

Guinness Asset Management Funds plc
(an umbrella fund with segregated liability between sub-funds)

Annual Report and Audited Financial Statements

For the financial year ended 31 December 2015

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Company information

Directors of the Company

Anthony Joyce* (Irish)
 Edward Guinness** (British)
 Andrew E. Martin Smith** (British)
 Johnny McClintock (Irish) (Independent)
 David McGeough (Irish) (Independent)
 Timothy W.N. Guinness** (British) (Alternate Director to Edward Guinness)

* Director of the Manager
 ** Employee of the Investment Manager

Registered Office

2nd Floor, 2 Grand Canal Square
 Grand Canal Harbour
 Dublin 2
 Ireland

Manager

Capita Financial Managers (Ireland) Limited
 2nd Floor, 2 Grand Canal Square
 Grand Canal Harbour
 Dublin 2
 Ireland

Investment Manager, Global Distributor and Promoter

Guinness Asset Management Limited
 14 Queen Anne's Gate
 London SW1H 9AA
 United Kingdom

Administrator, Registrar and Company Secretary

Capita Financial Administrators (Ireland) Limited
 2nd Floor, 2 Grand Canal Square
 Grand Canal Harbour
 Dublin 2
 Ireland

Independent Auditor

Deloitte
 Chartered Accountants and Statutory Audit Firm
 Deloitte & Touche House
 Earlsfort Terrace
 Dublin 2
 Ireland

Irish Legal Advisors

Dillon Eustace Solicitors
 33 Sir John Rogerson's Quay
 Dublin 2
 Ireland

Custodian

JP Morgan Bank (Ireland) plc
 JP Morgan House
 IFSC
 Dublin 1
 Ireland

Company number

450670 (Registered in Ireland)

Directors' report

For the financial year ended 31 December 2015

The Directors of Guinness Asset Management Fund Plc (the "Company") present herewith their annual report and audited financial statements for the financial year ended 31 December 2015. The Company was incorporated on 12 December 2007 and is authorised as an Undertaking for Collective Investment in Transferable Securities ("UCITS") by the Central Bank of Ireland. The Company is an open-ended umbrella investment company with variable capital and with segregated liability between sub-funds. As of the date of this report the Company is comprised of nine sub-funds. Guinness Best of China Fund launched on 15 December 2015.

Basis of preparation

The format and certain wordings of the financial statements have been adapted from those contained in the Companies Act 2014 so that, in the opinion of the Directors, they more appropriately reflect the nature of the Company's business as an investment company.

Principal activities

The Company is an open-ended investment company with variable capital and limited liability which has been authorised by the Central Bank of Ireland as a UCITS pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, (as amended) (the "UCITS Regulations").

Accounting records

The measures, which the Directors have taken to ensure that compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the adoption of suitable policies for recording transactions, assets and liabilities and the appointment of a suitable service organisation, Capita Financial Administrators (Ireland) Limited (the "Administrator"). The accounting records of the Company are located at the offices of the Administrator.

Activities and business review

A comprehensive overview of the Company's trading activities is detailed in the Investment Manager's report for each sub-fund on pages 6 to 25.

Risks and uncertainties

The principal risks and uncertainties faced by the Company are outlined in the prospectus. These risks include market risk comprising of, currency risk, interest rate risk and other price risk, liquidity risk and credit risk as per IFRS 7 Financial Instruments: Disclosures ("IFRS 7"). The Investment Manager reviews and agrees policies for managing each of these risks and these are detailed in note 11 to the financial statements.

Directors

The names of the Directors during the financial year ended 31 December 2015 are set out below:

Anthony Joyce
Edward Guinness
Andrew E. Martin Smith
Johnny McClintock
David McGeough
Timothy W.N. Guinness (Alternate Director to Edward Guinness)

Directors and company secretary interests

The below table provides details of shares held by the Directors:

As at 31 December 2015

Related Party	Related Party Type	Sub-fund	Class	Shares
Edward Guinness	Director	Guinness Alternative Energy Fund	Class B	2,347.12
Edward Guinness	Director	Guinness Alternative Energy Fund	Class C	1,900.79
Andrew E. Martin Smith	Director	Guinness Global Money Managers Fund	Class E	7,709.81
Andrew E. Martin Smith	Director	Guinness Global Equity Income Fund	Class Z	4,397.03

As at 31 December 2014

Related Party	Related Party Type	Sub-fund	Class	Shares
Edward Guinness	Director	Guinness Alternative Energy Fund	Class B	2,347.12
Edward Guinness	Director	Guinness Alternative Energy Fund	Class C	1,900.79
Andrew E. Martin Smith	Director	Guinness Global Money Managers Fund	Class E	7,709.81
Andrew E. Martin Smith	Director	Guinness Global Equity Income Fund	Class Z	2,886.08

Transactions involving Directors

Other than as disclosed in note 16 to the financial statements, there were no contracts or arrangements of any significance in relation to the business of the Company in which the Directors had any interest at any time during the year.

Connected person transactions

The Central Bank (Supervision and Enforcement) Act 2013 (section 48 (1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the "Central Bank Regulations") states that any transaction carried out with a UCITS by a management company or depositary to a UCITS; and the delegates or sub-delegates of such a management company or depositary (excluding any non-group company sub-custodians appointed by a depositary); and any associated or group company of such a management company, depositary, delegate or sub-delegate ("connected person") must be carried out as if conducted at arm's length. Transactions must be in the best interests of the shareholders.

The Directors of the Company are satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out in Regulation 78 (4) (a) are applied to all transactions with connected parties; and the Directors are satisfied that transactions with connected parties entered into during the year complied with the obligations set out in Regulation 41 (1) (a) and (b) of the Central Bank Regulations.

Directors' report (continued)

For the financial year ended 31 December 2015

Results of operations

The results of operations for the year are set out in the statement of comprehensive income on page 36.

Distributions

Details of distributions declared during the financial year ended 31 December 2015 are outlined in note 15 to the financial statements.

Independent Auditor

The Auditor, Deloitte, have indicated their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

Events after the reporting date

There have been no events after the reporting date which impact on these financial statements other than those disclosed in note 22 to these financial statements.

Corporate governance statement

The Board of Directors of the Company has assessed and adopted the measures included in the voluntary Corporate Governance Code for Collective Investment Schemes and Management Companies as published by Irish Funds in December 2011.

Directors' responsibilities statement

The Directors' are responsible for preparing the directors' report and the financial statements in accordance with applicable Irish law and regulations. Irish company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS"). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014, the UCITS Regulations and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Company has appointed JP Morgan Bank (Ireland) plc (the "Custodian") to carry out the custodial functions of the Company including the safe keeping of assets, trustee duties and the operation and maintenance of bank accounts.

On behalf of the Board

Johnny McClintock

Anthony Joyce

Date: 26 April 2016

Investment Manager's report

For the financial year ended 31 December 2015

Guinness Global Energy Fund

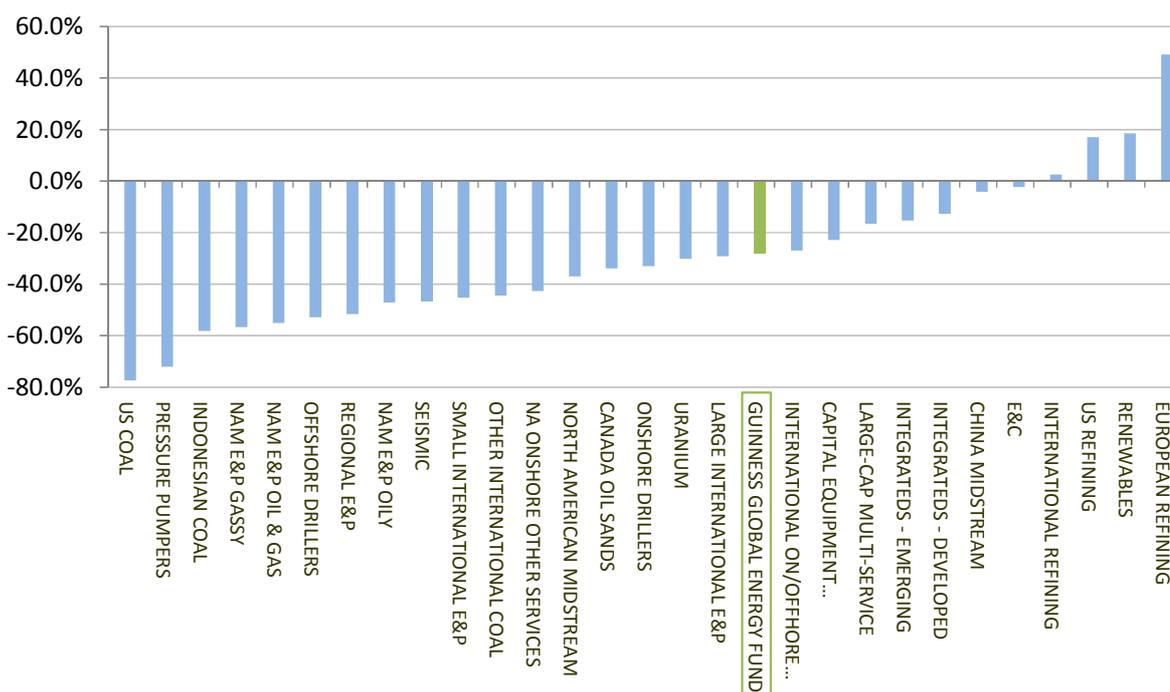
Review

The Guinness Global Energy Fund (the "Fund") in 2015 produced a total return of -28.7%. This compares to the total return of the Morgan Stanley Capital International World Energy Index of -22.1% and the MSCI World Index's total return of -0.3%.

It was a second poor year for energy equities. The MSCI World Energy Index started the year positively, matching the gains made by the MSCI World in the first four months of 2015, coinciding with the oil price rising from the mid \$50s/bbl to mid \$60s/bbl. Energy equities then traded weakly for most of the rest of the year, as oil fell to below \$40/bbl, the energy Index ending 2015 with a total return of -22.1% versus the MSCI World at -0.3%.

And similar to 2014, the performance of the MSCI World Energy Index was only part of the story, with a number of energy equity subsectors finishing the year down by around 30% to 60%, particularly those more levered to oil.

Global energy equity sub-sectors: median total return in 2015 (%)



Source: Bloomberg LP; Guinness Asset Management

A quick tour of some of the main energy sub-sectors paints a picture for the energy equity sector's performance as a whole in 2015, and that of the Fund:

Oil refining. The best performing sub-sector, with strong returns from European, US and international oil refiners. The low oil price generated a strong oil demand response, which in turn boosted crack spreads (refining margins) in most regions. European refiners saw the best gains, having started 2015 more depressed than their US counterparts. In the Fund, OMV in Europe and Valero in the US were the main beneficiaries.

Integrated oil and gas companies. A relative safe-haven, with the integrated model providing the defensive benefits of improved downstream (refining) margins to offset declines in upstream earnings. By way of illustration, 71% of Exxon's net income was derived from their downstream and chemicals division in the third quarter of 2015, compared to 26% in the same quarter of 2014. As a group, the integrated companies also benefitted in the downturn from lower gearing than most other energy sub-sectors. In the Fund, we owned the majority of the integrated oil and gas sector as holdings, with stronger relative performance from Total, ENI and Exxon.

Exploration and production. Almost all E&P sub-sectors suffered, in particular those exposed to North American operations. With both oil and gas prices weak, there was no hiding place amongst the producers of both commodities, though in general producers in the faster growing shale oil basins (Permian and STACK) fared better. Globally, the biggest equity falls were suffered by E&Ps with weak balance sheets, with a number of geared E&Ps falling 50%+ as liquidity concerns grew. In the Fund, we saw positive performance from Newfield (improving operations in the STACK play in Oklahoma) and Dragon Oil (acquired by ENOC), but offset by several companies struggling in the low oil & gas price environment, notably Chesapeake, Southwestern, Enquest and Bankers Petroleum.

Energy services. A mixed bag, with the largest, best diversified energy service companies faring relatively well (a function of their ability to outperform smaller peers operationally, and take market share, in the downturn, coupled with stronger balance sheets); whilst overgeared onshore (e.g. most pressure pumpers) and offshore service companies (e.g. offshore drillers; seismic) were poorly placed to weather the significant cuts in capital expenditure seen across the sector. In the Fund, Wood Group and Halliburton outperformed, whilst Helix, Unit and Shawcor underperformed.

Coal. Generally the worst performing sub-sector, with coal prices weak. Thermal coal continued to lose market share to cheap emerging sources of natural gas, whilst metallurgical coal demand remained subdued thanks to the slowdown in construction activity in China. The market capitalisation of the US coal sector has been reduced by over 90% since 2010. No exposure in the Fund.

Investment Manager's report (continued)

For the financial year ended 31 December 2015

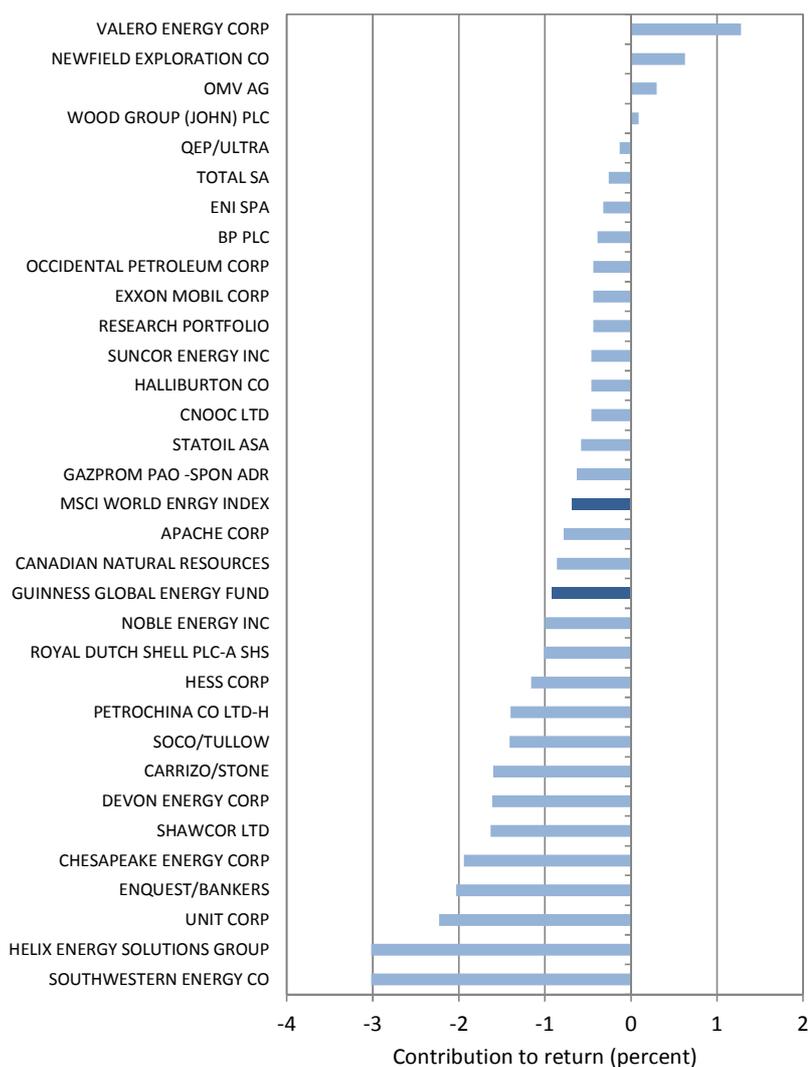
Guinness Global Energy Fund (continued)

Review (continued)

Renewables. Variable performance across the renewable energy sub-sector. Solar companies were particularly mixed, with most solar manufacturers posting positive returns, whilst the solar development companies (or 'yield cos') performed poorly as interest rate rises and poor capital structures weighed. In the Fund, JA Solar and Trina Solar, two solar manufacturers, were both subject to takeover approaches from their respective Chairmen.

Indicative portfolio contribution analysis

(source: Bloomberg)



Turning to the oil price, after the historic decision by OPEC in November 2014 to switch from a price to a market share strategy, oil benchmarks fell sharply and remained at a depressed level for much of 2015. Brent oil traded in a range from \$35 – \$68/bbl, closing 2015 near the bottom of this range, and averaging \$54/bbl for the year.

North American unconventional oil production, the growth of which was the key to unbalancing the market in 2014, moved into decline, whilst global oil demand grew handsomely. However, the market was kept oversupplied for much of the year by OPEC's decision (notably Saudi and Iraq) to grow their production further, which added around 1.3m b/day to global supply. We view this move, particularly in Saudi's case, as an attempt to keep the boot on the throat of non-OPEC producers, and ensure a lasting re-set of the oil cycle.

For as long as oil inventories continue to loosen, we expect pricing volatility to persist.

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness Global Energy Fund (continued)

Review (continued)

The major components to oil supply/demand for 2015 were as follows:

- **OPEC oil supply** (including NGLs) is likely to have grown by around 1.3m b/day (38.0m b/day versus 36.7m b/day). Saudi and Iraqi production were both higher by around 0.6m b/day, supported by modest rises from Kuwait and UAE. Libyan production remained depressed at around 0.4m b/day, similar to 2014. OPEC met in December 2015 and gave no indication that they would shift from their current strategy;
- **Non-OPEC oil supply** is likely to have grown by around 1.3 million barrels per day in 2015 (58.3m b/day versus 57.0m b/day), principally 0.8m b/day from the US (driven by shale oil which, although now declining, still averaged higher in 2015 than 2014) and small increases from Brazil, Russia, UK North Sea and China. Aside from US shale oil, growth in the rest of non-OPEC largely reflects the start-up of projects sanctioned before the fall in oil prices last year;
- **Global oil demand** is likely to have grown by around 1.8 million barrels per day in 2015, according to the IEA. This is made up of non-OECD oil demand growth of 1.3m b/day, with China up 0.7m b/day, and OECD oil demand growth of around 0.5m b/day, with US and Europe both up 0.3m b/day. This represents the strongest year of demand growth since the post financial crisis bounce in 2010, and shows the stimulus of low gasoline prices. In the US, vehicle miles travelled are on the rise again, whilst market share for vehicle sales in the US and China shifted decisively in favour of SUVs over smaller cars;
- **OECD oil inventories** at the end of November 2015 were estimated to be at a record high of 2,969 million barrels, 11% above the 10 year average and well above the 2,705 million barrels level reported at the end of November 2014). The rise in inventories over the last 12 months implies that the market is around 0.7m b/day oversupplied.

For natural gas, 2015 ended up being a continuation of the same theme as in the past several years, with the market generally in oversupply. Production growth from newer low cost gas shales (the Marcellus in particular) along with by-product gas from new shale oil production (i.e. associated gas) regularly outran demand growth until the price dipped and coal-to-gas switching kicked in. With shale oil supply moving into decline in March and gas prices moving lower, the rate of supply growth slowed as the year went on. Henry Hub averaged \$2.63/mcf in 2015, versus \$4.26 in 2014. The year ended on a particularly weak note, with Henry Hub dipping below \$2/mcf as an extremely mild Autumn/early winter depressed heating demand for gas. Natural gas inventories ended the year at the top end of the 10 year range.

Outside the US, natural gas prices also declined, the biggest influence being the weakening of the oil price. European natural gas averaged \$6.50/mcf (vs \$8/mcf in 2014) and Asian natural gas (as measured by the ICAP JKM North-East Asian LNG contract) averaged \$9.3/mcf (vs \$14.4 in 2014).

Fund activity

In February, we sold our position in Ultra Petroleum and switched into Southwestern. Southwestern is a 100% natural gas oriented exploration and production company with assets onshore United States. The company was one of the first to develop onshore shale gas (developing the Fayetteville field) and it has since expanded operations into the Marcellus field, delivering consistent production and high quality operations. We sold our position in Ultra Petroleum to fund the purchase of Southwestern, partly increasing our exposure to natural gas E&Ps in the portfolio in the process. We were increasingly concerned by the financial leverage of Ultra Petroleum post its acquisition of assets from RD/Shell and felt that Southwestern offered similar natural gas price exposure with less balance sheet risk.

In July we sold Dragon Oil, Stone Energy and Chesapeake. Dragon Oil had been subject to acquisition by its majority shareholder, ENOC. We opted to sell the position in mid July, at a small discount to the acquisition price but an all-time high price in the portfolio. Stone Energy and Chesapeake had been underperformers over the first half of the year, however we became increasingly vigilant towards balance sheet risk in the low oil price environment, and made these sales due to concerns that their debt positions were uncomfortably high. Key ratios such as debt to EBITDA were looking particularly stretched into 2016 as both companies enjoyed good 2015 oil and gas production hedges which were due to roll off.

We purchased Tullow Oil and CNOOC. Tullow Oil is an international E&P with a focus on oil assets in West Africa. The company achieved notable exploration successes in the period between 2005 and 2011, since when the equity has struggled due to a combination of weaker exploration results and developing its assets in the face of the lower oil price. We were attracted to the company by the depressed level of the equity and shift of strategy from exploration to production, which should eventually yield strong free cashflow.

We also added CNOOC, the oiliest of China's three national oil & gas companies, to the portfolio as we liked the combination it brought of good upside to an oil price recovery, plus deep financial resources to weather the downturn. CNOOC's share price had been strong earlier in the year as it enjoyed the general rise in the H share market in Hong Kong, but then gave up those gains, providing what we saw as a good entry point.

Outlook

We expect the oil price to remain volatile for a number of months, with the market still oversupplied. A recovery to \$70+/bbl is likely when the market rebalances.

There are a number of positive signs that the market is rebalancing: oil demand grew strongly in 2015 and is expected to do so again in 2016; US oil production (the principle cause of the oversupply) peaked in April 2015 and its decline is accelerating; the rest of non-OPEC supply has stagnated and we see significantly reduced new project supply from 2017 onwards. An oil price below \$70/bbl is not high enough to justify new investment in higher cost and more marginal non-OPEC projects. Against that, we may well see OPEC supply grow again in 2016 as Iranian production recovers post the lifting of sanctions, and if the political situation in Libya improves. Neither of these events would derail the rebalancing process, only delay it by a matter of months.

In the meantime, Saudi are suffering a significant fiscal deficit (c.\$100bn in 2015) but continue to act rationally in their response to a depressed oil price, realising that an 'emergency' production cut would be a fools' errand as they would simply encourage a sharp recovery in non-OPEC growth. That said, an extremely low price (sub \$40/bbl) may well encourage them to stabilise the market, but not necessarily in a vocal fashion. Longer term, we believe that Saudi seek a 'good' oil price, well in excess of current levels to balance their fiscal needs, but they realise that patience is required to achieve that goal.

If we pull together our supply and demand expectations for 2016, our 'base' case is that OECD oil and oil product inventories build during the start of 2016 (mainly as a result of Iranian oil production increases and the hangover of 2015 oversupply) before a reasonably rapid decline towards more normal levels in last few months of the year. If the non-OPEC supply data is supportive, it may allow Saudi to seek higher oil prices at the June OPEC meeting.

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness Global Energy Fund (continued)

Outlook (continued)

Before the market tightens, we could well see lower oil prices. We have seen oil prices drop sharply lower at the bottom of the cycle and this could happen again. Historically, oil prices have bottomed in tandem with a combination of events such as OPEC action, oil inventories becoming full, existing non-OPEC supply shut-ins and oil price forward curves moving into steep contango. The volatility and shape of the forward curve indicate that we are close to this today.

Energy equities have now underperformed the broad market for longer than they did after any of the large price declines since 1970. The weighting of energy in the S&P 500 at the end of 2015 was 6.4%, close to its historic lows. This also leaves the relative price-to-book ratio of energy vs the S&P 500 at a 50 year low. We do not expect these extremes to be sustained.

The valuation sensitivity work that we regularly perform tells us that energy equities are today discounting an oil price (into perpetuity) of around \$50-\$55/barrel. This is above the current spot oil price and in-line with the 4 year forward prices for both the Brent and WTI benchmarks.

In the shorter-term, stock selection remains paramount, as we traverse the tight rope of low oil prices and, in many cases, geared balance sheets. However, if you believe, as we do, that a recovery in the oil price to \$70+/bl is likely, the case for accumulating energy equities at this level looks good, with upside across the energy complex of around 50-60%.

Tim Guinness, Will Riley & Jonathan Waghorn
Guinness Asset Management Limited
March 2016

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness Alternative Energy Fund

Performance

The Guinness Alternative Energy Fund (the "Fund") was down -11.60% for 2015. This compared to a rise in the Wilderhill New Energy Global Innovation Index of 1.51% and a drop in the Wilderhill Clean Energy Index of -10.36%. The Fund suffered heavily with the decline in the Chinese and Brazilian markets and the decline in the gas price.

The main drivers of weak performance of the Fund in 2015 were the Fund's hydroelectric power company holdings, two wind holdings, and two solar holdings. These offset the good performance of most of the Fund's efficiency, geothermal and solar holdings.

Average Annualised Total Returns

Total returns	CY 2015	5 year	From launch (31/12/07)
Guinness Alternative Energy Fund	-11.60%	-7.33%	-16.05%
Wilderhill New Energy Index	1.51%	-1.96%	-9.85%
Wilderhill Clean Energy Index	-10.36%	-13.55%	-19.30%

Calendar year returns	2010	2011	2012	2013	2014	2015
Guinness Alternative Energy Fund	-21.08%	-41.59%	-12.79%	71.65%	-11.61%	-11.60%
Wilderhill New Energy Index	-13.65%	-38.91%	-4.14%	55.70%	-2.16%	1.51%
Wilderhill Clean Energy Index	-4.76%	-50.50%	-17.37%	58.54%	-16.93%	-10.36%

Stock performance of the Fund's solar holdings varied significantly. The Chinese photovoltaics module manufacturers, JA Solar, Trina Solar, Canadian Solar, Renesola and Jinkosolar all performed well, garnering upwards of 10% return in 2015. Two new US solar positions, First Solar and SolarEdge, a thin-film module manufacturer and an optimiser and inverter manufacturer, respectively, performed exceptionally well due to the extension of the Investment Tax Credit in the United States. The Fund's microinverter holding, Enphase, a direct competitor of SolarEdge, lost significant market share but received a boost from the US Investment Tax Credit extension. However, they continue to make fast progress in growing volumes and bringing costs down, so we remain confident in their future.

Unfortunately, almost all of the Fund's wind farm operator and developer holdings contributed negatively to returns, with the Chinese companies particularly affected from the uncertainty around grid constraints following the explosive growth of renewable energy in China. The notable poorest performer was Northern Power Systems, the Fund's only remaining wind turbine manufacturer, whose business has been hurt by delays in orders for its small wind turbines.

Ormat Technologies, the Fund's only current geothermal holding benefited from simplifying its ownership structure. It acquired Ormat Industries which owned 60% of Ormat Technologies in a stock transaction that collapsed its historic holding structure, while at the same time providing better visibility on future earnings growth.

The Fund's three hydro investments performed poorly, for differing reasons. Cemig struggled with the Brazilian regulatory environment, weak hydrology increasing debt levels and increasing interest rates. Verbund struggled with weak central European electricity pricing. Iniziative Bresciane gave back some of its gains mainly as a result of low stock liquidity.

Overall, this was a good year for the Fund's efficiency holdings. Wasion, the Chinese metering manufacturer and Nibe, the global heating technology provider both performed well, while Centrotec, the German building efficiency technology provider underperformed.

The Fund's holding in Cosan, the Brazilian biofuels company, performed poorly as a result of the Brazilian Real, which fell 32% in 2015, and the falling oil price, notwithstanding that only a small part of its business has direct exposure to the oil price.

Activity

The Fund sold positions in EDP Renovaveis, Acciona and Enel Green Power as they had performed well and were trading on historically high multiples. We took new positions in China Wind Power, a Chinese renewable utility and in Xinyi Solar, who are a manufacturer of glass for solar modules. We also increased exposure to the US solar market by taking two new positions in First Solar, a thin-film module manufacturer headquartered in the US, and SolarEdge, an inverter and optimiser manufacturer.

The position in Northern Power Systems has been frozen as a result of concerns over the stock price performance. The company is a manufacturer of small wind turbines. They have been achieving strong growth but have not kept as tight control of costs as needed. The share price response reflects the illiquidity of the stock.

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness Alternative Energy Fund (continued)

Outlook

The renewable energy sector had another record year for installations in 2015, peppered with good policy news from China, the United States and the UN Climate Change talks in Paris. China increased its targets for both wind and solar installations by 2020 in its 13th five-year plan ("FYP") to 200 gigawatt ("GW") and 150GW, respectively.

The Obama Clean Power Plan has created a framework that should support US market growth, but we still need to see the details of individual state policy to understand its full potential. Wind and solar are likely to be prime beneficiaries as they offer the most cost competitive solutions today. As a year-end surprise, congress extended the tax credits for wind and solar power to 2022.

The UN Climate talks in Paris, the 21st Conference of the Parties, gave a long-awaited affirmation from global leaders to cap the global temperature increase due to anthropogenic carbon dioxide emissions to two degrees Celsius. Although the agreement does not have an immediate impact on the renewable energy sector, the long-term impact of this agreement will likely be felt as more and more countries gradually strive to reduce the carbon footprint of their electricity sources. We are of the opinion that governments will no longer need to subsidise renewables as these are becoming economically competitive with conventional fuels, and in the case photovoltaics ("PV"), take very little time to build.

The PV market grew to 57GW of annual installations, up from 45GW in 2014. We expect the following years to bring annual installations of around 67GW and almost 70GW in 2016 and 2017, respectively. The driving countries behind these installation figures are China and the United States and Japan, while India edges its way up. China installed between 15 and 17 GW of PV in 2015, raising its total cumulative PV capacity to 43GW. Under its 13th FYP, the Chinese government increased its goals for PV installation to 150 GW by 2020, up from 100 GW, leaving 107GW to be installed in the five years including 2020. The United States gave the PV sector an early Christmas present by extending the Investment Tax Credit ("ITC") to 2022, when the market was expecting the ITC to expire by end-2016. As a result, the US is likely to install an extra 20GW of PV between 2016 and 2020. Japan remains one of the biggest PV markets, having installed just short of 13GW in 2015. However, Japan is unlikely to keep up its double-digit annual installations for long. The country has a very generous feed-in tariff which is unsustainable over the long run. The cabinet approved a move to auctions, allowing the government to control the costs of annual installations. India meanwhile increased its installations from 0.8GW in 2014 to 2.8GW in 2015. Narendra Modi set a highly ambitious target of 100GW by 2022 in India. We do not expect this goal to be reached, but we do expect India to increase installations to at least 5GW in 2016. India is the current home of the cheapest winning utility-scale PV bid to date. In January 2016, PV reached \$64/MWh in an Indian tender for solar power.

The wind sector grew over 25% from under 50GW in 2014 to 64GW in 2015. We expect the wind market to grow modestly from here on, since cost reductions are not as steep as in PV nor is wind as modular a resource as PV. China provided a total of 29GW in 2015, with most of its turbines being supplied by domestic manufacturers. The East Asian nation also increased its wind target to 200GW wind by 2020 in its 13th FYP. China already has 135GW of wind at end-2015, leaving only 65GW over five years to reach the target. Wind farms in some regions of China have been plagued by curtailment due to inadequate space on the grid. Although China is working towards upgrading its grid, whether its efforts will satisfy investors remains open. Forecasters predict that China will reach its wind target early and exceed it on the grounds of economics rather than subsidies. The United States was the second largest installer of wind turbines worldwide, with 9GW installed in 2015. Congress extended the production tax credit ("PTC") for wind to 2019, and analysts expect an extra 20GW of wind to be built in the US by 2020 without the tax credit. Overall, the US market is likely to hover under 10GW to meet the new PTC deadline. Europe remains a steady market for the wind sector, adding a further 10-12GW of onshore wind per year. Governments have had to placate nimbysism, traditional utilities and the electricity consumers who are paying for the feed-in tariffs via a levy.

Nonetheless, hopes are high for the offshore wind sector, which represents 4GW of total wind installs. Offshore wind is fighting for long-term survival by trying to slash costs to reach a levelised cost of energy ("LCOE") of \$110/MWh by 2020. Nimbysism across the world has led to governments, particularly in Europe, incentivising offshore wind development that is out of sight from land. China is likely to install over 1GW of offshore wind annually. However, the offshore wind market is unlikely to break through 10GW per year and still has to reduce costs to prove it can survive in a subsidy-free world.

Unsubsidised renewables reached new records in their LCOE. In Chile's October 2015 power auction that was open to all electricity generators, PV won with bids as low as \$65/MWh. This was lower than coal, gas or wind. A wind farm in Morocco set the record for the lowest wind bid at \$30/MWh, compared to a local price for coal of \$80/MWh.

Pricing for solar modules have declined slightly due to the fall in the renminbi. Polysilicon prices fell from over \$20 per kg to around \$13 per kg, which helped margins for downstream manufacturers. There was no progress towards removing the European minimum import price (MIP) and US duties on Chinese solar modules, and the latest press releases from the EU indicate that the MIP is likely to stay in place until early 2017.

Australia decided not to impose duties on Chinese solar modules. We understand that progress is being made on global trade talks to remove tariffs on sustainable technologies, but this does not appear imminent.

Alternative energy investment opportunities beyond wind and PV are judged on a case-by-case basis. Energy efficiency policy has become a key way for many European countries to reduce their overall electricity consumption. We are therefore confident that heatpumps and improved efficiency heating technologies present a good opportunity as these standards are exported from Europe.

