

GUINNESS

ASSET MANAGEMENT LTD

TB GUINNESS INVESTMENT FUNDS

INTERIM REPORT &
FINANCIAL STATEMENTS (UNAUDITED)

For the six-month period ended 30 June 2019

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Note: The Authorised Corporate Director's Report consists of 'Authorised Status', 'Structure of the Company' and 'Investment Objective and Policy' on page 2, 'Investment Review' as provided by the Investment Manager, on pages 5 to 8 and 'Directory' on page 22.

THE AUTHORISED CORPORATE DIRECTOR AND INVESTMENT MANAGER

The Authorised Corporate Director (the 'ACD') of TB Guinness Investment Funds (the 'Company') is T. Bailey Fund Services Limited ('TBFS'). Guinness Asset Management Limited is the Investment Manager (the 'Investment Manager') of the Company.

Guinness Asset Management Limited and T. Bailey Fund Services Limited are authorised and regulated by the Financial Conduct Authority.

Further information about Guinness Asset Management Limited and the funds which it manages can be found at www.guinnessfunds.com.

YOUR INVESTMENTS

You can buy or sell shares in the Company through your Financial Advisor. Alternatively, you can telephone the dealing line; 0115 988 8285, during normal office hours. Application forms can be requested in writing from the ACD or by calling the Client Services Team on the dealing line. They can also be downloaded from www.tbaileys.co.uk/funds/tb-guinness-investment-funds.

The Company is eligible for ISA investments/transfers and the shares are available as part of a regular savers scheme.

Prices are published each normal business day on the website www.tbaileys.co.uk/funds/tb-guinness-investment-funds and also on www.fundlistings.com.

RISK PROFILE

As the Fund will invest predominantly in UK listed shares, the Fund will have a greater exposure to UK market, political and economic risks than a fund which diversifies across a number of countries.

The value of investments may go down as well as up in response to general market conditions and the performance of the assets held. Investors may not get back the money which they invested.

There is no guarantee that the Fund will meet its stated objectives.

A limited number of investments may be held which has the potential to increase the volatility of performance.

The movements of exchange rates may lead to further changes in the value of investments and the income from them.

There is a risk that any company providing services such as safe keeping of assets or acting as counterparty to derivatives may become insolvent, which may cause losses to the Fund.

SYNTHETIC RISK AND REWARD INDICATOR

The Synthetic Risk and Reward Indicator demonstrates in a standard format where the Fund ranks in terms of its potential risk and reward. It is based on historical performance data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The indicator uses a scale of 1 to 7. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean a fund is a risk free investment.

The Fund is in risk category 5 because it invests in shares, an asset class which has seen large rises and falls in recent years.

AUTHORISED STATUS

TB Guinness Investment Funds is an investment company with variable capital incorporated in Great Britain, and having its head office in England, under registered number IC001078 and authorised and regulated by the Financial Conduct Authority ('FCA') with effect from 12 December 2016.

Shareholders are not liable for the debts of the Company.

STRUCTURE OF THE COMPANY

The Company is a UCITS scheme.

The Company is structured as an umbrella so that the Scheme Property of the Company may be divided among one or more sub-funds. The assets of each sub-fund will generally be treated as separate from those of every other sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that sub-fund. New sub-funds may be established from time to time by the ACD with the approval of the FCA and the agreement of the Depositary. If a new sub-fund is introduced, a new Prospectus will be prepared to set out the required information in relation to that sub-fund.

The Company is compliant with the Protected Cell Regime for OEICs. Under the Protected Cell Regime, each sub-fund represents a segregated portfolio of assets and accordingly, the assets of a sub-fund belong exclusively to that sub-fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including any other sub-fund and shall not be available for any such purpose.

There is currently one sub-fund in existence; TB Guinness UK Equity Income Fund.

The base currency of the Company is Pound Sterling.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of TB Guinness UK Equity Income Fund is to provide income together with capital growth.

The investment policy of the Fund is to invest predominantly in the shares of UK companies (those which are domiciled in, incorporated in or conducting a significant percentage of their business in the UK) which pay dividends. The Fund may also invest from time to time in other companies anywhere in the world. The portfolio will typically be concentrated.

