

# Allianz International Investment Funds

**Final Report and Financial Statements**

30 April 2023

**Allianz Global Investors**

# Contents

Company Information*	3
General Information*	6
Statement of the Authorised Corporate Director's Responsibilities	7
Collective Notes to the Final Report and Financial Statements	8
Investment Review* & Report and Financial Statements for:	
Allianz Best Styles Global AC Equity Fund	16
Allianz China A-Shares Equity Fund	40
Allianz Emerging Markets Equity Fund	58
Allianz Fixed Income Macro Fund	79
Allianz Global Multi Sector Credit Fund	100
Allianz RiskMaster Conservative Multi Asset Fund	120
Allianz RiskMaster Growth Multi Asset Fund	141
Allianz RiskMaster Moderate Multi Asset Fund	162
Allianz Thematica Fund	183
Allianz Total Return Asian Equity Fund	205
Allianz US Equity Fund	223
Authorised Corporate Director's Report to the Shareholders*	237
Depository's Report to the Shareholders	238
Independent Auditors' Report to Shareholders of Allianz International Investment Funds	239
Additional Information*	242

\* Collectively, these comprise the ACD's Report.

# Company Information

## Status of the Allianz International Investment Funds

Allianz International Investment Funds (the “Company”) is an Open-Ended Investment Company with Variable Capital under Regulation 12 of the Open-Ended Investment Companies Regulations 2001. It was incorporated in England and Wales under registered number IC 119 and authorised and regulated by the Financial Conduct Authority on 20 August 2001. The Company has been certified by the Financial Conduct Authority as complying with the conditions necessary for it to enjoy the rights conferred by the EC Directive on Undertakings for Collective Investment in Transferable Securities. The Company has an unlimited duration.

The Company is an umbrella company comprising various subfunds, each of which is operated as a distinct Fund, with its own portfolio of investments. Each subfund is a UCITS scheme which complies with COLL 5 of the Financial Conduct Authority’s Collective Investment Scheme Sourcebook (“COLL”).

On 21 December 2011, the Open Ended Investment Companies Regulations 2011 (as amended) (“the Regulations”) were amended to introduce a Protected Cell Regime for OEICs. Under the Protected Cell Regime, each subfund represents a segregated portfolio of assets and accordingly, the assets of a subfund belong exclusively to that subfund 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 subfunds and shall not be available for such purpose.

The subfunds of the Allianz International Investment Funds are:

Sub fund	Launch date
Allianz Best Styles Global AC Equity Fund	14 December 2015
Allianz China A-Shares Equity Fund	16 July 2020
Allianz Emerging Markets Equity Fund	25 March 2004
Allianz Fixed Income Macro Fund	18 July 2018
Allianz Global Multi Sector Credit Fund	31 May 2019
Allianz RiskMaster Conservative Multi Asset Fund	15 May 2012
Allianz RiskMaster Growth Multi Asset Fund	15 May 2012
Allianz RiskMaster Moderate Multi Asset Fund	15 May 2012
Allianz Thematica Fund	20 April 2022
Allianz Total Return Asian Equity Fund	20 June 2002
Allianz US Equity Fund*	20 June 2002

\*Allianz US Equity Fund was merged into the Allianz Thematica Fund on 30 September 2022. The Fund is currently in liquidation, following the approval for termination by Financial Conduct Authority (FCA).

## Remuneration Policy

In accordance with the UCITS Remuneration Code and corresponding changes to the FCA Handbook for Collective Investment Schemes (COLL), the Allianz International Investment Funds are required to disclose details of the remuneration paid by the Authorised Corporate Director (ACD) to its staff for the financial year.

The compensation structure at AllianzGI GmbH is set up to avoid any kind of excessive risk-taking. Variable compensation awards are delivered via deferral programs to ensure they are linked to sustainable performance. In addition any compensation decisions have to be reviewed and approved by the Functional, Regional and Global Compensation Committees on both, aggregate and individual basis, to further ensure effective risk mitigation.

# Company Information continued

## AllianzGI GmbH, Compensation 2022 (All numbers are in EUR)

Number of employees 1,710						
		thereof Risk Taker	thereof Board Member	thereof Other Risk Taker	thereof Employees with Control Function	thereof Employees with Comparable Compensation
Fixed remuneration	174,302,493	7,269,792	985,960	2,207,677	390,480	3,685,675
Variable remuneration	121,033,472	16,763,831	1,483,410	4,459,440	377,612	10,443,368
Total remuneration	295,335,965	24,033,623	2,469,370	6,667,117	768,092	14,129,043

## Classes of share within the subfunds

Each subfund can issue several classes of shares. Each class is distinguished by its criteria for subscription and fee structure. Further details on the share classes can be found in the Financial Statements for each subfund.