The long term outlook for alternative energy and its related sectors remains strong. The key drivers in favour of renewable energies are: parity of renewables with traditional fuel supplies; energy security concerns; environmental issues; and climate change. We continue to position the Fund to benefit from the long term growth of the sector.

Edward Guinness & Samira Rudig
Guinness Asset Management Limited
March 2016

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness Global Money Managers Fund

Performance

The Global Money Managers Fund (the "Fund") (class E) in 2015 produced a total return of -10.9% in US dollar terms. This compares to the return of the MSCI World Index of -0.2% and the MSCI World Financials Index of -2.7%.

After a positive start to the year, performance of the Fund weakened in the second half, and the Fund went from being ahead of the broad market at the end of June to being 7% behind it by September. Markets were weaker generally in August and September, as China's stock markets fell sharply, but asset managers, and in particular large cap (>\$5bn) diversified US managers, fared poorly. Principal among investors' concerns for the asset management sector were falling earnings expectations (compounded by the weak markets) as well as the ongoing threat to the active management industry from passive products.

We observe that some active providers have reacted to the threat from passive products better than others, and offer products (for example funds with a high active share) that are clearly differentiated from passive products. We think these providers are likely to be more protected from the forces of competition, and attempt to position the portfolio towards them. The active managers whose products provide only high-cost index-like exposure are likely to face more challenging conditions in future.

The best performers over the year (on a total return basis) were: Henderson (+41.7%), Value Partners (+41.3%), Jupiter (+24.9%), Nasdaq (+23.4%) and Azimut (+17.9%). Among this group, Henderson made good gains in the first quarter after releasing a strong set of annual results in February. Value Partners had a volatile year – at one point in May, the stock had risen by 163%, but then fell sharply between June and August. The stock price was driven largely by 'hot money' flows from Chinese investors, but we benefited from the volatility by rebalancing the position to equal weight. Azimut reversed the negative returns of last year (-16.1%), as the company continued to benefit from a structural shift towards increased retail equity ownership in Italy.

The worst performers in 2015 were: Coronation (-63.2%), Och-Ziff (-42.5%), Waddell & Reed (-40.1%), Aberdeen (-35.5%) and GAMCO (-34.8%). Just as Azimut's 2016 performance reversed from its 2015 performance, so too did Coronation's, the best performer of last year (+38.7%). The company enjoyed high levels of performance fees in its financial year to 30 September 2014, which were not repeated in 2015 and the stock suffered as a result. Aberdeen has continued to fare poorly from the weak performance of emerging markets, many of which experienced sharp depreciation in their currencies.

As a general comment, the majority of the poorer performers in the Fund were large-cap diversified managers and hedge fund / alternative managers. Alternatives continued their poor performance of 2014, after outperforming in the bull market of 2013. Partly the group suffered from the general market sell-off in August, but towards the end of the year, the sharp sell-off in high yield bonds added to investor concerns.

Activity

Following a higher volume of activity on the Fund last year, we made no switches to the portfolio during 2015. Over the course of the year, the portfolio was rebalanced several times.

Review & outlook

Overall, 2014 was a volatile year for global equities. Year to date returns in 2015 for the MSCI World Index (proxy for global equities) fluctuated, going from up more than 7% in May to down more than 7% in September. They ended the year at -0.3%. Fixed income fared marginally worse, with the IBOXX Corporate Bond Index (a proxy for fixed income) returning -0.7% in 2015.¹ The corresponding IBOXX index for high yield debt ended the year down 5.0%.²

Within the asset management sector, data for US mutual fund flows (which we treat as a proxy for global flows) indicated all asset classes fared poorly. Activity ranged from anaemic inflows into fixed income funds, to significant outflows from equity funds, as the following table shows:

Net New Cash Flow	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
\$m											
Equity Funds	123,976	148,494	74,151	-229,110	-1,775	-23,356	-128,312	-153,125	158,786	24,983	-41,381
Bond & Income Funds	31,264	60,236	108,461	29,079	379,555	235,558	125,104	303,604	-83,015	31,470	2,207
Hybrid Funds	36,847	18,375	41,420	-24,988	11,606	29,321	29,386	45,880	78,214	30,566	-8,990
Money Markets	62,085	245,236	654,469	637,158	-539,139	-524,658	-123,961	-336	15,378	6,218	-13,923
Total	254,172	472,342	878,502	412,139	-149,752	-283,135	-97,783	196,023	169,362	93,236	-62,087

(Data to November 2015)

Source: ICI/Bloomberg

The shorter data series we have for fund flows from European investors shows a slightly different pattern to the US, with reasonable inflows into equity funds but outflows from fixed income funds. Money market funds saw significant inflows, as the following table shows:

Fund flows from European investors (\$m)

\$m	2011	2012	2013	2014	2015
Equity funds (inc. ETFs)	-52,314	-4,026	19,185	13,126	18,351
Bond funds	-27,648	86,520	22,299	90,370	-10,952
Money market funds	-9,128	-41,789	-92,373	43,849	82,751
Total flows	-89,090	40,705	-50,889	147,345	90,150

(Data to mid December 2015)

Source: EPFR/Goldman Sachs

¹ IBOXIG

² IBOXHY

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness Global Money Managers Fund (continued)

Review & outlook (continued)

The lacklustre environment for fund flows, and in particular the outflows seen in US equity funds, led to 2015 being more challenging than recent previous years for asset managers. Earnings forecasts were reduced and valuation multiples compressed.

Looking ahead to 2016, we see a more challenging operating environment for the asset management industry. Offsetting this uncertainty, however, valuations look attractive. At this point last year, the P/E ratio for the previous year's earnings (2014 earnings) was 15.3x. At the end of 2015, the 2014 P/E ratio had fallen to 12.6x and the 2015 P/E ratio stood at 13.2x. As before, we look to identify asset management companies with strong franchises that are likely to attract assets and grow their earnings more rapidly than their peers.

Overall, the Fund aims to give investors an opportunity to capitalise on the long term returns achieved by successful companies in the money management industry.

Will Riley, Tim Guinness & Mark Hammonds
Guinness Asset Management Limited
March 2016

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness Global Equity Income Fund

Summary

2015 was another good year for the Guinness Global Equity Income Fund (the "Fund"), outperforming the IA Global Equity Income sector for the third year in a row. The end of 2015 marks the 5th anniversary of the Fund's inception, and we are pleased to have provided five consecutive years of positive returns.

In 2015 the Fund produced a total return of 2.0% (total return in GBP), compared to the IA Global Equity Income sector's 1.5% and the MSCI World Index return of 4.9%. The Fund therefore outperformed the sector by 0.5% and underperformed the Index by 2.9%. Over three and five years the Fund ranks in the top quartile of funds in the IA Global Equity Income sector.

Importantly, our focus on companies that offer potential for dividend growth rather than a high dividend yield today means we have managed to grow the dividend distributed by the Fund every year. This year the Fund grew the dividend by 2.5% (E-class), whilst the annualised growth rate over the last five years has been 4.1%.

Performance

2015 was a volatile year, with global equities swinging fairly widely from positive to negative returns from one month to the next. Over the course of the year there were two months where the Fund underperformed by more than 1%: March and May.

The Fund underperformed in March in a rally that was characterised by small cap. stocks outperforming large cap. and emerging markets outperforming developed markets. Healthcare was the strongest sector in the month, particularly the biotech sector, where we did not have any exposure. However, our top two performing stocks in the month were in the healthcare sector: Teva Pharmaceuticals and Sonic Healthcare.

The underperformance in May was largely a result of our exposure to Asia and emerging markets stocks. The four stocks we owned at the time in Asia and emerging markets (CNOOC, China Mobile, Li & Fung and Vodacom) were our worst performing stocks in the month. We also saw very strong performance in the semiconductor sector, to which we did not have any exposure.

Looking at 2015 as a whole it was striking to note the divergence in performance of value and growth stocks. This was a trend that had begun in late 2014 and continued almost uninterrupted through the year.

It has been well documented that a handful of large, expensive, growth companies like Amazon and Facebook drove the majority of Index performance in the US in 2015. This broad trend of the market rewarding companies that could show growth in revenues or earnings was also seen throughout the rest of the world, as the divergence between the two MSCI World indices shows above. Our approach in the Fund has always been to focus on the value end of the market, and one of the reasons the Fund underperformed the benchmark was our lack of exposure to these more expensively-valued growth stocks. The chart above shows how the Fund performance much more closely followed the value index in 2015. Since the end of September 2014 (when this divergence started), the growth index has outperformed value by over 11%, a significant figure. We cannot, of course, say that this trend will start to reverse in 2016, but the size of the divergence suggests to us that value stocks could well have a better chance of outperforming over the next 3-5 years as this gap is closed.

When we look back at how individual holdings performed in 2015, the picture largely reflects the macro environment – namely falling commodity prices, looming interest rate rises in the US, a slower rate of economic growth in China, continued uncertainty in Europe, and the interlinked effects of all of these factors.

Commodity prices started their precipitous decline back in the summer of 2014, staged a small rebound in the first half of 2015 and then continued their decline in the second half of the year.

We did not have any exposure to the mining sector so we certainly benefitted from that. We did, however, have a small overweight exposure to the energy sector in the form of Royal Dutch Shell, Total, ENI and CNOOC. The MSCI World Energy sector fell by 22.1% (in USD, see Figure 7) in 2015, but only one of the energy companies that we owned was down by more than that: Royal Dutch Shell. As a group the energy companies that we owned held up well relative to the energy sector.

Expectations of rising interest rates in the US was not a new story for 2015 – they were very much part of the narrative in 2013 and 2014 as well. The companies that we own tend to have a large spread between their cost of capital and their return on capital. So the effect of rising interest rates is less of an issue on their valuation than for poor companies with a narrow spread. At the same time the companies we invest in tend to have strong balance sheets, with reasonable amounts of debt and strong credit profiles. Many of these companies have been refinancing their debt over the last five years at extremely attractive rates for long durations. Rising interest rates will have only a modest and gradual effect on their cost of debt financing.

We have a preference for companies that have the ability to grow their dividend over time. Companies can achieve this if they earn a return-on-capital greater than their cost of capital, and can reinvest their profits at a similarly high return-on-capital for the future. This will lead to growth in cash flows, and thus sustainable dividend growth. We therefore tend to avoid companies that offer a high dividend yield but few prospects for growth (such as REITs, Master Limited Partnerships ("MLPs") and regulated industries like utilities). These companies are more sensitive to interest rate rises due to their high leverage and bond-like characteristics.

The risk of chasing high dividend yield came into stark relief in 2015 in the shape of MLPs. The S&P MLP Index fell -35.1% in 2015. MLPs tend to have a combination of high leverage, low return-on-capital and low growth prospects, which is the antithesis of what we look for. MLPs had been bid up in the hunt for yield on the thesis that these companies were largely immune to changes in the oil price as they were simply transporting the oil and taking a fee. They took on more debt to engage in more growth opportunities, and thereby provide a higher dividend. However, the significant fall in oil prices has led to lower onshore oil production in the US and therefore many of these growth projects have been canned.

The way that changes in interest rate expectations did affect the portfolio in 2015 was really limited to the effect of a stronger dollar on emerging market currencies. The direct effect was minimal, with our 3% position in Vodacom in South Africa being the only direct EM currency exposure we had. While Vodacom fell around 8% over the year, it was by no means a disaster. The more significant factors were secondary. Aberdeen Asset Management, which has historically had a strong franchise in emerging market funds, suffered from a mix of poor emerging markets equity performance and significant redemptions. A proportion of these redemptions are likely a result of sovereign wealth funds in the Middle East redeeming on the back of a significantly lower oil revenues. The other main secondary effect was the drag on earnings growth of globally diversified businesses. However, the market did not tend to punish these companies particularly harshly.

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness Global Equity Income Fund (continued)

Performance (continued)

The interest rate rise that we had all been waiting for came in December, without much drama in markets.

Equities experienced a sharp and rapid decline in August, followed by a fairly rapid recovery. The market became spooked when the Chinese unexpectedly devalued their currency on August 11th. Whilst it was a small devaluation relative to historic levels, it led to considerable uncertainty. Was this the first of a number of devaluations? What would the effect be on China's trading partners in Asia and beyond? Why were they devaluing their currency? The Chinese eventually communicated the fact that this was part of a process of currency liberalisation rather than to make their exports more competitive. However, some remain sceptical and expect further devaluation.

The Shanghai domestic A-share market had a very turbulent year, but we do not have any exposure to this market. However, we did own three Hong Kong-listed companies: China Mobile, CNOOC and Li & Fung. China Mobile held up well but CNOOC and Li & Fung were a drag.

Europe managed to muddle through another threat of Grexit, but has still not addressed its structural issues. The Eurozone remains dependent on continued central bank support. The civil war in Syria has led to a very large number of refugees coming to Europe, which has in turn brought in to question many of the fundamental principles on which the European dream was founded, such as the free passage within the Schengen area. Combined with the continued sovereign debt issues of Greece and other peripheral European countries, European leaders are likely to continue to struggle to find effective compromises.

Given all the global uncertainty in 2015, it was not surprising that the market favoured defensive industries, with healthcare and consumer staples performing well across regions.

There are numerous healthcare and consumer staples companies that meet our criteria of consistently high return-on-capital, but valuations for many of these companies have been at historical highs. Naturally some of the holdings we have had in these sectors have been hitting historical high valuations as well, and we have been reducing our exposure to these sectors for the last few years. However, we remain overweight the consumer staples sector and are in line with the healthcare sector. Imperial Tobacco, which we believe still offers a compelling valuation within the consumer staples sector, was our top performing stock in the portfolio for 2015.

In summary, while 2015 was a year where the economic storm has been fairly fierce, pleasingly the portfolio has demonstrated the ability to weather it well.

Activity

Portfolio turnover was typical for the Fund in 2015; we sold six companies and replaced them with six new companies, following our 'one in, one out' approach.

In the first and second quarter of the year we made no changes to the portfolio.

In the third quarter we made two changes to the portfolio. We sold our positions in Reckitt Benckiser and L-3 Communications. We decided to exit Reckitt Benckiser on valuation and dividend yield grounds. The company, in our view, remains very well run, but we began to question whether the valuation could justify continuing to hold the stock. Reckitt Benckiser has performed well over the last five years. However, the majority of this total return has come from a re-rating of the multiple the stock trades on – it rose from around 11x forward earnings at the start of 2011 to 25x when we sold. As the dividend paid by the company had only grown in the low single digits over that period (which is somewhat disappointing) the dividend yield compressed from about 4% to 2%. The market rewarded the company instead for focussing on household and personal care, cost cutting, and selling off the pharma division. We just wondered whether the market had baked-in too high estimates for what the company was likely to achieve. If we were to see the stock underperform the market in the future and move towards a more reasonable valuation, then it is certainly something we would consider owning again.

We had held L-3 Communications from the launch of the Fund on 31st March 2012. Over that time L-3 experienced a significant valuation re-rating, broadly in line with other defence companies, all of which were deeply out of favour post the financial crisis as investors worried about government spending cuts. L-3 never had a very large dividend yield, averaging around 2.5-3% over the last five years. The dividend did grow significantly over that time, however, averaging around 9% growth per annum. This strong dividend growth helped to support and 'drag up' the share price over time. From a valuation point of view, the company appeared to be trading at stretched multiples – certainly in respect to where the company had traded historically – and this was a concern. What really drove us to sell the company, however, was the deterioration in the underlying quality of the business. Sales growth had been negative for a number of years and we had just started to see a decline in operating margins coming through. With little or no asset growth expected, it appeared unlikely the company could reverse the decline in economic profits it was generating – and that the market was anticipating.

To replace these two sales we bought new positions in WPP and Eaton. For the new buys we identified the three things we look for in any new investment: a history of persistence of return on capital, reasonable valuation, and a sustainable and growing dividend record. In the case of WPP, the global advertising business, we perceive a greater proportion of our expected total return should come from earnings and dividend growth, and only a moderate return from a multiple re-rating (as the company is trading only slightly below its medium-term multiple). Eaton, an industrial power management company based in the US, on the other hand has a higher dividend yield (just over 4%) but slower dividend growth, and we expect a greater re-rating in terms of its multiple as the stock was more out of favour and had been de-rated versus the broader market since the end of 2013.

In the fourth quarter we made a number of changes to the portfolio, selling four positions and replacing them with another four positions – bringing the total number of companies held in the Fund to 34 at the year end.

The four companies we sold were CNOOC, ENI, Meggitt, and China Mobile.

CNOOC and ENI were two energy companies held in the Fund (from a total of four), but with quite different exposures to the oil price. CNOOC is essentially a large cap. exploration and production company and is thus highly levered to the oil price. ENI, on the other hand, is the Italian national oil company which is an integrated oil major with interests throughout the oil and gas supply chain, and thus less exposed, but by no means immune, to the changing oil price.

The reasons for sale were different, but the over-supplied nature of the oil markets in general and the uncertainty surrounding the timing and mechanism of how this over-supply would be used up – whether from increasing demand trends or a reduction in supply from within or outside OPEC – gave us cause for concern. We do not profess to be able to 'call' the oil price, but we increasingly felt there were better opportunities available in other sectors that could offer better risk/reward characteristics. By maintaining a c.6% exposure to the sector (we continue to hold Royal Dutch Shell and Total) through two of the higher quality, more diversified companies, we feel the Fund can still benefit from any re-rating in the sector that may occur over the coming months.

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness Global Equity Income Fund (continued)

Activity (continued)

We had held Meggitt since the Fund's launch in 2012. The company's dividend has grown from 9.55p in 2011 to 14.10p in 2015 – averaging a healthy dividend growth of 10% per annum. The company surprised the market at the end of October 2015 by releasing a profit warning – despite having issued reasonably positive guidance for the full year in their August earnings call a couple of months previously. The stock fell over 20% on the day of the profit warning, a dramatic response.

In the August update the company had reiterated the guidance they had given at the start of the year of mid-single digit organic revenue growth for the full year. Alongside this the company announced an increase in their interim dividend of 8%. However, in its late October trading update the company reported that trading during the third quarter was below expectations due to a marked deterioration in September, and reported that these factors were expected to persist through the fourth quarter. We concluded that this trend was likely to persist beyond the fourth quarter too. We decided there was therefore a threat to both the dividend growth and the share price over the medium term, and we thus decided to sell the company. We will continue to monitor the company closely in the future and keep an eye on how their revenue stream evolves.

China Mobile had been a long-term and successful holding in the portfolio. The performance has been quite volatile, a reflection of both the overall Chinese market and some stock-specific issues. The company remains on what appear to be reasonable multiples, especially in relation to developed markets, of around 12x 2016 expected earnings. The underlying business has been in decline over the last few years, however, with the cash flow return on investment (CFROI, our preferred measure) declining from over 10% to just 6% in 2014, which is only marginally above its real cost of capital. This type of return on capital profile, alongside the company's good stock price performance and decreasing dividend payments, prompted us to sell the position.

The five companies we bought for the Fund in the fourth quarter were CME Group, Japan Tobacco, United Technologies and CA Technologies.

CME group owns and operates a derivatives marketplace across multiple asset classes and offers both trade execution and clearing and settlement services. The company is not stand-out cheap, but is trading below its longer-term multiple. Considering the extremely high return-on-capital the company has achieved (and that we think it can continue to achieve), we are comfortable with the valuation. The current dividend yield of 2.3% at first glance appears modest, but the company has paid a large special dividend in each of the last five years. The regular cash dividends paid in 2015 totalled \$2.00 per share, but this was supplemented by a special cash dividend of \$2.60. Combining these regular and special dividends, the company had a dividend yield (12 month trailing) of 5.1% at the year end.

Japan Tobacco represents the first Japanese-listed company we have owned in the Fund, and therefore reduces our underweight in that region versus the benchmark. Tobacco companies have a bad name generally, and specifically as regards investment potential due to long-term regulatory issues. Our experience has been that these businesses have shown the ability to maintain (and actually grow) margins in the face of such issues as they successfully pass on price increases to customers. Return-on-capital has been high and stable at Japan Tobacco, which has translated into growing economic profit through increased sales, offsetting any declines seen in asset growth. Dividend growth has been positive over the past five years and appears to be picking up – the company increased its final dividend by 28% to JPY64 in 2015 (from JPY50 in 2014).

United Technologies and CA Technologies are two companies currently out of favour. United Technologies is a diversified industrial business and CA is a technology software company which focusses mainly on mainframe computing. United is also much larger, with a market cap. of \$85bn versus CA at \$12bn. However, they both have globally diversified revenues whilst still maintaining a decent exposure to the US (each at approximately 60% of sales) and have both been shown to be run successfully through good returns-on-capital over time. Neither is richly valued, but both provide a history of good dividend streams, if modest dividend growth. We have had good success focussing on the more unloved end of the market, and we see these as two companies that can exemplify this.

To summarize, the overall theme (as ever) has been to sell over-valued companies, or those where we feel there is a real risk to the dividend, and to replace them with higher quality businesses and specifically those where we feel there is a good opportunity for divided growth in the future. In today's market environment we think this is a particularly relevant and important metric for investors to consider.

Portfolio Position

The effect of these changes on the sector and geographic breakdown of the portfolio was subtle, rather than dramatic. Over the 12 months our exposure to information technology, consumer discretionary and financials all increased. Our exposure to energy, healthcare, industrials and telecoms all reduced.

Sector allocation at 31/12/2015	
Consumer Discretionary	10.3%
Consumer Staples	16.6%
Energy	4.9%
Financials	23.2%
Health Care	13.8%
Industrials	16.2%
Information Technology	10.8%
Materials	0.0%
Telecommunication Services	2.8%
Utilities	0.0%
Cash	1.3%
	100.0%

The Fund has maintained its zero exposure to both the materials and utilities sectors.

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness Global Equity Income Fund (continued)

Outlook

As we look forward in 2016, many of the uncertainties that existed in 2015 are still with us: the trajectory of US interest rates, the divergence of central bank policies, emerging market currency risks, weaker growth in China, and Europe grappling with various social and economic problems, to mention the most widely discussed topics.

We always try to avoid predicting the future but prefer to look at what we can know today with certainty.

A quick glance at valuations across the globe and within different sectors of the market highlight that there remains a wide divergence in investor expectations. We hope we can exploit these divergences by continuing to focus on those companies with the characteristics we seek and by looking to the long term, rather than reacting to short-term price movements or just following market momentum.

Thank you for your continued support as we look forward to updating you with the Fund's progress over the coming year.

Matthew Page, Ian Mortimer
Guinness Asset Management Limited
March 2016

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness China and Hong Kong Fund

Performance Review

In 2015 Guinness China and Hong Kong Fund (the "Fund") fell 1.7% in Sterling terms compared to the benchmark which rose 1.4%.

Stronger stocks performance in the first half was followed by significant weakness in the second half of the year. The strength in the early part of the year was followed by a resumption of policy easing as the underlying economy slowed due to overly tight fiscal and monetary conditions at the end of 2014 and in early 2015. Stocks rallied in response to liquidity injections and increased fiscal spending but then market sentiment turned sharply negative.

In the second half of the year concerns have grown as to the extent of the China slow down and whether or not the currency would be devalued as a means of boosting economic performance. A move to adjust the foreign exchange setting mechanism, to try and bring the system closer to the IMF's requirements and allow inclusion of the renminbi into the elite group of international reserve currencies, sparked a sudden 2.5% fall in the renminbi's value against the dollar. Suspicions grew, and remain, that China has entered a period of competitive devaluation.

Since then there has been a steady stream of capital outflows from China and foreign exchange reserves dropped by \$500 billion during the year. Investors have treated this as an indication of a general loss of confidence in the currency making a substantial devaluation inevitable. The detail of capital flows however reveal much of the drop is due to companies paying down US dollar denominated debt accumulated when the renminbi was rising against the dollar. If the flows remain confined to this then they are harmless and will soon burn out. A more general loss of confidence remains a risk (and there are many policy responses that are open to the central bank) but it is not yet evident.

Stocks that performed well over the year were in consumer discretionary, insurance, technology, telecoms and toll roads. Netease, Geely Automobile, China Lesso, Shenzhen Expressway and Tencent were the best performers in 2015. The weakest performers were to be found amongst banks, energy, industrials and materials as well as in Macao leisure. Weichai Power, China Shenhua Energy, Galaxy Entertainment, Petrochina and Anhui Conch Cement were the biggest underperformers over the year.

Activity

Earlier in the year, we sold our position in HSBC and diversified our China financials exposure by taking some money out of Chinese banks and reinvesting into PICC Property & Casualty and the People's Insurance Group, a life insurance company. We made further changes in the second quarter, lowering our exposure to technology by reducing positions in Lenovo, Tencent and Netease, and added to our insurance exposure, reinvesting the proceeds in China Life Insurance and Ping An Insurance, a life and property and casualty insurer. At the end of the year the portfolio's heaviest exposures were to technology and financials (a third of which was in insurance and the rest in banks). Industrials and consumer discretionary were the next two largest sectors.

Outlook

The Fund was closed on 31 January 2016.

Edmund Harriss
Guinness Asset Management Limited
March 2016

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness Asian Equity Income Fund

Performance

Annualized total returns to 31-Dec-2015 (USD)	1 year (actual)	Since launch (19-Dec-2013)
Fund (X class)	-4.4%	3.7%
Benchmark index:		
MSCI AC Pacific ex Japan	-9.0%	-2.4%

In 2015 Asian markets, as measured by MSCI AC Pacific ex Japan Index, fell 9.0%. Guinness Asian Equity Income Fund (the "Fund") did 4.6% better than the index but this still meant a decline of 4.4% for the year.

In 2015 as a whole leading stocks were Relo Holdings, Henderson Group, St Shine Optical, Pacific Textiles, AAC Technologies, KT&G and China Lilang. All of these rose by more than 20% over the course of the year (total return in USD) and all are in different sectors including real estate, textile, technology, health care, apparel and in retail. There is also a good geographic spread with these companies based in Australia, China, Hong Kong, Korea, Japan and Taiwan. The weakest stocks were Luk Fook (jewellery retail in Hong Kong), Belle (shoe retailing in China), LPN Development (real estate in Thailand), Qualcomm (technology, US/China), PTT (energy, Thailand) and Digi.com (mobile telecom services, Malaysia) which fell by 25% or more.

Across the portfolio, twenty of the thirty-six holding outperformed the market over the whole year.

Investors have had to contend with significant geopolitical and economic uncertainty in 2015; the two are inextricably linked and there is no obvious path to a solution. Lower commodity prices have been a boon to western consumers and have also come as a relief to manufacturing economies in emerging markets. But to the producers, falling prices have revealed structural weaknesses and substantially increased economic and political instability. The diverging economic fortunes of the US and the Eurozone have probably the greatest ramifications because world demand growth cannot be driven by the US alone. And running alongside all of this, although overblown, is China's economic transition and deceleration.

From an Asian perspective, in 2015 we have been relieved by the fall in the price of oil and of other commodity prices. For China, it has saved over \$100 billion in the import bill just from the lower prices of oil and iron ore. China's oil product demand grew over the first ten months of 2015 by 6.7% in year-on-year terms (IEA data). In Indonesia, Malaysia and Thailand the lower oil price has enabled governments to abolish fuel subsidies that proved such a drain on government coffers. For export manufacturers it has brought down the cost of raw materials and allowed wages to rise (good for consumption) without significantly damaging margins. The fall in oil prices is not a sign of weakening demand, in our view, but a problem of oversupply from the expansion of US shale production.

Stronger economic growth in the US has provided an ongoing source of demand for Asian manufactured goods in contrast to Europe but US demand is not what it was. From 2000 up to the time of the financial crisis Chinese exports to the US grew 20% to 30% a year while Europe was even better. This year they have grown about 6%. Indications are that American consumers have focused more in recent years on paying down debt than on increasing consumption. However, US strength has also brought about a sharp appreciation in the dollar, which on a trade weighted basis is now the strongest since 2003. In Asia, the Chinese yuan fell 4% while the rest of the region's currencies (excluding Japan) were down 8.8% on a weighted average basis against the dollar.

All of the Fund's exposure to China is through companies listed on the Hong Kong Stock Exchange, not the Chinese domestic 'A' shares that have been the subject of intervention by the authorities. These companies report their accounts in accordance with International Accounting Standards or proximate standards. We look for companies whose equity value depends on the stability and strength of future operating cash flows as well as the dividends they will pay us. Analysis of companies in emerging markets has its challenges but by looking at those with long track records and operating in competitive sectors we can increase our confidence in their ability to cope with future uncertainty. We look at companies that have earned a return on invested capital above their cost of capital for eight consecutive years: that is long enough we believe, to suggest company has a solid business.

Activity

There were three stock changes in 2015. At the start of the third quarter the management of Huabao International decided, after seven years, to omit its final dividend. The company justified this by highlighting the special dividend paid on top of its ordinary dividend at the interim stage and uncertain industry conditions ahead. We sold the position and purchased Aflac Inc, a US-listed health insurer that generates much of its business in Japan. The second stock change was triggered by the acquisition of iiNet, an internet service provider in Australia, by TPG Telecom. We purchased Largan Precision in its place, a manufacturer of high-end camera lenses. The third change was the sale of Shenzhou International on valuation grounds. In its place we put in Belle International, a designer and retailer of footwear in China.

Portfolio Position

The Fund's largest country exposures were to China (30.2%), Taiwan (19.1%) and Hong Kong (13.6%). Our large weightings in these countries are an outcome of our stock selection process, rather than a 'top-down' allocation. We believe many companies in these markets are undervalued and represent attractive investment opportunities. Conversely, we have little or no allocations to other countries, for example, Indonesia or the Philippines, because the companies that meet our screening criteria in these countries have valuations that are not, at present, sufficiently attractive.

The Fund's largest sector exposures are to Financials (34.0%), Information Technology (24.3%) and Consumer Discretionary (19.2%). Again, our allocation to financials is due to our belief that there is sufficient undervaluation present in the sector. We note that some sectors, for example, Materials, Energy and Utilities have historically had low representation in our universe – materials and energy are highly cyclical industries, while utility companies are often heavily regulated, and achieve lower returns.

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness Asian Equity Income Fund (continued)**Outlook**

Our view remains that the Asia region offers investors a good long term opportunity. The long term story is one of a rising standard of living on the back of rising real wages and increasing domestic consumption. China's economy is still expected to grow 6.5% in 2016 while the rest of the region is forecast (using IMF data) to grow 4.1% compared to World growth of 2.9%. Stock market valuations in Asia, as we have said, look cheap.

There is still considerable scope for China to adjust policy in line with economic needs. Foreign exchange reserves are still substantial at \$3.3 trillion while an expected record trade surplus is likely to give an extra buffer against capital outflows, which are likely to continue. Banking sector liquidity can be augmented by the release of deposits commercial banks have been required to place with the central bank, so-called Required Reserves. These rose from 6% of China's commercial banks' deposit base in 2003 to more than 20% in response to capital inflows by the beginning of 2015.

The key to Chinese economic stability today lies in the real estate sector and so far property sales and prices have been solid. Longer term issues are whether China can continue its transition, cut excess production capacity at a time when debt levels are still high and not fall back into renewed credit expansion. In this respect, Premier Li Keqiang has publicly ruled out the use of strong stimulus and a flood of liquidity to propel growth. He is instead pushing for new business models and economic drivers (economic transition) and for concrete steps to reduce overcapacity.

We view the recent rise in US interest rates as being a positive development. However, the outlook is by no means clear. The first move was a tentative step and the Fed minutes suggest the decision was a closer call than initially thought. The Federal Reserve has pencilled in four interest rate rises. If they pursue this regardless of external conditions, the associated monetary tightening and liquidity withdrawal could spark a mid-recovery downturn. Further rises will likely depend of rising core PCE (Personal Consumption Expenditure) inflation. That has been weak in recent years as consumers focused on paying down debt but this process may be coming to an end. Higher consumption would be a positive and welcome development for Asia.

Edmund Harriss
Guinness Asset Management Limited
March 2016

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness European Equity Income Fund

Performance summary

In 2015 Guinness European Equity Income Fund (the "Fund") had a total return of -2.0% (in USD) compared to the MSCI Europe ex-UK index which was up 0.1%. The Fund therefore underperformed its index by 2.1% over the year.

Activity

There were no changes made to the portfolio over the year. However, we took the opportunity to rebalance the Fund in the third quarter to bring the individual company weights back in line to an equal-weighting.

Portfolio breakdown

The table below shows the sector allocation of the Fund at the end of the period. Due to limited changes in the portfolio the sector allocation of the Fund remains in line with the end of the previous year.

Sector allocation at 31/12/2015	
Consumer Discretionary	15.5%
Consumer Staples	17.4%
Energy	2.6%
Financials	13.6%
Health Care	9.7%
Industrials	23.8%
Information Technology	10.0%
Materials	0.0%
Telecommunication Services	4.1%
Utilities	0.0%
Cash	3.5%
	100.0%

The highest weighting in the Fund remains to the industrial sector at just under 23.8%, followed by consumer staples at 17.4%, and consumer discretionary at 15.5%.

The Fund has maintained its zero exposure to both the materials and utilities sectors.

Outlook for 2015

As we look forward in 2016, many of the uncertainties that existed in 2015 are still with us: the trajectory of US interest rates, the divergence of central bank policies, emerging market currency risks, weaker growth in China, and Europe grappling with various social and economic problems, to mention the most widely discussed topics.

