performing sectors were Materials and Industrials – symbols of traditional American manufacturing – which returned 8.8% and 8.7% respectively. Regardless of political affiliation, it seems difficult to deny that President Trump did indeed attempt to follow through on those campaign promises. Energy and Financials have both seen meaningful deregulation, and much of the tensions with China are directly tied to the President’s efforts to support domestic manufacturing.

Yet if you look past the knee-jerk market reactions, it is clear with hindsight that the underlying fundamentals of those sectors have overcome any benefit from the administration’s policy support. Since the initial gains, Energy and Financials have been the worst performing sectors, and all four of those initial market leaders have underperformed the S&P 500 (+59.7% TR in USD, from December 8, 2016 to October 31, 2020). Rather than a political statement on the policies, this is a clear example of why investors are better served staying focused on fundamentals and limiting the influence of politics in their portfolios.

We thank you for your continued support and look forward to updating you on the potential implication of the election outcome on markets and the Fund in our next monthly commentary.

Summary: Dividends

Our current expectation is that the 2020 fund distribution will be similar to 2019 – but we note there are some moving parts to this analysis (e.g. foreign exchange rates or portfolio changes).

So far, out of our 35 holdings:

- 27 companies have **grown** their dividend this year
- 6 companies have kept their dividend **flat**
- 1 company **cut** its dividend (Imperial Brands)
- 0 companies **cancelled** their dividend

Guinness Atkinson
Dividend Builder Fund
Managers Update – November 2020

For the 1 remaining company, Broadcom, we expect a dividend increase to be announced in December – this is when the company typically announces its year-on-year growth in its quarterly dividend.

Going into October – and throughout much of 2020 – we cautiously forecasted that VF Corp may maintain a flat dividend this year. Pleasingly, VF Corp in fact declared last month that it will likely grow its quarterly dividend by 2.1%.



The global clothing manufacturer, whose line-up of high-profile brands includes Vans, The North Face, Timberland and Dickies, is a dividend aristocrat with 48 years of consecutive years of dividend growth. In October, VF Corp reported better than expected earnings and sales figures, and CEO Steve Rendle informed shareholders that “year-to-date results have surpassed internal expectations across all brands, driven by digital and China, two key growth pillars. Signs of stabilization and strength across all aspects of the business, supports our decision to raise the dividend.” In the second quarter, nearly all of VF’s retail and wholesale stores across North America, EMEA and APAC (including mainland China) remained open and this has led to management increasing full-year revenue and earnings guidance: fiscal-year 2021 revenue now guided to be at least \$9bn vs \$8.84bn analyst consensus, and earnings-per-share guided to be at least \$1.20 vs. \$1.11 analyst consensus (consensus as of October 16th, 2020, prior to earnings release. Source: Bloomberg).

Guinness Atkinson
Dividend Builder Fund
 Managers Update – November 2020



Performance

In October, the Guinness Atkinson Dividend Builder Fund produced a total return of -4.51% (TR in USD), compared to the MSCI World Net TR Index return of -3.07%. The Fund therefore underperformed the Index by 1.44%.

as of 10/31/20	YTD	1 YR	3 YR Annualized	5 YR Annualized	Since inception Annualized (3/30/12)
Dividend Builder Fund	-4.28%	0.94%	6.74%	7.99%	8.89%
MSCI World Net NR Index	-1.42%	4.36%	5.96%	8.12%	8.82%

as of 09/30/20	YTD	1 YR	3 YR Annualized	5 YR Annualized	Since inception Annualized (3/30/12)
Dividend Builder Fund	0.24%	8.76%	8.77%	10.48%	9.57%
MSCI World Net NR Index	1.70%	10.41%	7.72%	10.46%	9.32%

All returns over 1 year annualized. Source: Bloomberg, Guinness Atkinson Asset Management
 Expense Ratio: 0.68% (net); 1.98% (gross)

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. For most recent month-end and quarter-end performance, visit https://www.gafunds.com/our-funds/dividend-builder-fund/#fund_performance or call (800) 915-6566. Total returns reflect a fee waiver in effect and in the absence of this waiver, the total returns would be lower.

The Advisor has contractually agreed to reimburse Fund expenses (excluding Acquired Fund Fees and Expenses, interest, taxes, dividends on short positions and extraordinary expenses) in order to limit the Fund's Total Annual Operating Expenses to 0.68% through June 30, 2024. To the extent that the Advisor absorbs expenses to satisfy this cap, it may recoup a portion or all of such amounts absorbed at any time within three fiscal years after the fiscal year in which such amounts were absorbed, subject to the expense cap in place at the time recoupment is sought, which cannot exceed the expense cap at the time of the

Guinness Atkinson
Dividend Builder Fund
Managers Update – November 2020



waiver. The expense limitation agreement may be terminated by the Board of the Fund at any time without penalty upon 60 days' notice.

Opinions expressed are subject to change, are not guaranteed and should not be considered investment advice.

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contains this and other important information about the investment company, and it may be obtained by calling 800-915-6566 or visiting gafunds.com. Read it carefully before investing.

Mutual fund investing involves risk and loss of principal is possible. The Fund's strategy of investing in dividend-paying stocks involves the risk that such stocks may fall out of favor with investors and could reduce or eliminate the payment of dividends in the future or the anticipated acceleration of dividends could not occur. The Fund invests in foreign securities which will involve greater volatility and political, economic and currency risks and differences in accounting methods. This risk is greater in emerging markets. The Fund invests in small- or mid-cap companies, which involve additional risks such as limited liquidity and greater volatility than larger companies. When inflation rate is greater than expected, that markets may respond differently to changes in the inflation rate than the Advisor expects, or inflation may manifest in such a way that the Fund is unable to provide reasonable protection against inflation.

Top Fund Holdings as of 10/31/2020:

1. Taiwan Semiconductor Manufacturing Co Ltd	3.29%
2. BlackRock Inc	3.08%
3. Paychex Inc	3.08%
4. ANTA Sports Products Ltd	3.07%
5. The Procter & Gamble Co	3.01%
6. AbbVie Inc	2.99%
7. Eaton Corp PLC	2.98%
8. Illinois Tool Works Inc	2.95%
9. Sonic Healthcare Ltd	2.95%
10. VF Corp	2.91%

Current and future fund holdings and sector allocations are subject to change and risk and are not recommendations to buy or sell any security.

Growth stocks typically are more volatile than value stocks; however, value stocks have a lower expected growth rate in earnings and sales.

Dividend yield is calculated by annualizing the last quarterly dividend paid and dividing it by the current share price. Dividends are not guaranteed.

MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed countries.

Guinness Atkinson
Dividend Builder Fund
Managers Update – November 2020



Active share measures the extent of active management in a portfolio compared to the corresponding benchmark listed.

A cash flow return on investment (CFROI) is a valuation metric that acts as a proxy for a company's economic return.

One cannot invest directly in an index.

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