## Securities Financing Transactions Regulation

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (SFTs) or total return swaps will be required in all reports & accounts published after 13 January 2017. The Allianz International Investment Funds were not invested in any securities financing transactions (as defined in Article 3 of Regulation (EU) 2015/2365, as amended by the Transparency of Securities Financing Transactions and Reuse (Amendment) (EUR Exit) Regulations 2019) during the reporting period, therefore the following Report & Financial Statements contains no information on this type of transaction.

# Company Information continued

## Authorised Corporate Director (“ACD”) Allianz Global Investors UK Limited

199 Bishopsgate  
London EC2M 3TY

AllianzGI UK Limited, a wholly owned subsidiary of AllianzGI GmbH, is authorised and regulated in the UK by the FCA (with firm reference number: 959195)

A member of The Investment Association

## Independent Auditors PricewaterhouseCoopers LLP

Atria One  
144 Morrison St  
Edinburgh EH3 8EX

## Registrar of Shareholders SS&C Financial Services Europe Limited

SS&C House  
St. Nicholas Lane  
Basildon  
Essex SS15 5FS

Authorised and regulated by the Financial Conduct Authority

## Depository State Street Trustees Limited

20 Churchill Place  
London E14 5HJ

Authorised and regulated by the Financial Conduct Authority.

## Investment Advisers

Allianz Fixed Income Macro Fund,  
Allianz Global Multi Sector Credit Fund,  
Allianz RiskMaster Conservative Multi Asset Fund,  
Allianz RiskMaster Growth Multi Asset Fund &  
Allianz RiskMaster Moderate Multi Asset Fund

## Allianz Global Investors UK Limited

199 Bishopsgate  
London EC2M 3TY

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A member of The Investment Association

Allianz Best Styles Global AC Equity Fund  
Allianz Thematica Fund  
Allianz Emerging Markets Equity Fund

## Allianz Global Investors GmbH

AllianzGI GmbH has its registered office at Bockenheimer Landstrasse 42-44, 60323 Frankfurt am Main, Germany. As with the ACD, AllianzGI GmbH is a member of the Allianz Group.

Authorised by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and subject to limited regulation by the Financial Conduct Authority

Allianz China A-Shares Equity Fund  
Allianz Total Return Asian Equity Fund

## Allianz Global Investors Asia Pacific Limited

32nd Floor, 2 Pacific Place, 88 Queensway,  
Hong Kong, Republic of China

Authorised and regulated by the Hong Kong Securities and Futures Commission

# General Information

## Investing in Open-Ended Investment Companies (“OEICs”)

An OEIC is a collective investment vehicle that allows investors to pool their money to obtain a spread of investments and thus reduce their risk in the financial markets of the world without incurring the costs associated with investing individually. It allows investors access to the expertise of professional investment managers (the ACD, the Investment Advisers and other companies within the Allianz group may from time to time, act as investment managers), who manage the underlying investments of the subfunds on a day to day basis.

Investors are allocated shares in proportion to the size of their investment. The price of these shares is calculated by reference to the value of the underlying investments held by the subfund, and can fluctuate according to the movements within the portfolio of investments.

Subfunds have one price per share class which applies regardless of whether investors are buying or selling the shares. The charges for investing are shown separately on the contract note, which makes it easier to see the exact cost of investment.

Shareholders of the company are not liable for the debts of the Company.

## Dilution levy

The ACD is allowed (under Financial Conduct Authority regulations) to make a dilution levy provision as part of an entry or exit fee but does not expect to charge this levy frequently.

The policy is to charge a dilution levy on large deals and in accordance with the Prospectus and the Financial Conduct Authority regulations, to pay this levy into the individual subfunds. The ACD will charge a dilution levy where a subfund is experiencing large levels of net purchases relevant to its size, large levels of net redemptions relevant to its size or on any large deals. Historically, the ACD has not charged a dilution levy frequently.

# Statement of the Authorised Corporate Director's Responsibilities

The Financial Statements are prepared in accordance with UK generally accepted accounting principles and applicable accounting standards. The ACD is responsible for keeping such accounting records as are necessary to enable it to ensure that the Financial Statements comply with the Financial Conduct Authority ("FCA") regulations and The Statement of Recommended Practice "Financial Statements of UK Authorised Funds 2014" issued by the Investment Management Association (now Investment Association) "IMA SORP" and Amendments to the SORP issued in June 2017.

The Open-Ended Investment Companies Regulations 2001 require the ACD to prepare an annual report for each annual accounting year and a half-yearly report for each half-yearly accounting period of the Company.