Over the last few years markets have had many periods of weakness – and plenty of positive surprises too. However, we do not spend too much time worrying about how the global economic environment will fare in the near future but instead will continue to focus our time and thoughts on our process and on identifying high quality companies and including the best value opportunities in the portfolio.

A quick glance at valuations across the globe and within different sectors of the market highlight that there remains a wide divergence in investor expectations. We believe our approach to identifying stocks is well suited to current economic conditions. The characteristics of these companies should provide a reasonable degree of downside price protection during periods of market weakness, whilst at the same time being best placed to continue to generate superior economic profits if the economic environment continues to improve.

Dr Ian Mortimer, CFA
Matthew Page, CFA
Guinness Asset Management Limited
March 2016

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness Global Innovators Fund

Summary

In 2015 the Guinness Global Innovators Fund (the "Fund") produced a total return of 2.2% (in GBP), versus the MSCI World Index return of 4.9%. The Fund therefore underperformed the benchmark by 2.7%.

The strategy's long-term performance remains strong. Its five year average annual return is 13.3%, versus 8.9% by the Index.

Performance

2015 was a volatile year, with global equities swinging widely from positive to negative returns from one month to the next. Historically the Fund has tended to outperform in the Index's positive months and underperform in negative months, but outperform more on the upside than it loses on the downside. On average that picture held true for 2015. There were only two months in the year where the Index demonstrated strong positive performance: February and October. In both of these months the Fund comfortably outperformed. The two largest drawdowns of the benchmark were in August and September, and over these two months combined the Fund outperformed the benchmark.

One factor that goes a long way to explaining the underperformance in other periods was the fact that expensive growth companies (highly valued companies with strong revenue growth) outperformed companies offering attractive valuations. It has been well documented that a handful of large, expensive growth companies such as Amazon and Facebook drove the majority of Index performance in the US in 2015.

We have always sought to apply a valuation discipline when running this strategy – and to avoid the temptation to invest in exciting stories at heady valuations. This discipline does not mean we won't invest in companies with high levels of anticipated growth, it just means we will only do it when we are comfortable that we are not putting your money at excessive risk from a valuation perspective. As a case in point we invested in Netflix in 2007 when it traded on a P/E multiple of 24x when earnings were growing at over 30% per year, but we do not own it today when it trades on a 2016 P/E of 250x with earnings expected to grow at 15% in 2016.

US tech growth stocks as a group are now at valuations that are the furthest away from US tech value stocks as we have ever seen. We therefore think it is unlikely this trend will persist for long, and 2016 may well see this divergence in performance reverse.

Macro factors were again the dominating narrative be it interest rate rises in the US, weaker growth in China, or the Eurozone struggling with the implications of its founding principles (fiscal, monetary and social). The Fund managed to weather this macro environment reasonably well. We had only a small exposure to falling commodity prices in the form of Schlumberger and BP (we sold the latter in the third quarter). Our exposure to expectations of rising interest rates in the US was really limited to our emerging market exposure, which was very much at the quality end of the spectrum. However, our holdings in Lenovo, Samsung and Li & Fung were a drag. Europe underperformed the US, and the portfolio was overweight the US.

Given all the macro economic uncertainty that existed through 2015, it was not surprising to see defensive sectors like consumer staples and healthcare perform strongly. We had no exposure to the consumer staples sector and just one holding in the healthcare sector: Gilead Sciences.

Activity

We sold six positions and initiated six new positions over the course of 2015.

We did not make any changes to the portfolio in the first and second quarter. However, we made a number of changes to the portfolio in the third quarter.

Before we saw the sharp decline in equity markets in early August, we decided to sell our position in TD Ameritrade (the online broker) after it had shown exceptionally strong performance over the previous two and a half years. It had become the most expensive company we owned in the portfolio, trading on a PE of 25x 2015 earnings. This valuation was also the highest the company has traded at in the last ten years.

We replaced TD Ameritrade with Verifone, the leading provider of card payment terminals and services. They provide the technology and infrastructure that allow merchants to offer a variety of payments options including chip and pin, contactless card payments and more recently the likes of Apple Pay and Google Wallet. The company has benefitted from the rollout of chip and pin technology in the US; a shift in liability on card fraud to merchants is making those that don't yet have this technology vulnerable. Despite this liability shift occurring in October this year, the US is only around a third of the way through this process and the full rollout is likely to take a few more years. Large retail chains have (unsurprisingly) been the first to adopt the technology, but this has been followed by merchants that sell high ticket items. Clearly a shop selling high-priced electrical goods is more prone to credit card fraud than a coffee shop.

The new terminals that are being rolled out are also capable of processing contactless payments, including the Near Field Communication (NFC) chips being used by "mobile wallets" such as Apple Pay and Google Wallet. Rollout of digital wallets such as Apple Pay could intensify pace of demand for EMV terminals from customers.

We felt there was an attractive combination of a quality, high return-on-capital business, with a number one position in many of its markets, in a secular growth trend, with a number of catalysts for margin expansion, trading on a very reasonable multiple of 18x going to 15x. While the valuation multiple leaves some potential for multiple expansion, we would expect the majority of the total return to come from earnings growth.

Although we do not class this as an official buy-sell in the portfolio, in early July our longstanding holding in eBay spun off its PayPal business into a separate entity. The PayPal business more closely met the criteria we look for in this Fund, so we sold our remaining position in eBay and reinvested it in PayPal. PayPal has a very strong competitive position in the mobile payments space, with an early mover and scale advantage, while at the same time being very well positioned to continue to grow at almost 20% per year.

Later in the third quarter we sold our position in Capital One Financial and replaced it with Cognizant, the IT consultant and service provider. Capital One's valuation had rerated substantially over the last four years, driven by their ability to generate growing revenues and earnings from a very profitable book of credit card debt with historically low delinquency rates. However, in the second quarter these delinquency rates went up, which we felt was an opportune time to bank a profit.

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness Global Innovators Fund (continued)

Activity (continued)

We were attracted to Cognizant by its ability to generate consistently high return-on-capital with double digit growth in revenues. The company has been very good at allocating capital, making numerous successful small bolt-on acquisitions. Cognizant is also managing to take market share from its competitors. The company's growth is partly dependent on global IT spending, but its competitive positioning and reasonable valuation made it an attractive alternative to holding Capital One.

During the broad market correction towards the end of August we took the opportunity to make a number of changes to the portfolio, buying positions which had been on our 'watchlist' where we had been waiting for an opportune entry point.

We sold four companies: Ultra Electronics, Xerox, BP, and L-3 Communications.

Ultra Electronics, the UK-listed defence company, has been held in the strategy since late 2013. It was one of the smaller market cap. companies we owned, at around \$2bn. The company traded on modest multiples at purchase of 14x forward earnings alongside reasonable growth of 3-5%. Revenues declined in 2014 and continued into 2015. But margins held reasonably firm. The return-on-capital began to erode quite rapidly, however, as the lower sales coincided with increased asset growth. During the turmoil in markets in the summer of 2015, Ultra actually held up very well, outperforming in that short period – perhaps on expectations of increased government defence spending in the future. We therefore took the opportunity to exit the holding at that time, as a declining return-on-capital profile is always a particular concern for us and especially if this coincides with a robust share price performance. This combination can often highlight 'value traps' where the market is ignoring the fundamentals of a business and instead focusing on the 'story' which will turn around the malaise.

Xerox was a company we held in the strategy from mid-2014 and sold in August 2015, so a relatively short holding period compared to our average of four years. Over our holding period Xerox underperformed the broad market. The underperformance was driven by a profit warning in April of 2015. We try to avoid short-term numbers influencing our decisions, and indeed held the company for a number of months after the initial warning, but through that period our conclusion was that the revenue declines seen would continue and any turnaround by management could be some time coming. As we follow a 'one in-one out' approach we are also constantly assessing our current holdings versus any other company we might own, and we felt there were better opportunities than continuing to hold on to Xerox.

BP had been a very long-term holding in the strategy, and we have owned the company through both the financial crisis of 2008/9 and the Macondo drilling disaster of 2010. However, the oversupplied nature of oil markets in general and the uncertainty surrounding the timing and mechanism of how this oversupply would be used up – whether from increasing demand trends or a reduction in supply from within or outside OPEC – gave us cause for concern. We do not profess to be able to 'call' the oil price but we increasingly felt there were better opportunities available in other sectors. We also worried that a 'lower for longer' oil price environment would put considerable pressure on the ability of the company to maintain its dividend payment. Although we did not own the company specifically for its income we were aware that it is an important metric for many investors in the stock, and that any dividend cut would likely add to the selling pressure we have seen over the past 18 months. Ultimately we saw better risk/reward in other parts of the market and decided to exit the position.

From a valuation point of view, L-3 Communications appeared to be trading at stretched multiples, certainly in respect to where the company had traded historically – and this was a concern. What really drove us to sell the company, however, was the deterioration in the underlying quality of the business. Sales growth had been negative for a number of years, and we had just started to see a decline in operating margins coming through. With little or no asset growth expected, it appeared unlikely the company could reverse the decline in economic profits it was generating – and that the market was anticipating.

We replaced the sales made at the end of August with buys of SAP, Alphabet, and Eaton.

When markets get skittish and sell off, the correlation of asset returns can increase. This was exactly the case in the summer of 2015. In such instances company fundamentals can often get ignored as investors rush for the exit, meaning all assets sell off in unison. This can often provide an opportunity to purchase good companies at better prices and this is exactly what we tried to do. Alphabet, the new name for the holding company of Google, had performed particularly well in July of last year as the market was positively surprised by its strong results and commitment to greater investor transparency. From that point to the end of August the stock price then declined almost 13% (in USD), exactly in line with the S&P500. In light of the new results and compelling valuation compared to the long term-growth expectations (c.20x forward PE and mid-single digit earnings growth) we decided to sell Xerox and buy Alphabet.

We purchased SAP, the German-based software company, at the end of August, and under similar circumstances. SAP is a high-quality company, and has achieved consistently high cash flow return on investment for the last 20 years. Over the last five years this return-on-capital has actually increased through a combination of acquisitions and improved performance. Combined with strong asset growth, stable margins and modest revenue growth, this has meant the company has consistently ramped up economic profits. The company has moved into the mobile and cloud computing market, which is a potentially more competitive environment, but with long-term earnings growth in the high single figures and multiples no more than the market, we believe the company can continue its good performance in the future.

Eaton was a company that had been focussed on electrical power components until its acquisition of Cooper Industries. The company now has a more diversified business. Although Copper represented the largest of the company's acquisitions, previous transactions have been integrated successfully. One of the attractions of the company and management was the excellent capital allocation discipline, exemplified by the progressive dividend policy and long history of high, and more recently growing, return-on-capital. We expect long-term earnings growth in the mid to high single digits. With a reasonable valuation (around 12x forward earnings), and a dividend yield well above the market, we think there is a good margin of safety in the price and good potential for future returns.

In the fourth quarter we made one further purchase for the Fund: WisdomTree. This left the Fund with our target 30 holdings at the year end.

The exchange traded fund ("ETF") market has grown – and evolved – at a rapid pace over the past few years, and WisdomTree has been at the forefront of those changes. WisdomTree is a specialist ETF provider and, unlike its larger competitors, this is the only business it is in. The company launched its first ETF in 2006 and has grown its assets under management ("AUM") from less than \$1bn to over \$50bn today. It is probably best known for its range of currency-hedged funds, which account for approximately 60% of total AUM and have been the main driver of AUM growth. This rapid success is also seen as an Achilles heel by investors, however, as the concentration of assets in relatively few products suggests those assets could decrease if investor sentiment changes towards those products. We felt this point in time provided a good entry point to buy the stock as it de-rated from a forward PE multiple of over 35x to less than 20X.

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness Global Innovators Fund (continued)**Positioning**

Due to the purchases and sales made in the year, we increased our information technology allocation, and decreased exposure slightly to each of energy, financials, and industrials.

Sector allocation at 31/12/2015	
Consumer Discretionary	13.0%
Consumer Staples	0.0%
Energy	3.3%
Financials	9.9%
Health Care	3.3%
Industrials	16.4%
Information Technology	53.4%
Materials	0.0%
Telecommunication Services	0.0%
Utilities	0.0%
Cash	0.8%
	100.0%

Outlook

Even though this portfolio is focused predominantly on growth opportunities, ever since we as a firm started managing this strategy in 2003 we have always employed a value discipline, and it has served us well. Value in this context does not mean simply optically cheap stocks. It means identifying companies where profitable growth opportunities exist and where the market under-appreciates these opportunities. More importantly, it means avoiding companies with characteristics that are statistically likely to destroy your capital. Weak business are one way to destroy capital. Companies with excessive valuations are another. But most importantly it is the combination of a weak business and excessive valuation that is most likely to lose you money, and we will always avoid these companies. Benjamin Graham's observations are well entrenched in our thinking:

"The risk of paying too high a price for good quality stocks – while a real one – is not the chief hazard... Observation over many years has taught us that the chief losses to investors come from the purchase of low quality securities at times of favourable business conditions." Benjamin Graham

With interest rates having been at historic lows as a result of untried accommodative central bank policy, one might class the years since the banking crisis as having been "favourable business conditions". Most importantly, this will have allowed poor quality businesses to continue operating where they may have struggled in a more difficult scenario. A combination of a more uncertain macro backdrop (slowdown in Chinese growth, currency wars or rising interest rates in the US) and low quality businesses with excessive valuations could prove to be a risky bet in 2016.

Only time will tell how markets evolve over the following year but our focus remains, as ever, on quality innovative companies that have shown the ability to consistently earn high levels of return on capital over a prolonged period. We continue to believe these innovative companies can navigate the economic cycle better than the average company and therefore should be well rewarded over the long-term.

We look forward to updating investors with progress through 2016.

Dr Ian Mortimer, CFA
Matthew Page, CFA
Guinness Asset Management Limited
March 2016

Investment Manager's report (continued)

For the financial year ended 31 December 2015

Guinness Best of China Fund

New fund launch

The Guinness Best of China Fund (the "Fund") was launched on 15 December 2015.

In seeking to achieve its investment objective the Fund intends to directly invest at least 80% of its net assets in equity securities of companies with a market capitalization typically in excess of US \$200 million at the time of initial investment, that are either primarily traded on the China Markets or in Taiwan (such as China H Shares), or that derive at least 50% of their revenues from business activities in China or Taiwan, but which may be listed and traded on other Recognised Exchanges.

The investment process is similar to that used for the Guinness Asian Equity Income Fund. We select stocks from a universe of companies that have persistently achieved a return on invested capital above their cost of capital for at least 8 consecutive years that have low debt and a market capitalisation of at least \$200 million. We are looking for businesses whose level and persistence of return on capital is under-estimated by the market. The portfolio will be concentrated and positions will be held on an equal-weighted basis.

We believe that investing in good quality companies, which we define as those that have translated sustained competitive advantages into superior cash flow based returns on invested capital and we believe can continue to do so, is a sensible investment approach generally and especially so at a time when China's economic model is changing.

Edmund Harriss
Guinness Asset Management Limited
March 2016

Custodian's report

For the financial year ended 31 December 2015

Statement of Custodian's responsibilities

The Custodian is required under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended), ("UCITS Regulations") to:-

1. Ensure that the sale, issue, repurchase, redemption and cancellation of shares effected by or on behalf of the Company are carried out in accordance with the UCITS Regulations and in accordance with the Memorandum and Articles of Association.
2. Ensure that the value of shares is calculated in accordance with the UCITS Regulations and the Memorandum and Articles of Association.
3. Carry out the instructions of the Company unless they conflict with the UCITS Regulations or the Memorandum and Articles of Association.
4. Ensure that in transactions involving the Company's assets, any consideration is remitted to it within time limits which are acceptable market practice in the context of a particular transaction.
5. Ensure that the Company's income is applied in accordance with the UCITS Regulations and the Memorandum and Articles of Association.
6. Enquire into the conduct of the Company in each annual accounting period and report thereon to the share holders. The Custodian's report shall be delivered to the Company in good time to enable the Company to include a copy of the report in its Annual Report. The Custodian's report shall state whether in the Custodian's opinion the Company has been managed in that period:
 - (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum and Articles of Association and the UCITS Regulations; and
 - (ii) otherwise in accordance with the provisions of the Memorandum and Articles of Association and the UCITS Regulations.

If the Company does not comply with (i) or (ii) above, the Custodian must state why this is the case and outline the steps which the Custodian has taken to rectify the situation.
7. Notify the Central Bank of Ireland promptly of any material breach of the UCITS Regulations, conditions imposed by the Central Bank of Ireland or provisions of the prospectus with regard to the Company.

The duties provided for above may not be delegated by the Custodian to a third party. These duties must be carried out in the State.

The Custodian also takes into its custody or under its control all the assets of the Company and holds them in safekeeping for the share holders.

Custodian's report (continued)

For the financial year ended 31 December 2015

Report of the Custodian to the Shareholders

We have enquired into the conduct of Guinness Asset Management Funds plc ('the Company') for the period ended 31 December 2015 in our capacity as Custodian to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company as a body, in accordance with Regulations 34 and 47 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulation 2011 (the "UCITS Regulations") and with effect from 1 November 2015, the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the "Central Bank UCITS Regulations") and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

Responsibilities of the Custodian

Our duties and responsibilities are outlined in Regulation 34 and 47 of the UCITS Regulations. One of those duties is to enquire into the conduct of the Company in each annual accounting period and report thereon to the shareholders.

Our report shall state whether, in our opinion the Company has been managed in that period, in accordance with the provisions of the Company's Memorandum and Articles of Association, the UCITS Regulations and the Central Bank UCITS Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not complied we, as Custodian must state why this is the case and outline the steps which we have taken to rectify the situation.

Basis of Custodian Opinion

The Custodian conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in the UCITS Regulations and to ensure that, in all material respects, the Company has been managed

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the provisions of its Memorandum and Articles of Association, the UCITS Regulations, the Central Bank UCITS Regulations; and
- (ii) otherwise in accordance with the provisions of the Company's Memorandum and Articles of Association, the UCITS Regulations and the Central Bank UCITS Regulations.

Opinion

In our opinion, the Company has been managed during the year, in all material respects:

- (i) In accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum and Articles of Association, the UCITS Regulations, the Central Bank UCITS Regulations; and
- (ii) otherwise in accordance with the provisions of the Memorandum and Articles of Association the UCITS Regulations and the Central Bank UCITS Regulations.

For and on behalf of
J.P. Morgan Bank (Ireland) plc
J.P. Morgan House
IFSC
Dublin 1

Date: 26 April 2016

Independent Auditors' report to the shareholders of Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

We have audited the financial statements of Guinness Asset Management Funds plc (the "Company") for the financial year ended 31 December 2015 which comprise the statement of financial Position, the statement of comprehensive income, the statement of changes in net assets attributable to holders of redeemable participating shares, the statement of cash flows and the related notes 1 to 23. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and International Financial Reporting Standards (IFRSs) as adopted by the European Union ("relevant financial reporting framework").

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with the Companies Act 2014 and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2015 and of the loss for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 and Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2015.

Independent Auditors' report to the shareholders of Guinness Asset Management Funds plc (continued)

For the financial year ended 31 December 2015

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations we considered necessary for the purpose of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The Company's statement of financial position and its statement of comprehensive income are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Act 2014 which requires us to report to you if, in our opinion the disclosures of directors' remuneration and transactions specified by law are not made.

Brian Jackson
For and on behalf of Deloitte
Chartered Accountants and Statutory Audit Firm
Dublin

Date: 26 April 2016

Statement of financial position

As at 31 December 2015

	Note	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund USD	Guinness Best of China Fund ¹ USD	Total Company USD
Assets											
Financial assets at fair value through profit or loss	3										
- Transferable securities		217,667,557	5,196,113	8,095,803	144,462,879	411,547	20,813,664	159,129	62,414,496	566,089	459,787,277
- Collective investment schemes ("CIS")		-	-	-	-	17,040	-	-	-	-	17,040
Cash and cash equivalents	4	5,146,659	18,651	332,893	1,591,640	73,151	19,739	5,790	335,358	1,802	7,525,683
Dividends receivable		149,438	7,076	6,416	245,132	14	39,159	-	38,456	568	486,259
Securities sold receivable	2 (f)	-	-	-	-	39,237	-	-	-	-	39,237
Subscriptions receivable		680,514	292,845	3,851	712,420	-	98,759	-	247,325	126,979	2,162,693
Total assets		223,644,168	5,514,685	8,438,963	147,012,071	540,989	20,971,321	164,919	63,035,635	695,438	470,018,189
Liabilities											
Investment manager fee	5	164,296	5,058	7,325	65,695	401	6,506	46	37,754	200	287,281
Investment manager administration fee	7	93,042	2,106	3,549	61,265	217	8,283	69	26,112	122	194,765
Redemptions payable		398,308	2,178	21,349	129,661	126,979	13,302	-	268,091	109,928	1,069,796
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		655,646	9,342	32,223	256,621	127,597	28,091	115	331,957	110,250	1,551,842
Net assets attributable to holders of redeemable participating shares		222,988,522	5,505,343	8,406,740	146,755,450	413,392	20,943,230	164,804	62,703,678	585,188	468,466,347

¹ Launched on 15 December 2015

The accompanying notes form an integral part of these financial statements

Statement of financial position (continued)

As at 31 December 2015

	Note	Guinness Global Energy Fund	Guinness Alternative Energy Fund	Guinness Global Money Managers Fund	Guinness Global Equity Income Fund	Guinness China and Hong Kong Fund	Guinness Asian Equity Income Fund	Guinness European Equity Income Fund	Guinness Global Innovators Fund	Guinness Best of China Fund ⁶
Number of redeemable participating shares	10									
Class A shares ⁵		4,092,825.40	110,912.79	15,197.74	118,760.81	-	-	-	-	-
Class B shares ⁵		1,653,670.37	335,586.03	28,831.38	370,166.65	-	-	-	-	-
Class C shares		483,750.07	336,598.25	85,500.12	853,435.50	0.01	-	-	-	-
Class C EUR accumulation shares ¹		696,262.23	7,771.85	7,182.03	151,777.84	-	5,811.29	100.00	74,595.18	100.00
Class C GBP accumulation shares ²		-	-	-	263,408.85	-	77,804.95	100.00	659,707.84	8,488.01
Class C USD accumulation shares ³		-	-	-	164,183.01	-	76,166.19	100.00	594,121.97	100.00
Class D shares ⁵		1,296,211.03	230.60	55,405.06	185,893.57	-	-	-	-	-
Class E shares		7,615,424.28	216,849.77	179,153.60	79,962.95	40,411.36	-	-	-	-
Class X shares		7,106,673.90	101,800.78	72,057.18	-	5,239.28	-	-	-	-
Class X EUR accumulation shares		-	-	-	-	-	100.00	100.00	1,402,582.70	100.00
Class X EUR distribution shares		-	-	-	-	-	2,395.17	105.39	-	-
Class X GBP accumulation shares		-	-	-	-	-	25,903.71	616.96	5,729.50	100.00
Class X GBP distribution shares		-	-	-	79,303.07	-	12,266.29	109.62	-	-
Class X USD accumulation shares		-	-	-	-	-	2,888.88	100.00	9,656.66	44,658.14
Class X USD distribution shares		5,870,808.48	-	-	-	-	106.61	105.51	-	-
Class Y EUR accumulation shares ⁴		-	-	-	100.00	-	-	-	100.00	-
Class Y EUR distribution shares ⁴		-	-	-	101.13	-	-	-	-	-
Class Y GBP accumulation shares ⁴		-	-	-	158,416.32	-	-	-	16,157.20	-
Class Y GBP distribution shares ⁴		-	-	-	285,665.29	-	-	-	-	-
Class Y USD accumulation shares ⁴		-	-	-	17,926.02	-	-	-	100.00	-
Class Y USD distribution shares ⁴		-	-	-	101.16	-	-	-	-	-
Class Z EUR accumulation shares		-	-	-	-	-	-	-	974.33	-
Class Z GBP accumulation shares		-	-	-	-	-	-	-	1,425,096.45	100.00
Class Z GBP distribution shares		-	-	-	5,226,929.30	-	1,096,011.64	10,096.38	-	-
Class Z USD accumulation shares		-	-	-	-	-	-	-	701,794.22	-

¹ Launched on Guinness China and Hong Kong Fund on 11 March 2015 and subsequently redeemed on 12 November 2015

² Launched on Guinness Global Equity Income Fund, Guinness Asian Equity Income Fund and Guinness European Equity Income Fund on 11 March 2015

³ Launched on Guinness Global Equity Income Fund, Guinness Asian Equity Income Fund and Guinness European Equity Income Fund on 11 March 2015

⁴ Launched on Guinness Global Equity Income Fund on 11 March 2015

⁵ Fully redeemed on Guinness China and Hong Kong Fund effective 12 November 2015

⁶ Launched on 15 December 2015 with all share classes launching on this date

The accompanying notes form an integral part of these financial statements

Statement of financial position (continued)

As at 31 December 2015

	Note	Guinness Global Energy Fund	Guinness Alternative Energy Fund	Guinness Global Money Managers Fund	Guinness Global Equity Income Fund	Guinness China and Hong Kong Fund	Guinness Asian Equity Income Fund	Guinness European Equity Income Fund	Guinness Global Innovators Fund	Guinness Best of China Fund ⁶
Net asset value per redeemable participating share	13									
Class A shares ⁵		\$6.4697	\$2.5834	\$15.1117	\$12.3291	-	-	-	-	-
Class B shares ⁵		\$6.2978	\$2.4815	\$14.5946	\$12.0437	-	-	-	-	-
Class C shares		£7.8657	£3.8867	£15.5580	£12.7550	£8.4394	-	-	-	-
Class C EUR accumulation shares ¹		€7.3183	€9.2612	€11.8306	€12.5522	-	€13.3280	€11.4138	€10.9791	€10.1314
Class C GBP accumulation shares ²		-	-	-	£9.7893	-	£9.6538	£9.7210	£10.3325	£10.2889
Class C USD accumulation shares ³		-	-	-	\$9.6552	-	\$9.5201	\$9.5917	\$9.5193	\$10.0788
Class D shares		€8.9991	€4.4438	€18.5445	€15.2431	-	-	-	-	-
Class E shares		\$6.8445	\$3.3934	\$15.2087	\$12.4937	\$8.2545	-	-	-	-
Class X shares		£7.2208	£10.9477	£17.5374	£13.0225	£10.3360	-	-	-	-
Class X EUR accumulation shares		-	-	-	-	-	€13.5422	€11.6029	€11.0706	€10.1358
Class X EUR distribution shares		-	-	-	-	-	€12.7298	€11.0038	-	-
Class X GBP accumulation shares		-	-	-	-	-	£11.9488	£10.2563	£10.4236	£10.2922
Class X GBP distribution shares		-	-	-	£13.0225	-	£11.2153	£9.7129	-	-
Class X USD accumulation shares		-	-	-	-	-	\$10.7619	\$9.2469	\$9.6035	\$10.0816
Class X USD distribution shares		\$5.8802	-	-	-	-	\$10.1018	\$8.7650	-	-
Class Y EUR accumulation shares ⁴		-	-	-	€9.4846	-	-	-	€11.0953	-
Class Y EUR distribution shares ⁴		-	-	-	€9.3754	-	-	-	-	-
Class Y GBP accumulation shares ⁴		-	-	-	£9.8691	-	-	-	£10.4539	-
Class Y GBP distribution shares ⁴		-	-	-	£9.7519	-	-	-	-	-
Class Y USD accumulation shares ⁴		-	-	-	\$9.7349	-	-	-	\$9.6453	-
Class Y USD distribution shares ⁴		-	-	-	\$9.6298	-	-	-	-	-
Class Z EUR accumulation shares		-	-	-	-	-	-	-	€11.1357	-
Class Z GBP accumulation shares		-	-	-	-	-	-	-	£10.4844	£10.2947
Class Z GBP distribution shares		-	-	-	£13.6483	-	£11.3291	£9.8049	-	-
Class Z USD accumulation shares		-	-	-	-	-	-	-	\$9.6590	-

¹ Launched on Guinness China and Hong Kong Fund on 11 March 2015 and subsequently redeemed on 12 November 2015² Launched on Guinness Global Equity Income Fund, Guinness Asian Equity Income Fund and Guinness European Equity Income Fund on 11 March 2015³ Launched on Guinness Global Equity Income Fund, Guinness Asian Equity Income Fund and Guinness European Equity Income Fund on 11 March 2015⁴ Launched on Guinness Global Equity Income Fund on 11 March 2015⁵ Fully redeemed on Guinness China and Hong Kong Fund effective 12 November 2015⁶ Launched on 15 December 2015 with all share classes launching on this date

On behalf of the Board

Johnny McClintock**Anthony Joyce**

Date: 26 April 2016

The accompanying notes form an integral part of these financial statements

Statement of financial position

As at 31 December 2014

	Note	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund ¹ USD	Total Company USD
Assets										
Financial assets at fair value through profit or loss	3									
- Transferable securities		225,644,792	6,987,175	7,132,677	100,984,452	456,024	378,623	161,289	27,373,604	369,118,636
- CIS		-	-	-	-	19,136	-	-	-	19,136
Cash and cash equivalents	4	5,470,461	312,128	287,062	2,845,688	693	7,379	4,464	250,093	9,177,968
Dividends receivable		89,356	-	11,650	135,067	188	398	-	14,304	250,963
Subscriptions receivable		812,873	2,424	1,693	499,584	-	-	-	339,578	1,656,152
Total assets		232,017,482	7,301,727	7,433,082	104,464,791	476,041	386,400	165,753	27,977,579	380,222,855
Liabilities										
Investment manager fee	5	192,478	7,884	6,033	36,845	340	97	43	7,932	251,652
Investment manager administration fee	7	104,429	3,290	3,186	45,637	209	170	74	11,489	168,484
Bank overdraft	4	551	-	-	-	-	-	-	-	551
Redemptions payable		306,748	31,154	250	155,601	-	-	-	23,171	516,924
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		604,206	42,328	9,469	238,083	549	267	117	42,592	937,611
Net assets attributable to holders of redeemable participating shares		231,413,276	7,259,399	7,423,613	104,226,708	475,492	386,133	165,636	27,934,987	379,285,244

¹Launched on 31 October 2014

The accompanying notes form an integral part of these financial statements

Statement of financial position (continued)

As at 31 December 2014

	Note	Guinness Global Energy Fund	Guinness Alternative Energy Fund	Guinness Global Money Managers Fund	Guinness Global Equity Income Fund	Guinness China and Hong Kong Fund	Guinness Asian Equity Income Fund	Guinness European Equity Income Fund	Guinness Global Innovators Fund ¹
Number of redeemable participating shares	10								
Class A shares		4,810,126.73	112,780.97	47.74	63,493.34	9,500.00	-	-	-
Class B shares		1,144,219.08	325,255.45	21,554.14	155,355.46	100.00	-	-	-
Class C shares		393,027.52	372,574.78	19,754.35	350,466.41	100.02	-	-	-
Class C EUR accumulation shares		908,934.54	19,962.30	10,797.43	64,551.65	-	100.00	100.00	7,211.94
Class C GBP accumulation shares		-	-	-	-	-	-	-	59,854.98
Class C USD accumulation shares		-	-	-	-	-	-	-	101,378.87
Class D shares		2,207,317.73	248,648.87	102,652.65	142,871.72	100.00	-	-	-
Class E shares		9,578,279.56	168,947.73	179,153.60	70,559.92	40,411.36	-	-	-
Class X shares		1,846,428.56	73,873.64	34,991.10	-	2,027.29	-	-	-
Class X EUR accumulation shares		-	-	-	-	-	100.00	100.00	100.00
Class X EUR distribution shares		-	-	-	-	-	101.80	102.55	-
Class X GBP accumulation shares		-	-	-	-	-	666.59	100.00	6,312.15
Class X GBP distribution shares		-	-	-	43,106.82	-	101.87	102.65	-
Class X USD accumulation shares		-	-	-	-	-	100.00	100.00	7,899.51
Class X USD distribution shares		1,762,091.68	-	-	-	-	101.82	102.58	-
Class Y EUR accumulation shares		-	-	-	-	-	-	-	100.00
Class Y GBP accumulation shares		-	-	-	-	-	-	-	12,307.20
Class Y USD accumulation shares		-	-	-	-	-	-	-	100.00
Class Z EUR accumulation shares		-	-	-	-	-	-	-	100.00
Class Z GBP accumulation shares		-	-	-	-	-	-	-	1,107,549.12
Class Z GBP distribution shares		-	-	-	4,167,384.46	-	20,101.87	10,367.22	-
Class Z USD accumulation shares		-	-	-	-	-	-	-	778,499.53

¹Launched on 31 October 2014 with all share classes launching on this date

The accompanying notes form an integral part of these financial statements

Statement of financial position (continued)

As at 31 December 2014

	Note	Guinness Global Energy Fund	Guinness Alternative Energy Fund	Guinness Global Money Managers Fund	Guinness Global Equity Income Fund	Guinness China and Hong Kong Fund	Guinness Asian Equity Income Fund	Guinness European Equity Income Fund	Guinness Global Innovators Fund ¹
Net asset value per redeemable participating share	13								
Class A shares		\$8.9545	\$2.9225	\$17.0004	\$13.1947	\$8.7274	-	-	-
Class B shares		\$8.7602	\$2.8212	\$16.4993	\$12.9543	\$8.5766	-	-	-
Class C shares		£10.3423	£4.1769	£16.6256	£12.9646	£8.5844	-	-	-
Class C EUR accumulation shares		€9.1387	€9.4522	€12.0007	€11.7766	-	€12.6050	€10.5569	€10.3296
Class C GBP accumulation shares		-	-	-	-	-	-	-	£10.2360
Class C USD accumulation shares		-	-	-	-	-	-	-	\$9.9765
Class D shares		€11.1815	€4.5378	€18.7267	€14.6316	€9.6767	-	-	-
Class E shares		\$9.4496	\$3.8292	\$17.0651	\$13.3373	\$8.8152	-	-	-
Class X shares		£9.4234	£11.6772	£18.6008	£13.1372	£10.4339	-	-	-
Class X EUR accumulation shares		-	-	-	-	-	€12.7109	€10.6463	€10.3406
Class X EUR distribution shares		-	-	-	-	-	€12.4815	€10.3902	-
Class X GBP accumulation shares		-	-	-	-	-	£11.8122	£9.9001	£10.2492
Class X GBP distribution shares		-	-	-	£13.1372	-	£11.5925	£9.6529	-
Class X USD accumulation shares		-	-	-	-	-	\$11.2585	\$9.4397	\$9.9895
Class X USD distribution shares		\$8.1843	-	-	-	-	\$11.0540	\$9.2095	-
Class Y EUR accumulation shares		-	-	-	-	-	-	-	€10.3454
Class Y GBP accumulation shares		-	-	-	-	-	-	-	£10.2532
Class Y USD accumulation shares		-	-	-	-	-	-	-	\$9.9956
Class Z EUR accumulation shares		-	-	-	-	-	-	-	€10.3499
Class Z GBP accumulation shares		-	-	-	-	-	-	-	£10.2574
Class Z GBP distribution shares		-	-	-	£13.6992	-	£11.6501	£9.7000	-
Class Z USD accumulation shares		-	-	-	-	-	-	-	\$9.9971

¹Launched on 31 October 2014 with all share classes launching on this date

The accompanying notes form an integral part of these financial statements

Statement of comprehensive income

For the financial year ended 31 December 2015

Note	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund USD	Guinness Best of China Fund ¹ USD	Total Company USD
Investment income										
	6,238,499	71,110	347,605	5,728,018	16,442	439,950	5,862	932,316	568	13,780,370
	Dividend income									
	Net (loss)/gain on financial assets at fair value through profit or loss and foreign exchange									
3	(84,125,245)	(732,713)	(1,386,706)	(10,201,078)	(67,435)	(1,992,151)	(6,176)	(1,623,366)	4,331	(100,130,539)
	(77,886,746)	(661,603)	(1,039,101)	(4,473,060)	(50,993)	(1,552,201)	(314)	(691,050)	4,899	(86,350,169)
Expenses										
5	1,997,695	67,660	85,877	685,782	4,760	33,455	531	264,030	200	3,139,990
7	1,103,803	28,056	43,534	719,072	2,680	42,410	838	241,765	122	2,182,280
	3,101,498	95,716	129,411	1,404,854	7,440	75,865	1,369	505,795	322	5,322,270
	(80,988,244)	(757,319)	(1,168,512)	(5,877,914)	(58,433)	(1,628,066)	(1,683)	(1,196,845)	4,577	(91,672,439)
Net (expense)/income										
Finance costs										
15	116,122	-	-	3,769,596	-	37,273	4,569	-	-	3,927,560
	1,888	323	79	4,225	99	2,251	8	2,387	-	11,260
	118,010	323	79	3,773,821	99	39,524	4,577	2,387	-	3,938,820
Total finance costs										
Taxation										
12	1,267,066	8,195	50,203	1,063,763	1,014	34,236	1,067	182,597	-	2,608,141
	(82,373,320)	(765,837)	(1,218,794)	(10,715,498)	(59,546)	(1,701,826)	(7,327)	(1,381,829)	4,577	(98,219,400)
	(Decrease)/increase in net assets attributable to holders of redeemable participating shares from continuing operations									

¹ Launched on 15 December 2015

There were no gains/losses in the year other than the (decrease)/increase in net assets attributable to holders of redeemable participating shares.