In addition, the Fund may invest in other transferable securities, money market instruments, collective investment schemes, cash, near cash and deposits. Derivatives may also from time to time be used for the purposes of efficient portfolio management only (e.g. to reduce risk in certain market conditions).

ONGOING CHARGES FIGURE

The Ongoing Charges Figure ('OCF') provides investors with a clearer picture of the total annual costs in running a Collective Investment Scheme. The OCF consists principally of the Annual Management Charge, but also includes the costs for other services paid in respect of Depositary, custody, FCA and audit fees. The OCFs, as calculated in accordance with ESMA guidelines, are disclosed as 'Operating charges (p.a.)' in the Summary of Fund Performance tables on pages 12 to 17.

OTHER INFORMATION

Full details of TB Guinness Investment Funds are set out in the Prospectus. This document provides investors with extensive information about the Company including risks and expenses. A copy of the Prospectus is available on request from the ACD, or can be downloaded from www.tbaileyfs.co.uk/funds/tb-guinness-investment-funds.

The Key Investor Information document and Supplementary Information document are also available from www.tbaileyfs.co.uk/funds/tb-guinness-investment-funds.

STATEMENT OF THE AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

The Authorised Corporate Director (the 'ACD') of TB Guinness Investment Funds (the 'Company') is responsible for preparing the Report and the Financial Statements in accordance with the Open-Ended Investment Companies Regulations 2001 ('the OEIC Regulations'), the Financial Conduct Authority's Collective Investment Schemes' Sourcebook ('COLL') and the Company's Instrument of Incorporation.

The OEIC Regulations and COLL require the ACD to prepare financial statements for each accounting period which:

- are in accordance with United Kingdom Generally Accepted Accounting Practice ('United Kingdom Accounting Standards and applicable law'), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Statement of Recommended Practice: 'Financial Statements of UK Authorised Funds' issued by the Investment Association ('IA SORP') in May 2014; and
- give a true and fair view of the financial position of the Company as at the end of that period and the net revenue or expense and the net capital gains or losses on the property of the Company for that period.

In preparing the financial statements, the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the IA SORP have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The ACD is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the applicable IA SORP and United Kingdom Accounting Standards and applicable law. The ACD is also responsible for the system of internal controls, for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' STATEMENT

In accordance with COLL 4.5.8BR, the Report and the Financial Statements were approved by the board of directors of the ACD of the Company and authorised for issue on 31 August 2019. The Directors are of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the financial statements as the assets of the Company and its sub-fund consist predominantly of readily realisable securities and accordingly the Company has adequate resources to continue in operational existence for at least the next twelve months from the approval of these financial statements.

Gavin Padbury
Director of Operations
T. Bailey Fund Services Limited
Nottingham, United Kingdom
31 August 2019

INVESTMENT REVIEW

Performance

	Cumulative returns for the periods ended 30 June 2019 (%)			
	6 months	1 year	2 years	From launch ¹
O Overseas Accumulation Shares	12.81	(5.57)	(5.59)	(0.99)
Y Clean Accumulation Shares	13.35	(4.63)	(3.67)	1.58
Z Early Investor Accumulation Shares	13.44	(4.47)	(3.31)	2.06
IA UK Equity Income*	10.84	(2.51)	3.38	11.38
MSCI UK All Cap Index*	13.10	0.31	9.53	16.69

* Comparator Benchmarks.

¹ From 22 December 2016.

Source: Financial Express. Total return, bid to bid. Sterling terms.

Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.

Overview

The Guinness UK Equity Income Fund, in the first six months of 2019, produced a total return of +13.4% (in GBP, Z Early Investor Accumulation Shares). This compares to the return of the MSCI UK All Cap Index of +13.1% (in GBP), resulting in an outperformance of 0.3%. Against its other comparator benchmark, the IA UK Equity Income sector performance of 10.8%, the Fund outperformed by 2.6%.

The best and worst performing stocks over the period are outlined below. All total return in GBP.

