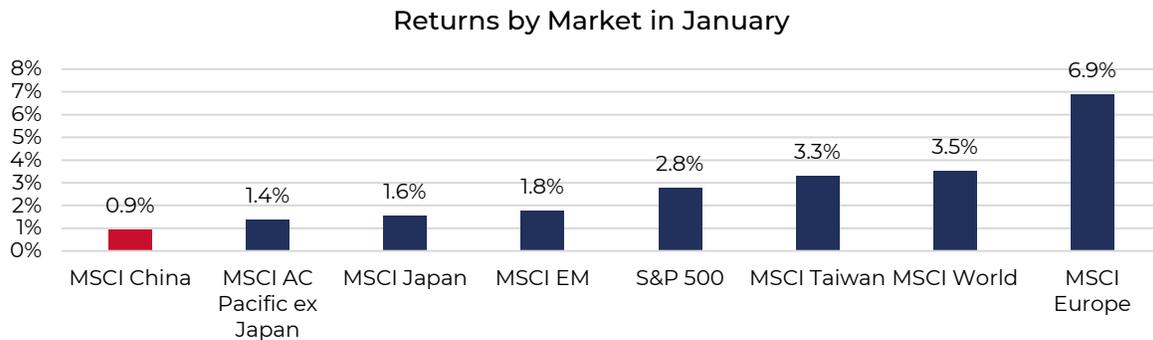


Summary View

- The US imposed 10% tariffs on all imports from China, which was far less than the 60% than Trump has previously threatened. China responded by levying 10-15% tariffs on imports of coal and liquified natural gas, oil, agricultural machinery and larger cars. This was not the only response by the Chinese – an anti-trust probe was initiated on Google. PVH Corp (which owns Tommy Hilfiger and Calvin Klein) and Illumina were added to the Unreliable Entity List. The Chinese response was multifaceted but in our view was not designed to increase tensions with the US.
- Over the Chinese New Year holidays, tourism revenue grew 7% year-on-year, 16% higher than 2019. But on a per capita basis, spending fell slightly to 91% of 2019's level.