The annual long report for the Company is required to contain:

- (i) For each subfund:
  - the full Financial Statements for the annual accounting year which must be prepared in accordance with the requirements of the IMA SORP;
  - the report of the ACD in accordance with the COLL requirements; and
  - the comparative table in accordance with the COLL requirements.
- (ii) the report of the Depository in accordance with the COLL requirements;
- (iii) the report of the Auditors in accordance with the COLL requirements.

In preparing the Financial Statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any

material departures disclosed and explained in the Financial Statements;

- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The ACD is required to ensure that the Financial Statements in the annual long report give a true and fair view of the net revenue and the net capital gains (losses) on the property of the Company for the annual accounting year in question and the financial positions of the subfunds as at the end of that year.

The Investment Objective and Policy for each subfund are set out within the individual Financial Statements for that subfund.

# Collective Notes to the Final Report and Financial Statements

## 1. Accounting policies

Allianz US Equity Fund was merged into the Allianz Thematica Fund on 30 September 2022. This subfund will be terminated in the near future upon receipt of FCA approval and therefore has been accounted for on a basis other than going concern. The assets were valued at fair value, being the realisable value of the assets. All costs associated with the closure and pending termination of the Funds will be borne by the Manager.

The Financial Statements of all other subfunds have been prepared on a going concern basis. All subfunds accounts are prepared in accordance with FRS 102 and the Statement of Recommended Practice 'Financial Statements of UK Authorised Fund's issued by The Investment Management Association (now the Investment Association) in May 2014 ('IMA SORP') and Amendments to the SORP issued in June 2017.

a. Revenue: Dividends and withholding tax recoverable from overseas authorities are treated as receivable on the date on which the security is quoted ex-dividend where the amounts can be reasonably determined. Foreign dividends are grossed up at the appropriate rate of tax. Bank interest is accounted for on an accruals basis. Underwriting commission is recognised when the issue underwritten closes. Accrued interest purchased and sold on interest bearing securities is excluded from the capital cost of these securities and dealt with as part of the revenue of each subfund. Option premiums received by the Company are amortised to revenue or capital over the period to maturity depending on the motive and circumstance of the Option and whether it is written in or out of the money. Gains and losses arising on derivative securities are treated as revenue or capital, reflecting the underlying intent and circumstances of the transaction.

Interest on debt securities is recognised on an accruals basis, taking into account the effective yield on the investment and is treated as revenue. The effective yield basis amortises any discount or premium on the debt element of the purchase of an investment over its remaining life based on contractual cash flows.

Any reported revenue from an offshore Fund, in excess of any distribution received in the reporting year, is recognised as revenue no later than the date on which the reporting Fund makes this information available. The equalisation

element is treated as capital. Returns from bond & equity futures are apportioned into revenue and capital components in order to reflect the motive and circumstance of the financial instrument.

b. Stock dividends: Ordinary stock dividends are recognised wholly as revenue and are based on the market value of the shares on the dates they are quoted ex-dividend. Where an enhancement is offered, the amount by which market value of the shares (on the day they are quoted ex-dividend) exceeds the cash dividend is taken to capital.

c. Special dividends: The underlying circumstances behind special dividends are reviewed in determining whether the receipt is revenue or capital in nature. Special dividends recognised as revenue will form part of the distribution. Any tax treatment will follow the accounting treatment of the principal amount.

d. Valuation: The investments held by the Allianz Emerging Markets Equity Fund and Allianz Total Return Asian Equity Fund have been valued at close of business on the last working day or the accounting year, at the bid market price net of any accrued interest. For this subfund, the ACD determined that there had been material movements since the previous valuation point and thus an additional valuation was required in line with the IMA SORP. For all other subfunds, the investments of a subfund have been valued as at 12 noon (UK time) on the last working day of the accounting year at the bid market price net of any accrued interest. Unlisted, suspended and unapproved investments are shown at the ACD's valuation. The net movement in NAV between 12 noon and close of business is deemed immaterial.

e. Foreign currencies: Assets and liabilities have been translated into sterling at the exchange rates prevailing at close of business on the last working day of the accounting year. Transactions denominated in foreign currencies are translated into sterling at the exchange rates ruling at the date of the transactions. The resulting exchange differences are included in the Statement of Total Return.

f. Taxation: The standard rate of corporation tax for a subfund of an OEIC is 20%, with relief for double taxation taken where applicable. The tax accounting treatment follows the principal amounts involved.