Best 5 performing stocks	Total return	Worst 5 performing stocks	Total return
Moneysupermarket.com Group PLC	56.3%	Kier Group Plc	-85.5%
Micro Focus International PLC	53.2%	Imperial Brands PLC	-19.1%
Jupiter Fund Management PLC	51.6%	John Wood Group PLC	-7.5%
Ashmore Group PLC	40.9%	Babcock International Group PLC	-6.4%
Infoma PLC	35.0%	QinetiQ Group PLC	-1.8%

H1 2019 UK equity market performance continued to be dominated by concerns around the UK's departure from the European Union. Prime Minister Theresa May's resignation and departure resulted in increased uncertainty as the Conservative party appointed Brexit campaign leader Boris Johnson as the next prime minister; leading to speculation that the UK may leave the European Union without a deal. The Office of National Statistics reported 0.5% Q1 GDP growth. However, in March, total UK Business Investment contracted 2.5% year on year. In April, UK new car registrations declined -4.1%. In May, the UK manufacturing Purchasing Managers' Index went down, falling to 49.4 from 53.1 in the prior month, and against expectations of 52.2, led by large falls in UK car production as the bump from stock piling ahead of the original Brexit date fell away. April manufacturing production revealed a similar picture falling 3.9% month on month.

INVESTMENT REVIEW (CONTINUED)

Shares of internationally orientated companies and technology companies largely followed their global counterparts over H1 in responding favourably to lower rate expectations and the possibility of increased stimulus. On the other hand, domestically focused stocks and sectors continued to lag. The valuation discrepancy between international and domestic mirrors the wider developed market discrepancy between growth vs. value and asset light vs. capital intensive.

Amid the concern and weak manufacturing numbers the UK unemployment rate continued to fall to new lows, hitting 3.9% alongside wage inflation of 2.1% at the end of Q1 2019. These trends mirror similar numbers in the US and Germany. If excessive stimulus is now applied in light of weak global trade data (which can more or less be turned on or off at will by US President Donald Trump) and concerns around Brexit, there appears to be a risk of overshoot. Notably in the event that a Brexit resolution were reached, and the US softens its stance on trade. Equally if free movement of labour were impacted by new Brexit related immigration policies, there would almost certainly be a knock-on effect on labour costs. Certainly, we cannot remember the last time that a rate cutting cycle was embarked upon with labour inflation running ahead of interest rates.

UK interest rates have been on a declining trend for some thirty years now, and QE appears to have run its course, having mitigated the impacts of the financial crisis but having the side effects of high asset prices and increased inequality. If the market began to sense that the game was up, sector rotation could be significant. The Guinness approach of investing in companies with strong balance sheets and high-quality cash generative characteristics should stand the Fund in good stead whatever the weather. If we were to make any portfolio changes going forwards it would likely be towards high quality companies characterised by upside sensitivity to inflation and rising rates.

Activity

In the first half of the year we made one change to the portfolio, selling our remaining position in Kier Group on 5 June 2019.

With the exception of the sale of Kier Group, changes to portfolio exposure have been driven by stock performance. Our financials exposure has increased quite significantly since year end 2018, driven by the strong performance of names including Moneysupermarket.com (+56%), Jupiter Fund Management (+52%) and Ashmore (+41%). The good performance of Financials more than compensated for our lack of exposure to Energy and Materials which outperformed. Consumer Discretionary and Software & Computer Services also performed well.

INVESTMENT REVIEW (CONTINUED)

Industry Breakdown

The asset allocation as at the period end date is shown below:

Sector	Asset allocation as at 30 June 2019 (%)	Asset allocation as at 31 December 2018 (%)
Aerospace & Defence	2.8	4.8
Beverages	4.4	4.1
Chemicals	6.2	6.6
Construction & Materials	-	1.5
Consumer Discretionary	10.3	7.8
Consumer Staples	3.0	3.3
Financials	20.3	15.5
Food Producers	3.8	2.7
General Retailers	3.1	3.0
Healthcare	3.7	4.5
Industrials	6.9	6.5
Life Insurance	-	2.1
Media	3.7	3.5
Oil Equipment Services	2.5	3.1
Personal Goods	7.2	8.2
Software & Computer Services	6.4	5.7
Support Services	5.7	6.2
Tobacco	5.1	5.0
Cash and Other	4.9	5.9
Total	100.0	100.0

The full list of holdings as at the period end date is shown in the Portfolio Statement on pages 9 to 11.