The accompanying notes form an integral part of these financial statements

Statement of comprehensive income

For the financial year ended 31 December 2014

	Note	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund ¹ USD	Total Company USD
Investment income										
Dividend income		6,439,490	221,621	217,520	3,507,510	15,732	17,943	6,919	42,359	10,469,094
Net (loss)/gain on financial assets at fair value through profit or loss and foreign exchange	3	(81,606,493)	(1,217,108)	84,537	584,322	(16,050)	24,628	(18,704)	(162,671)	(82,327,539)
Total investment (expense)/income		(75,167,003)	(995,487)	302,057	4,091,832	(318)	42,571	(11,785)	(120,312)	(71,858,445)
Expenses										
Investment manager fees	5	2,463,911	114,522	54,370	305,544	4,029	997	505	10,302	2,954,180
Investment manager administration fees	7	1,336,739	47,740	29,522	449,803	2,483	1,788	875	15,473	1,884,423
Total operating expenses		3,800,650	162,262	83,892	755,347	6,512	2,785	1,380	25,775	4,838,603
Net (expense)/income		(78,967,653)	(1,157,749)	218,165	3,336,485	(6,830)	39,786	(13,165)	(146,087)	(76,697,048)
Finance costs										
Dividend distribution	15	1,985	-	-	2,903,584	-	6,780	4,614	-	2,916,963
Interest expense		1,996	1,779	331	3,560	13	54	27	66	7,826
Total finance costs		3,981	1,779	331	2,907,144	13	6,834	4,641	66	2,924,789
Taxation										
Withholding tax on dividends	12	1,277,844	16,086	40,546	609,198	826	1,173	1,574	9,916	1,957,163
(Decrease)/increase in net assets attributable to holders of redeemable participating shares from continuing operations		(80,249,478)	(1,175,614)	177,288	(179,857)	(7,669)	31,779	(19,380)	(156,069)	(81,579,000)

¹Launched on 31 October 2014

There were no gains/losses in the year other than the (decrease)/increase in net assets attributable to holders of redeemable participating shares.

The accompanying notes form an integral part of these financial statements

Statement of changes in net assets attributable to holders of redeemable participating shares

For the financial year ended 31 December 2015

	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund USD	Guinness Best of China Fund ¹ USD	Total Company USD
Net assets attributable to holders of redeemable participating shares at the start of the year	231,413,276	7,259,399	7,423,613	104,226,708	475,492	386,133	165,636	27,934,987	-	379,285,244
(Decrease)/increase in net assets attributable to holders of redeemable participating shares from continuing operations	(82,373,320)	(765,837)	(1,218,794)	(10,715,498)	(59,546)	(1,701,826)	(7,327)	(1,381,829)	4,577	(98,219,400)
Issue of redeemable participating shares	228,013,904	2,458,212	5,493,092	86,712,988	390,262	24,292,580	16,949	54,924,497	690,539	402,993,023
Redemption of redeemable participating shares	(154,065,338)	(3,446,431)	(3,291,171)	(33,468,748)	(392,816)	(2,033,657)	(10,454)	(18,773,977)	(109,928)	(215,592,520)
Net assets attributable to holders of redeemable participating shares at the end of the year	222,988,522	5,505,343	8,406,740	146,755,450	413,392	20,943,230	164,804	62,703,678	585,188	468,466,347

¹ Launched on 15 December 2015

The accompanying notes form an integral part of these financial statements

Statement of changes in net assets attributable to holders of redeemable participating shares

For the financial year ended 31 December 2014

	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund ¹ USD	Total Company USD
Net assets attributable to holders of redeemable participating shares at the start of the year	203,171,398	9,418,583	2,544,145	79,130,381	529,137	343,983	180,401	-	295,318,028
(Decrease)/increase in net assets attributable to holders of redeemable participating shares from continuing operations	(80,249,478)	(1,175,614)	177,288	(179,857)	(7,669)	31,779	(19,380)	(156,069)	(81,579,000)
Issue of redeemable participating shares	329,172,929	6,378,267	7,596,641	49,102,764	75,447	10,473	4,615	29,431,154	421,772,290
Redemption of redeemable participating shares	(220,681,573)	(7,361,837)	(2,894,461)	(23,826,580)	(121,423)	(102)	-	(1,340,098)	(256,226,074)
Net assets attributable to holders of redeemable participating shares at the end of the year	231,413,276	7,259,399	7,423,613	104,226,708	475,492	386,133	165,636	27,934,987	379,285,244

¹Launched on 31 October 2014

The accompanying notes form an integral part of these financial statements

Statement of cashflows

For the financial year ended 31 December 2015

	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund USD	Guinness Best of China Fund ¹ USD	Total Company USD
Cash flow from operating activities										
(Decrease)/increase in net assets attributable to holders of redeemable participating shares from operations	(82,373,320)	(765,837)	(1,218,794)	(10,715,498)	(59,546)	(1,701,826)	(7,327)	(1,381,829)	4,577	(98,219,400)
<i>Adjustment for:</i>										
Distributions to holders of redeemable shares	116,122	-	-	3,769,596	-	37,273	4,569	-	-	3,927,560
Dividend income	(6,238,499)	(71,110)	(347,605)	(5,728,018)	(16,442)	(439,950)	(5,862)	(932,316)	(568)	(13,780,370)
Withholding taxes	1,267,066	8,195	50,203	1,063,763	1,014	34,236	1,067	182,597	-	2,608,141
Interest expense	1,888	323	79	4,225	99	2,251	8	2,387	-	11,260
Net operating cash flow before change in operating assets and liabilities	(87,226,743)	(828,429)	(1,516,117)	(11,605,932)	(74,875)	(2,068,016)	(7,545)	(2,129,161)	4,009	(105,452,809)
Net decrease/(increase) in financial assets at fair value through profit or loss	7,977,235	1,791,062	(963,126)	(43,478,427)	46,573	(20,435,041)	2,160	(35,040,892)	(566,089)	(90,666,545)
Net decrease/(increase) in other receivables	-	-	-	-	(39,237)	-	-	-	-	(39,237)
Net increase/(decrease) in other payables	(39,569)	(4,010)	1,655	44,478	69	14,522	(2)	44,445	322	61,910
	(79,289,077)	958,623	(2,477,588)	(55,039,881)	(67,470)	(22,488,535)	(5,387)	(37,125,608)	(561,758)	(196,096,681)
Dividend received	4,911,351	55,839	302,636	4,554,190	15,602	366,953	4,795	725,567	-	10,936,933
Interest paid	(1,888)	(323)	(79)	(4,225)	(99)	(2,251)	(8)	(2,387)	-	(11,260)
Net cash (used in)/from operating activities	(74,379,614)	1,014,139	(2,175,031)	(50,489,916)	(51,967)	(22,123,833)	(600)	(36,402,428)	(561,758)	(185,171,008)
Cash flows from financing activities										
Distributions paid to holders of redeemable shares	(116,122)	-	-	(3,769,596)	-	(37,273)	(4,569)	-	-	(3,927,560)
Issue of redeemable participating shares	228,146,263	2,167,791	5,490,934	86,500,152	390,262	24,193,821	16,949	55,016,750	563,560	402,486,482
Redemption of participating shares	(153,973,778)	(3,475,407)	(3,270,072)	(33,494,688)	(265,837)	(2,020,355)	(10,454)	(18,529,057)	-	(215,039,648)
Net cash from/(used in) financing activities	74,056,363	(1,307,616)	2,220,862	49,235,868	124,425	22,136,193	1,926	36,487,693	563,560	183,519,274
Net (decrease)/increase in cash and cash equivalents	(323,251)	(293,477)	45,831	(1,254,048)	72,458	12,360	1,326	85,265	1,802	(1,651,734)
Cash and cash equivalents at the start of the year	5,469,910	312,128	287,062	2,845,688	693	7,379	4,464	250,093	-	9,177,417
Cash and cash equivalents at the end of the year	5,146,659	18,651	332,893	1,591,640	73,151	19,739	5,790	335,358	1,802	7,525,683
Breakdown of cash and cash equivalents										
Cash and cash equivalents	5,146,659	18,651	332,893	1,591,640	73,151	19,739	5,790	335,358	1,802	7,525,683
Bank overdraft	-	-	-	-	-	-	-	-	-	-

¹ Launched on 15 December 2015

The accompanying notes form an integral part of these financial statements

Statement of cashflows

For the financial year ended 31 December 2014

	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund ¹ USD	Total Company USD
Cash flow from operating activities									
(Decrease)/increase in net assets attributable to holders of redeemable participating shares from operations	(80,249,478)	(1,175,614)	177,288	(179,857)	(7,669)	31,779	(19,380)	(156,069)	(81,579,000)
<i>Adjustment for:</i>									
Distributions to holders of redeemable shares	1,985	-	-	2,903,584	-	6,780	4,614	-	2,916,963
Dividend income	(6,439,490)	(221,621)	(217,520)	(3,507,510)	(15,732)	(17,943)	(6,919)	(42,359)	(10,469,094)
Withholding taxes	1,277,844	16,086	40,546	609,198	826	1,173	1,574	9,916	1,957,163
Interest expense	1,996	1,779	331	3,560	13	54	27	66	7,826
Net operating cash flow before change in operating assets and liabilities	(85,407,143)	(1,379,370)	645	(171,025)	(22,562)	21,843	(20,084)	(188,446)	(87,166,142)
Net (increase)/decrease in financial assets at fair value through profit or loss	(27,908,419)	2,604,831	(4,616,853)	(23,966,169)	39,210	(38,552)	18,417	(27,373,604)	(81,241,139)
Net decrease/(increase) in other receivables	1,983,044	73,735	362,683	(170,339)	-	331,252	-	(339,578)	2,240,797
Net increase/(decrease) in other payables	301,802	(191,789)	6,685	175,611	(48)	182	71	42,592	335,106
	(111,030,716)	1,107,407	(4,246,840)	(24,131,922)	16,600	314,725	(1,596)	(27,859,036)	(165,831,378)
Dividend received	5,101,118	205,535	167,965	2,947,369	14,753	16,372	5,345	18,139	8,476,596
Interest paid	(1,996)	(1,779)	(331)	(3,560)	(13)	(54)	(27)	(66)	(7,826)
Net cash (used in)/from operating activities	(105,931,594)	1,311,163	(4,079,206)	(21,188,113)	31,340	331,043	3,722	(27,840,963)	(157,362,608)
Cash flows from financing activities									
Distributions paid to holders of redeemable shares	(1,985)	-	-	(2,903,584)	-	(6,780)	(4,614)	-	(2,916,963)
Issue of redeemable participating shares	329,172,929	6,378,267	7,596,641	49,102,764	75,447	10,473	4,615	29,431,154	421,772,290
Redemption of participating shares	(220,681,573)	(7,361,837)	(2,894,461)	(23,826,580)	(121,423)	(102)	-	(1,340,098)	(256,226,074)
Net cash from/(used in) financing activities	108,489,371	(983,570)	4,702,180	22,372,600	(45,976)	3,591	1	28,091,056	162,629,253
Net increase/(decrease) in cash and cash equivalents	2,557,777	327,593	622,974	1,184,487	(14,636)	334,634	3,723	250,093	5,266,645
Cash and cash equivalents at the start of the year	2,912,133	(15,465)	(335,912)	1,661,201	15,329	(327,255)	741	-	3,910,772
Cash and cash equivalents at the end of the year	5,469,910	312,128	287,062	2,845,688	693	7,379	4,464	250,093	9,177,417
Breakdown of cash and cash equivalents									
Cash and cash equivalents	5,470,461	312,128	287,062	2,845,688	693	7,379	4,464	250,093	9,177,968
Bank overdraft	(551)	-	-	-	-	-	-	-	(551)

¹Launched on 31 October 2014

The accompanying notes form an integral part of these financial statements

1. General information

Guinness Asset Management Funds plc (the "Company") is an open-ended investment company with variable capital incorporated in Ireland on 12 December 2007 under the Irish Companies Acts and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48 (1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2015 (the "UCITS Regulations") with registration number 450670.

The Company is organised in the form of an umbrella fund. Each sub-fund has a distinct portfolio of investments. There are currently nine active sub-funds.

2. Significant accounting policies

(a) Basis of preparation

The audited financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and Irish statute comprising the Companies Act 2014, the UCITS Regulations, and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the "Central Bank Regulations"). The financial statements have been prepared under the historical cost convention, except for financial assets and liabilities classified at fair value through profit or loss that have been measured at fair value.

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the year. Actual results could differ from those estimates and these differences could be material.

(b) Standards, interpretations and amendments issued but not yet effective

IFRS 9 – Financial Instruments – Classification and Measurement

IFRS 9, published in July 2014, will replace the existing guidance in IAS 39 - Financial Instruments: Recognition and Measurement. It includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. Based on the initial assessment, this standard is not expected to have a material impact on the Company.

(c) Foreign currency

(i) Functional and presentation currency

The functional currency of each sub-fund is U.S. Dollar ("USD"). The Company has adopted USD as its presentation currency.

(ii) Foreign currency translation

Assets and liabilities denominated in currencies other than the functional currencies of the sub-funds are translated into the functional currency using exchange rates prevailing at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date exchange rates, of assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income in the year in which they arise.

(d) Financial assets at fair value through profit or loss

(i) Classification

The Company classifies its financial assets into the categories below in accordance with IAS 39.

- Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purposes of selling or repurchasing in the short term.
- Financial assets and financial liabilities designated at fair value through profit or loss upon initial recognition are those that are managed and their performance evaluated on a fair value basis in accordance with each sub-fund's documented investment strategy.

The Company has classified all of its financial assets at fair value through profit or loss as held for trading for the reporting dates 31 December 2015 and 31 December 2014.

(ii) Recognition

All "regular way" purchases and sales of financial instruments are recognised using trade date accounting, the day that the sub-fund's commit to purchase or sell the asset. From this date any gains and losses arising from changes in fair value of the financial assets are recorded. Regular way purchases, or sales, are purchases and sales of financial assets that require delivery of the asset within a time frame generally established by regulation or convention in the market place.

(iii) Measurement

At initial recognition financial assets categorised at fair value through profit or loss are recognised initially at fair value, with transaction costs for such instruments being recognised directly in the statement of comprehensive income.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss, are measured at fair value with changes in their fair value recognised in the statement of comprehensive income.

- Investments in listed equity securities are valued at their last traded price.
- Investments in CIS are valued at their net asset value ("NAV") as calculated by the relevant Administrator.

In the event that any of the assets or liabilities on the relevant valuation day are not listed or dealt on any recognised exchange, such assets shall be valued by a competent person selected by the Directors and approved for such purpose by JP Morgan Bank (Ireland) plc (the "Custodian") with care and in good faith. There were no financial assets valued using this method at the reporting date, see note 3 (ii) for details (2014: nil).

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

2. Significant accounting policies (continued)

(d) Financial assets at fair value through profit or loss (continued)

(iv) Derecognition

Financial assets are derecognised when the contractual rights to the cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

(v) Offsetting

The Company only offsets financial assets at fair value through profit or loss if the Company has a legally enforceable right to set off the recognised amounts and either intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(vi) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Company measures instruments quoted in an active market at a last traded price, because this price provides a reasonable approximation of the exit price. If there is no quoted price on an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

(e) Income

Dividends and interest arising on the investments are recognised as income of the Company on an ex-dividend or interest date, and for deposits of the Company, on an accrual basis.

(f) Securities sold receivable

Securities sold receivable represent receivables for securities sold that have been contracted for but not yet settled or delivered on the reporting date. These amounts are recognised at cost and include all transaction costs and commissions due in relation to the trade.

(g) Net gain/loss on financial assets at fair value through profit or loss and foreign exchange

Net gain/loss from financial assets at fair value through profit or loss includes all realised and unrealised fair value changes and foreign exchange differences.

(h) Cash and cash equivalents and bank overdraft

Cash and cash equivalents in the statement of financial position comprise cash on hand and short-term deposits held at the Custodian that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less. Short term investments that are not held for the purpose of meeting short-term cash commitments and restricted margin accounts are not considered as cash and cash equivalents. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

At the reporting date, the bank overdrafts held by the sub-funds are caused by timing issues relating to settlement of investments and do not form part of the sub-fund's investment strategies. See note 4 for further details.

(i) Expenses

Expenses represent fees paid to Guinness Asset Management Limited (the "Investment Manager" and the "Global Distributor"), recorded on an accrual basis. The Investment Manager shall be responsible for paying all other administrative expenses of the Company from its fee. All expenses are recognised in the statement of comprehensive income on an accrual basis.

(j) Redeemable participating shares

All redeemable shares issued by the Company provide the investors with the right to require redemption for cash at the value proportionate to the investor's share in the Company's net assets at the redemption date. In accordance with IAS 32 – Financial Instruments: Presentation (amended) ("IAS 32") such instruments give rise to a financial liability for the present value of the redemption amount. The distribution (if applicable) on these shares is recognised in the statement of comprehensive income as finance costs.

(k) Withholding tax

The Company currently incurs withholding taxes imposed by certain countries on investment income. Such income is recorded gross of withholding taxes in the statement of comprehensive income. Withholding taxes are shown as a separate item in the statement of comprehensive income.

(l) Transaction costs

Transaction costs are incremental costs, which are separately identifiable and directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. The following costs are included in the transaction costs disclosure in note 8:

- identifiable brokerage charges and commissions; and
- identifiable transaction related taxes and other market charges.

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

3. Financial assets at fair value through profit or loss

(i) Net gains and losses of financial assets at fair value through profit or loss and foreign exchange

For the financial year ended 31 December 2015

	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund USD	Guinness Best of China Fund USD	Total Company USD
Net realised (loss)/gain on financial assets at fair value through profit or loss and foreign exchange	(29,758,801)	(500,410)	132,893	(3,446,038)	(9,877)	(89,491)	1,618	(453,764)	(437)	(34,124,307)
Change in unrealised gain/(loss) on financial assets at fair value through profit or loss and foreign exchange	(54,366,444)	(232,303)	(1,519,599)	(6,755,040)	(57,558)	(1,902,660)	(7,794)	(1,169,602)	4,768	(66,006,232)
Net (loss)/gain on financial assets at fair value through profit or loss and foreign exchange	(84,125,245)	(732,713)	(1,386,706)	(10,201,078)	(67,435)	(1,992,151)	(6,176)	(1,623,366)	4,331	(100,130,539)

For the financial year ended 31 December 2014

	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund USD	Total Company USD
Net realised (loss)/gain on financial assets at fair value through profit or loss and foreign exchange	(4,960,648)	135,640	129,272	2,403,621	(29,303)	4,125	3,215	(51,382)	(2,365,460)
Change in unrealised gain/(loss) on financial assets at fair value through profit or loss and foreign exchange	(76,645,845)	(1,352,748)	(44,735)	(1,819,299)	13,253	20,503	(21,919)	(111,289)	(79,962,079)
Net (loss)/gain on financial assets at fair value through profit or loss and foreign exchange	(81,606,493)	(1,217,108)	84,537	584,322	(16,050)	24,628	(18,704)	(162,671)	(82,327,539)

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

3. Financial assets at fair value through profit or loss (continued)

(ii) Fair value of financial instruments

IFRS 13 establishes a fair value hierarchy for inputs used in measuring fair value that classifies investments according to how observable the inputs are. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs reflect the Company's assumptions, made in good faith, about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 – Inputs reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active; and

Level 3 – Inputs that are not observable.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Observable data is considered to be market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the "Investment Manager's perceived risk of that instrument.

There were no transfers between any levels during the financial year ended 31 December 2015 and 31 December 2014.

The following table provides an analysis of financial assets that are measured at fair value, grouped into levels 1 to 3 at the reporting date:

As at 31 December 2015

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Guinness Global Energy Fund				
Held for trading				
- Equities	217,667,557	-	-	217,667,557
Financial assets at fair value through profit or loss	217,667,557	-	-	217,667,557
Guinness Alternative Energy Fund				
Held for trading				
- Equities	5,196,113	-	-	5,196,113
Financial assets at fair value through profit or loss	5,196,113	-	-	5,196,113
Guinness Global Money Managers Fund				
Held for trading				
- Equities	8,095,803	-	-	8,095,803
Financial assets at fair value through profit or loss	8,095,803	-	-	8,095,803
Guinness Global Equity Income Fund				
Held for trading				
- Equities	144,462,879	-	-	144,462,879
Financial assets at fair value through profit or loss	144,462,879	-	-	144,462,879
Guinness China and Hong Kong Fund				
Held for trading				
- Equities	411,547	-	-	411,547
- CIS – Exchange traded funds ("ETF")	17,040	-	-	17,040
Financial assets at fair value through profit or loss	428,587	-	-	428,587
Guinness Asian Equity Income Fund				
Held for trading				
- Equities	20,813,664	-	-	20,813,664
Financial assets at fair value through profit or loss	20,813,664	-	-	20,813,664
Guinness European Equity Income Fund				
Held for trading				
- Equities	159,129	-	-	159,129
Financial assets at fair value through profit or loss	159,129	-	-	159,129
Guinness Global Innovators Fund				
Held for trading				
- Equities	62,414,496	-	-	62,414,496
Financial assets at fair value through profit or loss	62,414,496	-	-	62,414,496
Guinness Best of China Fund				
Held for trading				
- Equities	566,089	-	-	566,089
Financial assets at fair value through profit or loss	566,089	-	-	566,089

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

3. Financial assets at fair value through profit or loss (continued)

(ii) Fair value of financial instruments (continued)

The following table provides an analysis of financial assets that are measured at fair value, grouped into levels 1 to 3 at the reporting date (continued):

As at 31 December 2014

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Guinness Global Energy Fund				
Held for trading				
- Equities	225,644,792	-	-	225,644,792
Financial assets at fair value through profit or loss	225,644,792	-	-	225,644,792
Guinness Alternative Energy Fund				
Held for trading				
- Equities	6,987,175	-	-	6,987,175
Financial assets at fair value through profit or loss	6,987,175	-	-	6,987,175
Guinness Global Money Managers Fund				
Held for trading				
- Equities	7,132,677	-	-	7,132,677
Financial assets at fair value through profit or loss	7,132,677	-	-	7,132,677
Guinness Global Equity Income Fund				
Held for trading				
- Equities	100,984,452	-	-	100,984,452
Financial assets at fair value through profit or loss	100,984,452	-	-	100,984,452
Guinness China and Hong Kong Fund				
Held for trading				
- Equities	456,024	-	-	456,024
- CIS - ETFs	19,136	-	-	19,136
Financial assets at fair value through profit or loss	475,160	-	-	475,160
Guinness Asian Equity Income Fund				
Held for trading				
- Equities	378,623	-	-	378,623
Financial assets at fair value through profit or loss	378,623	-	-	378,623
Guinness European Equity Income Fund				
Held for trading				
- Equities	161,289	-	-	161,289
Financial assets at fair value through profit or loss	161,289	-	-	161,289
Guinness Global Innovators Fund				
Held for trading				
- Equities	27,373,604	-	-	27,373,604
Financial assets at fair value through profit or loss	27,373,604	-	-	27,373,604

All other assets and liabilities held by the sub-funds at the reporting dates 31 December 2015 and 31 December 2014 are carried at amortised cost; their carrying values are a reasonable approximation of fair value. Cash and cash equivalents have been classified at level 1, due to the liquid nature of the asset. All other assets and liabilities held have been classified at level 2.

Notes to the financial statements (continued)

For the financial year ended 31 December 2015

Guinness Asset Management Funds plc

4. Cash and cash equivalents and bank overdraft

Cash and cash equivalents and bank overdrafts represents the cash balances and bank overdrafts held at the Custodian.

As at 31 December 2015

	Credit Rating (S&P)	Local Currency	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund USD	Guinness Best of China Fund USD	Total Company USD
J.P. Morgan Bank (Ireland) plc	A-	EUR	-	-	-	-	-	-	5,790	-	-	5,790
J.P. Morgan Bank (Ireland) plc	A-	USD	5,146,659	18,651	332,893	1,591,640	73,151	19,739	-	335,358	1,802	7,519,893
Total			5,146,659	18,651	332,893	1,591,640	73,151	19,739	5,790	335,358	1,802	7,525,683

As at 31 December 2014

	Credit Rating (S&P)	Local Currency	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund USD	Total Company USD
J.P. Morgan Bank (Ireland) plc	A	EUR	(551)	-	-	-	-	-	4,464	-	3,913
J.P. Morgan Bank (Ireland) plc	A	USD	5,470,461	312,128	287,062	2,845,688	693	7,379	-	250,093	9,173,504
Total			5,469,910	312,128	287,062	2,845,688	693	7,379	4,464	250,093	9,177,417

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

5. Investment manager fee

The Investment Manager is entitled to receive out of the assets of each sub-fund the following fees subject to a maximum fee of 2% of the NAV:

Class A shares	1.00% of the NAV	Class X USD accumulation shares	0.75% of the NAV
Class B shares	1.50% of the NAV	Class X USD distribution shares	0.75% of the NAV
Class C shares	1.50% of the NAV	Class Y EUR accumulation shares	0.50% of the NAV
Class C EUR accumulation shares	1.50% of the NAV	Class Y EUR distribution shares	0.50% of the NAV
Class C GBP accumulation shares	1.50% of the NAV	Class Y GBP accumulation shares	0.50% of the NAV
Class C USD accumulation shares	1.50% of the NAV	Class Y GBP distribution shares	0.50% of the NAV
Class D shares	1.00% of the NAV	Class Y USD accumulation shares	0.50% of the NAV
Class E shares	0.75% of the NAV	Class Y USD distribution shares	0.50% of the NAV
Class X shares	0.75% of the NAV	Class Z EUR accumulation shares	0.25% of the NAV
Class X EUR accumulation shares	0.75% of the NAV	Class Z GBP accumulation shares	0.25% of the NAV
Class X EUR distribution shares	0.75% of the NAV	Class Z GBP distribution shares	0.25% of the NAV
Class X GBP accumulation shares	0.75% of the NAV	Class Z USD accumulation shares	0.25% of the NAV
Class X GBP distribution shares	0.75% of the NAV		

Total investment manager fees accrued at the reporting date and charged during the year are disclosed in the statement of financial position and the statement of comprehensive income respectively.

6. Global Distributor's fee

Capita Financial Managers (Ireland) Limited (the "Manager"), pays the Global Distributor a fee out of the assets of the relevant sub-fund, as detailed below. This fee may be waived in whole or in part at the discretion of the Global Distributor. Effective 5 March 2015, the global distributor's fee is up to 5% on subscription proceeds in respect of Class B Shares or Class C Shares on each sub-fund. Prior to this, the Global Distributor's fee was 2% on subscription proceeds in respect of Class B Shares on each sub-fund and up to 5% on Class C. No distribution fee was charged for the financial year (2014: nil).

7. Other fees and expenses

The Manager pays to the Investment Manager, out of the assets of each sub-fund, an annual administrative fee. The Investment Manager is responsible for paying the administrative expenses of the Company, including establishment costs, fees and expenses payable to the Manager and Capita Financial Administrators (Ireland) Limited (the "Administrator"), the Custodian, independent auditor, directors' fees and general administrative expenses.

All administrative expenses of the Company were paid by the Investment Manager out of the investment manager and administration fee.

Details of the investment manager administration fee are as follows:

- 0.49% of the NAV of each sub-fund on the first \$500 million
- Up to 0.25% of the NAV of each sub-fund on amounts in excess of \$500 million

The total investment manager administration fees accrued at the reporting date and charged during the year are disclosed in the statement of financial position and the statement of comprehensive income respectively.

Administrative expenses

The below provides details of administrative expenses for the financial year ended 31 December 2015. It should be noted that the below fees were paid by the Investment Manager from the investment manager administration fee during the year.

(i) Auditors' remuneration

Fees and expenses charged by the Company's statutory Auditor, Deloitte, in respect of the financial year, entirely relate to the audit of the financial statements of the Company and were €27,500 (2014: €25,000 - exclusive of VAT) and tax compliance fees €5,350 (2014: €1,500). There were no fees and expenses charged in respect of other assurance, tax advisory or non-audit services provided by the statutory Auditor during the year (2014: nil).

(ii) Directors' fees

Aggregate directors' fees charged during the financial year ended 31 December 2015 amounted to €52,000 (2014: €52,000).

(iii) Management and administration fees

Effective 1 January 2014, where combined assets in the umbrella are greater than €315m, the Manager is entitled to receive out of the assets of the Company a fee as detailed below:

- For assets up to €360m	10 basis points per annum
- For assets over €360m	8 basis points per annum

The Administrator was paid by the Manager out of the fees which the Manager earned. The Administrator is also entitled to be repaid out of the assets of the Company, all of its reasonable out of pocket expenses incurred on behalf of the Company which shall include, inter alia, legal fees, courier's fees and telecommunication costs and expenses.