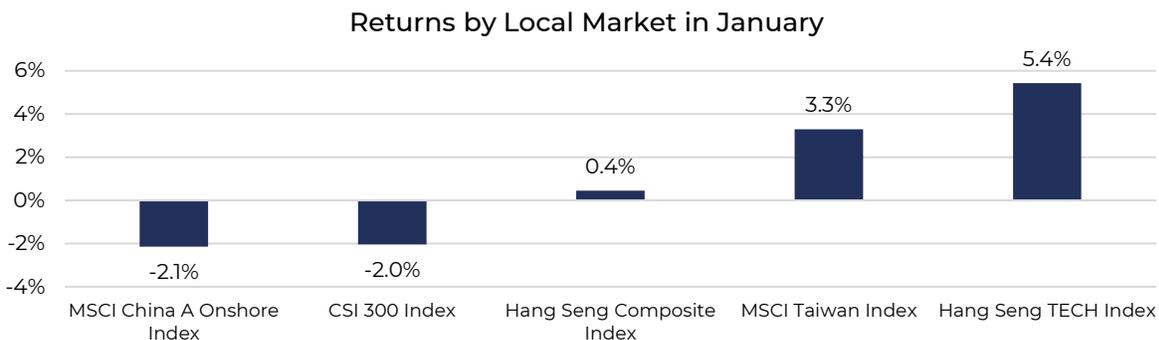
Market Commentary

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



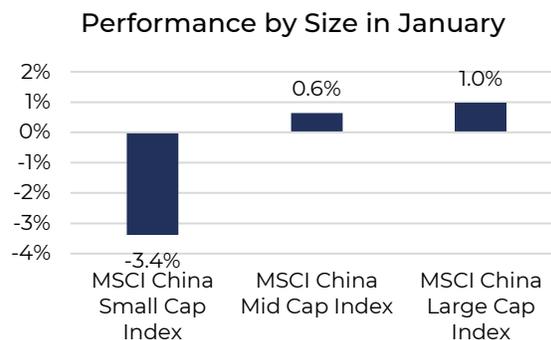
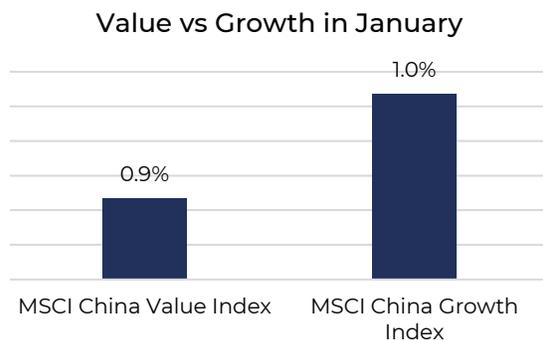
(Data from 12/31/24 to 01/31/25, returns in USD, source: Bloomberg, Guinness Atkinson calculations)

China started the month poorly but recovered following lower than expected tariffs from the US and the emergence of Deepseek. In January, the MSCI China index rose by 0.9%, lagging the MSCI World Index which rose by 3.5%.



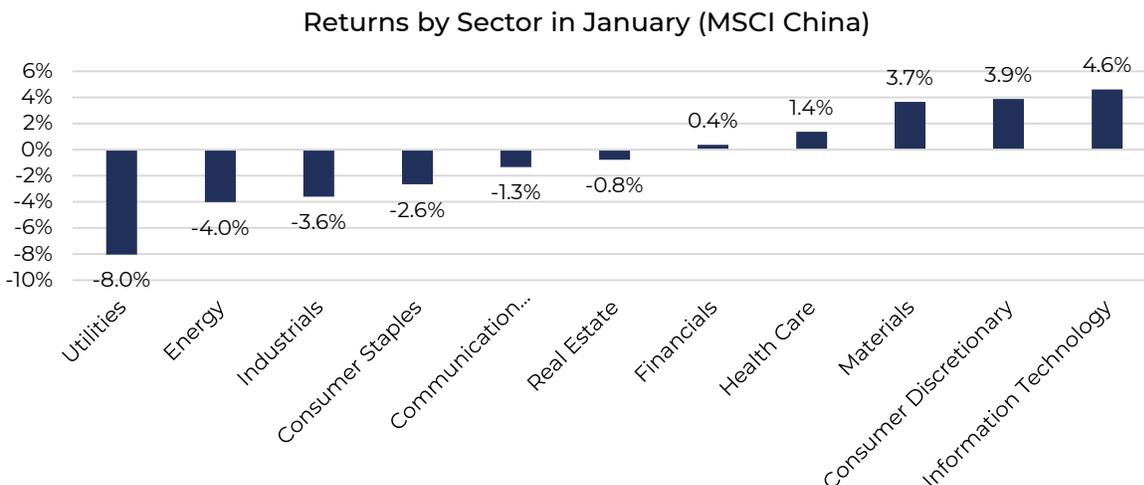
(Data from 12/31/24 to 01/31/25, returns in USD, source: Bloomberg, Guinness Atkinson calculations)

Offshore markets, as measured by the Hang Seng Composite Index, were stronger as they rose 0.4%. In particular, note the Hang Seng Tech Index rose by 5.4%. Onshore markets, as measured by the MSCI China A Onshore Index, fell by 2.1%.



(Data from 12/31/24 to 01/31/25, returns in USD, source: Bloomberg, Guinness Atkinson calculations)

Value and growth stocks performed similarly, rising ~1%. Large caps outperformed, rising 1.0% while small caps noticeably underperformed, falling 3.4%.



The best performing sectors were Information Technology (total return +5%), Consumer Discretionary (+4%) and Materials (+4%). Within the Information Technology sector, companies perceived to benefit from AI were strong, led by Xiaomi, Kingdee International Software and GCL Technology. In the Consumer Discretionary sector, Alibaba, Pinduoduo and JD.com provided the bulk of returns. In the Materials sector, strength was driven by gold (rising global prices) and aluminium stocks.