Outlook

With an increasing influence of geopolitics on market returns and volatility, we believe that our approach to finding quality companies at attractive valuations is more important than ever. The Guinness UK Equity Income Fund currently trades at an attractive valuation to the MSCI UK All Cap Index on both a price-to-earnings and free-cash-flow-yield basis. We believe this provides good value to our investors and puts us in good stead in our search for long-term capital growth and a steady, growing income stream.

INVESTMENT REVIEW (CONTINUED)

We see time and again that companies who have demonstrated their ability to earn significantly above cost of capital returns on investment for long periods are well placed to weather whatever economic environments they find themselves in. This ability to generate economic profits also allows these companies to continue to grow, albeit at potentially more moderate rates. This is usually well rewarded when market sentiment turns and investors begin to monitor cash flows and earnings results more closely than they might have when markets were rallying. We would argue that in today's world this type of approach of focusing on value, business quality, and dividends, remains a sensible way to invest in equities.

Dr Ian Mortimer
Fund Manager
Guinness Asset Management Limited
London, United Kingdom
31 August 2019

Matthew Page
Fund Manager
Guinness Asset Management Limited
London, United Kingdom
31 August 2019

PORTFOLIO STATEMENTAs at 30 June 2019

Holding or nominal value of positions	Bid market value £	Percentage of total net assets %
Aerospace & Defence (2.8%; 31.12.18 - 4.8%)		
2,111 QinetiQ	5,871	2.8
	<hr/>	
	5,871	2.8
Beverages (4.4%; 31.12.18 - 4.1%)		
270 Diageo	9,129	4.4
	<hr/>	
	9,129	4.4
Chemicals (6.2%; 31.12.18 - 6.6%)		
210 Johnson Matthey	6,930	3.3
275 Victrex	5,948	2.9
	<hr/>	
	12,878	6.2
Consumer Discretionary (10.3%; 31.12.18 - 7.8%)		
992 Informa	8,288	4.0
3,468 William Hill	5,432	2.6
781 WPP	7,702	3.7
	<hr/>	
	21,422	10.3
Consumer Staples (3.0%; 31.12.18 - 3.3%)		
99 Reckitt Benckiser	6,117	3.0
	<hr/>	
	6,117	3.0

PORTFOLIO STATEMENT (CONTINUED)As at 30 June 2019

Holding or nominal value of positions	Bid market value £	Percentage of total net assets %
Financials (20.3%; 31.12.18 - 15.5%)		
295 Admiral	6,500	3.1
7,806 Ashmore	9,143	4.4
1,863 Brewin Dolphin	5,745	2.8
1,902 Jupiter Fund Management	8,055	3.9
285 Janus Henderson	4,784	2.3
2,655 Standard Life Aberdeen	7,778	3.8
	42,005	20.3
Food Producers (3.8%; 31.12.18 - 2.7%)		
2,789 Domino's Pizza	7,806	3.8
	7,806	3.8
General Retailers (3.1%; 31.12.18 - 3.0%)		
321 WHSmith	6,333	3.1
	6,333	3.1
Healthcare (3.7%; 31.12.18 - 4.5%)		
452 Smith & Nephew	7,713	3.7
	7,713	3.7
Industrials (6.9%; 31.12.18 - 6.5%)		
1,378 BAE Systems	6,752	3.3
1,427 Meggitt	7,455	3.6
	14,207	6.9
Media (3.7%; 31.12.18 - 3.5%)		
1,872 Moneysupermarket.com	7,702	3.7
	7,702	3.7