# Collective Notes to the Final Report and Financial Statements continued

g. Deferred tax: Full provision is made for deferred taxation except to the extent that deferred tax assets are considered to be irrecoverable.

h. Expenses: Expenses are recognised on an accruals basis and charged against revenue. The ACD's annual fee is charged to capital for Allianz Total Return Asian Equity Fund and the Allianz Global Multi Sector Credit Fund.

i. Allocation of revenue and expenses to multiple share classes: With the exception of the ACD's annual fee, distribution costs, FT publication fees, printing costs, and the registration fees, which are directly attributable to individual share classes, all revenue and expenses are allocated to share classes pro rata to the value of the net assets of the relevant share class on the day that the revenue or expense is incurred.

j. The Outperformance Fee is calculated and accrued as follows: The first Performance Period commences on the date that Class O Shares are first issued, and ends on the immediately following accounting year end of the relevant Fund. Thereafter, each subsequent Performance Period commences on the day immediately following the end of the previous Performance Period and ends on the immediately following accounting year end of the relevant Fund, or on the date that the final investor in Class O Shares fully redeems his holding if earlier.

## 2. Distribution policies

a. For Allianz Total Return Asian Equity Fund and Allianz Global Multi Sector Credit Fund the ACD pays an interim distribution at its discretion. For all other subfunds, net revenue is accumulated throughout the year and distributed at the year end. Where revenue exceeds expenses for a share class, a distribution will be made. Should expenses exceed revenue there will be no distribution and the shortfall will be transferred from capital.

b. The ordinary element of a stock dividend is treated as revenue but does not form part of the distribution.

c. The Allianz RiskMaster Multi Asset Fund range distribute revenue on debt securities on an effective yield basis.

d. The ACD's annual fee for Allianz Total Return Asian Equity Fund is added back for the purpose of determining the amount available for distribution.

## 3. Financial Risk Management

The subfunds are exposed to financial risk through their financial assets and financial liabilities.

The main risks arising from these are market price risk, liquidity risk, foreign currency risk, credit risk, interest rate risk, derivatives risk and counterparty risk. The risk profile and the policies adopted to manage risk did not change materially during the current and preceding year.

The narrative below explains the different types of risks the subfunds may face.

This information is given so that investors can decide for themselves whether their investment is high or low risk. It also allows them to assess what kind of impact the use of financial instruments (investments, cash/overdraft and borrowings) will have on the performance of the subfund.

The subfund's financial instruments, excluding short-term debtors and creditors, comprise investments and bank balances. The purpose for holding the financial instruments is to meet the individual investment objective. Short-term debtors and creditors are not considered to be financial instruments.

### Market price risk

Market price risk arises mainly from the uncertainty about future prices of financial instruments held. It represents the potential loss the subfunds might suffer through holding market positions in the face of price movements.

A dedicated Fund manager has the responsibility for monitoring the existing portfolio selection in accordance with the subfund's investment objective and seeks to ensure that individual stocks meet an acceptable risk reward profile.

# Collective Notes to the Final Report and Financial Statements continued

## Liquidity risk

Liquidity risk relates to the capacity to meet liabilities.

The assets of each subfund mainly comprise of realisable securities, which can be sold to meet funding requirements if necessary. Short-term flexibility can be achieved through the use of overdraft facilities where necessary.

## Foreign currency risk

Foreign currency risk is the risk of movement in the value of overseas financial instruments as a result of fluctuations in exchange rates.

All or part of a subfund's investments may be denominated in currencies other than sterling, therefore both the value of the investments and the revenue from them can be affected by currency movements.

## Credit risk

Credit risk is the risk of default by a counterparty in discharging its obligations under transactions that could result in a subfund suffering a loss.

Outstanding settlements are subject to credit risk. Credit risk is mitigated by a subfund through its decision to transact with counterparties of high credit quality. The subfund only buys and sells investments through brokers which are approved counterparties, thus minimising the risk of default during settlement.

The Allianz RiskMaster Multi Asset Fund range, the Allianz Fixed Income Macro Fund and the Allianz Global Multi Sector Credit Fund invest significantly, both in fixed interest securities and in Funds which hold fixed interest securities. The remaining subfunds, which predominantly hold equities, have minimal exposure to credit risk.

## Interest rate risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates.

The Allianz RiskMaster Multi Asset Fund range, the Allianz Fixed Income Macro Fund and the the Allianz Global Multi Sector Credit Fund invest significantly, both in fixed interest securities and in funds which hold fixed interest securities, the value of which are directly affected by changes in prevailing market interest rates. These subfunds therefore have significant exposure to interest rate risk.

The remaining subfunds invest predominantly in equities, the values of which are not directly affected by changes in prevailing market interest rates. Therefore these subfunds have minimal exposure to interest rate risk.