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

8. Transaction costs

The transaction costs incurred by the Company are commissions on purchase and sales trades and are included in the net gain/(loss) on financial assets at fair value through profit or loss and foreign exchange, in the statement of comprehensive income, on the trade date. During the year, the Company incurred transaction costs as follows:

Sub-fund	31 December 2015 USD	31 December 2014 USD
Guinness Global Energy Fund	395,524	699,558
Guinness Alternative Energy Fund	6,734	17,446
Guinness Global Money Managers Fund	11,386	16,505
Guinness Global Equity Income Fund	324,649	128,701
Guinness China and Hong Kong Fund	1,545	1,031
Guinness Asian Equity Income Fund	66,436	287
Guinness European Equity Income Fund	21	36
Guinness Global Innovators Fund	98,003	39,526
Guinness Best of China Fund	1,559	-
Total	905,857	903,090

9. Exchange rates

The following exchange rates were used to convert assets and liabilities in foreign currencies into the base currency of the Company at the reporting date:

	31 December 2015 Exchange rate to USD	31 December 2014 Exchange rate to USD
Australian Dollar	1.374480	1.221970
Brazilian Real	3.956250	2.657900
Canadian Dollar	1.389100	1.158250
Danish Krone	6.869800	6.153750
Euro	0.920560	0.826410
Hong Kong Dollar	7.750150	7.754850
Japanese Yen	120.295000	119.895000
Malaysian Ringgit	4.306800	3.500700
Norwegian Krone	8.851350	7.497550
Pound Sterling	0.678470	0.641330
Singapore Dollar	1.418650	1.325100
South African Rand	15.495500	11.568750
South Korean Won	1,174.735000	1,092.065000
Swedish Krona	8.430600	7.828250
Swiss Franc	1.001000	0.993650
Taiwan Dollar	32.836000	31.628000
Thai Baht	36.033000	32.915000

10. Share capital

Authorised

The authorised share capital of the Company is 500,000,000,000 shares of no par value and 2 redeemable non-participating shares of Euro 1.00 each.

Subscriber shares

There are two non-participating shares currently in issue which were taken by the subscribers to the Company and are held by Guinness Asset Management Limited. The subscriber shares do not form part of the NAV of the Company and are thus disclosed in the financial statements by way of this note only.

Redeemable participating shares

Redeemable participating shares carry the right to a proportionate share in the assets of the sub-funds and the holders of redeemable participating shares are entitled to attend and vote on all meetings of the Company and the relevant sub-fund. Shares are redeemable by holders of the relevant share class at the respective NAV. Shareholders may redeem their shares with effect from any dealing day at the NAV per share calculated on or with respect to the relevant dealing day in accordance with the procedures specified in the relevant supplements.

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

10. Share capital (continued)

The following table details the share transactions during the financial year ended 31 December 2015:

	Guinness Global Energy Fund	Guinness Alternative Energy Fund	Guinness Global Money Managers Fund	Guinness Global Equity Income Fund	Guinness China and Hong Kong Fund	Guinness Asian Equity Income Fund	Guinness European Equity Income Fund	Guinness Global Innovators Fund	Guinness Best of China Fund
Class A shares:									
Opening balance	4,810,126.73	112,780.97	47.74	63,493.34	9,500.00	-	-	-	-
Shares issued	1,349,295.06	3,103.18	15,150.00	75,933.38	-	-	-	-	-
Shares redeemed	(2,066,596.39)	(4,971.36)	-	(20,665.91)	(9,500.00)	-	-	-	-
Closing balance	4,092,825.40	110,912.79	15,197.74	118,760.81	-	-	-	-	-
Class B shares:									
Opening balance	1,144,219.08	325,255.45	21,554.14	155,355.46	100.00	-	-	-	-
Shares issued	1,176,526.49	98,202.80	12,253.94	320,547.99	-	-	-	-	-
Shares redeemed	(667,075.20)	(87,872.22)	(4,976.70)	(105,736.80)	(100.00)	-	-	-	-
Closing balance	1,653,670.37	335,586.03	28,831.38	370,166.65	-	-	-	-	-
Class C shares:									
Opening balance	393,027.52	372,574.78	19,754.35	350,466.41	100.02	-	-	-	-
Shares issued	296,856.41	90,213.45	78,982.96	615,266.44	11,610.73	-	-	-	-
Shares redeemed	(206,133.86)	(126,189.98)	(13,237.19)	(112,297.35)	(11,710.74)	-	-	-	-
Closing balance	483,750.07	336,598.25	85,500.12	853,435.50	0.01	-	-	-	-
Class C EUR accumulation shares:									
Opening balance	908,934.54	19,962.30	10,797.43	64,551.65	-	100.00	100.00	7,211.94	-
Shares issued	407,819.25	8,451.51	7,263.08	126,944.20	100.00	5,811.29	-	68,904.73	100.00
Shares redeemed	(620,491.56)	(20,641.96)	(10,878.48)	(39,718.01)	(100.00)	(100.00)	-	(1,521.49)	-
Closing balance	696,262.23	7,771.85	7,182.03	151,777.84	-	5,811.29	100.00	74,595.18	100.00
Class C GBP accumulation shares:									
Opening balance	-	-	-	-	-	-	-	59,854.98	-
Shares issued	-	-	-	271,193.95	-	82,363.48	100.00	648,225.00	8,488.01
Shares redeemed	-	-	-	(7,785.10)	-	(4,558.53)	-	(48,372.14)	-
Closing balance	-	-	-	263,408.85	-	77,804.95	100.00	659,707.84	8,488.01
Class C USD accumulation shares									
Opening balance	-	-	-	-	-	-	-	101,378.87	-
Shares issued	-	-	-	172,697.96	-	79,238.08	100.00	622,864.15	100.00
Shares redeemed	-	-	-	(8,514.95)	-	(3,071.89)	-	(130,121.05)	-
Closing balance	-	-	-	164,183.01	-	76,166.19	100.00	594,121.97	100.00
Class D shares:									
Opening balance	2,207,317.73	248,648.87	102,652.65	142,871.72	100.00	-	-	-	-
Shares issued	1,555,399.95	230.60	39,847.41	69,672.88	-	-	-	-	-
Shares redeemed	(2,466,506.65)	(248,648.87)	(87,095.00)	(26,651.03)	(100.00)	-	-	-	-
Closing balance	1,296,211.03	230.60	55,405.06	185,893.57	-	-	-	-	-

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

10. Share capital (continued)

The following table details the share transactions during the financial year ended 31 December 2015 (continued):

	Guinness Global Energy Fund	Guinness Alternative Energy Fund	Guinness Global Money Managers Fund	Guinness Global Equity Income Fund	Guinness China and Hong Kong Fund	Guinness Asian Equity Income Fund	Guinness European Equity Income Fund	Guinness Global Innovators Fund	Guinness Best of China Fund
Class E shares:									
Opening balance	9,578,279.56	168,947.73	179,153.60	70,559.92	40,411.36	-	-	-	-
Shares issued	4,613,280.31	48,002.04	-	20,010.50	-	-	-	-	-
Shares redeemed	(6,576,135.59)	(100.00)	-	(10,607.47)	-	-	-	-	-
Closing balance	7,615,424.28	216,849.77	179,153.60	79,962.95	40,411.36	-	-	-	-
Class X shares:									
Opening balance	1,846,428.56	73,873.64	34,991.10	-	2,027.29	-	-	-	-
Shares issued	6,700,746.32	76,032.30	66,087.48	-	11,558.71	-	-	-	-
Shares redeemed	(1,440,500.98)	(48,105.16)	(29,021.40)	-	(8,346.72)	-	-	-	-
Closing balance	7,106,673.90	101,800.78	72,057.18	-	5,239.28	-	-	-	-
Class X EUR accumulation shares:									
Opening balance	-	-	-	-	-	100.00	100.00	100.00	-
Shares issued	-	-	-	-	-	-	-	1,406,657.93	100.00
Shares redeemed	-	-	-	-	-	-	-	(4,175.23)	-
Closing balance	-	-	-	-	-	100.00	100.00	1,402,582.70	100.00
Class X EUR distribution shares:									
Opening balance	-	-	-	-	-	101.80	102.55	-	-
Shares issued	-	-	-	-	-	2,293.37	2.84	-	-
Shares redeemed	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	2,395.17	105.39	-	-
Class X GBP accumulation shares:									
Opening balance	-	-	-	-	-	666.59	100.00	6,312.15	-
Shares issued	-	-	-	-	-	50,849.02	516.96	9,011.50	100.00
Shares redeemed	-	-	-	-	-	(25,611.90)	-	(9,594.15)	-
Closing balance	-	-	-	-	-	25,903.71	616.96	5,729.50	100.00
Class X GBP distribution shares:									
Opening balance	-	-	-	43,106.82	-	101.87	102.65	-	-
Shares issued	-	-	-	48,931.89	-	53,743.64	6.97	-	-
Shares redeemed	-	-	-	(12,735.64)	-	(41,579.22)	-	-	-
Closing balance	-	-	-	79,303.07	-	12,266.29	109.62	-	-
Class X USD accumulation shares:									
Opening balance	-	-	-	-	-	100.00	100.00	7,899.51	-
Shares issued	-	-	-	-	-	27,333.52	-	19,784.96	55,500.00
Shares redeemed	-	-	-	-	-	(24,544.64)	-	(18,027.81)	(10,841.86)
Closing balance	-	-	-	-	-	2,888.88	100.00	9,656.66	44,658.14

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

10. Share capital (continued)

The following table details the share transactions during the financial year ended 31 December 2015 (continued):

	Guinness Global Energy Fund	Guinness Alternative Energy Fund	Guinness Global Money Managers Fund	Guinness Global Equity Income Fund	Guinness China and Hong Kong Fund	Guinness Asian Equity Income Fund	Guinness European Equity Income Fund	Guinness Global Innovators Fund	Guinness Best of China Fund
Class X USD distribution shares:									
Opening balance	1,762,091.68	-	-	-	-	101.82	102.58	-	-
Shares issued	6,157,541.73	-	-	-	-	4.79	2.93	-	-
Shares redeemed	(2,048,824.93)	-	-	-	-	-	-	-	-
Closing balance	5,870,808.48	-	-	-	-	106.61	105.51	-	-
Class Y EUR accumulation shares:									
Opening balance	-	-	-	-	-	-	-	100.00	-
Shares issued	-	-	-	100.00	-	-	-	-	-
Shares redeemed	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	100.00	-	-	-	100.00	-
Class Y EUR distribution shares:									
Opening balance	-	-	-	-	-	-	-	-	-
Shares issued	-	-	-	101.13	-	-	-	-	-
Shares redeemed	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	101.13	-	-	-	-	-
Class Y GBP accumulation shares:									
Opening balance	-	-	-	-	-	-	-	12,307.20	-
Shares issued	-	-	-	171,256.65	-	-	-	4,132.65	-
Shares redeemed	-	-	-	(12,840.33)	-	-	-	(282.65)	-
Closing balance	-	-	-	158,416.32	-	-	-	16,157.20	-
Class Y GBP distribution shares:									
Opening balance	-	-	-	-	-	-	-	-	-
Shares issued	-	-	-	292,397.81	-	-	-	-	-
Shares redeemed	-	-	-	(6,732.52)	-	-	-	-	-
Closing balance	-	-	-	285,665.29	-	-	-	-	-
Class Y USD accumulation shares:									
Opening balance	-	-	-	-	-	-	-	100.00	-
Shares issued	-	-	-	49,320.25	-	-	-	-	-
Shares redeemed	-	-	-	(31,394.23)	-	-	-	-	-
Closing balance	-	-	-	17,926.02	-	-	-	100.00	-
Class Y USD distribution shares:									
Opening balance	-	-	-	-	-	-	-	-	-
Shares issued	-	-	-	101.16	-	-	-	-	-
Shares redeemed	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	101.16	-	-	-	-	-

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

10. Share capital (continued)

The following table details the share transactions during the financial year ended 31 December 2015 (continued):

	Guinness Global Energy Fund	Guinness Alternative Energy Fund	Guinness Global Money Managers Fund	Guinness Global Equity Income Fund	Guinness China and Hong Kong Fund	Guinness Asian Equity Income Fund	Guinness European Equity Income Fund	Guinness Global Innovators Fund	Guinness Best of China Fund
Class Z EUR accumulation shares:									
Opening balance	-	-	-	-	-	-	-	100.00	-
Shares issued	-	-	-	-	-	-	-	874.33	-
Shares redeemed	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	974.33	-
Class Z GBP accumulation shares:									
Opening balance	-	-	-	-	-	-	-	1,107,549.12	-
Shares issued	-	-	-	-	-	-	-	926,430.30	100.00
Shares redeemed	-	-	-	-	-	-	-	(608,882.97)	-
Closing balance	-	-	-	-	-	-	-	1,425,096.45	100.00
Class Z GBP distribution shares:									
Opening balance	-	-	-	4,167,384.46	-	20,101.87	10,367.22	-	-
Shares issued	-	-	-	2,395,959.75	-	1,097,424.38	386.18	-	-
Shares redeemed	-	-	-	(1,336,414.91)	-	(21,514.61)	(657.02)	-	-
Closing balance	-	-	-	5,226,929.30	-	1,096,011.64	10,096.38	-	-
Class Z USD accumulation shares:									
Opening balance	-	-	-	-	-	-	-	778,499.53	-
Shares issued	-	-	-	-	-	-	-	608,908.62	-
Shares redeemed	-	-	-	-	-	-	-	(685,613.93)	-
Closing balance	-	-	-	-	-	-	-	701,794.22	-

Notes to the financial statements (continued)

For the financial year ended 31 December 2015

Guinness Asset Management Funds plc

10. Share capital (continued)

The following table details the share transactions during the financial year ended 31 December 2014:

	Guinness Global Energy Fund	Guinness Alternative Energy Fund	Guinness Global Money Managers Fund	Guinness Global Equity Income Fund	Guinness China and Hong Kong Fund	Guinness Asian Equity Income Fund	Guinness European Equity Income Fund	Guinness Global Innovators Fund
Class A shares:								
Opening balance	7,542,425.96	74,753.94	47.74	31,028.24	9,500.00	-	-	-
Shares issued	2,847,160.48	38,027.03	-	34,019.57	-	-	-	-
Shares redeemed	(5,579,459.71)	-	-	(1,554.47)	-	-	-	-
Closing balance	4,810,126.73	112,780.97	47.74	63,493.34	9,500.00	-	-	-
Class B shares:								
Opening balance	632,444.15	274,623.88	10,087.11	2,188.61	100.00	-	-	-
Shares issued	1,338,079.65	104,645.85	20,575.57	154,395.32	26.12	-	-	-
Shares redeemed	(826,304.72)	(54,014.28)	(9,108.54)	(1,228.47)	(26.12)	-	-	-
Closing balance	1,144,219.08	325,255.45	21,554.14	155,355.46	100.00	-	-	-
Class C shares:								
Opening balance	173,722.37	622,212.26	10,571.36	58,553.30	465.81	-	-	-
Shares issued	324,518.46	316,290.31	20,832.70	344,668.22	130.53	-	-	-
Shares redeemed	(105,213.31)	(565,927.79)	(11,649.71)	(52,755.11)	(496.32)	-	-	-
Closing balance	393,027.52	372,574.78	19,754.35	350,466.41	100.02	-	-	-
Class C EUR accumulation shares:								
Opening balance	100.00	100.00	100.00	100.00	-	100.00	100.00	-
Shares issued	1,796,221.52	20,809.71	10,697.43	64,508.97	-	-	-	7,211.94
Shares redeemed	(887,386.98)	(947.41)	-	(57.32)	-	-	-	-
Closing balance	908,934.54	19,962.30	10,797.43	64,551.65	-	100.00	100.00	7,211.94
Class C GBP accumulation shares:								
Opening balance	-	-	-	-	-	-	-	-
Shares issued	-	-	-	-	-	-	-	59,976.25
Shares redeemed	-	-	-	-	-	-	-	(121.27)
Closing balance	-	-	-	-	-	-	-	59,854.98
Class C USD accumulation shares:								
Opening balance	-	-	-	-	-	-	-	-
Shares issued	-	-	-	-	-	-	-	101,882.89
Shares redeemed	-	-	-	-	-	-	-	(504.02)
Closing balance	-	-	-	-	-	-	-	101,378.87
Class D shares:								
Opening balance	2,516,440.80	248,648.87	19,139.00	19,009.24	100.00	-	-	-
Shares issued	2,165,261.75	36,930.00	93,014.39	125,162.48	-	-	-	-
Shares redeemed	(2,474,384.82)	(36,930.00)	(9,500.74)	(1,300.00)	-	-	-	-
Closing balance	2,207,317.73	248,648.87	102,652.65	142,871.72	100.00	-	-	-

Notes to the financial statements (continued)

For the financial year ended 31 December 2015

Guinness Asset Management Funds plc

10. Share capital (continued)

The following table details the share transactions during the financial year ended 31 December 2014 (continued):

	Guinness Global Energy Fund	Guinness Alternative Energy Fund	Guinness Global Money Managers Fund	Guinness Global Equity Income Fund	Guinness China and Hong Kong Fund	Guinness Asian Equity Income Fund	Guinness European Equity Income Fund	Guinness Global Innovators Fund
Class E shares:								
Opening balance	3,749,860.87	171,447.73	80,980.81	70,559.92	47,500.00	-	-	-
Shares issued	13,165,149.32	1,500.00	101,022.79	-	6,411.36	-	-	-
Shares redeemed	(7,336,730.63)	(4,000.00)	(2,850.00)	-	(13,500.00)	-	-	-
Closing balance	9,578,279.56	168,947.73	179,153.60	70,559.92	40,411.36	-	-	-
Class X shares:								
Opening balance	1,115,602.33	67,964.57	12,852.81	-	907.58	-	-	-
Shares issued	1,862,766.50	128,998.45	99,406.40	-	1,121.08	-	-	-
Shares redeemed	(1,131,940.27)	(123,089.38)	(77,268.11)	-	(1.37)	-	-	-
Closing balance	1,846,428.56	73,873.64	34,991.10	-	2,027.29	-	-	-
Class X EUR accumulation shares:								
Opening balance	-	-	-	-	-	100.00	100.00	-
Shares issued	-	-	-	-	-	-	-	100.00
Shares redeemed	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	100.00	100.00	100.00
Class X EUR distribution shares:								
Opening balance	-	-	-	-	-	100.00	100.00	-
Shares issued	-	-	-	-	-	1.80	2.55	-
Shares redeemed	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	101.80	102.55	-
Class X GBP accumulation shares:								
Opening balance	-	-	-	-	-	100.00	100.00	-
Shares issued	-	-	-	-	-	566.59	-	6,312.15
Shares redeemed	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	666.59	100.00	6,312.15
Class X GBP distribution shares:								
Opening balance	-	-	-	14,903.72	-	100.00	100.00	-
Shares issued	-	-	-	28,664.53	-	1.87	2.65	-
Shares redeemed	-	-	-	(461.43)	-	-	-	-
Closing balance	-	-	-	43,106.82	-	101.87	102.65	-
Class X USD accumulation shares:								
Opening balance	-	-	-	-	-	100.00	100.00	-
Shares issued	-	-	-	-	-	-	-	7,899.51
Shares redeemed	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	100.00	100.00	7,899.51

Notes to the financial statements (continued)

For the financial year ended 31 December 2015

Guinness Asset Management Funds plc

10. Share capital (continued)

The following table details the share transactions during the financial year ended 31 December 2014 (continued):

	Guinness Global Energy Fund	Guinness Alternative Energy Fund	Guinness Global Money Managers Fund	Guinness Global Equity Income Fund	Guinness China and Hong Kong Fund	Guinness Asian Equity Income Fund	Guinness European Equity Income Fund	Guinness Global Innovators Fund
Class X USD distribution shares:								
Opening balance	291,862.57	-	-	-	-	100.00	100.00	-
Shares issued	1,510,424.71	-	-	-	-	10.87	2.58	-
Shares redeemed	(40,195.60)	-	-	-	-	(9.05)	-	-
Closing balance	1,762,091.68	-	-	-	-	101.82	102.58	-
Class Y EUR accumulation shares:								
Opening balance	-	-	-	-	-	-	-	-
Shares issued	-	-	-	-	-	-	-	100.00
Shares redeemed	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	100.00
Class Y GBP accumulation shares:								
Opening balance	-	-	-	-	-	-	-	-
Shares issued	-	-	-	-	-	-	-	12,307.20
Shares redeemed	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	12,307.20
Class Y USD accumulation shares:								
Opening balance	-	-	-	-	-	-	-	-
Shares issued	-	-	-	-	-	-	-	100.00
Shares redeemed	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	100.00
Class Z EUR accumulation shares:								
Opening balance	-	-	-	-	-	-	-	-
Shares issued	-	-	-	-	-	-	-	100.00
Shares redeemed	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	100.00
Class Z GBP accumulation shares:								
Opening balance	-	-	-	-	-	-	-	-
Shares issued	-	-	-	-	-	-	-	1,190,710.69
Shares redeemed	-	-	-	-	-	-	-	(83,161.57)
Closing balance	-	-	-	-	-	-	-	1,107,549.12
Class Z GBP distribution shares:								
Opening balance	-	-	-	3,585,572.41	-	20,100.00	10,099.90	-
Shares issued	-	-	-	1,673,171.39	-	1.87	267.32	-
Shares redeemed	-	-	-	(1,091,359.34)	-	-	-	-
Closing balance	-	-	-	4,167,384.46	-	20,101.87	10,367.22	-

Notes to the financial statements (continued)

For the financial year ended 31 December 2015

Guinness Asset Management Funds plc

10. Share capital (continued)

The following table details the share transactions during the financial year ended 31 December 2014 (continued):

	Guinness Global Energy Fund	Guinness Alternative Energy Fund	Guinness Global Money Managers Fund	Guinness Global Equity Income Fund	Guinness China and Hong Kong Fund	Guinness Asian Equity Income Fund	Guinness European Equity Income Fund	Guinness Global Innovators Fund
Class Z USD accumulation shares:								
Opening balance	-	-	-	-	-	-	-	-
Shares issued	-	-	-	-	-	-	-	778,603.47
Shares redeemed	-	-	-	-	-	-	-	(103.94)
Closing balance	-	-	-	-	-	-	-	778,499.53

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

11. Financial instruments and risk management

The Company's risks are set out in the prospectus and any consideration of the risks here should be viewed in the context of the prospectus which is the primary document governing the operation of the Company. The Company's investing activities expose it to various types of risks that are associated with the financial investments and markets in which it invests. Asset allocation is determined by the Investment Manager, who manages the distribution of assets to achieve the investment objectives. Divergence from target asset allocation and the composition of the portfolio is closely monitored by the Investment Manager.

The Investment Manager has developed mechanisms designed to ensure that risk is controlled effectively and systematically in all markets, strategies and sectors and if total risk deviates outside pre-determined thresholds, the risk is brought back within acceptable limits. The nature and extent of the financial instruments outstanding at the reporting date and the specific risk management policies employed by the sub-funds are discussed below.

Market risk

Market risk arises from uncertainty about future prices of financial investments held by a sub-fund, whether those changes are caused by factors specific to individual financial instruments, or other factors affecting a number of similar financial instruments traded in the markets. It represents the potential loss a sub-fund might suffer through holding market positions in the face of price movements. Usually the maximum risk resulting from financial instruments is determined by the opening fair value of the instruments.

Market risk consists of currency risk, interest rate risk and other price risk.

(i) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. A substantial portion of the net assets of the Company are denominated in currencies other than the functional currency of the sub-funds with the effect that the financial statements and total return can be significantly affected by currency movements. The Company does not invest in financial derivative instruments in order to mitigate against currency risk.

The following table sets out the Company's total exposure to foreign currency risk as at 31 December 2015:

	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund USD	Guinness Best of China Fund USD
Australian Dollar	297,931	-	-	4,246,348	-	1,744,680	-	-	-
Brazilian Real	-	170,070	-	-	-	-	-	-	-
Canadian Dollar	26,463,363	198,363	-	-	-	-	-	-	-
Danish Krone	-	140,567	-	-	-	-	-	-	-
Euro	34,131,466	761,533	332,664	19,956,783	-	-	113,795	4,167,974	-
Hong Kong Dollar	17,325,851	1,222,721	356,548	3,697,768	411,658	8,633,920	-	4,411,411	410,279
Japanese Yen	-	-	-	4,134,349	-	683,852	-	-	-
Malaysian Ringgit	-	-	-	-	-	612,873	-	-	-
Norwegian Krone	7,948,085	-	-	-	-	-	5,551	-	-
Pound Sterling	21,921,353	385,445	2,561,613	25,458,236	(109,465)	75,220	-	3,042	109,465
Singapore Dollar	-	-	137,492	-	7,754	1,734,099	-	-	17,136
South African Rand	-	-	201,215	4,332,652	-	-	-	-	-
South Korean Won	-	-	-	-	-	555,492	-	-	-
Swedish Krona	-	164,006	-	-	-	-	23,450	-	-
Swiss Franc	-	-	276,443	-	-	-	22,123	-	-
Taiwan Dollar	-	-	-	4,009,624	-	4,003,191	-	-	103,374
Thai Baht	-	-	-	-	-	1,706,350	-	-	-
	108,088,049	3,042,705	3,865,975	65,835,760	309,947	19,749,677	164,919	8,582,427	640,254

The following table sets out the Company's total exposure to foreign currency risk as at 31 December 2014:

	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund USD
Australian Dollar	816,305	-	-	3,196,097	-	40,867	-	-
Brazilian Real	-	235,541	-	-	-	-	-	-
Canadian Dollar	27,867,716	473,975	-	-	-	-	-	-
Danish Krone	-	174,892	-	-	-	-	-	-
Euro	31,124,848	1,780,965	241,735	17,257,948	-	-	115,610	915,300
Hong Kong Dollar	8,159,180	1,319,454	253,911	8,270,114	422,181	169,401	-	1,839,850
Indonesian Rupiah	-	-	-	-	-	-	-	-
Japanese Yen	-	-	-	-	-	14,446	-	-
Malaysian Ringgit	-	-	-	-	-	11,104	-	-
Norwegian Krone	7,655,659	-	-	-	-	-	5,391	-
Pound Sterling	26,695,751	486,294	2,120,039	20,822,528	-	-	-	1,152,724
Singapore Dollar	-	-	99,657	-	7,275	31,556	-	-
South African Rand	-	-	249,258	2,964,089	-	-	-	-
South Korean Won	-	-	-	-	-	9,356	-	-
Swedish Krona	-	227,635	-	-	-	-	23,607	-
Swiss Franc	-	-	241,836	-	-	-	21,144	-
Taiwan Dollar	-	-	-	-	-	58,677	-	-
Thai Baht	-	-	-	-	-	32,464	-	-
	102,319,459	4,698,756	3,206,436	52,510,776	429,456	367,871	165,752	3,907,874

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

11. Financial instruments and risk management (continued)

Market risk (continued)

(i) Currency risk (continued)

The following table demonstrates the impact on net assets attributable to holders of redeemable participating shares of a movement in local currencies against the sub-funds' functional currency. The table assumes a 10% upwards movement in the value of the local currencies (a negative 10% would have an equal but opposite effect).

Sub-fund	31 December 2015 USD	31 December 2014 USD
Guinness Global Energy Fund	10,808,805	10,231,946
Guinness Alternative Energy Fund	304,271	469,876
Guinness Global Money Managers Fund	386,598	320,644
Guinness Global Equity Income Fund	6,583,576	5,251,078
Guinness China and Hong Kong Fund	30,995	42,946
Guinness Asian Equity Income Fund	1,974,968	36,787
Guinness European Equity Income Fund	16,492	16,575
Guinness Global Innovators Fund	858,243	390,787
Guinness Best of China Fund	64,025	-

(ii) Interest rate risk

Interest rate risk represents the potential losses that a sub-fund might suffer due to adverse movements in relevant interest rates. The value of fixed interest securities may be affected by changes in the interest rate environment and the amount of income receivable from floating rate securities and bank balances, or payable on overdrafts, will also be affected by fluctuations in interest rates. Other than cash and cash equivalents, none of the sub-funds have a material exposure to interest rate risk as 100% of its investments are in non-interest bearing securities.

(iii) Other price risk

Other price risk arises mainly from uncertainty about future prices of investments held. It represents the potential loss the Company might suffer through holding market positions in the face of price movements. Details of all investments held at the reporting date are listed in the schedule of investments. The Investment Manager manages each sub-fund's other price risk on a daily basis in accordance with each sub-fund's investment objective and policies. The sub-fund's overall market positions are monitored on a quarterly basis by the Board of Directors.

The following table demonstrates the impact on net assets attributable to holders of redeemable participating shares of a movement in investments market prices. The table assumes a 10% upwards movement in investment market prices (a negative 10% would have an equal but opposite effect).

Sub-fund	31 December 2015 USD	31 December 2014 USD
Guinness Global Energy Fund	21,766,756	22,564,479
Guinness Alternative Energy Fund	519,611	698,718
Guinness Global Money Managers Fund	809,580	713,268
Guinness Global Equity Income Fund	14,446,288	10,098,445
Guinness China and Hong Kong Fund	42,859	47,516
Guinness Asian Equity Income Fund	2,081,366	37,862
Guinness European Equity Income Fund	15,913	16,129
Guinness Global Innovators Fund	6,241,450	2,737,360
Guinness Best of China Fund	56,609	-

Liquidity risk

Liquidity risk is the risk that the Company may not be able to settle or meet its obligations on time or at a reasonable price. In some circumstances, investments may be relatively illiquid making it difficult to acquire or dispose of them at the prices quoted on the various exchanges. Accordingly, the sub-fund's ability to respond to market movements may be impaired and the sub-fund may experience adverse price movements upon liquidation of its investments. There can be no assurance that the liquidity of the investments of underlying funds will always be sufficient to meet redemption requests as and when made. Any lack of liquidity may affect the liquidity of the shares of a sub-fund and the value of its investments.

The liquidity of the exchanges and that of the individual stocks are monitored by the Investment Manager and where liquidity issues arise the Investment Manager will trade accordingly. The main liability of the Company is the net assets attributable to holders of redeemable participating shares, which may be redeemed by shareholders in writing on any dealing day.

The contractual date of the financial liabilities for each sub-fund at the reporting dates 31 December 2015 and 31 December 2014 is less than one month.

Credit risk

Credit risk is the risk that a sub-fund's counterparty or investment issuer will be unable or unwilling to meet a commitment that it has entered into and cause a sub-fund to incur a financial loss. A sub-fund will be exposed to settlement risk on parties with whom it trades and custodian risk on parties with whom the sub-fund has placed its assets in custody. In managing this risk, the Investment Manager, on behalf of the Company, seeks to do business with institutions that are well known, financially sound and where appropriate well rated by rating agencies.

Settlement risk: Most transactions in listed securities are settled on a cash versus delivery basis ("DVP") with settlement a few days after execution. Default by the Broker could expose the sub-fund to an adverse price movement in the security between execution and default. Because the sub-fund would only be exposed to a potentially adverse market move (rather than 100% of the principal sum) during a short period, this risk is limited. In addition, default by regulated Brokers in the major markets is rare.

Notes to the financial statements (continued)

For the financial year ended 31 December 2015

Guinness Asset Management Funds plc

11. Financial instruments and risk management (continued)

Credit risk (continued)

Custodian risk: Custody risk is the risk of loss of assets held in custody. This is not a "primary credit risk" as the unencumbered assets of the sub-fund are segregated from the Custodian's own assets and the Custodian requires its sub-custodians likewise to segregate non-cash assets. This mitigates custody risk but does not entirely eliminate it. The Custodian has the power to appoint sub-custodians, although, in accordance with the terms of the custodian agreement, the Custodian's liability shall not be affected by the fact that it has entrusted some or all of the assets in safekeeping to any third party (in order for the Custodian to discharge this responsibility, the Custodian must exercise care and diligence in choosing and appointing a third party as a safe-keeping agent so as to ensure that the third party has and maintains the expertise, competence and standing appropriate to discharge the responsibilities concerned and the Custodian must maintain an appropriate level of supervision over the safe-keeping agent and make appropriate enquiries from time to time to confirm that the obligations of the agent continue to be competently discharged).

The S&P long term credit rating of JP Morgan Chase & Co, the parent company of the Custodian, is A- as at the reporting date (2014: A). The Custodian is not rated.

The Company uses the commitment approach to calculate its global exposure.

12. Taxation

The Company qualifies as an investment undertaking as defined in Section 739B (1) of the Taxes Consolidation Act, 1997 (the "Taxes Act"). Under current Irish law and practice, the Company is not chargeable to Irish tax on its income and gains. However, tax can arise on the happening of a "chargeable event" in the Company. A chargeable event includes any distribution payments to shareholders or any encashment, redemption, cancellation, transfer or deemed disposal (a deemed disposal will occur at the expiration of a relevant period) of shares or the appropriation or cancellation of shares of a shareholder by the Company for the purposes of meeting the amount of tax payable on a gain arising on a transfer. No tax will arise on the Company in respect of chargeable events in respect of a shareholder who is neither Irish resident nor ordinarily resident in Ireland at the time of the chargeable event provided that a relevant declaration is in place and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct.

Dividends, interest and capital gains (if any) which the Company or any sub-fund receives with respect to their investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of investments are located. It is anticipated that the Company may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in a repayment to the Company the NAV will not be restated and the benefit will be allocated to the existing shareholders rateably at the time of the repayment. Any reclaims due to the sub-funds are accounted for on a receipt basis. In addition, where the Company invests in securities that are not subject to local taxes, for example withholdings tax, at the time of acquisition, there can be no assurance that tax may not be charged or withheld in the future as a result of any change in the applicable laws, treaties, rules or regulations or the interpretation thereof.

No stamp duty is payable in Ireland on the issue, transfer, repurchase or redemption of shares in the Company. Where any subscription for or redemption of shares is satisfied by the in specie transfer of securities, property or other types of assets, Irish stamp duty may arise on the transfer of such assets. No Irish stamp duty will be payable by the Company on the conveyance or transfer of stock or marketable securities provided that the stock or marketable securities in question have not been issued by a company registered in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of the Taxes Act) which is registered in Ireland. Further details on tax applicable to the Company can be found in the prospectus.