PORTFOLIO STATEMENT (CONTINUED)As at 30 June 2019

Holding or nominal value of positions	Bid market value £	Percentage of total net assets %
Oil Equipment Services (2.5%; 31.12.18 - 3.1%)		
1,123 Wood Group (J)	5,095	2.5
	5,095	2.5
Personal Goods (7.2%; 31.12.18 - 8.2%)		
342 Burberry	6,347	3.1
175 Unilever	8,530	4.1
	14,877	7.2
Software & Computer Services (6.4%; 31.12.18 - 5.7%)		
710 Emis	8,506	4.0
240 Micro Focus International	4,952	2.4
	13,458	6.4
Support Services (5.7%; 31.12.18 - 6.2%)		
1,022 Babcock International	4,706	2.3
4,464 Hays	7,029	3.4
	11,735	5.7
Tobacco (5.1%; 31.12.18 - 5.0%)		
235 British American Tobacco	6,488	3.1
229 Imperial Brands	4,264	2.0
	10,752	5.1
Portfolio of investments	197,100	95.1
Net other assets	10,180	4.9
Total net assets	207,280	100.0

SUMMARY OF FUND PERFORMANCE

	1 Jan 2019 to 30 Jun 2019 (pence per share)	1 Jan 2018 to 31 Dec 2018 (pence per share)	22 Dec 2016 to 31 Dec 2017 (pence per share)
O Overseas Income			
Change in net assets per share			
Opening net asset value per share	81.30	104.30	100.00
Return before operating charges*	11.18	(17.51)	9.75
Operating charges	(0.78)	(1.72)	(1.85)
Return after operating charges*	10.40	(19.23)	7.90
Distributions on income shares	(2.30)	(3.77)	(3.60)
Closing net asset value per share	89.40	81.30	104.30
* after direct transaction costs of:	0.04	0.00	0.61
Performance			
Return after charges	12.79%	(18.44)%	7.90%
Other information			
Closing net asset value	£894	£813	£1,043
Closing number of shares	1,000	1,000	1,000
Operating charges (p.a.)	1.70%	1.70%	1.70%
Direct transaction costs (p.a.)	0.05%	0.00%	0.59%
Prices			
Highest published share price	92.77	104.63	108.93
Lowest published share price	80.79	81.50	98.72

Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.

SUMMARY OF FUND PERFORMANCE (CONTINUED)

Y Clean Income	1 Jan 2019 to 30 Jun 2019 (pence per share)	1 Jan 2018 to 31 Dec 2018 (pence per share)	22 Dec 2016 to 31 Dec 2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	83.04	105.46	100.00
Return before operating charges*	11.93	(17.93)	9.82
Operating charges	(0.31)	(0.68)	(0.75)
Return after operating charges*	11.62	(18.61)	9.07
Distributions on income shares	(2.37)	(3.81)	(3.61)
Closing net asset value per share	92.29	83.04	105.46
* after direct transaction costs of:	0.04	0.00	0.62
Performance			
Return after charges	13.99%	(17.65)%	9.07%
Other information			
Closing net asset value	£969	£8,965	£11,370
Closing number of shares	1,050	10,796	10,781
Operating charges (p.a.)	0.70%	0.70%	0.70%
Direct transaction costs (p.a.)	0.05%	0.00%	0.59%
Prices			
Highest published share price	95.16	105.81	109.43
Lowest published share price	82.56	83.26	99.29

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SUMMARY OF FUND PERFORMANCE (CONTINUED)

Z Early Investor Income	1 Jan 2019 to 30 Jun 2019 (pence per share)	1 Jan 2018 to 31 Dec 2018 (pence per share)	22 Dec 2016 to 31 Dec 2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	83.50	105.70	100.00
Return before operating charges*	11.58	(17.95)	9.76
Operating charges	(0.20)	(0.42)	(0.44)
Return after operating charges*	11.38	(18.37)	9.32
Distributions on income shares	(2.38)	(3.83)	(3.62)
Closing net asset value per share	92.50	83.50	105.70
* after direct transaction costs of:	0.04	0.00	0.62
Performance			
Return after charges	13.63%	(17.38)%	9.32%
Other information			
Closing net asset value	£925	£835	£1,057
Closing number of shares	1,000	1,000	1,000
Operating charges (p.a.)	0.50%	0.50%	0.50%
Direct transaction costs (p.a.)	0.05%	0.00%	0.59%
Prices			
Highest published share price	95.74	106.11	109.55
Lowest published share price	83.03	83.72	99.44