## Emerging market risk

Emerging markets tend to be more volatile than more established stock markets and therefore your money is at greater risk. Other risk factors such as political and economic conditions should also be considered. Restrictive dealing, custody and settlement practices may be prevalent. A counterparty may not pay or deliver on time or as expected. As a result, settlement may be delayed and the cash or securities could be disadvantaged. Securities of many companies in emerging markets are less liquid and their prices more volatile than securities of comparable companies in more sizeable markets.

The Allianz Best Styles Global AC Equity Fund, the Allianz Emerging Markets Equity Fund, the Allianz Global Multi Sector Credit Fund, the Allianz China A-Shares Equity Fund and the Allianz RiskMaster Multi Asset Fund range all have considerable exposure to emerging markets.

## Industry risk

If a subfund focuses its investments on certain industries, this reduces risk diversification. Consequently, the subfund is particularly dependent both on the general development and the development of corporate profits of individual industries, or industries that influence each other.

# Collective Notes to the Final Report and Financial Statements continued

## Derivative risk

As part of the investment strategy the Allianz RiskMaster Multi Asset Fund range, the Allianz Best Styles Global AC Equity Fund, the Allianz Fixed Income Macro Fund and the Allianz Global Multi Sector Credit Fund may utilise investment techniques involving the use of financial instruments known as derivatives which further enhances the diversification of the subfunds. These allow an investment manager to invest artificially in financial securities, such as shares or bonds, or other investments, without owning the physical assets. The use of derivatives can involve a greater element of risk. A positive or negative movement in the value of the underlying asset can have a larger effect on the value of derivatives as these are more sensitive to changes.

If a subfund uses derivatives for investment purposes the level of investment can increase above the level of investment of a subfund that is fully invested in securities. As a result a subfund's risk profile offers potentially greater market risk than that of a subfund with a similar profile that does not invest in derivatives. Although it is intended that the use of derivatives for investment purposes will, over the long term, reduce the risk profile of such a subfund, it may introduce counterparty risk that otherwise would not be present. Investment in derivatives may therefore, to some extent, alter the risk profile of such a subfund.

The underlying exposure to open derivatives contracts as at the balance sheet date is as listed below:

## Underlying exposure for derivatives

Fund	Counterparty	Future contracts £000s	FX Forward contracts £000s	Written Call Options £000s	Written Put Options £000s	Purchased Call Options £000s	Purchased Put Options £000s	Swaps £000s	Total £000s
Allianz Best Styles Global AC Equity Fund	Morgan Stanley	34	-	-	-	-	-	-	34
Allianz Emerging Markets Equity Fund	State Street	-	2	-	-	-	-	-	2
Allianz Fixed Income Macro Fund	Bank of America	-	249	-	-	-	-	-	249
	Bank of New York Mellon	-	799	-	-	-	-	-	799
	Barclays	-	4	254	469	31	-	-	758
	BNP Paribas	-	515	-	-	-	-	-	515
	Goldman Sachs	-	-	-	71	-	-	-	71
	JP Morgan	-	1,974	-	52	-	-	11,293	13,319
	Morgan Stanley	-	1,360	-	107	9,917	444	94	11,922
	Nomura	-	-	113	-	-	-	-	113
	Societe Generale	-	117	386	-	-	-	-	503
	Standard Chartered	-	174	-	58	-	-	-	232
State Street	-	691	-	-	-	-	-	691	
Toronto Dominion Bank	-	1,736	-	-	-	-	-	1,736	
		-	7,619	753	757	9,948	444	11,387	30,908
Allianz Global Multi Sector Credit Fund	Barclays	-	1,692	-	-	-	-	-	1,692
	JP Morgan	-	1,833	-	-	-	-	-	1,833
	State Street	-	365	-	-	-	-	-	365
	Toronto Dominion Bank	-	29	-	-	-	-	-	29
		-	3,919	-	-	-	-	-	3,919
Allianz RiskMaster Conservative Multi Asset Fund	Bank of America	-	46	-	-	-	-	-	46
	JP Morgan	-	1,295	-	-	-	-	-	1,295
	Morgan Stanley	2,970	-	7	-	-	-	-	2,977
	Standard Chartered	-	219	-	-	-	-	-	219
	Toronto Dominion Bank	-	1,013	-	-	-	-	-	1,013
		2,970	2,573	7	-	-	-	-	5,550