The weakest sectors were Utilities (-8%), Energy (-4%) and Industrials (-4%). Within the Utilities sector, potential lower growth in volumes meant gas utilities were weak. In Energy, weakness was driven by lower oil and coal prices.

Tariffs

The US imposed 10% tariffs on all imports from China, which was far less than the 60% rate that Trump has previously threatened. Additionally the de minimis threshold was briefly dropped for imports from China. The de minimis rule exempts customs duty being paid on goods worth less than \$800, the rationale being that given the sheer volume of such goods, the administrative costs of applying customs duty is not worth the duty revenue. Chinese brands such as Shein and Temu have significantly benefited from this arrangement over the past few years. The US Postal Service briefly stopped accepting packages

from China but given no system was in place to inspect the relevant goods, the move was reversed. For now, the de minimis arrangement remains in place.

The Chinese response was multifaceted but in our view was not designed to increase tensions with the US. China levied a 10-15% tariff on goods such as coal, liquified natural gas, crude oil and agricultural machinery. Imports of the relevant goods were only worth 9% of China's imports from the US last year, far less than the \$525bn of imports from China that the US has just introduced tariffs on. An anti-trust probe was initiated on Google. PVH Corp (which owns Tommy Hilfiger and Calvin Klein) and Illumina were added to the Unreliable Entity List, which contains companies which are deemed to harm China's interests. Export controls were imposed on 25 rare earth metals.

Outlook

For the past few years, investors have focused on the problem areas in China, namely the negative effects of the move away from real estate and towards the new pillar industries. China's problem is that the growth from the new pillar industries has not yet been large enough to offset the weakness in property. We expect a turning point towards the end of 2026/early 2027. If major government stimulus is to come, this turning point is likely to come earlier. Markets often move well before the fundamentals and so we remind investors of the innovations being made in China, which Deepseek is a good example of. The Chinese now have models which are as good as those developed in the US. Deepseek is not the only one – we also highlight Alibaba's Qwen model. In many other areas, the Chinese are catching up if not leading. China's success in electric vehicles is understood by most. We also highlight that China can make high end chips despite the chip export restrictions from the US.

Edmund Harriss (portfolio manager)

Sharukh Malik (portfolio manager)

Performance

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

- Stock selection and the underweight to the Communication Services sector. The Fund is run on an equally weighted basis and so each position has a neutral weight of 3.3%. As of the end of January, Tencent's weight in the MSCI China Index was 15.6%, making it the largest stock in that index. Tencent underperformed in the month and so the Fund suffered from less of its underperformance than the index.
- The underweight to the Utilities sector, where the Fund has no exposure.

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

- Stock selection in the Consumer Discretionary sector, driven by the underweight to Pinduoduo (not held), as well as Alibaba and Travelsky (held). The Fund is run on an equally weighted basis and so each position has a neutral weight of 3.3%. As of the end of January, Alibaba's weight in the MSCI China Index was 8.6%, making it the second largest stock in that index. Alibaba outperformed in the month and so the Fund benefited from less of its outperformance than the index.
- Stock selection in the Health Care sector, driven by Sino Biopharmaceutical, CSPC Pharmaceutical and Beigine (not held).

- Stock selection in the Consumer Staples sector, driven by Inner Mongolia Yili and Chongqing Fuling Zhacai.

As of 01/31/2025	YTD	1 Year	3 Year	5 Year	10 Year
China & Hong Kong Fund (ICHKX)	-0.63%	13.15%	-12.72%	-5.39%	0.00%
Hang Seng Composite Index TR	0.44%	36.40%	-2.37%	-0.29%	2.22%
MSCI China Net Total Return Index	0.98%	34.90%	-4.86%	-2.30%	1.75%

As of 12/31/2024	1 Year	3 Year	5 Year	10 Year
China & Hong Kong Fund (ICHKX)	0.07%	-13.24%	-6.94%	0.25%
Hang Seng Composite Index TR	22.10%	-2.57%	-1.60%	2.41%
MSCI China Net Total Return Index	19.42%	-6.10%	-3.44%	1.88%

All returns over 1 year annualized. *Source: Bloomberg, Guinness Atkinson Asset Management.*

Expense Ratio: 1.82%

Performance data quoted represents past performance; past performance 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. Performance data shown is current to the most recent month and quarter end. To obtain performance as of the most recent month end, please visit www.gafunds.com or call 1-800-915-6565. Performance data does not reflect the 2% redemption fee for shares held less than 30 days and, if deducted the fee would reduce the performance noted.