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SUMMARY OF FUND PERFORMANCE (CONTINUED)

O Overseas Accumulation	1 Jan 2019 to 30 Jun 2019 (pence per share)	1 Jan 2018 to 31 Dec 2018 (pence per share)	22 Dec 2016 to 31 Dec 2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	87.70	108.00	100.00
Return before operating charges*	12.08	(18.58)	9.85
Operating charges	(0.78)	(1.72)	(1.85)
Return after operating charges*	11.30	(20.30)	8.00
Distributions	(2.49)	(3.92)	(3.63)
Retained distributions on accumulation shares	2.49	3.92	3.63
Closing net asset value per share	99.00	87.70	108.00
* after direct transaction costs of:	0.04	0.00	0.62
Performance			
Return after charges	12.88%	(18.80)%	8.00%
Other information			
Closing net asset value	£990	£877	£1,080
Closing number of shares	1,000	1,000	1,000
Operating charges (p.a.)	1.70%	1.70%	1.70%
Direct transaction costs (p.a.)	0.05%	0.00%	0.59%
Prices			
Highest published share price	100.15	108.30	108.91
Lowest published share price	87.18	86.26	99.71

Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.

SUMMARY OF FUND PERFORMANCE (CONTINUED)

Y Clean Accumulation	1 Jan 2019 to 30 Jun 2019 (pence per share)	1 Jan 2018 to 31 Dec 2018 (pence per share)	22 Dec 2016 to 31 Dec 2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	89.55	109.17	100.00
Return before operating charges*	12.35	(18.91)	9.93
Operating charges	(0.33)	(0.71)	(0.76)
Return after operating charges*	12.02	(19.62)	9.17
Distributions	(2.55)	(3.98)	(3.65)
Retained distributions on accumulation shares	2.55	3.98	3.65
Closing net asset value per share	101.57	89.55	109.17
* after direct transaction costs of:	0.04	0.00	0.63
Performance			
Return after charges	13.42%	(17.97)%	9.17%
Other information			
Closing net asset value	£3,948	£3,481	£4,238
Closing number of shares	3,887	3,887	3,882
Operating charges (p.a.)	0.70%	0.70%	0.70%
Direct transaction costs (p.a.)	0.05%	0.00%	0.59%
Prices			
Highest published share price	102.58	109.52	109.43
Lowest published share price	89.02	88.07	99.83

Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.

SUMMARY OF FUND PERFORMANCE (CONTINUED)

Z Early Investor Accumulation	1 Jan 2019 to 30 Jun 2019 (pence per share)	1 Jan 2018 to 31 Dec 2018 (pence per share)	22 Dec 2016 to 31 Dec 2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	89.89	109.37	100.00
Return before operating charges*	12.41	(18.97)	9.91
Operating charges	(0.24)	(0.51)	(0.54)
Return after operating charges*	12.17	(19.48)	9.37
Distributions	(2.56)	(4.00)	(3.65)
Retained distributions on accumulation shares	2.56	4.00	3.65
Closing net asset value per share	102.06	89.89	109.37
* after direct transaction costs of:	0.04	0.00	0.62
Performance			
Return after charges	13.54%	(17.81)%	9.37%
Other information			
Closing net asset value	£199,554	£167,668	£204,009
Closing number of shares	195,528	186,518	186,537
Operating charges (p.a.)	0.50%	0.50%	0.50%
Direct transaction costs (p.a.)	0.05%	0.00%	0.59%
Prices			
Highest published share price	103.04	109.74	109.51
Lowest published share price	89.38	88.41	99.85

Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.