13. Net asset values

Net asset value	Currency	31 December 2015	31 December 2014	31 December 2013
Guinness Global Energy Fund				
Class A shares	USD	\$26,479,244	\$43,072,084	\$83,642,882
Class B shares	USD	\$10,414,433	\$10,023,624	\$6,895,850
Class C shares	GBP	£3,805,037	£4,064,812	£2,105,297
Class C EUR accumulation shares	EUR	€5,095,459	€8,306,463	€999
Class D shares	EUR	€11,664,760	€24,681,043	€30,601,352
Class E shares	USD	\$52,123,774	\$90,510,920	\$43,774,557
Class X shares	GBP	£51,315,740	£17,399,547	£12,226,358
Class X USD distribution shares	USD	\$34,521,762	\$14,421,505	\$2,952,905
Guinness Alternative Energy Fund				
Class A shares	USD	\$286,536	\$329,599	\$247,148
Class B shares	USD	\$832,747	\$917,609	\$880,875
Class C shares	GBP	£1,308,261	£1,556,219	£2,775,066
Class C EUR accumulation shares	EUR	€71,977	€188,687	€944
Class D shares	EUR	€1,025	€1,128,308	€1,120,915
Class E shares	USD	\$735,868	\$646,933	\$740,840
Class X shares	GBP	£1,114,481	£862,637	£852,064
Guinness Global Money Managers Fund				
Class A shares	USD	\$229,664	\$812	\$785
Class B shares	USD	\$420,783	\$355,629	\$161,866
Class C shares	GBP	£1,330,207	£328,428	£160,925
Class C EUR accumulation shares	EUR	€84,967	€129,576	€1,025
Class D shares	EUR	€1,027,461	€1,922,344	€304,583
Class E shares	USD	\$2,724,701	\$3,057,273	\$1,334,006
Class X shares	GBP	£1,263,697	£650,863	£217,263

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

13. Net asset values (continued)

Net asset value (continued)	Currency	31 December 2015	31 December 2014	31 December 2013
Guinness Global Equity Income Fund				
Class A shares	USD	\$1,464,219	\$837,778	\$408,531
Class B shares	USD	\$4,458,186	\$2,012,523	\$28,435
Class C shares	GBP	£10,885,607	£4,543,665	£717,596
Class C EUR accumulation shares	EUR	€1,905,153	€760,200	€1,006
Class C GBP accumulation shares ¹	GBP	£2,578,595	-	-
Class C USD accumulation shares ²	USD	\$1,585,219	-	-
Class D shares	EUR	€2,833,602	€2,090,446	€243,743
Class E shares	USD	\$999,036	\$941,075	\$936,721
Class X GBP distribution shares	GBP	£1,032,726	£566,304	£183,656
Class Y EUR accumulation shares ³	EUR	€948	-	-
Class Y EUR distribution shares ³	EUR	€948	-	-
Class Y GBP accumulation shares ³	GBP	£1,563,427	-	-
Class Y GBP distribution shares ³	GBP	£2,785,765	-	-
Class Y USD accumulation shares ³	USD	\$174,508	-	-
Class Y USD distribution shares ³	USD	\$974	-	-
Class Z GBP distribution shares	GBP	£71,338,526	£57,089,997	£45,842,286
Guinness China and Hong Kong Fund				
Class A shares ⁴	USD	-	\$82,910	\$83,784
Class B shares ⁴	USD	-	\$858	\$870
Class C shares	GBP	£0	£859	£3,825
Class D shares ⁴	EUR	-	€968	€859
Class E shares	USD	\$333,575	\$356,233	\$422,080
Class X shares	GBP	£54,153	£21,153	£8,987
Guinness Asian Equity Income Fund				
Class C EUR accumulation shares	EUR	€77,453	€1,261	€1,008
Class C GBP accumulation shares ¹	GBP	£751,112	-	-
Class C USD accumulation shares ²	USD	\$725,112	-	-
Class X EUR accumulation shares	EUR	€1,354	€1,271	€1,008
Class X EUR distribution shares	EUR	€30,490	€1,271	€1,008
Class X GBP accumulation shares	GBP	£309,518	£7,874	£1,004
Class X GBP distribution shares	GBP	£137,570	£1,181	£1,004
Class X USD accumulation shares	USD	\$31,090	\$1,126	\$1,017
Class X USD distribution shares	USD	\$1,077	\$1,126	\$1,017
Class Z GBP distribution shares	GBP	£12,416,809	£234,189	£201,934
Guinness European Equity Income Fund				
Class C EUR accumulation shares	EUR	€1,141	€1,056	€1,024
Class C GBP accumulation shares ¹	GBP	£972	-	-
Class C USD accumulation shares ²	USD	\$959	-	-
Class X EUR accumulation shares	EUR	€1,160	€1,065	€1,024
Class X EUR distribution shares	EUR	€1,160	€1,066	€1,024
Class X GBP accumulation shares	GBP	£6,328	£990	£1,020
Class X GBP distribution shares	GBP	£1,065	£991	£1,020
Class X USD accumulation shares	USD	\$925	\$944	\$1,032
Class X USD distribution shares	USD	\$925	\$945	\$1,032
Class Z GBP distribution shares	GBP	£98,994	£100,562	£103,077
Guinness Global Innovators Fund				
Class C EUR accumulation shares	EUR	€818,989	€74,496	-
Class C GBP accumulation shares	GBP	£6,816,432	£612,674	-
Class C USD accumulation shares	USD	\$5,655,611	\$1,011,402	-
Class X EUR accumulation shares	EUR	€15,527,433	€1,034	-
Class X GBP accumulation shares	GBP	£59,722	£64,694	-
Class X USD accumulation shares	USD	\$92,737	\$78,912	-
Class Y EUR accumulation shares	EUR	€1,110	€1,035	-
Class Y GBP accumulation shares	GBP	£168,906	£126,188	-
Class Y USD accumulation shares	USD	\$965	\$1,000	-
Class Z EUR accumulation shares	EUR	€10,850	€1,035	-
Class Z GBP accumulation shares	GBP	£14,941,261	£11,360,578	-
Class Z USD accumulation shares	USD	\$6,778,597	\$7,782,731	-

¹ Launched on Guinness Global Equity Income Fund, Guinness Asian Equity Income Fund and Guinness European Equity Income Fund on 11 March 2015.

² Launched on Guinness Global Equity Income Fund, Guinness Asian Equity Income Fund and Guinness European Equity Income Fund on 11 March 2015.

³ Launched on Guinness Global Equity Income Fund on 11 March 2015.

⁴ Fully redeemed on Guinness China and Hong Kong Fund effective 12 November 2015

⁵ Launched on Guinness China and Hong Kong Fund on 11 March 2015 and subsequently redeemed on 12 November 2015.

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

13. Net asset values (continued)

Net asset value (continued)	Currency	31 December 2015	31 December 2014	31 December 2013
Guinness Best of China Fund⁵				
Class C EUR accumulation shares	EUR	€1,013	-	-
Class C GBP accumulation shares	GBP	£87,332	-	-
Class C USD accumulation shares	USD	\$1,008	-	-
Class X EUR accumulation shares	EUR	€1,014	-	-
Class X GBP accumulation shares	GBP	£1,029	-	-
Class X USD accumulation shares	USD	\$450,225	-	-
Class Z GBP accumulation shares	GBP	£1,029	-	-
Net asset value per share				
Guinness Global Energy Fund				
Class A shares	USD	\$6.4697	\$8.9545	\$11.0897
Class B shares	USD	\$6.2978	\$8.7602	\$10.9035
Class C shares	GBP	£7.8657	£10.3423	£12.1187
Class C EUR accumulation shares	EUR	€7.3183	€9.1387	€9.9899
Class D shares	EUR	€8.9991	€11.1815	€12.1606
Class E shares	USD	\$6.8445	\$9.4496	\$11.6736
Class X shares	GBP	£7.2208	£9.4234	£10.9594
Class X USD distribution shares	USD	\$5.8802	\$8.1843	\$10.1175
Guinness Alternative Energy Fund				
Class A shares	USD	\$2.5834	\$2.9225	\$3.3062
Class B shares	USD	\$2.4815	\$2.8212	\$3.2076
Class C shares	GBP	£3.8867	£4.1769	£4.4709
Class C EUR accumulation shares	EUR	€9.2612	€9.4522	€9.4380
Class D shares	EUR	€4.4438	€4.5378	€4.5080
Class E shares	USD	\$3.3934	\$3.8292	\$4.3211
Class X shares	GBP	£10.9477	£11.6772	£12.4053
Guinness Global Money Managers Fund				
Class A shares	USD	\$15.1117	\$17.0004	\$16.4424
Class B shares	USD	\$14.5946	\$16.4993	\$16.0469
Class C shares	GBP	£15.5580	£16.6256	£15.2227
Class C EUR accumulation shares	EUR	€11.8306	€12.0007	€10.2512
Class D shares	EUR	€18.5445	€18.7267	€15.9143
Class E shares	USD	\$15.2087	\$17.0651	\$16.4731
Class X shares	GBP	£17.5374	£18.6008	£16.9039
Guinness Global Equity Income Fund				
Class A shares	USD	\$12.3291	\$13.1947	\$13.1664
Class B shares	USD	\$12.0437	\$12.9543	\$12.9923
Class C shares	GBP	£12.7550	£12.9646	£12.2554
Class C EUR accumulation shares	EUR	€12.5522	€11.7766	€10.0551
Class C GBP accumulation shares ¹	GBP	£9.7893	-	-
Class C USD accumulation shares ²	USD	\$9.6552	-	-
Class D shares	EUR	€15.2431	€14.6316	€12.8224
Class E shares	USD	\$12.4937	\$13.3373	\$13.2755
Class X shares GBP distribution shares	GBP	£13.0225	£13.1372	£12.3228
Class Y EUR accumulation shares ³	EUR	€9.4846	-	-
Class Y EUR distribution shares ³	EUR	€9.3754	-	-
Class Y GBP accumulation shares ³	GBP	£9.8691	-	-
Class Y GBP distribution shares ³	GBP	£9.7519	-	-
Class Y USD accumulation shares ³	USD	\$9.7349	-	-
Class Y USD distribution shares ³	USD	\$9.6298	-	-
Class Z GBP distribution shares	GBP	£13.6483	£13.6992	£12.7904
Guinness China and Hong Kong Fund				
Class A shares ⁴	USD	-	\$8.7274	\$8.8194
Class B shares ⁴	USD	-	\$8.5766	\$8.7042
Class C shares ⁴	GBP	£8.4394	£8.5844	£8.2106
Class D shares ⁴	EUR	-	€9.6767	€8.5879
Class E shares	USD	\$8.2545	\$8.8152	\$8.8859
Class X shares	GBP	£10.3360	£10.4339	£9.9018

¹ Launched on Guinness Global Equity Income Fund, Guinness Asian Equity Income Fund and Guinness European Equity Income Fund on 11 March 2015.

² Launched on Guinness Global Equity Income Fund, Guinness Asian Equity Income Fund and Guinness European Equity Income Fund on 11 March 2015.

³ Launched on Guinness Global Equity Income Fund on 11 March 2015.

⁴ Fully redeemed on Guinness China and Hong Kong Fund effective 12 November 2015

⁵ Launched on 15 December 2015.

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

13. Net asset values (continued)

Net asset value per share (continued)	Currency	31 December 2015	31 December 2014	31 December 2013
Guinness Asian Equity Income Fund				
Class C EUR accumulation shares	EUR	€13.3280	€12.6050	€10.0818
Class C GBP accumulation shares ¹	GBP	£9.6538	-	-
Class C USD accumulation shares ²	USD	\$9.5201	-	-
Class X EUR accumulation shares	EUR	€13.5422	€12.7109	€10.0846
Class X EUR distribution shares	EUR	€12.7298	€12.4815	€10.0846
Class X GBP accumulation shares	GBP	£11.9488	£11.8122	£10.0449
Class X GBP distribution shares	GBP	£11.2153	£11.5925	£10.0449
Class X USD accumulation shares	USD	\$10.7619	\$11.2585	\$10.1664
Class X USD distribution shares	USD	\$10.1018	\$11.0540	\$10.1664
Class Z GBP distribution shares	GBP	£11.3291	£11.6501	£10.0464
Guinness European Equity Income Fund				
Class C EUR accumulation shares	EUR	€11.4138	€1,056	€1,024
Class C GBP accumulation shares ¹	GBP	£9.7210	-	-
Class C USD accumulation shares ²	USD	\$9.5917	-	-
Class X EUR accumulation shares	EUR	€11.6029	€1,065	€1,024
Class X EUR distribution shares	EUR	€11.0038	€1,066	€1,024
Class X GBP accumulation shares	GBP	£10.2563	£990	£1,020
Class X GBP distribution shares	GBP	£9.7129	£991	£1,020
Class X USD accumulation shares	USD	\$9.2469	\$944	\$1,032
Class X USD distribution shares	USD	\$8.7650	\$945	\$1,032
Class Z GBP distribution shares	GBP	£9.8049	£100,562	£103,077
Guinness Global Innovators Fund				
Class C EUR accumulation shares	EUR	€10.9791	€10.3296	-
Class C GBP accumulation shares	GBP	£10.3325	£10.2360	-
Class C USD accumulation shares	USD	\$9.5193	\$9.9765	-
Class X EUR accumulation shares	EUR	€11.0706	€10.3406	-
Class X GBP accumulation shares	GBP	£10.4236	£10.2492	-
Class X USD accumulation shares	USD	\$9.6035	\$9.9895	-
Class Y EUR accumulation shares	EUR	€11.0953	€10.3454	-
Class Y GBP accumulation shares	GBP	£10.4539	£10.2532	-
Class Y USD accumulation shares	USD	\$9.6453	\$9.9956	-
Class Z EUR accumulation shares	EUR	€11.1357	€10.3499	-
Class Z GBP accumulation shares	GBP	£10.4844	£10.2574	-
Class Z USD accumulation shares	USD	\$9.6590	\$9.9971	-
Guinness Best of China Fund³				
Class C EUR accumulation shares	EUR	€10.1314	-	-
Class C GBP accumulation shares	GBP	£10.2889	-	-
Class C USD accumulation shares	USD	\$10.0788	-	-
Class X EUR accumulation shares	EUR	€10.1358	-	-
Class X GBP accumulation shares	GBP	£10.2922	-	-
Class X USD accumulation shares	USD	\$10.0816	-	-
Class Z GBP accumulation shares	GBP	£10.2947	-	-

¹ Launched on Guinness Global Equity Income Fund, Guinness Asian Equity Income Fund and Guinness European Equity Income Fund on 11 March 2015.

² Launched on Guinness Global Equity Income Fund, Guinness Asian Equity Income Fund and Guinness European Equity Income Fund on 11 March 2015.

³ Launched on 15 December 2015.

Notes to the financial statements (continued)

For the financial year ended 31 December 2015

Guinness Asset Management Funds plc

14. Net asset value reconciliation

The published NAV is adjusted for subscriptions receivable and redemptions payable which have a value date of the last NAV of each sub-fund in the accounting period.

As at 31 December 2015

	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund USD	Guinness Best of China Fund USD
Net asset value per financial statements	222,988,522	5,505,343	8,406,740	146,755,450	413,392	20,943,230	164,804	62,703,678	585,188
Subscriptions receivable ¹	(92,510)	(216,930)	(2,574)	(106,515)	-	(737)	-	(49,007)	(17,514)
Redemptions payable ¹	8,951	-	2,574	2,371	17,514	-	-	84,136	-
Published net asset value	222,904,963	5,288,413	8,406,740	146,651,306	430,906	20,942,493	164,804	62,738,807	567,674

As at 31 December 2014

	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund USD
Net asset value per financial statements	231,413,276	7,259,399	7,423,613	104,226,708	475,492	386,133	165,636	27,934,987
Subscriptions receivable ²	(19,703)	(312)	(383)	(134,249)	-	-	-	-
Redemptions payable ²	274,675	-	-	32,041	-	-	-	-
Published net asset value	231,668,248	7,259,087	7,423,230	104,124,500	475,492	386,133	165,636	27,934,987

¹ Subscriptions and redemptions effective 31 December 2015

² Subscriptions and redemptions effective 31 December 2014

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

15. Distribution

All share classes of the Company have obtained "Reporting Fund Status" under the United Kingdom Offshore Funds (Tax) Regulations 2009 for the purpose of United Kingdom taxation.

Dividends may be paid out of the net investment income as declared by the Directors. Otherwise all income and gains of the sub-fund will be accumulated within the sub-fund.

Where the amount of any distribution payable to an individual shareholder would be less than US\$100 the Directors in their sole discretion may determine that such amount shall not be distributed but shall be retained and reinvested within and for the benefit of the sub-fund.

Income equalisation is applied to all share classes of the Guinness Global Equity Income Fund, class X USD distribution shares on the Guinness Global Energy Fund, and to distributing share classes of Guinness Asian Equity Income Fund and Guinness European Equity Income Fund.

The following distributions were declared during the financial year ended 31 December 2015:

Guinness Global Energy Fund

Class	Currency	Distribution per share	Final distribution paid (base)	Final distribution paid (local)	Income received on subscriptions	Income deducted on redemptions	Net distribution charge	Ex -date
Class X USD distribution	USD	\$0.0659	\$116,122	\$116,122	(\$80,192)	\$2,216	\$38,146	2 January 2015
			<u>\$116,122</u>					

Guinness Global Equity Income Fund

Class	Currency	Distribution per share	Final distribution paid (base)	Final distribution paid (local)	Income received on subscriptions	Income deducted on redemptions	Net distribution charge	Ex -date
Class A	USD	\$0.1702	\$10,807	\$10,807	(\$1,864)	\$167	\$9,110	2 January 2015
Class B	USD	\$0.1673	\$25,991	\$25,991	(\$12,942)	\$124	\$13,173	2 January 2015
Class C	GBP	£0.1605	£86,557	£56,250	(£21,531)	£2,785	£37,504	2 January 2015
Class D	EUR	€0.1778	€30,561	€25,403	(€5,271)	-	€20,132	2 January 2015
Class E	USD	\$0.1719	\$12,129	\$12,129	-	-	\$12,129	2 January 2015
Class X	GBP	£0.1626	\$10,786	£7,009	(£1,424)	£71	£5,656	2 January 2015
Class Z GBP distribution	GBP	£0.1692	\$1,085,034	£705,121	(£74,019)	£70,260	£701,362	2 January 2015
Class A	USD	\$0.2046	\$23,319	\$23,319	(\$4,285)	\$1,286	\$20,320	1 July 2015
Class B	USD	\$0.2006	\$67,559	\$67,559	(\$15,879)	\$2,820	\$54,500	1 July 2015
Class C	GBP	£0.2057	\$245,272	£156,898	(£35,425)	£4,941	£126,414	1 July 2015
Class D	EUR	€0.2464	\$48,309	€43,514	(€4,482)	€1,600	€40,632	1 July 2015
Class E	USD	\$0.2070	\$16,130	\$16,130	(\$1,824)	\$2,150	\$16,456	1 July 2015
Class X	GBP	£0.2089	\$22,347	£14,295	(£2,613)	£466	£12,148	1 July 2015
Class Z GBP distribution	GBP	£0.2182	\$2,076,136	£1,328,083	(£151,978)	£50,776	£1,226,881	1 July 2015
Class Y EUR distribution	EUR	€0.1128	\$13	€11	-	-	€11	1 July 2015
Class Y GBP distribution	GBP	£0.1158	\$8,634	£5,523	(£4,699)	-	£824	1 July 2015
Class Y USD distribution	USD	\$0.1191	\$12	\$12	-	-	\$12	1 July 2015
			<u>\$3,769,596</u>					

Guinness Asian Equity Income Fund

Class	Currency	Distribution per share	Final distribution paid (base)	Final distribution paid (local)	Income received on subscriptions	Income deducted on redemptions	Net distribution charge	Ex -date
Class X GBP distribution	GBP	£0.2897	\$45	£30	-	-	£30	2 January 2015
Class X EUR distribution	EUR	€0.3056	\$37	€31	-	-	€31	2 January 2015
Class X USD distribution	USD	\$0.2874	\$29	\$29	(\$1)	\$1	\$29	2 January 2015
Class Z GBP distribution	GBP	£0.2906	\$8,990	£5,842	-	-	£5,842	2 January 2015
Class X GBP distribution	GBP	£0.2402	\$17,048	£10,906	(£7,632)	£42	£3,316	1 July 2015
Class X EUR distribution	EUR	€0.2738	\$32	€29	-	-	€29	1 July 2015
Class X USD distribution	USD	\$0.2234	\$23	\$23	-	-	\$23	1 July 2015
Class Z GBP distribution	GBP	£0.2417	\$11,069	£7,081	(£1,024)	-	£6,057	1 July 2015
			<u>\$37,273</u>					

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

15. Distribution (continued)

The following distributions were declared during the financial year ended 31 December 2015 (continued):

Guinness European Equity Income Fund

Class	Currency	Distribution per share	Final distribution paid (base)	Final distribution paid (local)	Income received on subscriptions	Income deducted on redemptions	Net distribution charge	Ex -date
Class X GBP distribution	GBP	£0.0383	\$6	£4	-	-	£4	2 January 2015
Class X EUR distribution	EUR	€0.0404	\$5	€4	-	-	€4	2 January 2015
Class X USD distribution	USD	\$0.0380	\$4	\$4	-	-	\$4	2 January 2015
Class Z GBP distribution	GBP	£0.0384	\$613	£398	(£3)	-	£395	2 January 2015
Class X GBP distribution	GBP	£0.2504	\$42	£27	-	-	£27	1 July 2015
Class X EUR distribution	EUR	€0.2857	\$33	€29	-	-	€29	1 July 2015
Class X USD distribution	USD	\$0.2334	\$24	\$24	-	-	\$24	1 July 2015
Class Z GBP distribution	GBP	£0.2521	\$3,842	£2,458	-	£98	£2,556	1 July 2015
			\$4,569					

The following distributions were declared during the financial year ended 31 December 2014:

Guinness Global Energy Fund

Class	Currency	Distribution per share	Final distribution paid (base)	Final distribution paid (local)	Income received on subscriptions	Income deducted on redemptions	Net distribution charge	Ex -date
Class X USD distribution	USD	\$0.0068	\$1,985	\$1,985	(\$2,013)	-	(\$28)	2 January 2014
			\$1,985					

Guinness Global Equity Income Fund

Class	Currency	Distribution per share	Final distribution paid (base)	Final distribution paid (local)	Income received on subscriptions	Income deducted on redemptions	Net distribution charge	Ex -date
Class A	USD	\$0.1653	\$5,129	\$5,129	(\$3,761)	-	\$1,368	2 January 2014
Class B	USD	\$0.1637	\$358	\$358	-	-	\$358	2 January 2014
Class C	GBP	£0.1615	\$15,544	£9,456	(£1,540)	£167	£8,083	2 January 2014
Class D	EUR	€0.1656	\$4,300	€3,148	(€2,697)	-	€451	2 January 2014
Class E	USD	\$0.1670	\$11,784	\$11,784	(\$1,234)	-	\$10,550	2 January 2014
Class X GBP distribution	GBP	£0.1621	\$3,971	£2,416	(£687)	£32	£1,761	2 January 2014
Class Z GBP distribution	GBP	£0.1679	\$989,591	£602,018	(£106,724)	£2,040	£497,334	2 January 2014
Class A	USD	\$0.2550	\$11,112	\$11,112	(\$1,390)	-	\$9,722	1 July 2014
Class B	USD	\$0.2513	\$9,343	\$9,343	(\$6,730)	-	\$2,613	1 July 2014
Class C	GBP	£0.2373	\$58,022	£33,857	(£16,825)	£3,431	£20,463	1 July 2014
Class D	EUR	€0.2495	\$30,910	€22,596	(€8,070)	€306	€14,832	1 July 2014
Class E	USD	\$0.2572	\$18,148	\$18,148	-	-	\$18,148	1 July 2014
Class X GBP distribution	GBP	£0.2368	\$10,665	£6,223	(£1,960)	-	£4,263	1 July 2014
Class Z GBP distribution	GBP	£0.2459	\$1,734,707	£1,012,236	(£120,227)	£23,386	£915,395	1 July 2014
			\$2,903,584					

Guinness Asian Equity Income Fund

Class	Currency	Distribution per share	Final distribution paid (base)	Final distribution paid (local)	Income received on subscriptions	Income deducted on redemptions	Net distribution charge	Ex -date
Class X GBP distribution	GBP	£0.1940	\$33	£19	-	-	£19	1 July 2014
Class X EUR distribution	EUR	€0.1972	\$27	€20	-	-	€20	1 July 2014
Class X USD distribution	USD	\$0.1981	\$20	\$20	-	-	\$20	1 July 2014
Class Z GBP distribution	GBP	£0.1945	\$6,700	£3,909	-	-	£3,909	1 July 2014
			\$6,780					

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

15. Distribution (continued)

The following distributions were declared during the financial year ended 31 December 2014 (continued):

Guinness European Equity Income Fund

Class	Currency	Distribution per share	Final distribution paid (base)	Final distribution paid (local)	Income received on subscriptions	Income deducted on redemptions	Net distribution charge	Ex -date
Class X GBP distribution	GBP	£0.2600	\$45	£26	-	-	£26	1 July 2014
Class X EUR distribution	EUR	€0.2642	\$36	€26	-	-	€26	1 July 2014
Class X USD distribution	USD	\$0.2651	\$26	\$26	-	-	\$26	1 July 2014
Class Z GBP distribution	GBP	£0.2604	\$4,507	£2,630	-	-	£2,630	1 July 2014
			<u>\$4,614</u>					

16. Related party disclosures

In accordance with IAS 24 'Related Party Disclosures' the related parties of the Company and the required disclosures relating to material transactions with parties are outlined below.

Investment Manager

The Investment Manager was appointed by the Manager on behalf of the Company to provide investment management and advisory services to the Company. Directors, Edward Guinness and Andrew E Martin Smith are employees of the Investment Manager. Each sub-fund will pay the Investment Manager fees at the rates set out in note 5.

The Company also pays an administrative fee to the Investment Manager and out of this fee the Investment Manager is responsible for paying the administrative expenses of the Company, to include establishment costs, fees and expenses payable to the Manager and Administrator, the Custodian, independent auditor, directors' fees and general administrative expenses. Each sub-fund will pay the Investment Manager an administration fee at the rates set out in note 7.

Details of fees charged are outlined below:

	31 December 2015 USD	31 December 2014 USD
Investment manager fees	3,139,990	2,954,180
Investment manager administration fees	2,182,280	1,884,423
Total	5,322,270	4,838,603

Distributor

Guinness Asset Management Limited was appointed by the Manager on behalf of the Company to promote and market the sale of shares and to use all reasonable endeavours to procure subscribers for shares. The Manager shall pay the Global Distributor a fee out of the assets of the relevant sub-fund, as per note 6. This fee may be waived in whole or in part at the discretion of the Global Distributor. No fee was charged for the year (2014: nil).

Promoter

Guinness Asset Management Limited does not receive a fee in its capacity as Promoter to the Company.

Directors

The Directors are also considered to be related parties. The Company pays the Directors remuneration for acting as Directors of the Company. Aggregate directors' fees charged during the financial year ended 31 December 2015 amounted to €52,000 (2014: €52,000).

Share transactions

The below table provides details of shares held by related parties:

As at 31 December 2015

Related Party	Related Party Type	Sub-fund	Class	Shares
Edward Guinness	Director	Guinness Alternative Energy Fund	Class B	2,347.12
Edward Guinness	Director	Guinness Alternative Energy Fund	Class C	1,900.79
Andrew E. Martin Smith	Director	Guinness Global Money Managers Fund	Class E	7,709.81
Andrew E. Martin Smith	Director	Guinness Global Equity Income Fund	Class Z	4,397.03
Jennifer Martin Smith	Spouse of Director	Guinness Global Money Managers Fund	Class E	3,083.92
Jennifer Martin Smith	Spouse of Director	Guinness Global Equity Income Fund	Class Z	7,376.46

As at 31 December 2014

Related Party	Related Party Type	Sub-fund	Class	Shares
Edward Guinness	Director	Guinness Alternative Energy Fund	Class B	2,347.12
Edward Guinness	Director	Guinness Alternative Energy Fund	Class C	1,900.79
Andrew E. Martin Smith	Director	Guinness Global Money Managers Fund	Class E	7,709.81
Andrew E. Martin Smith	Director	Guinness Global Equity Income Fund	Class Z	2,886.08
Jennifer Martin Smith	Spouse of Director	Guinness Global Money Managers Fund	Class E	3,083.92
Jennifer Martin Smith	Spouse of Director	Guinness Global Equity Income Fund	Class Z	4,358.79

Notes to the financial statements (continued)

For the financial year ended 31 December 2015

Guinness Asset Management Funds plc

16. Related party disclosures (continued)

Share transactions

The below table provides details of shares held by related parties:

The Investment Manager had the following shares in the Company as detailed below:

As at 31 December 2015

	Guinness Alternative Energy Fund USD	Guinness Best of China Fund USD
Class B shares	108,834.83	-
Class X USD accumulation shares	-	30,158.14

As at 31 December 2014

	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD
Class B shares	-	108,834.83
Class D shares	68.94	68.87
Class E shares	100.17	100.00

Notes to the financial statements (continued)

For the financial year ended 31 December 2015

Guinness Asset Management Funds plc

16. Related party disclosures (continued)

Shares transactions (continued)

Guinness Capital Management Limited (an associated company of the Investment Manager) had the following shares in the Company as detailed below:

As at 31 December 2015

	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund USD	Guinness Best of China Fund USD
Class A shares	-	-	47.74	-	-	-	-	-
Class C shares	-	-	100.00	-	-	-	-	-
Class C EUR accumulation shares	-	-	-	-	-	100.00	-	100.00
Class C GBP accumulation shares	-	-	-	-	-	100.00	-	100.00
Class C USD accumulation shares	-	-	-	-	-	100.00	-	100.00
Class D shares	-	230.60	100.00	-	-	-	-	-
Class E shares	116,722.20	302.52	-	-	-	-	-	-
Class X shares	-	-	4,827.22	-	-	-	-	-
Class X EUR accumulation shares	-	-	-	-	100.00	100.00	100.00	100.00
Class X EUR distribution shares	-	-	-	-	106.25	105.39	-	-
Class X GBP accumulation shares	-	-	-	-	-	100.00	-	100.00
Class X GBP distribution shares	-	-	-	-	-	105.62	-	-
Class X USD accumulation shares	-	-	-	-	90.98	100.00	100.00	14,500.00
Class X USD distribution shares	-	-	-	-	106.61	105.51	-	-
Class Y EUR accumulation shares	-	-	-	100.00	-	-	100.00	-
Class Y EUR distribution shares	-	-	-	101.13	-	-	-	-
Class Y GBP accumulation shares	-	-	-	-	-	-	100.00	-
Class Y USD accumulation shares	-	-	-	100.00	-	-	100.00	-
Class Y USD distribution shares	-	-	-	101.16	-	-	-	-
Class Z EUR accumulation shares	-	-	-	-	-	-	100.00	-
Class Z GBP accumulation shares	-	-	-	-	-	-	-	100.00
Class Z GBP distribution shares	-	-	-	-	-	9,993.60	-	-

Notes to the financial statements (continued)

For the financial year ended 31 December 2015

Guinness Asset Management Funds plc

16. Related party disclosures (continued)

Shares transactions (continued)

Guinness Capital Management Limited (an associated company of the Investment Manager) had the following shares in the Company as detailed below (continued):

As at 31 December 2014

	Guinness Global Energy Fund USD	Guinness Alternative Energy Fund USD	Guinness Global Money Managers Fund USD	Guinness Global Equity Income Fund USD	Guinness China and Hong Kong Fund USD	Guinness Asian Equity Income Fund USD	Guinness European Equity Income Fund USD	Guinness Global Innovators Fund USD
Class A shares	-	-	47.74	186.57	9,500.00	-	-	-
Class B shares	-	-	52.25	112.93	100.00	-	-	-
Class C shares	-	-	100.00	-	100.00	-	-	-
Class C EUR accumulation shares	100.00	100.00	100.00	100.00	-	100.00	100.00	100.00
Class C GBP accumulation shares	-	-	-	-	-	-	-	100.00
Class C USD accumulation shares	-	-	-	-	-	-	-	100.00
Class D shares	-	-	100.00	112.73	100.00	-	-	-
Class X shares	-	100.00	-	-	100.00	-	-	-
Class X EUR accumulation shares	-	-	-	-	-	100.00	100.00	100.00
Class X EUR distribution shares	-	-	-	-	-	101.80	102.55	-
Class X GBP accumulation shares	-	-	-	-	-	666.59	100.00	100.00
Class X GBP distribution shares	-	-	-	-	-	101.87	102.65	-
Class X USD accumulation shares	-	-	-	-	-	100.00	100.00	100.00
Class X USD distribution shares	100.07	-	-	-	-	101.82	102.58	-
Class Y EUR accumulation shares	-	-	-	-	-	-	-	100.00
Class Y GBP accumulation shares	-	-	-	-	-	-	-	100.00
Class Y USD accumulation shares	-	-	-	-	-	-	-	100.00
Class Z EUR accumulation shares	-	-	-	-	-	-	-	100.00
Class Z GBP accumulation shares	-	-	-	-	-	-	-	100.00
Class Z GBP distribution shares	-	-	-	-	-	101.87	10,367.22	-
Class Z USD accumulation shares	-	-	-	-	-	-	-	100.00

At the reporting dates 31 December 2015 and 31 December 2014, the two non-participating shares taken by the subscribers to the Company were held by the Investment Manager.