# Collective Notes to the Final Report and Financial Statements continued

Fund	Counterparty	Future contracts £000s	FX Forward contracts £000s	Written Call Options £000s	Written Put Options £000s	Purchased Call Options £000s	Purchased Put Options £000s	Swaps £000s	Total £000s
Allianz RiskMaster Growth Multi Asset									
Fund	Bank of America	-	201	-	-	-	-	-	201
	BNP Paribas	-	895	-	-	-	-	-	895
	JP Morgan	-	3,964	-	-	-	-	-	3,964
	Morgan Stanley	16,128	-	23	-	-	-	-	16,151
	Standard Chartered	-	1,033	-	-	-	-	-	1,033
	Toronto Dominion Bank	-	3,308	-	-	-	-	-	3,308
		16,128	9,401	23	-	-	-	-	25,552
Allianz RiskMaster Moderate Multi Asset									
Fund	Bank of America	-	205	-	-	-	-	-	205
	JP Morgan	-	5,214	-	-	-	-	-	5,214
	Morgan Stanley	15,455	-	27	-	-	-	-	15,482
	Standard Chartered	-	916	-	-	-	-	-	916
	Toronto Dominion Bank	-	3,582	-	-	-	-	-	3,582
		15,455	9,917	27	-	-	-	-	25,399

# Collective Notes to the Final Report and Financial Statements continued

## Exchange Traded Funds (ETC) and Exchange Traded Commodities (ETC) risk

Constant attention is given to seeking the most competitively priced solutions to gain market exposure. For this reason, the team manages its exposure to the various asset classes for instance through investment in exchange traded funds (ETFs). These are index replicating Funds that reflect the performance of an asset class and have a lower fee structure than other mutual funds.

The risk and cost of investing directly in indices can be reduced by gaining indirect exposure through investing in ETFs. A subfund may be exposed to market fluctuations in the relevant indices (upward or downward) and counterparty risk where over the counter derivatives are utilised by the ETF.

The Allianz RiskMaster Multi Asset Fund range all have considerable exposure to ETFs.

## Counterparty risk

A subfund conducts transactions through or with brokers, clearing houses, market counterparties and other agents. A subfund will be subject to the risk of the inability of any such counterparty to perform its obligations, whether due to insolvency, bankruptcy or other causes.

A subfund may invest into instruments such as notes, swaps or warrants, the performance of which is linked to a market or investment to which the subfund seeks to be exposed. Such instruments are issued by a range of counterparties and through its investment the subfund will be subject to the counterparty risk of the issuer, in addition to the investment exposure it seeks.

The subfunds will only enter into Over-the-counter derivatives transactions and efficient portfolio management techniques with reputable institutions which are subject to prudential supervision and specialising in these types of transactions. In principle, the counterparty risk for such transactions and techniques should not exceed 10% of the relevant subfund's net assets when the counterparty is an approved bank or 5% of its net assets in other cases. However, if a counterparty defaults, the actual losses may exceed these limits. If a counterparty were to default on its obligations this may have an adverse impact on the performance of the relevant subfund causing loss to investors.

The counterparties for open derivative contracts are shown in the table on page 11 and 12.

# Collective Notes to the Final Report and Financial Statements continued

## Risk and Reward Profile

Subfund	Typically lower rewards Typically lower risk					Typically higher rewards Typically higher risk	
	1	2	3	4	5	6	7
Allianz Best Styles Global AC Equity Fund						6	
Allianz China A-Shares Equity Fund						6	
Allianz Emerging Markets Equity Fund						6	
Allianz Fixed Income Macro Fund			3				
Allianz Global Multi Sector Credit Fund			3				
Allianz RiskMaster Conservative Multi Asset Fund				4			
Allianz RiskMaster Growth Multi Asset Fund					5		
Allianz RiskMaster Moderate Multi Asset Fund				4			
Allianz Thematica Fund						6	
Allianz Total Return Asian Equity Fund						6	
Allianz US Equity Fund						6	

Please note, the category stated above is the same for each class of share within the relevant subfund.

This risk and reward indicator is based on past performance data and calculated in accordance with European legislation. It may not be a reliable indication of the future risk profile of the subfund. The categorisation of the subfund is not guaranteed and may change in the future. Even the lowest category 1 does not mean a risk-free investment.

### Why is the subfund in this category?

Subfunds of category 3 have shown in the past a low to medium volatility. The volatility describes how much the value of the subfund went up and down in the past. The shares of a subfund of category 3 might be subject to low to medium price fluctuations based on historical volatilities observed.

Subfunds of category 4 have shown medium volatility in the past. The volatility describes how much the value of the subfund went up and down in the past. The shares of a subfund of category 4 might be subject to medium price fluctuations based on the historical volatilities observed.

Subfunds of category 5 have shown medium to high volatility in the past. The volatility describes how much the value of the subfund went up and down in the past. The shares of a subfund of category 5 might be subject to medium to high price fluctuations based on the historical volatilities observed.