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.

Investments in foreign securities involve greater volatility, political, economic and currency risks and differences in accounting methods. These risks are greater for emerging markets countries. The China and/or Hong Kong stock markets in which the Fund invests may experience periods of volatility and instability. These fluctuations may cause a security to be worth less than it was at the time of purchase. Market risk applies to individual securities, a particular sector or the entire

economy. China and/or Hong Kong stocks may fall out of favor with investors, the value of Chinese currencies may decline relative to the U.S. dollar and/or China or Hong Kong stock markets may decline generally. The Fund invests in small-cap or mid-cap, which involve additional risks such as limited liquidity and greater volatility, than investments in larger companies.

One cannot invest directly in an Index.

The MSCI China A Onshore Index captures large and mid cap representation across China securities listed on the Shanghai and Shenzhen exchanges.

P/E ratio is a current stock price over its earnings per share. The forward P/E ratio is a current stock's price over its "predicted" earnings per share. If the forward P/E ratio is higher than the current P/E ratio, it indicates decreased expected earnings.

Standard deviation is a statistic that measures the dispersion of a dataset relative to its mean and is calculated as the square root of the variance. If the data points are further from the mean, there is a higher deviation within the data set. A volatile stock has a high standard deviation, while the deviation of a stable blue-chip stock is usually rather low.

The compound annual growth rate (CAGR) is the rate of return (RoR) that would be required for an investment to grow from its beginning balance to its ending balance, assuming the profits were reinvested at the end of each period of the investment's life span.

The Producer Price Index (PPI) program measures the average change over time in the selling prices received by domestic producers for their output. The prices included in the PPI are from the first commercial transaction for many products and some services.

The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. Indexes are available for the U.S. and various geographic areas. Average price data for select utility, automotive fuel, and food items are also available.

USD/CNY is the abbreviation for the US Dollar and Chinese Yuan pair. It shows how much the USD (base currency) is worth as measured against the CNY (counter currency).

The Shanghai Shenzhen CSI 300 Index is a market capitalization-weighted stock market index designed to replicate the performance of the top 300 A-share stocks traded in the Shanghai and Shenzhen stock exchanges.

Hang Seng Composite Total Return Index is a market capitalization weighted index that monitors the performance of stocks listed in Hong Kong.

In China, the National Bureau of Statistics (NBS) Manufacturing Purchasing Manager Index measures the performance of the manufacturing sector and is derived from a survey of more large-scale, state-owned companies. The Manufacturing Purchasing Managers Index is based on five individual indexes with the following weights: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stock of Items Purchased (10%), with the Delivery Times index inverted so that it moves in a comparable direction.

The Basel Accords are a series of three sequential banking regulation agreements (Basel I, II, and III) set by the Basel Committee on Bank Supervision (BCBS). Basel III is an international regulatory accord that introduced a set of reforms designed to mitigate risk within the international banking sector by requiring banks to maintain certain leverage ratios and keep certain levels of reserve capital on hand. Basel III is an internationally agreed set of measures developed in response to the financial crisis of 2007-2009.

A nonperforming loan (NPL) is a loan that is in default due to the fact that the borrower has not made the scheduled payments for a specified period.

The Caixin PMI measures the performance of the manufacturing sector and is derived from a survey of more private companies.

MSCI AC Asia Pacific ex Japan Index is free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of countries in the Asia Pacific region.

MSCI Europe Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of European markets.

MSCI EM Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of Emerging markets in Asia, Europe, Middle East, Africa and Latin America.