Notes to the financial statements (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

17. Soft commission arrangements

During the financial year ended 31 December 2015, the Investment Manager continued with a soft commission arrangement with Morgan Stanley and Marex.

Soft Dollar Arrangements in place as at the reporting date:

The arrangements noted below are in place to receive energy 'space' research data:

1. Morgan Stanley / Cornerstone

10% of commissions paid to Morgan Stanley for the Guinness Global Energy Fund are set aside in a commission sharing arrangements pool. \$5,000 p.a. is paid to Cornerstone Analytics out of this for daily oil market reports.

2. Marex / Evaluate Energy

CSA pool based on the following commission rates:

US: 10bps split 6bps for research and 4bps for execution

Europe/Canada: 15bps split 10bps for research and 5bps for execution

Asia/Hong Kong: 20bps split 13bps for research and 7bps for execution to fund subscription to "Evaluate Energy" of £8,250 per annum.

18. Efficient portfolio management

No efficient portfolio management techniques were used during the year (2014: nil).

19. Capital management

The redeemable shares issued by the Company provide an investor with the right to require redemption for cash at a value proportionate to the investor's shares in the sub-fund's net assets at each redemption date and are classified as liabilities. The sub-fund's objectives in managing the redeemable shares are to ensure a stable base to maximise returns to all investors and to manage liquidity risk arising from redemptions.

20. Changes to prospectus

There were no material changes to the prospectus during the year.

21. Significant events during the year

The following share classes launched effective 11 March 2015:

Sub-fund	Class
Guinness Global Equity Income Fund	Class C GBP accumulation
Guinness Global Equity Income Fund	Class C USD accumulation
Guinness Global Equity Income Fund	Class Y EUR accumulation
Guinness Global Equity Income Fund	Class Y EUR distribution
Guinness Global Equity Income Fund	Class Y GBP accumulation
Guinness Global Equity Income Fund	Class Y GBP distribution
Guinness Global Equity Income Fund	Class Y USD accumulation
Guinness Global Equity Income Fund	Class Y USD distribution
Guinness China and Hong Kong Fund	Class C EUR accumulation
Guinness Asian Equity Income Fund	Class C GBP accumulation
Guinness Asian Equity Income Fund	Class C USD accumulation
Guinness European Equity Income Fund	Class C GBP accumulation
Guinness European Equity Income Fund	Class C USD accumulation

Effective 12 November 2015 the following share classes were fully redeemed on Guinness China and Hong Kong Fund; Class A, Class B, Class C EUR accumulation, and Class D.

Effective 15 December 2015, Guinness Best of China Fund launched.

22. Events after the reporting date

Guinness China and Hong Kong Fund was fully redeemed effective 31 January 2016.

The following distributions were declared after the reporting date:

Guinness Global Energy Fund

Class	Currency	Distribution per share	Final distribution paid (base)	Final distribution paid (local)	Income received on subscriptions	Income deducted on redemptions	Net distribution charge	Ex -date
Class X USD distribution	USD	\$0.0671	<u>\$393,931</u>	\$393,931	(\$175,600)	\$59,522	\$277,853	4 January 2016
			<u>\$393,931</u>					

Notes to the financial statements (continued)

For the financial year ended 31 December 2015

Guinness Asset Management Funds plc

22. Events after the reporting date (continued)

The following distributions were declared after the reporting date (continued):

Guinness Global Equity Income Fund

Class	Currency	Distribution per share	Final distribution paid (base)	Final distribution paid (local)	Income received on subscriptions	Income deducted on redemptions	Net distribution charge	Ex -date
Class A	USD	\$0.1974	\$23,443	\$23,443	(\$850)	\$1,675	\$24,268	4 January 2016
Class B	USD	\$0.1931	\$71,479	\$71,479	(\$7,144)	\$4,191	\$68,526	4 January 2016
Class C	GBP	£0.1967	\$246,586	£167,871	(£13,711)	£6,530	£160,690	4 January 2016
Class D	EUR	€0.2403	\$48,264	€44,670	(€2,389)	€1,499	€43,780	4 January 2016
Class E	USD	\$0.1999	\$15,985	\$15,985	(\$407)	\$23	\$15,601	4 January 2016
Class X GBP distribution	GBP	£0.2004	\$23,344	£15,892	(£1,481)	£1,220	£15,631	4 January 2016
Class Y EUR distribution	EUR	€0.1478	\$16	€15	-	-	€15	4 January 2016
Class Y GBP distribution	GBP	£0.1500	\$62,942	£42,850	(£12,331)	£535	£31,054	4 January 2016
Class Y USD distribution	USD	\$0.1539	\$16	\$16	-	-	\$16	4 January 2016
Class Z GBP distribution	GBP	£0.2098	\$1,610,814	£1,096,610	(£11,929)	£93,149	£1,177,830	4 January 2016
			<u>\$2,102,889</u>					

Guinness Asian Equity Income Fund

Class	Currency	Distribution per share	Final distribution paid (base)	Final distribution paid (local)	Income received on subscriptions	Income deducted on redemptions	Net distribution charge	Ex -date
Class X GBP distribution	GBP	£0.2557	\$4,607	£3,136	(£592)	£753	£3,297	4 January 2016
Class X EUR distribution	EUR	€0.2970	\$769	€711	(€580)	-	€131	4 January 2016
Class X USD distribution	USD	\$0.2394	\$26	\$26	-	-	\$26	4 January 2016
Class Z GBP distribution	GBP	£0.2580	\$415,363	£282,771	(£65,206)	£3,364	£220,929	4 January 2016
			<u>\$420,765</u>					

Guinness European Equity Income Fund

Class	Currency	Distribution per share	Final distribution paid (base)	Final distribution paid (local)	Income received on subscriptions	Income deducted on redemptions	Net distribution charge	Ex -date
Class X GBP distribution	GBP	£0.0328	\$5	£4	-	-	£4	4 January 2016
Class X EUR distribution	EUR	€0.0377	\$4	€4	-	-	€4	4 January 2016
Class X USD distribution	USD	\$0.0309	\$3	\$3	-	-	\$3	4 January 2016
Class Z GBP distribution	GBP	£0.0330	\$489	£333	(£2)	-	£331	4 January 2016
			<u>\$501</u>					

23. Approval of financial statements

The audited financial statements were approved for issue by the Board of Directors on 26 April 2016.

Schedule of investments

As at 31 December 2015

Guinness Asset Management Funds plc

Guinness Global Energy Fund	Currency	Nominal holdings	Fair value in USD	% of NAV
Financial assets at fair value through profit or loss				
Equities				
Integrated Oil & Gas				
BP PLC	GBP	1,543,271	8,052,205	3.61%
Eni SpA	EUR	586,605	8,793,722	3.94%
Exxon Mobil Corp	USD	115,752	9,022,868	4.05%
Gazprom PAO	USD	2,155,112	7,957,751	3.57%
Hess Corp	USD	144,802	7,020,001	3.15%
Occidental Petroleum Corp	USD	124,750	8,434,348	3.78%
OMV AG	EUR	325,295	9,233,465	4.14%
PetroChina Co Ltd	HKD	12,432,679	8,149,263	3.65%
Royal Dutch Shell PLC	EUR	354,900	8,132,675	3.65%
Statoil ASA	NOK	568,725	7,948,085	3.56%
Suncor Energy Inc	CAD	317,862	8,173,660	3.67%
TOTAL SA	EUR	180,973	8,112,291	3.64%
			99,030,334	44.41%
Oil & Gas Drilling				
Cluff Natural Resources PLC	GBP	12,491,370	552,333	0.25%
Unit Corp	USD	276,823	3,377,241	1.51%
			3,929,574	1.76%
Oil & Gas Equipment & Services				
Halliburton Co	USD	241,186	8,209,971	3.68%
Helix Energy Solutions Group Inc	USD	694,595	3,653,570	1.64%
John Wood Group PLC	GBP	544,461	4,915,212	2.20%
Shandong Molong Petroleum Machinery Co Ltd	HKD	814,400	329,957	0.15%
ShawCor Ltd	CAD	374,718	7,572,050	3.40%
			24,680,760	11.07%
Oil & Gas Exploration & Production				
Apache Corp	USD	175,307	7,795,902	3.50%
Bankers Petroleum Ltd	CAD	2,803,800	2,058,798	0.93%
Canadian Natural Resources Ltd	CAD	395,831	8,611,340	3.86%
Carrizo Oil & Gas Inc	USD	122,095	3,611,570	1.62%
CNOOC Ltd	HKD	8,496,000	8,846,630	3.97%
Devon Energy Corp	USD	190,076	6,082,432	2.73%
EnQuest PLC	GBP	3,881,218	1,086,904	0.49%
JKX Oil & Gas PLC	GBP	1,357,016	545,031	0.24%
Newfield Exploration Co	USD	240,575	7,833,122	3.51%
Noble Energy Inc	USD	258,525	8,513,228	3.82%
Ophir Energy PLC	GBP	129,200	187,477	0.08%
QEP Resources Inc	USD	294,890	3,951,526	1.77%
Sino Gas & Energy Holdings Ltd	AUD	5,249,999	297,931	0.13%
Soco International PLC	GBP	1,337,900	2,903,677	1.30%
Southwestern Energy Co	USD	689,538	4,902,615	2.20%
Triangle Petroleum Corp	USD	69,903	53,825	0.02%
Tullow Oil PLC	GBP	1,347,700	3,291,434	1.48%
WesternZagros Resources Ltd	CAD	694,780	47,516	0.02%
			70,620,958	31.67%
Oil & Gas Refining & Marketing				
Valero Energy Corp	USD	130,447	9,223,907	4.14%
			9,223,907	4.14%
Solar				
JA Solar Holdings Co Ltd	USD	531,442	5,154,987	2.31%
Trina Solar Ltd	USD	456,174	5,027,037	2.25%
			10,182,024	4.56%
Total equities			217,667,557	97.61%
Total financial assets at fair value through profit or loss			217,667,557	97.61%
Cash and cash equivalents and other net assets			5,320,965	2.39%
Net assets attributable to holders of redeemable participating shares			222,988,522	100.00%
Analysis of total assets				% of total assets
Transferable securities listed on an official stock exchange or dealt on another regulated market				97.33%
Other current assets				2.67%
				100.00%

Schedule of investments (continued)

As at 31 December 2015

Guinness Asset Management Funds plc

Guinness Alternative Energy Fund	Currency	Nominal holdings	Fair value in USD	% of NAV
Financial assets at fair value through profit or loss				
Equities				
Biofuels				
Cosan SA Industria e Comercio	BRL	26,700	170,070	3.09%
			170,070	3.09%
Efficiency				
CENTROTEC Sustainable AG	EUR	13,150	188,702	3.43%
Nibe Industrier AB	SEK	4,860	164,006	2.98%
Wasion Group Holdings Ltd	HKD	142,000	148,044	2.69%
			500,752	9.10%
Geothermal				
Ormat Technologies Inc	USD	4,620	168,491	3.06%
			168,491	3.06%
Hydro				
Cia Energetica de Minas Gerais	USD	101,556	152,334	2.77%
Iniziativa Bresciane - Inbre - SpA	EUR	11,439	243,428	4.42%
Verbund AG	EUR	13,880	178,822	3.25%
			574,584	10.44%
Solar				
Canadian Solar Inc	USD	6,800	196,928	3.58%
China Singyes Solar Technologies Holdings Ltd	HKD	250,000	179,674	3.26%
Enphase Energy Inc	USD	78,200	274,482	4.99%
First Solar Inc	USD	2,800	184,772	3.36%
JA Solar Holdings Co Ltd	USD	18,340	177,898	3.23%
JinkoSolar Holding Co Ltd	USD	7,490	207,248	3.76%
ReneSola Ltd	USD	123,720	210,324	3.82%
SolarEdge Technologies Inc	USD	8,800	247,896	4.50%
SunPower Corp	USD	7,077	212,381	3.86%
Trina Solar Ltd	USD	17,640	194,393	3.53%
Xinyi Solar Holdings Ltd	HKD	378,000	154,611	2.81%
			2,240,607	40.70%
Wind				
Boralex Inc	CAD	17,520	182,377	3.31%
China Datang Corp Renewable Power Co Ltd	HKD	1,316,000	164,709	2.99%
China Longyuan Power Group Corp Ltd	HKD	175,000	132,094	2.40%
China Suntien Green Energy Corp Ltd	HKD	864,000	138,237	2.51%
Concord New Energy Group Ltd	HKD	2,440,000	146,397	2.66%
Futuren SA	EUR	219,973	140,984	2.56%
Futuren SA 6/9/2016 Warrant	EUR	276,080	9,597	0.17%
Good Energy Group PLC	GBP	65,115	196,745	3.57%
Greentech Energy Systems AS	DKK	147,430	140,567	2.55%
Huaneng Renewables Corp Ltd	HKD	531,000	158,954	2.89%
Mytrah Energy Ltd	GBP	173,329	114,962	2.09%
Northern Power Systems Corp	CAD	88,825	15,986	0.29%
			1,541,609	27.99%
Total equities			5,196,113	94.38%
Total financial assets at fair value through profit or loss			5,196,113	94.38%
Cash and cash equivalents and other net assets			309,230	5.62%
Net assets attributable to holders of redeemable participating shares			5,505,343	100.00%
Analysis of total assets				% of total assets
Transferable securities listed on an official stock exchange or dealt on another regulated market				94.22%
Other current assets				5.78%
				100.00%

Schedule of investments (continued)

As at 31 December 2015

Guinness Asset Management Funds plc

Guinness Global Money Managers Fund	Currency	Nominal holdings	Fair value in USD	% of NAV
Financial assets at fair value through profit or loss				
Equities				
Asset Management & Custody Banking				
Aberdeen Asset Management PLC	GBP	59,870	255,374	3.04%
Affiliated Managers Group Inc	USD	1,590	254,018	3.02%
AllianceBernstein Holding LP	USD	10,840	258,534	3.08%
Ameriprise Financial Inc	USD	2,500	266,050	3.16%
ARA Asset Management Ltd	SGD	166,002	137,491	1.64%
Ashmore Group PLC	GBP	72,430	273,720	3.25%
Associated Capital Group Inc	USD	3,700	112,850	1.34%
Azimut Holding SpA	EUR	13,280	332,664	3.95%
BlackRock Inc	USD	900	306,468	3.65%
Brewin Dolphin Holdings PLC	GBP	71,100	324,968	3.87%
Coronation Fund Managers Ltd	ZAR	58,940	201,215	2.39%
Fortress Investment Group LLC	USD	49,320	251,039	2.99%
Franklin Resources Inc	USD	7,240	266,577	3.17%
GAM Holding AG	CHF	16,570	276,443	3.29%
GAMCO Investors Inc	USD	3,700	114,848	1.37%
Henderson Group PLC	GBP	69,440	316,869	3.77%
Invesco Ltd	USD	8,920	298,642	3.55%
Jupiter Fund Management PLC	GBP	41,790	278,222	3.31%
KKR & Co LP	USD	16,300	254,117	3.02%
Liontrust Asset Management PLC	GBP	65,860	271,314	3.23%
Och-Ziff Capital Management Group LLC	USD	32,200	200,606	2.39%
PJT Partners Inc	USD	208	5,884	0.07%
Polar Capital Holdings PLC	GBP	46,660	279,474	3.32%
Rathbone Brothers PLC	GBP	8,570	277,890	3.31%
River & Mercantile Group PLC	GBP	76,167	297,497	3.54%
State Street Corp	USD	4,010	266,104	3.17%
The Blackstone Group LP	USD	8,340	243,862	2.90%
T Rowe Price Group Inc	USD	3,800	271,662	3.23%
Value Partners Group Ltd	HKD	305,000	356,547	4.24%
Waddell & Reed Financial Inc	USD	7,840	224,694	2.67%
			7,475,643	88.93%
Investment Banking & Brokerage				
Raymond James Financial Inc	USD	5,480	317,676	3.77%
			317,676	3.77%
Specialised Finance				
Nasdaq Inc	USD	5,200	302,484	3.60%
			302,484	3.60%
Total equities			8,095,803	96.30%
Total financial assets at fair value through profit or loss			8,095,803	96.30%
Cash and cash equivalents and other net assets			310,937	3.70%
Net assets attributable to holders of redeemable participating shares			8,406,740	100.00%
Analysis of total assets				% of total assets
Transferable securities listed on an official stock exchange or dealt on another regulated market				95.93%
Other current assets				4.07%
				100.00%

Schedule of investments (continued)

As at 31 December 2015

Guinness Asset Management Funds plc

Guinness Global Equity Income Fund	Currency	Nominal holdings	Fair value in USD	% of NAV
Financial assets at fair value through profit or loss				
Equities				
Advertising				
WPP PLC	GBP	180,800	4,165,113	2.85%
			4,165,113	2.85%
Aerospace & Defence				
BAE Systems PLC	GBP	610,160	4,492,991	3.06%
General Dynamics Corp	USD	29,770	4,089,207	2.79%
United Technologies Corp	USD	43,270	4,156,949	2.83%
			12,739,147	8.68%
Apparel, Accessories & Luxury				
Li & Fung Ltd	HKD	5,438,000	3,697,768	2.52%
			3,697,768	2.52%
Asset Management & Custody Banking				
Aberdeen Asset Management PLC	GBP	752,100	3,208,067	2.19%
			3,208,067	2.19%
Communications Equipment				
Cisco Systems Inc	USD	161,780	4,393,136	2.99%
			4,393,136	2.99%
Electrical Components & Equipment				
Eaton Corp PLC	USD	82,000	4,267,280	2.91%
Schneider Electric SE	EUR	64,890	3,704,939	2.52%
			7,972,219	5.43%
Electronic Components				
Largan Precision Co Ltd	TWD	58,000	4,009,624	2.73%
			4,009,624	2.73%
Healthcare Services				
Sonic Healthcare Ltd	AUD	326,610	4,246,348	2.89%
			4,246,348	2.89%
Household Products				
The Procter & Gamble Co	USD	51,580	4,095,968	2.79%
			4,095,968	2.79%
Industrial Machinery				
Illinois Tool Works Inc	USD	44,290	4,104,797	2.80%
			4,104,797	2.80%
Insurance Brokers				
Arthur J Gallagher & Co	USD	100,500	4,114,470	2.80%
Willis Towers Watson PLC	USD	88,800	4,313,016	2.94%
			8,427,486	5.74%
Integrated Oil & Gas				
Royal Dutch Shell PLC	EUR	167,210	3,831,683	2.61%
TOTAL SA	EUR	83,300	3,734,004	2.54%
			7,565,687	5.15%
Investment Banking & Brokerage				
ICAP PLC	GBP	556,450	4,178,686	2.85%
			4,178,686	2.85%
Leisure Products				
Mattel Inc	USD	154,230	4,190,429	2.86%
			4,190,429	2.86%
Life & Health Insurance				
Aflac Inc	USD	70,990	4,252,301	2.90%
			4,252,301	2.90%
Packaged Foods & Meats				
Danone SA	EUR	61,040	4,129,629	2.81%
Unilever PLC	GBP	103,370	4,458,743	3.04%
			8,588,372	5.85%
Pharmaceuticals				
AbbVie Inc	USD	72,720	4,307,933	2.94%
Johnson & Johnson	USD	40,260	4,135,507	2.82%
Merck & Co Inc	USD	79,250	4,185,985	2.85%
Teva Pharmaceutical Industries Ltd	USD	66,390	4,357,840	2.97%
			16,987,265	11.58%
Soft Drinks				
The Coca-Cola Co	USD	95,080	4,084,637	2.78%
			4,084,637	2.78%
Specialised Consumer Services				
H&R Block Inc	USD	113,458	3,779,286	2.58%
			3,779,286	2.58%
Specialised Finance				
CME Group Inc/IL	USD	43,840	3,971,904	2.71%
Deutsche Boerse AG	EUR	50,840	4,494,946	3.06%
			8,466,850	5.77%

Schedule of investments (continued)

As at 31 December 2015

Guinness Asset Management Funds plc

Guinness Global Equity Income Fund (continued)	Currency	Nominal holdings	Fair value in USD	% of NAV
Financial assets at fair value through profit or loss (continued)				
Equities (continued)				
Systems Software				
CA Inc	USD	144,340	4,122,350	2.81%
Microsoft Corp	USD	74,410	4,128,267	2.81%
			8,250,617	5.62%
Tobacco				
Imperial Tobacco Group PLC	GBP	87,810	4,641,775	3.16%
Japan Tobacco Inc	JPY	109,900	4,084,649	2.78%
			8,726,424	5.94%
Wireless Telecommunication Services				
Vodacom Group Ltd	ZAR	440,500	4,332,652	2.95%
			4,332,652	2.95%
Total equities			144,462,879	98.44%
Total financial assets at fair value through profit or loss			144,462,879	98.44%
Cash and cash equivalents and other net assets			2,292,571	1.56%
Net assets attributable to holders of redeemable participating shares			146,755,450	100.00%
Analysis of total assets				% of total assets
Transferable securities listed on an official stock exchange or dealt on another regulated market				98.27%
Other current assets				1.73%
				100.00%

Schedule of investments (continued)

As at 31 December 2015

Guinness Asset Management Funds plc

Guinness China & Hong Kong Fund	Currency	Nominal holdings	Fair value in USD	% of NAV
Financial assets at fair value through profit or loss				
Equities				
Airlines				
Cathay Pacific Airways Ltd	HKD	6,000	10,389	2.51%
			10,389	2.51%
Automobile Manufacturers				
Dongfeng Motor Group Co Ltd	HKD	10,000	13,367	3.23%
Geely Automobile Holdings Ltd	HKD	19,000	10,125	2.45%
			23,492	5.68%
Building products				
China Lesso Group Holdings Ltd	HKD	19,000	13,263	3.21%
			13,263	3.21%
Casinos & Gaming				
Galaxy Entertainment Group Ltd	HKD	4,000	12,619	3.05%
NagaCorp Ltd	HKD	12,000	7,587	1.84%
			20,206	4.89%
Communications Equipment				
VTech Holdings Ltd	HKD	1,100	11,404	2.76%
			11,404	2.76%
Computer Hardware				
Lenovo Group Ltd	HKD	20,000	20,309	4.91%
			20,309	4.91%
Construction & Farm Machinery & Heavy Trucks				
Weichai Power Co Ltd	HKD	4,600	5,093	1.23%
Yangzijiang Shipbuilding Holdings Ltd	SGD	10,000	7,754	1.88%
			12,847	3.11%
Construction Materials				
Anhui Conch Cement Co Ltd	HKD	3,500	9,416	2.28%
			9,416	2.28%
Diversified Banks				
BOC Hong Kong Holdings Ltd	HKD	4,500	13,761	3.33%
China Construction Bank Corp	HKD	24,000	16,444	3.98%
China Merchants Bank Co Ltd	HKD	6,500	15,348	3.71%
China Minsheng Banking Corp Ltd	HKD	11,000	10,900	2.64%
Dah Sing Financial Holdings Ltd	HKD	400	2,000	0.48%
Industrial & Commercial Bank of China Ltd	HKD	14,000	8,454	2.05%
			66,907	16.19%
Electronic Manufacturing Services				
AAC Technologies Holdings Inc	HKD	3,500	22,829	5.52%
			22,829	5.52%
Footwear				
Belle International Holdings Ltd	HKD	14,000	10,513	2.54%
			10,513	2.54%
Highways & Railtracks				
Shenzhen Expressway Co Ltd	HKD	10,000	8,839	2.14%
			8,839	2.14%
Industrial Conglomerates				
Beijing Enterprises Holdings Ltd	HKD	1,500	9,087	2.20%
			9,087	2.20%
Industrial Machinery				
Chen Hsong Holdings	HKD	9,000	2,114	0.51%
Tongda Group Holdings Ltd	HKD	70,000	12,374	2.99%
			14,488	3.50%
Internet & Software Services				
NetEase Inc	USD	105	19,030	4.60%
Sohu.com Inc	USD	290	16,585	4.01%
Tencent Holdings Ltd	HKD	1,200	23,613	5.71%
			59,228	14.32%
Life Insurance				
China Life Insurance Co Ltd	HKD	3,000	9,697	2.35%
Ping An Insurance Group Co of China Ltd	HKD	2,500	13,871	3.36%
			23,568	5.71%
Oil & Gas Exploration & Production				
CNOOC Ltd	HKD	8,000	8,330	2.02%
			8,330	2.02%
Property & Casualty Insurance				
PICC Property & Casualty Co Ltd	HKD	8,000	15,917	3.85%
The People's Insurance Co Group of China Ltd	HKD	31,000	15,200	3.68%
			31,117	7.53%
Real Estate Development				
China Overseas Land & Investment Ltd	HKD	4,000	14,038	3.40%
SOHO China Ltd	HKD	8,500	4,124	1.00%
			18,162	4.40%

Schedule of investments (continued)

Guinness Asset Management Funds plc

As at 31 December 2015

Guinness China & Hong Kong Fund (continued)	Currency	Nominal holdings	Fair value in USD	% of NAV
Financial assets at fair value through profit or loss (continued)				
Equities (continued)				
Real Estate Services				
China Overseas Property Holdings Ltd	HKD	1,333	218	0.05%
			218	0.05%
Wireless Telecommunication Services				
China Mobile Ltd	HKD	1,500	16,935	4.10%
			16,935	4.10%
Total equities			411,547	99.57%
CIS (UCITS)				
Exchange traded funds				
db x-trackers CSI300 UCITS ETF	HKD	17,400	17,040	4.12%
			17,040	4.12%
Total CIS			17,040	4.12%
Total financial assets at fair value through profit or loss			428,587	103.69%
Cash and cash equivalents and other net liabilities			(15,195)	(3.69%)
Net assets attributable to holders of redeemable participating shares			413,392	100.00%
Analysis of total assets				% of total assets
Transferable securities listed on an official stock exchange or dealt on another regulated market				76.07%
UCITS CIS				3.15%
Other current assets				20.78%
				100.00%

Schedule of investments (continued)

As at 31 December 2015

Guinness Asset Management Funds plc

Guinness Asian Equity Income Fund	Currency	Nominal holdings	Fair value in USD	% of NAV
Financial assets at fair value through profit or loss				
Equities				
Apparel, Accessories & Luxury				
China Lilang Ltd	HKD	745,000	549,847	2.62%
Li & Fung Ltd	HKD	874,000	594,309	2.84%
			1,144,156	5.46%
Asset Management & Custody Banking				
Henderson Group PLC	AUD	132,840	610,812	2.92%
			610,812	2.92%
Casinos & Gaming				
NagaCorp Ltd	HKD	890,000	562,699	2.69%
			562,699	2.69%
Communications Equipment				
QUALCOMM Inc	USD	12,190	609,317	2.91%
			609,317	2.91%
Computer & Electronics Retail				
JB Hi-Fi Ltd	AUD	43,560	618,628	2.95%
			618,628	2.95%
Computer Hardware				
Asustek Computer Inc	TWD	70,000	579,850	2.77%
			579,850	2.77%
Computer Storage & Peripherals				
Catcher Technology Co Ltd	TWD	63,600	534,584	2.55%
			534,584	2.55%
Construction & Farm Machinery & Heavy Trucks				
Yangzijiang Shipbuilding Holdings Ltd	SGD	739,800	573,630	2.74%
			573,630	2.74%
Diversified Banks				
BOC Hong Kong Holdings Ltd	HKD	190,500	582,550	2.77%
China Construction Bank Corp	HKD	853,000	584,431	2.79%
China Merchants Bank Co Ltd	HKD	252,000	595,034	2.84%
China Minsheng Banking Corp Ltd	HKD	607,800	602,299	2.88%
Industrial & Commercial Bank of China Ltd	HKD	977,000	589,971	2.82%
			2,954,285	14.10%
Electrical Components & Equipment				
Delta Electronics Thailand PCL	THB	244,200	518,450	2.48%
			518,450	2.48%
Electronic Components				
Largan Precision Co Ltd	TWD	8,000	553,052	2.64%
			553,052	2.64%
Electronic Manufacturing Service				
AAC Technologies Holdings Inc	HKD	84,000	547,886	2.61%
Hon Hai Precision Industry Co Ltd	TWD	229,728	565,295	2.70%
			1,113,181	5.31%
Footwear				
Belle International Holdings Ltd	HKD	774,000	581,238	2.78%
			581,238	2.78%
Healthcare Services				
Sonic Healthcare Ltd	AUD	39,630	515,241	2.46%
			515,241	2.46%
Healthcare Supplies				
St Shine Optical Co Ltd	TWD	29,040	584,585	2.79%
			584,585	2.79%
Industrial REITs				
Ascendas Real Estate Investment Trust	SGD	356,600	573,114	2.74%
Ascendas Reit Entitlements	SGD	13,372	584	0.00%
			573,698	2.74%
Integrated Oil & Gas				
PTT PCL	THB	90,900	615,536	2.94%
			615,536	2.94%
Life & Health Insurance				
Aflac Inc	USD	9,500	569,049	2.72%
			569,049	2.72%
Oil & Gas Exploration & Production				
CNOOC Ltd	HKD	559,000	582,070	2.78%
			582,070	2.78%
Real Estate Development				
LPN Development PCL	THB	1,289,000	572,364	2.73%
			572,364	2.73%
Real Estate Services				
Relo Holdings Inc	JPY	5,600	683,852	3.27%
			683,852	3.27%
Retail REITs				
CapitaLand Mall Trust	SGD	426,400	580,095	2.76%
Link REIT	HKD	95,000	568,763	2.72%
			1,148,858	5.48%

Schedule of investments (continued)

Guinness Asset Management Funds plc

As at 31 December 2015

Guinness Asian Equity Income Fund (continued)	Currency	Nominal holdings	Fair value in USD	% of NAV
Financial assets at fair value through profit or loss (continued)				
Equities (continued)				
Semiconductors				
Novatek Microelectronics Corp	TWD	153,300	602,257	2.88%
Taiwan Semiconductor Manufacturing Co Ltd	TWD	134,000	583,567	2.79%
			1,185,824	5.67%
Specialty Stores				
Luk Fook Holdings International Ltd	HKD	259,000	549,404	2.62%
			549,404	2.62%
Textiles				
Pacific Textiles Holdings Ltd	HKD	363,000	560,180	2.67%
			560,180	2.67%
Tobacco				
KT&G Corp	KRW	6,090	541,743	2.58%
			541,743	2.58%
Wireless Telecommunication Services				
China Mobile Ltd	HKD	50,000	564,505	2.70%
DiGi.Com Bhd	MYR	488,800	612,873	2.93%
			1,177,378	5.63%
Total equities			20,813,664	99.38%
Total financial assets at fair value through profit or loss			20,813,664	99.38%
Cash and cash equivalents and other net assets			129,566	0.62%
Net assets attributable to holders of redeemable participating shares			20,943,230	100.00%
Analysis of total assets				% of total assets
Transferable securities listed on an official stock exchange or dealt on another regulated market				99.25%
Other current assets				0.75%
				100.00%

Schedule of investments (continued)

As at 31 December 2015

Guinness Asset Management Funds plc

Guinness European Equity Income Fund	Currency	Nominal holdings	Fair value in USD	% of NAV
Financial assets at fair value through profit or loss				
Equities				
Apparel, accessories and luxury goods				
HUGO BOSS AG	EUR	42	3,495	2.12%
			3,495	2.12%
Broadcasting				
Metropole Television SA	EUR	264	4,543	2.76%
Modern Times Group MTG AB	SEK	216	5,552	3.37%
RTL Group SA	EUR	66	5,521	3.35%
			15,616	9.48%
Computer Hardware				
Wincor Nixdorf AG	EUR	115	5,793	3.52%
			5,793	3.52%
Distillers & Vintners				
C&C Group PLC	EUR	1,242	5,012	3.04%
			5,012	3.04%
Electrical Components & Equipment				
Saft Groupe SA	EUR	175	5,340	3.24%
Schneider Electric SE	EUR	69	3,940	2.39%
			9,280	5.63%
Food Retailers & Wholesalers				
Axfood AB	SEK	348	6,060	3.68%
			6,060	3.68%
Heavy Electrical Equipment				
ABB Ltd	CHF	284	5,096	3.09%
Alstom SA	EUR	165	5,048	3.06%
			10,144	6.15%
Homebuilding				
JM AB	SEK	216	6,474	3.93%
			6,474	3.93%
Human Resource & Employment Services				
Adecco SA	CHF	77	5,300	3.22%
			5,300	3.22%
Industrial Machinery				
Atlas Copco AB	SEK	217	5,364	3.25%
Konecranes OYJ	EUR	170	4,230	2.57%
			9,594	5.82%
IT Consulting & Other Services				
Indra Sistemas SA	EUR	541	5,095	3.09%
Tieto OYJ	EUR	209	5,612	3.41%
			10,707	6.50%
Multi-line Insurance				
Helvetia Holding AG	CHF	12	6,785	4.11%
Mapfre SA	EUR	1,819	4,568	2.77%
Vienna Insurance Group AG Wiener Versicherung Gruppe	EUR	166	4,560	2.77%
			15,913	9.65%
Oil & Gas Equipment & Services				
Tecnicas Reunidas SA	EUR	112	4,240	2.57%
			4,240	2.57%
Packaged Foods & Meats				
Danone SA	EUR	82	5,548	3.37%
Salmar ASA	NOK	317	5,551	3.37%
Unilever NV	EUR	149	6,491	3.94%
			17,590	10.68%
Pharmaceuticals				
Novartis AG	CHF	57	4,943	3.00%
Recordati SpA	EUR	235	6,150	3.73%
Sanofi	EUR	56	4,781	2.90%
			15,874	9.63%
Specialised Finance				
Deutsche Boerse AG	EUR	73	6,454	3.92%
			6,454	3.92%
Trading Companies & Distributors				
Rexel SA	EUR	366	4,882	2.95%
			4,882	2.95%
Wireless Telecommunication Services				
Freenet AG	EUR	197	6,701	4.07%
			6,701	4.07%
Total equities			159,129	96.56%
Total financial assets at fair value through profit or loss			159,129	96.56%
Cash and cash equivalents and other net assets			5,675	3.44%
Net assets attributable to holders of redeemable participating shares			164,804	100.00%