Subfunds of category 6 have shown high volatility in the past. The volatility describes how much the value of the subfund went up and down in the past. The shares of a subfund of category 6 might be subject to high price fluctuations based on the historical volatilities observed.

# Collective Notes to the Final Report and Financial Statements continued

## Value at Risk (VaR)

VaR is a measure of the potential maximum portfolio loss over a specific time horizon at a given confidence level under normal market conditions. It is a measure of market risk.

In the relative VaR approach the risk budget utilisation is defined as the VaR of the subfund divided by the VaR of a benchmark or a reference portfolio (i.e. a portfolio reflecting the subfund's investment strategy, but free of derivatives). This can be an actual benchmark portfolio (such as an index) or a fictitious benchmark portfolio. The VaR of the subfund should not exceed twice the VaR of a comparable benchmark portfolio. In the absolute VaR approach, the maximum VaR that a subfund can have is limited relative to its Net Asset Value.

The table below details the VaR approach for the Allianz RiskMaster Multi Asset Fund range, the Allianz Best Styles Global AC Equity Fund, the Allianz Fixed Income Macro Fund, the Allianz Global Multi Sector Credit Fund and for those subfunds utilising the relative VaR, it details the Reference Portfolio. The table also details minimum, maximum and average monthly VaR utilisation that occurred.

Global Exposure						Leverage				
VaR limits										
Fund Name	Method used to calculate global exposure	Time period	Type of Model	Parameters (Confidence Interval, holding period, observation period)	Reference Portfolio	Lowest	Highest	Average	Maximum limits	Leverage average
						%	%	%	%	%
Allianz RiskMaster										
Conservative Multi Asset Fund	Absolute VaR	01.05.2022 - 30.04.2023	Delta Normal	99% Confidence, 10 days, 260 days	N/A	1.95	2.94	2.51	14.14	0.76
Allianz RiskMaster										
Moderate Multi Asset Fund	Absolute VaR	01.05.2022 - 30.04.2023	Delta Normal	99% Confidence, 10 days, 260 days	N/A	2.61	3.77	3.27	14.14	0.90
Allianz RiskMaster										
Growth Multi Asset Fund	Absolute VaR	01.05.2022 - 30.04.2032	Delta Normal	99% Confidence, 10 days, 260 days	N/A	3.40	4.62	4.05	14.14	0.97
Allianz										
Fixed Income Macro Fund	Absolute VaR	01.05.2022 - 30.04.2023	Delta Normal	99% Confidence, 10 days, 260 days	N/A	1.47	7.09	2.68	14.14	40.14
Risk Budget Utilisation										
Allianz Best Styles Global AC Equity Fund					MSCI All Country World Index Net Total Return GBP	MSCI ACWI GBP TOTAL RETURN (NET) IN GBP				
	Absolute VaR	01.05.2022 - 30.04.2023	Delta Normal	99% Confidence, 10 days, 260 days		5.62	8.14	7.41		0.02
Allianz Global Multi Sector Credit Fund					Sterling Over Night Index Average (SONIA) GBP					
	Absolute VaR	01.05.2022 - 30.04.2023	Delta Normal	99% Confidence, 10 days, 260 days		0.84	1.38	1.06	14.14	1.12

## Post balance sheet events

Allianz US Equity Fund was merged into the Allianz Thematica Fund on 30 September 2022. The Fund is currently in liquidation, following the approval for termination by FCA. The termination reports are currently under preparation. They will be filled to the FCA in due course.

# Fund Information

## Investment Objective and Policy

The investment objective of the Allianz Best Styles Global AC Equity Fund is to achieve long-term capital growth through investment in global equity markets, aiming to outperform (net of fees) the Target Benchmark, the MSCI All Country World Index Net Total Return GBP over a rolling five year period.

The ACD will invest at least 70% of the Fund's assets in equities and securities equivalent to equities (e.g. American Depositary Receipts, Global Depositary Receipts) worldwide. In addition, index certificates and other certificates on equities, adequately diversified equity baskets, participation certificates and warrants may also be acquired. Their value together with the value of the assets defined in the first sentence must be at least 85 % of the Fund's assets.

Up to 40% of the Fund's assets may be invested in securities / instruments where the issuers or the issuers of the underlying securities have their registered offices in Emerging Market Countries (as defined in the prospectus) of which up to 10% of the Fund's assets may be invested in Chinese A-Shares either directly via Stock Connect or indirectly through all eligible instruments as set out in the investment policy.

The ACD may also utilise deposits and money market instruments in the management of the portfolio and their value, together with money market funds, may make up to a maximum of 15% of the Fund's assets.