MSCI China Index captures large and mid cap representation across China A shares, H shares, B shares, Red chips, P chips and foreign listings (e.g. ADRs). With 703 constituents, the index covers about 85% of this China equity universe.

The MSCI China A Index captures large and mid-cap representation across China securities listed on the Shanghai and Shenzhen exchanges. The index covers only those securities that are accessible through "Stock Connect".

MSCI Hong Kong Index is a capital weighted stock index designed to measure the performance of the large and mid cap segments of the Hong Kong market. It has 48 constituents and covers approximately 85% of the free float-adjusted market capitalization of Hong Kong equity stocks.

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

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

MSCI China Growth Index captures large and mid cap securities exhibiting overall growth style characteristics across the Chinese equity markets.

MSCI China Value Index captures large and mid cap Chinese securities exhibiting overall value style characteristics. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price, and dividend yield.

S&P 500 Index is a market-capitalization-weighted index of leading publicly traded companies in the U.S.

The Hang Seng Composite Index ("HSCI") offers a comprehensive Hong Kong market benchmark that covers about the top 95th percentile of the total market capitalisation of companies listed on the Main Board of the Stock Exchange of Hong Kong ("SEHK").

Hang Seng TECH Index represents the 30 largest technology companies listed in Hong Kong that have high business exposure to technology themes and pass the index's screening criteria.

The MSCI Taiwan Index is designed to measure the performance of the large and mid cap segments of the Taiwan market. With 90 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Taiwan.

The MSCI Emerging Markets Index captures large and mid cap representation across 24 Emerging Markets (EM) countries. The index covers approximately 85% of the free float-adjusted market capitalization in each country. This includes Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

The Chinese Securities Index (CSI) 300 consists of 300 stocks with the highest total market value and liquidity of all the "A" shares listed on the Shanghai and Shenzhen stock exchanges. It is the key index for Chinese stock prices.

The MSCI China Large Cap Index captures large cap representation across China A shares, H shares, B shares, Red chips, P chips and foreign listings (e.g. ADRs). With 250 constituents, the index covers about 85% of this China equity universe.

The MSCI China Mid Cap Index is designed to measure the performance of the mid cap segments of the Chinese markets. With 331 constituents, the index covers approximately 15% of the free float-adjusted market capitalization in China.

The MSCI China Small Cap Index measures the performance of the small cap segment of the China market. With 227 constituents, the index represents approximately 14% of the free float-adjusted market capitalization of the China equity universe.

American depositary receipt (ADR) refers to a negotiable certificate issued by a U.S. depositary bank representing a specified number of shares—usually one share—of a foreign company's stock. The ADR trades on U.S. stock markets as any domestic shares would.

Earnings per share (*EPS*) is calculated as a company's profit divided by the outstanding shares of its common stock.

Many investors use the price-to-book ratio (*P/B* ratio) to compare a firm's market capitalization to its book value and locate undervalued companies. This ratio is calculated by dividing the company's current stock price per share by its book value per share (*BVPS*).

The dividend yield, expressed as a percentage, is a financial ratio (*dividend/price*) that shows how much a company pays out in dividends each year relative to its stock price.

Price/Earnings ratio (*P/E*) is an equity valuation multiple. It is defined as market price per share divided by annual earnings per share

USDCNY exchange rate refers to how many Renminbi one US dollar is worth.

Opinions expressed are subject to change, are not a guarantee and should not be considered investment advice. Past performance is not indicative of future results.

Dividends are not guaranteed and may fluctuate. Earnings growth and Income growth are not a measure of future performance.

Top Fund Holdings as of 1/31/2025:

1. Geely Automobile Holdings Ltd	6.27%
2. Tencent Holdings Ltd	5.37%
3. JD.com Inc	4.20%
4. China Merchants Bank Co Ltd - H Shares	4.05%
5. Midea Group Co Ltd	4.03%
6. Weichai Power Co Ltd - H Shares	3.63%
7. NetEase Inc	3.63%
8. Shenzhen Inovance Technology Co Ltd	3.47%
9. Hong Kong Exchanges & CL	3.42%
10. AIA Group Ltd	3.40%

Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any security.

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