Schedule of investments (continued)

As at 31 December 2015

Guinness Asset Management Funds plc

Guinness European Equity Income Fund (continued)

	% of total assets
Analysis of total assets	
Transferable securities listed on an official stock exchange or dealt on another regulated market	96.49%
Other current assets	3.51%
	100.00%

Schedule of investments (continued)

As at 31 December 2015

Guinness Asset Management Funds plc

Guinness Global Innovators Fund	Currency	Nominal holdings	Fair value in USD	% of NAV
Financial assets at fair value through profit or loss				
Equities				
Aerospace & Defence				
The Boeing Co	USD	14,330	2,071,975	3.30%
			2,071,975	3.30%
Apparel, Accessories & Luxury				
Li & Fung Ltd	HKD	3,226,000	2,193,638	3.50%
			2,193,638	3.50%
Application Software				
PTC Inc	USD	62,660	2,169,916	3.46%
SAP SE	EUR	26,330	2,098,826	3.35%
			4,268,742	6.81%
Asset Management & Custody Banking				
State Street Corp	USD	30,060	1,994,782	3.18%
WisdomTree Investments Inc	USD	132,350	2,075,248	3.31%
			4,070,030	6.49%
Biotechnology				
Gilead Sciences Inc	USD	20,230	2,047,074	3.26%
			2,047,074	3.26%
Broadcasting & Entertainment				
TEGNA Inc	USD	78,980	2,015,570	3.21%
			2,015,570	3.21%
Cable & Satellite				
Comcast Corp	USD	36,520	2,060,824	3.29%
			2,060,824	3.29%
Communications Equipment				
Cisco Systems Inc	USD	76,710	2,083,060	3.32%
QUALCOMM Inc	USD	42,640	2,131,360	3.40%
			4,214,420	6.72%
Data Processing & Outsourced Services				
PayPal Holdings Inc	USD	55,530	2,010,186	3.21%
VeriFone Systems Inc	USD	73,240	2,052,185	3.27%
			4,062,371	6.48%
Electrical Components & Equipment				
Eaton Corp PLC	USD	37,380	1,945,255	3.10%
Schneider Electric SE	EUR	36,240	2,069,147	3.30%
			4,014,402	6.40%
Industrial Conglomerates				
Danaher Corp	USD	23,150	2,150,172	3.43%
Roper Technologies Inc	USD	11,090	2,104,771	3.36%
			4,254,943	6.79%
Internet Software & Services				
Alphabet Inc	USD	2,840	2,209,547	3.52%
			2,209,547	3.52%
IT Consulting & Other Services				
Cognizant Technology Solutions Corp	USD	35,030	2,102,501	3.35%
			2,102,501	3.35%
Oil & Gas Equipment & Services				
Schlumberger Ltd	USD	29,660	2,068,785	3.30%
			2,068,785	3.30%
Semiconductor Equipment				
Applied Materials Inc	USD	110,710	2,066,956	3.30%
			2,066,956	3.30%
Semiconductors				
Intel Corp	USD	59,680	2,055,976	3.28%
NVIDIA Corp	USD	63,240	2,084,390	3.32%
Taiwan Semiconductor Manufacturing Co Ltd	USD	93,390	2,124,623	3.40%
			6,264,989	10.00%
Specialised Consumer Services				
H&R Block Inc	USD	57,140	1,903,333	3.04%
			1,903,333	3.04%
Specialised Finance				
Intercontinental Exchange Inc	USD	8,320	2,132,083	3.40%
			2,132,083	3.40%
Systems Software				
Check Point Software Technologies Ltd	USD	25,460	2,071,935	3.30%
Oracle Corp	USD	57,310	2,093,534	3.34%
			4,165,469	6.64%
Technology Hardware, Storage & Equipment				
Lenovo Group Ltd	HKD	2,184,000	2,217,774	3.54%
Samsung Electronics Co Ltd	USD	3,780	2,009,070	3.20%
			4,226,844	6.74%
Total equities			62,414,496	99.54%

Schedule of investments (continued)

As at 31 December 2015

Guinness Asset Management Funds plc

Guinness Global Innovators Fund	Fair value in USD	% of NAV
Total financial assets at fair value through profit or loss	62,414,496	99.54%
Cash and cash equivalents and other net assets	289,182	0.46%
Net assets attributable to holders of redeemable participating shares	62,703,678	100.00%

Analysis of total assets	% of total assets
Transferable securities listed on an official stock exchange or dealt on another regulated market	99.01%
Other current assets	0.99%
	100.00%

Schedule of investments (continued)

As at 31 December 2015

Guinness Asset Management Funds plc

Guinness Best of China Fund	Currency	Nominal holdings	Fair value in USD	% of NAV
Financial assets at fair value through profit or loss				
Equities				
Apparel, Accessories & Luxury				
China Lilang Ltd	HKD	22,000	16,237	2.77%
Li & Fung Ltd	HKD	26,000	17,680	3.02%
			33,917	5.79%
Automobile Manufacturers				
Geely Automobile Holdings Ltd	HKD	30,000	15,987	2.73%
			15,987	2.73%
Building products				
China Lesso Group Holdings Ltd	HKD	24,000	16,753	2.85%
			16,753	2.85%
Casinos & Gaming				
NagaCorp Ltd	HKD	26,000	16,438	2.81%
			16,438	2.81%
Communications Equipment				
VTech Holdings Ltd	HKD	1,700	17,625	3.01%
			17,625	3.01%
Computer Hardware				
Lenovo Group Ltd	HKD	16,000	16,247	2.78%
			16,247	2.78%
Computer Storage & Peripherals				
Catcher Technology Co Ltd	TWD	2,000	16,811	2.87%
			16,811	2.87%
Construction & Farm Machinery & Heavy Trucks				
Yangzijiang Shipbuilding Holdings Ltd	SGD	22,100	17,136	2.93%
			17,136	2.93%
Construction Materials				
Anhui Conch Cement Co Ltd	HKD	6,000	16,142	2.76%
			16,142	2.76%
Diversified Banks				
BOC Hong Kong Holdings Ltd	HKD	5,500	16,819	2.87%
China Construction Bank Corp	HKD	25,000	17,129	2.93%
China Merchants Bank Co Ltd	HKD	7,500	17,709	3.03%
			51,657	8.83%
Electronic Equipment & Instruments				
Hollysys Automation Technologies Ltd	USD	800	17,744	3.03%
			17,744	3.03%
Electronic Manufacturing Service				
AAC Technologies Holdings Inc	HKD	2,500	16,307	2.79%
Hon Hai Precision Industry Co Ltd	TWD	7,000	17,225	2.94%
			33,532	5.73%
Footwear				
Belle International Holdings Ltd	HKD	23,000	17,272	2.95%
			17,272	2.95%
Healthcare Supplies				
St Shine Optical Co Ltd	TWD	1,000	20,130	3.44%
			20,130	3.44%
Industrial Machinery				
Haitian International Holdings Ltd	HKD	12,000	17,527	3.00%
Tongda Group Holdings Ltd	HKD	100,000	17,677	3.02%
			35,204	6.02%
Integrated Telecommunication Services				
PCCW Ltd	HKD	29,000	17,025	2.91%
			17,025	2.91%
Internet & Software Services				
NetEase Inc	USD	100	18,124	3.10%
Tencent Holdings Ltd	HKD	900	17,709	3.03%
			35,833	6.13%
Life Insurance				
China Life Insurance Co Ltd	HKD	5,000	16,161	2.76%
Ping An Insurance Group Co of China Ltd	HKD	3,000	16,645	2.84%
			32,806	5.60%
Oil & Gas Exploration & Production				
CNOOC Ltd	HKD	17,000	17,702	3.03%
			17,702	3.03%
Property & Casualty Insurance				
PICC Property & Casualty Co Ltd	HKD	8,000	15,917	2.72%
			15,917	2.72%
Real Estate Development				
China Overseas Land & Investment Ltd	HKD	6,000	21,058	3.60%
			21,058	3.60%

Schedule of investments (continued)

As at 31 December 2015

Guinness Asset Management Funds plc

Guinness Best of China Fund (continued)	Currency	Nominal holdings	Fair value in USD	% of NAV
Financial assets at fair value through profit or loss (continued)				
Equities (continued)				
Semiconductors				
Novatek Microelectronics Corp	TWD	4,000	15,714	2.69%
Radiant Opto-Electronics Corp	TWD	7,000	16,074	2.75%
Taiwan Semiconductor Manufacturing Co Ltd	TWD	4,000	17,420	2.98%
			49,208	8.42%
Specialty Stores				
Luk Fook Holdings International Ltd	HKD	8,000	16,970	2.90%
			16,970	2.90%
Textiles				
Pacific Textiles Holdings Ltd	HKD	11,000	16,975	2.90%
			16,975	2.90%
Total equities			566,089	96.74%
Total financial assets at fair value through profit or loss			566,089	96.74%
Cash and cash equivalents and other net assets			19,099	3.26%
Net assets attributable to holders of redeemable participating shares			585,188	100.00%
				% of total assets
Analysis of total assets				
Transferable securities listed on an official stock exchange or dealt on another regulated market				81.40%
Other current assets				18.60%
				100.00%

Statement of significant portfolio movements (unaudited)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

Guinness Global Energy Fund

Purchases	Cost USD
Southwestern Energy Co	13,936,138
CNOOC Ltd	10,160,793
PetroChina Co Ltd	7,357,761
Royal Dutch Shell PLC	5,956,593
Tullow Oil PLC	5,723,116
TOTAL SA	5,617,761
Exxon Mobil Corp	5,310,500
Canadian Natural Resources Ltd	5,303,745
Devon Energy Corp	5,086,929
Eni SpA	5,084,429
Helix Energy Solutions Group Inc	4,824,426
Hess Corp	4,791,583
Noble Energy Inc	4,726,603
ShawCor Ltd	4,678,296
Apache Corp	4,635,232
Halliburton Co	4,308,538
Chesapeake Energy Corp	4,277,224
BP PLC	4,214,653
Occidental Petroleum Corp	3,953,783
Statoil ASA	3,845,160

Sales	Proceeds USD
Chesapeake Energy Corp	6,436,700
Dragon Oil PLC	6,000,611
Valero Energy Corp	5,143,634
Newfield Exploration Co	4,258,831
John Wood Group PLC	4,036,604
TOTAL SA	3,683,763
PetroChina Co Ltd	3,021,527
Stone Energy Corp	2,963,566
Exxon Mobil Corp	2,794,142
Hess Corp	2,738,959
Ultra Petroleum Corp	2,446,165
Eni SpA	2,397,846
Royal Dutch Shell PLC	2,382,520
Apache Corp	2,347,677
BP PLC	2,319,384
Halliburton Co	2,174,984
Devon Energy Corp	1,967,826
Occidental Petroleum Corp	1,959,758
OMV AG	1,944,601
Trina Solar Ltd	1,915,359

Statement of significant portfolio movements (unaudited) (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

Guinness Alternative Energy Fund

	Cost USD
Purchases	
Enphase Energy Inc	214,724
Xinyi Solar Holdings Ltd	187,421
Concord New Energy Group Ltd	178,487
SolarEdge Technologies Inc	169,913
First Solar Inc	167,647
Cia Energetica de Minas Gerais	124,226
China Singyes Solar Technologies Holdings Ltd	74,696
Verbund AG	71,298
Enel Green Power SpA	62,837
ReneSola Ltd	51,264
SunPower Corp	46,729
Cosan SA Industria e Comercio	41,500
Good Energy Group PLC	30,166
JA Solar Holdings Co Ltd	21,569
<hr/>	
	Proceeds USD
Sales	
Acciona SA	294,292
Enel Green Power SpA	289,435
EDP Renovaveis SA	238,171
Futuren SA	146,170
Nibe Industrier AB	122,795
Ormat Technologies Inc	117,752
Wasion Group Holdings Ltd	105,503
JinkoSolar Holding Co Ltd	98,771
JA Solar Holdings Co Ltd	95,985
Xinyi Solar Holdings Ltd	95,380
SunPower Corp	90,568
Good Energy Group PLC	78,807
Trina Solar Ltd	77,816
Canadian Solar Inc	75,012
Yingli Green Energy Holding Co Ltd	74,202
Enphase Energy Inc	70,366
China Datang Corp Renewable Power Co Ltd	54,383
Huaneng Renewables Corp Ltd	52,051
China Longyuan Power Group Corp Ltd	46,201
Mytrah Energy Ltd	41,410

UCITS Notices issued by the Central Bank of Ireland require the top 20 largest purchases and sales to be disclosed, however due to trading volumes, the above details all the purchases during the year.

Statement of significant portfolio movements (unaudited) (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

Guinness Global Money Managers Fund

Purchases	Cost USD
Coronation Fund Managers Ltd	241,457
Aberdeen Asset Management PLC	199,020
Polar Capital Holdings PLC	187,539
Franklin Resources Inc	186,983
Value Partners Group Ltd	181,720
Affiliated Managers Group Inc	164,781
Fortress Investment Group LLC	151,734
Och-Ziff Capital Management Group LLC	145,370
BlackRock Inc	144,111
Waddell & Reed Financial Inc	144,104
Ashmore Group PLC	141,324
Ameriprise Financial Inc	135,993
Invesco Ltd	134,053
Brewin Dolphin Holdings PLC	122,589
Raymond James Financial Inc	120,105
Rathbone Brothers PLC	116,736
T Rowe Price Group Inc	114,381
KKR & Co LP	113,383
State Street Corp	106,578
Azimut Holding SpA	102,903

Sales	Proceeds USD
Value Partners Group Ltd	227,362
Polar Capital Holdings PLC	102,667
Nasdaq Inc	92,426
River & Mercantile Group PLC	79,989
Rathbone Brothers PLC	77,521
BlackRock Inc	63,832
Ameriprise Financial Inc	56,619
Affiliated Managers Group Inc	55,285
Jupiter Fund Management PLC	55,105
Ashmore Group PLC	53,315
Raymond James Financial Inc	46,979
Azimut Holding SpA	46,414
AllianceBernstein Holding LP	45,348
Henderson Group PLC	35,951
T Rowe Price Group Inc	34,227
Fortress Investment Group LLC	33,108
Aberdeen Asset Management PLC	28,144
State Street Corp	26,553
Liontrust Asset Management PLC	26,480
Franklin Resources Inc	25,440

Statement of significant portfolio movements (unaudited) (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

Guinness Global Equity Income Fund

Purchases	Cost USD
Mattel Inc	5,120,729
Eaton Corp PLC	4,452,579
WPP PLC	4,401,906
CA Inc	4,202,428
United Technologies Corp	4,169,422
CME Group Inc/IL	4,139,848
Japan Tobacco Inc	4,087,905
Largan Precision Co Ltd	4,068,290
Li & Fung Ltd	3,732,905
CNOOC Ltd	3,531,870
Vodacom Group Ltd	3,515,787
Royal Dutch Shell PLC	3,431,827
Merck & Co Inc	3,271,134
Imperial Tobacco Group PLC	3,176,716
China Mobile Ltd	2,594,290
The Procter & Gamble Co	2,365,112
Sonic Healthcare Ltd	2,280,634
Aberdeen Asset Management PLC	2,195,798
H&R Block Inc	2,143,287
TOTAL SA	2,142,732

Sales	Proceeds USD
CNOOC Ltd	5,573,346
China Mobile Ltd	4,946,701
Reckitt Benckiser Group PLC	4,431,283
Eni SpA	4,296,573
L-3 Communications Holdings Inc	4,210,599
Mattel Inc	3,778,336
Meggitt PLC	3,206,986
Imperial Tobacco Group PLC	2,140,296
Merck & Co Inc	1,533,406
Microsoft Corp	1,506,014
H&R Block Inc	1,442,475
Vodacom Group Ltd	1,430,053
Li & Fung Ltd	1,417,025
The Coca-Cola Co	1,032,416
Royal Dutch Shell PLC	1,019,077
Teva Pharmaceutical Industries Ltd	877,208
Deutsche Boerse AG	844,804
Johnson & Johnson	838,906
TOTAL SA	726,670
The Procter & Gamble Co	721,529

Statement of significant portfolio movements (unaudited) (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

Guinness China and Hong Kong Fund

	Cost USD
Purchases	
Ping An Insurance Group Co of China Ltd	22,443
China Life Insurance Co Ltd	19,808
Great Wall Motor Co Ltd	18,524
PICC Property & Casualty Co Ltd	17,741
The People's Insurance Co Group of China Ltd	16,985
Chongqing Rural Commercial Bank Co Ltd	16,035
China Overseas Land & Investment Ltd	15,945
China Mobile Ltd	14,226
Tongda Group Holdings Ltd	12,965
Belle International Holdings Ltd	12,500
Galaxy Entertainment Group Ltd	9,822
AAC Technologies Holdings Inc	9,281
Sohu.com Inc	9,148
Weichai Power Co Ltd	8,449
Tencent Holdings Ltd	8,227
Industrial & Commercial Bank of China Ltd	7,652
Lenovo Group Ltd	6,196
China Construction Bank Corp	5,806
Shenzhen Expressway Co Ltd	5,267
China Shenhua Energy Co Ltd	4,914

	Proceeds USD
Sales	
NetEase Inc	31,425
Tencent Holdings Ltd	19,978
Industrial & Commercial Bank of China Ltd	16,065
Baoxin Auto Group Ltd	14,429
Weichai Power Co Ltd	12,000
PetroChina Co Ltd	11,779
Chongqing Rural Commercial Bank Co Ltd	11,321
China Shenhua Energy Co Ltd	9,606
Great Wall Motor Co Ltd	8,996
Shenzhen Expressway Co Ltd	8,834
Geely Automobile Holdings Ltd	8,551
Beijing Enterprises Holdings Ltd	8,277
CNOOC Ltd	8,265
BOC Hong Kong Holdings Ltd	7,835
HSBC Holdings PLC	7,365
China Minsheng Banking Corp Ltd	7,250
Lenovo Group Ltd	6,944
China Mobile Ltd	6,816
Li & Fung Ltd	6,643
China Construction Bank Corp	6,169

Statement of significant portfolio movements (unaudited) (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

Guinness Asian Equity Income Fund

Purchases	Cost USD
PTT PCL	748,204
China Lilang Ltd	709,530
QUALCOMM Inc	703,792
BOC Hong Kong Holdings Ltd	694,169
St Shine Optical Co Ltd	692,797
Luk Fook Holdings International Ltd	683,903
Catcher Technology Co Ltd	681,245
CNOOC Ltd	675,253
Belle International Holdings Ltd	671,835
China Construction Bank Corp	667,881
China Minsheng Banking Corp Ltd	667,625
Industrial & Commercial Bank of China Ltd	667,199
NagaCorp Ltd	664,608
Yangzijiang Shipbuilding Holdings Ltd	657,623
Li & Fung Ltd	655,800
DiGi.Com Bhd	653,278
China Merchants Bank Co Ltd	642,020
Largan Precision Co Ltd	636,471
CapitaLand Mall Trust	636,290
LPN Development PCL	635,367

Sales	Proceeds USD
Shenzhou International Group Holdings Ltd	507,658
iiNet Ltd	409,295
St Shine Optical Co Ltd	352,399
AAC Technologies Holdings Inc	69,269
Huabao International Holdings Ltd	48,574
Relo Holdings Inc	10,311
China Lilang Ltd	2,063
Global Brands Group Holding Ltd	1,306

UCITS Notices issued by the Central Bank of Ireland require the top 20 largest purchases and sales to be disclosed, however due to trading volumes, the above details all the sales during the year.

Statement of significant portfolio movements (unaudited) (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

Guinness European Equity Income Fund

	Cost USD
Purchases	
RTL Group SA	1,773
Vienna Insurance Group AG Wiener Versicherung Gruppe	1,663
Mapfre SA	1,255
ABB Ltd	1,221
Modern Times Group MTG AB	1,187
Rexel SA	1,084

	Proceeds USD
Sales	
Recordati SpA	4,510

UCITS Notices issued by the Central Bank of Ireland require the top 20 largest purchases and sales to be disclosed, however due to trading volumes, the above details all the purchases and sales during the year.

Statement of significant portfolio movements (unaudited) (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

Guinness Global Innovators Fund

Purchases	Cost USD
Cognizant Technology Solutions Corp	2,667,511
VeriFone Systems Inc	2,657,805
SAP SE	2,224,102
WisdomTree Investments Inc	2,181,905
QUALCOMM Inc	2,021,530
Eaton Corp PLC	2,004,118
Li & Fung Ltd	1,981,704
Google Inc	1,916,841
Lenovo Group Ltd	1,823,536
Gilead Sciences Inc	1,793,667
Applied Materials Inc	1,756,401
Samsung Electronics Co Ltd	1,612,361
Intel Corp	1,595,472
Schneider Electric SE	1,592,299
Comcast Corp	1,574,427
Oracle Corp	1,568,728
Cisco Systems Inc	1,490,607
State Street Corp	1,482,007
PayPal Holdings Inc	1,461,870
H&R Block Inc	1,415,674

Sales	Proceeds USD
Capital One Financial Corp	1,792,306
TD Ameritrade Holding Corp	1,775,439
Xerox Corp	1,643,710
Ultra Electronics Holdings PLC	1,635,614
L-3 Communications Holdings Inc	1,633,287
BP PLC	1,542,312
NVIDIA Corp	915,401
eBay Inc	809,429
Gilead Sciences Inc	694,528
Roper Technologies Inc	583,969
Intel Corp	521,742
SAP SE	509,014
PayPal Holdings Inc	487,581
Cognizant Technology Solutions Corp	487,480
Intercontinental Exchange Inc	447,125
Comcast Corp	403,007
H&R Block Inc	402,072
Samsung Electronics Co Ltd	394,949
The Boeing Co	363,383
TEGNA Inc	352,061

Statement of significant portfolio movements (unaudited) (continued)

Guinness Asset Management Funds plc

For the financial year ended 31 December 2015

Guinness Best of China Fund

Purchases	Cost USD
China Overseas Land & Investment Ltd	19,837
St Shine Optical Co Ltd	19,581
NetEase Inc	18,103
Haitian International Holdings Ltd	17,585
CNOOC Ltd	17,378
Hollysys Automation Technologies Ltd	17,226
Tencent Holdings Ltd	17,214
Tongda Group Holdings Ltd	17,210
Catcher Technology Co Ltd	17,122
China Merchants Bank Co Ltd	17,022
Geely Automobile Holdings Ltd	17,003
Hon Hai Precision Industry Co Ltd	17,001
Yangzijiang Shipbuilding Holdings Ltd	16,994
China Lesso Group Holdings Ltd	16,965
PCCW Ltd	16,902
Luk Fook Holdings International Ltd	16,853
VTech Holdings Ltd	16,799
Pacific Textiles Holdings Ltd	16,796
NagaCorp Ltd	16,785
Taiwan Semiconductor Manufacturing Co Ltd	16,758

UCITS Notices issued by the Central Bank of Ireland require the top 20 largest purchases and sales to be disclosed, however there were no sales during the year.

Appendix 1 – Fund performance and Total Expense Ratio (unaudited)

Guinness Asset Management Funds plc

Class	Currency	Launch date	Price 31 December 2015	Performance to year ended 31 December 2015	Performance cumulative since launch	Total expense ratio (TER) annualised
Guinness Global Energy Fund						
Class A	USD	28.03.08	6.4697	-27.75%	-35.30%	1.49%
Class B	USD	28.03.08	6.2978	-28.11%	-37.02%	1.99%
Class C	GBP	02.09.08	7.8657	-23.95%	-21.34%	1.99%
Class C EUR accumulation	EUR	29.11.13	7.3183	-19.92%	-26.82%	1.99%
Class D	EUR	02.09.08	8.9991	-19.52%	-9.92%	1.49%
Class E	USD	02.09.08	6.8445	-27.57%	-31.44%	1.24%
Class X	GBP	15.02.12	7.2208	-23.37%	-27.79%	1.24%
Class X USD distribution	USD	29.11.13	5.8802	-27.57%	-40.68%	1.24%
Guinness Alternative Energy Fund						
Class A	USD	19.12.07	2.5834	-11.60%	-74.17%	1.49%
Class B	USD	19.12.07	2.4815	-12.04%	-75.19%	1.99%
Class C	GBP	02.09.08	3.8867	-6.95%	-61.13%	1.99%
Class C EUR accumulation	EUR	29.11.13	9.2612	-2.02%	-7.39%	1.99%
Class D	EUR	02.09.08	4.4438	-2.07%	-55.56%	1.49%
Class E	USD	02.09.08	3.3934	-11.38%	-66.07%	1.24%
Class X	GBP	15.02.12	10.9477	-6.25%	9.48%	1.24%
Guinness Global Money Managers Fund						
Class A	USD	31.12.10	15.1117	-11.11%	51.12%	1.49%
Class B	USD	31.12.10	14.5946	-11.54%	45.95%	1.99%
Class C	GBP	31.12.10	15.5580	-6.42%	55.58%	1.99%
Class C EUR accumulation	EUR	29.11.13	11.8306	-1.42%	18.31%	1.99%
Class D	EUR	31.12.10	18.5445	-0.97%	85.45%	1.49%
Class E	USD	31.12.10	15.2087	-10.88%	52.09%	1.24%
Class X	GBP	15.02.12	17.5374	-5.72%	75.37%	1.24%
Guinness Global Equity Income Fund						
Class A	USD	31.12.10	12.3291	-3.84%	42.89%	1.49%
Class B	USD	31.12.10	12.0437	-4.31%	39.68%	1.99%
Class C	GBP	31.12.10	12.7550	6.59%	25.52%	1.99%
Class C EUR accumulation	EUR	29.11.13	12.5522	n/a	-2.11%	1.99%
Class C GBP accumulation	GBP	11.03.15	9.7893	1.23%	48.12%	1.99%
Class C USD accumulation	USD	11.03.15	9.6552	n/a	-3.45%	1.99%
Class D	EUR	31.12.10	15.2431	7.12%	76.49%	1.49%
Class E	USD	31.12.10	12.4937	-3.60%	44.75%	1.24%
Class X shares distribution	GBP	15.02.12	13.0225	1.99%	45.31%	1.24%
Class Y EUR accumulation	EUR	11.03.15	9.4846	n/a	-5.15%	0.99%
Class Y EUR distribution	EUR	11.03.15	9.3754	n/a	-5.14%	0.99%
Class Y GBP accumulation	GBP	11.03.15	9.8691	n/a	-1.31%	0.99%
Class Y GBP distribution	GBP	11.03.15	9.7519	n/a	-1.31%	0.99%
Class Y USD accumulation	USD	11.03.15	9.7349	n/a	-2.65%	0.99%
Class Y USD distribution	USD	11.03.15	9.6298	n/a	-2.56%	0.99%
Class Z GBP distribution	GBP	30.12.11	13.6483	2.50%	52.73%	0.74%
Guinness China & Hong Kong Fund						
Class C	GBP	31.12.10	8.4394	-1.69%	-15.61%	1.99%
Class E	USD	31.12.10	8.2545	-6.36%	-17.46%	1.24%
Class X	GBP	15.02.12	10.3360	-0.94%	3.36%	1.24%
Guinness Asian Equity Income Fund						
Class C EUR accumulation	EUR	19.12.13	13.3280	5.74%	33.28%	1.99%
Class C GBP accumulation	GBP	11.03.15	9.6538	n/a	-3.46%	1.99%
Class C USD accumulation	USD	11.03.15	9.5201	n/a	-4.80%	1.99%
Class X EUR accumulation	EUR	19.12.13	13.5422	6.54%	35.42%	1.24%
Class X EUR distribution	EUR	19.12.13	12.7298	6.53%	35.41%	1.24%
Class X GBP accumulation	GBP	19.12.13	11.9488	1.16%	19.49%	1.24%
Class X GBP distribution	GBP	19.12.13	11.2153	1.15%	19.48%	1.24%
Class X USD accumulation	USD	19.12.13	10.7619	-4.41%	7.62%	1.24%
Class X USD distribution	USD	19.12.13	10.1018	-4.37%	7.66%	1.24%
Class Z GBP distribution	GBP	19.12.13	11.3291	1.66%	20.68%	0.74%
Guinness European Equity Income Fund						
Class C EUR accumulation	EUR	19.12.13	11.4138	8.12%	14.14%	1.99%
Class C GBP accumulation	GBP	11.03.15	9.7210	-2.79%	-2.79%	1.99%
Class C USD accumulation	USD	11.03.15	9.5917	-4.08%	-4.08%	1.99%
Class X EUR accumulation	EUR	19.12.13	11.6029	8.99%	16.03%	1.24%
Class X EUR distribution	EUR	19.12.13	11.0038	8.97%	16.04%	1.24%
Class X GBP accumulation	GBP	19.12.13	10.2563	3.60%	2.56%	1.24%
Class X GBP distribution	GBP	19.12.13	9.7129	3.62%	2.58%	1.24%
Class X USD accumulation	USD	19.12.13	9.2469	-2.04%	-7.53%	1.24%
Class X USD distribution	USD	19.12.13	8.7650	-2.03%	-7.53%	1.24%
Class Z GBP distribution	GBP	19.12.13	9.8049	4.09%	3.55%	0.74%

**Appendix 1 – Fund performance and Total Expense Ratio (unaudited)
(continued)**

Guinness Asset Management Funds plc

Class	Currency	Launch date	Price 31 December 2015	Performance To year ended 31 December 2015	Performance cumulative since launch	Total expense ratio (TER) annualised
Guinness Global Innovators Fund						
Class C EUR accumulation	EUR	31.10.14	10.9791	6.29%	9.79%	1.99%
Class C GBP accumulation	GBP	31.10.14	10.3325	0.94%	3.33%	1.99%
Class C USD accumulation	USD	31.10.14	9.5193	-4.58%	-4.81%	1.99%
Class X EUR accumulation	EUR	31.10.14	11.0706	7.06%	10.71%	1.24%
Class X GBP accumulation	GBP	31.10.14	10.4236	1.70%	4.24%	1.24%
Class X USD accumulation	USD	31.10.14	9.6035	-3.86%	-3.96%	1.24%
Class Y EUR accumulation	EUR	31.10.14	11.0953	7.25%	10.95%	0.99%
Class Y GBP accumulation	GBP	31.10.14	10.4539	1.96%	4.54%	0.99%
Class Y USD accumulation	USD	31.10.14	9.6453	-3.50%	-3.55%	0.99%
Class Z EUR accumulation	EUR	31.10.14	11.1357	7.59%	11.36%	0.74%
Class Z GBP accumulation	GBP	31.10.14	10.4844	2.21%	4.84%	0.74%
Class Z USD accumulation	USD	31.10.14	9.6590	-3.38%	-3.41%	0.74%
Guinness Best of China Fund						
Class C EUR accumulation	EUR	15.12.15	10.1314	n/a	1.31%	1.99%
Class C GBP accumulation	GBP	15.12.15	10.2889	n/a	2.89%	1.99%
Class C USD accumulation	USD	15.12.15	10.0788	n/a	0.79%	1.99%
Class X EUR accumulation	EUR	15.12.15	10.1358	n/a	1.36%	1.24%
Class X GBP accumulation	GBP	15.12.15	10.2922	n/a	2.92%	1.24%
Class X USD accumulation	USD	15.12.15	10.0816	n/a	0.82%	1.24%
Class Z GBP accumulation	GBP	15.12.15	10.2947	n/a	2.95%	0.74%

Appendix 2 - Portfolio Turnover Ratio (PTR) (unaudited)

Guinness Asset Management Funds plc

UCITS calculation	PTR for 12 months to 31 December 2015	PTR for 12 months to 31 December 2014
Guinness Global Energy Fund	-63%	-56%
Guinness Alternative Energy Fund	-30%	-17%
Guinness Global Money Managers Fund	-45%	-51%
Guinness Global Equity Income Fund	24%	-12%
Guinness China & Hong Kong Fund	-19%	30%
Guinness Asian Equity Income Fund	1%	22%
Guinness European Equity Income Fund	-9%	12%
Guinness Global Innovators Fund	9%	-18%
Guinness Best of China Fund	-20%	-

PTR is calculated as follows: ((purchases + sales) – (subscriptions + redemptions)) / average fund size

SEC calculation	PTR for 12 months to 31 December 2015	PTR for 12 months to 31 December 2014
Guinness Global Energy Fund	33%	52%
Guinness Alternative Energy Fund	25%	54%
Guinness Global Money Managers Fund	14%	22%
Guinness Global Equity Income Fund	34%	21%
Guinness China & Hong Kong Fund	48%	32%
Guinness Asian Equity Income Fund	12%	11%
Guinness European Equity Income Fund	3%	7%
Guinness Global Innovators Fund	42%	0%
Guinness Best of China Fund	0%	-

PTR is calculated as follows: (lower of purchases or sales) / average fund size