STATEMENT OF TOTAL RETURNFor the six-month period ended 30 June 2019

		30.06.19	30.06.18
	£	£	£
Income			
Net capital gains/(losses)		20,021	(9,775)
Revenue	5,198		4,655
Expenses	(510)		(541)
Interest payable and similar charges	-		-
Net revenue before taxation	<u>4,688</u>		<u>4,114</u>
Taxation	-		-
Net revenue after taxation	<u>-</u>	<u>4,688</u>	<u>4,114</u>
Total return/(loss) before distributions		24,709	(5,661)
Distributions		(5,198)	(4,657)
Change in net assets attributable to shareholders from investment activities		<u>19,511</u>	<u>(10,318)</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERSFor the six-month period ended 30 June 2019

		30.06.19	30.06.18
	£	£	£
Opening net assets attributable to shareholders		182,639	222,797
<i>Movements due to sales and repurchases of shares:</i>			
Amounts receivable on issue of shares	12,981		15
Amounts payable on cancellation of shares	<u>(12,977)</u>		<u>(15)</u>
		4	-
Change in net assets attributable to shareholders from investment activities		19,511	(10,318)
Retained distributions on accumulation shares		5,126	4,375
Prior undistributed income		-	-
Closing net assets attributable to shareholders		<u>207,280</u>	<u>216,854</u>

BALANCE SHEET
As at 30 June 2019

	30.06.19	31.12.18
	£	£
Assets:		
Fixed Assets:		
Investments	197,100	171,893
Current Assets:		
Debtors	649	241
Cash and bank balances	9,683	10,794
Total assets	<u>207,432</u>	<u>182,928</u>
Liabilities:		
Creditors:		
Distribution payable on income shares	72	206
Other creditors	80	83
Total liabilities	<u>152</u>	<u>289</u>
Net assets attributable to shareholders	<u>207,280</u>	<u>182,639</u>

NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2019

Accounting policies

The financial statements have been prepared on the basis of the accounting policies set out in the Annual Report and Financial Statements for the year ended 31 December 2018.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice (SORP) for Financial Statements of Authorised Funds issued by the Investment Association in May 2014.

As described in the Statement of the Authorised Corporate Director's Responsibilities, the ACD continues to adopt the going concern basis in the preparation of the financial statements of the Fund.

DISTRIBUTION TABLEFor the six-month period ended 30 June 2019

Interim Distribution (30 June 2019)

Group 1 - Shares purchased on or prior to 31 December 2018

Group 2 - Shares purchased after 31 December 2018

Shares	Revenue	Equalisation ¹	Paid/Accumulated 31.08.19	Paid/Accumulated 31.08.18
	(pence)	(pence)	(pence)	(pence)
O Overseas Income				
Group 1	2.2970	-	2.2970	2.1840
Group 2	2.2970	-	2.2970	2.1840
Y Clean Income				
Group 1	2.3667	-	2.3667	2.2028
Group 2	0.3891	1.9776	2.3667	2.2028
Z Early Investor Income				
Group 1	2.3790	-	2.3790	2.2100
Group 2	2.3790	-	2.3790	2.2100
O Overseas Accumulation				
Group 1	2.4910	-	2.4910	2.2490
Group 2	2.4910	-	2.4910	2.2490
Y Clean Accumulation				
Group 1	2.5468	-	2.5468	2.2795
Group 2	2.5468	-	2.5468	2.2795
Z Early Investor Accumulation				
Group 1	2.5583	-	2.5583	2.2859
Group 2	0.8542	1.7041	2.5583	2.2859

¹ Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

DIRECTORY

The Company

TB Guinness Investment Funds
64 St. James's Street
Nottingham NG1 6FJ

Authorised Corporate Director (ACD)

T. Bailey Fund Services Limited
64 St. James's Street
Nottingham NG1 6FJ

Tel: 0115 988 8200

Website: www.tbaileyfs.co.uk/funds/tb-guinness-investment-funds

Authorised and regulated by the Financial Conduct Authority.

Directors of the ACD

Mrs H C Stevens
Mr R J Taylor
Mr G M Padbury
Mrs R E Elliott
Mr M Hughes (Non-Executive)
Mrs A Troup (Non-Executive)

Investment Manager

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Depositary

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135 Bishopsgate
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Authorised and regulated by the Financial Conduct Authority and by the Prudential Regulation Authority.

Registrar and Share Dealing

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64 St. James's Street
Nottingham NG1 6FJ

Tel: 0115 988 8200

Dealing Line: 0115 988 8285

Website: www.tbaileyfs.co.uk/funds/tb-guinness-investment-funds

Authorised and regulated by the Financial Conduct Authority.

Auditor

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Registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

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