The Fund may also invest up to a maximum of 10% of the Fund's assets in other Funds managed by Allianz Global Investors and its group of companies and other collective investment schemes managed by third parties.

## Fund Details

Fund Manager	Erik Mulder and Andreas Domke	
Benchmark	MSCI All Country World Index Net Total Return GBP	
Income allocation	30 April	
<u>date</u>		
Income pay date	31 August (normally by 30 June)	
Launch dates	Fund	14 December 2015
	C Shares	14 December 2015
	I Shares	14 December 2015
	O Shares	3 May 2018
ISA status	Yes	
Share Classes and types of Shares	C (Accumulation Shares)	
	I (Accumulation Shares)	
	O (Accumulation Shares)	
Minimum investment	C Shares	Lump sum £500 Monthly saving £50
	I Shares	Lump sum £10,000,000 Available to Approved Investors only.
	O Shares	Lump sum £10,000,000 Available to Approved Investors only.
Initial charge	C Shares	Nil
	I Shares	Nil
	O Shares	Nil
Annual ACD fee	C Shares	0.27%
	I Shares	0.20%
	O Shares	0.20%*

\*0.20 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the O shares.



# Comparative Tables

For the year ended 30 April 2023

	C Shares Accumulation			I Shares Accumulation		
	2023 (p)	2022 (p)	2021 (p)	2023 (p)	2022 (p)	2021 (p)
Opening net asset value per share	204.70	189.05	142.28	206.03	189.98	142.91
Return before operating charges	4.97	16.38	47.30	4.98	16.66	47.52
Operating charges	(0.73)	(0.73)	(0.53)	(0.56)	(0.61)	(0.45)
Return after operating charges	4.24	15.65	46.77	4.42	16.05	47.07
Distributions	(4.44)	(3.27)	(3.12)	(4.65)	(3.76)	(3.22)
Retained distributions on accumulation shares	4.44	3.27	3.12	4.65	3.76	3.22
Closing net asset value per share	208.94	204.70	189.05	210.45	206.03	189.98
After direct transaction costs of <sup>1</sup>	(0.16)	(0.12)	(0.08)	(0.16)	(0.12)	(0.08)
Performance						
Return after operating charges	2.07%	8.28%	32.87%	2.15%	8.45%	32.94%
Other information						
Closing net asset value (£'000)	1,007	1,023	9,743	76,518	74,898	111,948
Closing number of shares	482,015	499,954	5,153,687	36,358,505	36,353,280	58,927,191
Operating charges	0.36%	0.37%	0.32%	0.27%	0.30%	0.27%
Direct transaction costs	0.08%	0.06%	0.05%	0.08%	0.06%	0.05%
Prices						
Highest share price	215.23	213.63	189.68	216.77	214.89	190.60
Lowest share price	187.67	182.48	137.49	188.92	183.38	138.10

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.

# Comparative Tables continued

For the year ended 30 April 2023

	O Shares Accumulation		
	2023 (p)	2022 (p)	2021 (p)
Opening net asset value per share	143.83	132.49	100.09
Return before operating charges	4.61	11.62	32.65
Operating charges	(0.29)	(0.28)	(0.25)
Return after operating charges	4.32	11.34	32.40
Distributions	(3.33)	(2.69)	(1.02)
Retained distributions on accumulation shares	3.33	2.69	1.02
Closing net asset value per share	148.15	143.83	132.49
After direct transaction costs of <sup>1</sup>	(0.11)	(0.08)	(0.06)
Performance			
Return after operating charges	3.00%	8.56%	32.37%
Other information			
Closing net asset value (£'000)	6	15	6
Closing number of shares	4,161	10,662	4,826
Operating charges <sup>2</sup>	0.20%	0.20%	0.20%
Direct transaction costs	0.08%	0.06%	0.05%
Prices			
Highest share price	151.43	149.96	132.92
Lowest share price	131.89	127.89	96.58

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.

<sup>2</sup> Operating charges have been capped at 0.20%.

# Distribution Tables

## For the year ended 30 April 2023

Final Distribution in pence per share

Group 1 Shares purchased prior to 1 May 2022

Group 2 Shares purchased on or after 1 May 2022 to 30 April 2023

	Net revenue (p)	Equalisation (p)	Distribution payable 30/06/23 (p)	Distribution paid 30/06/22 (p)
<b>C Shares Accumulation</b>				
Group 1	4.4393	-	4.4393	3.2709
Group 2	1.9248	2.5145	4.4393	3.2709
<b>I Shares Accumulation</b>				
Group 1	4.6518	-	4.6518	3.7578
Group 2	0.2078	4.4440	4.6518	3.7578
<b>O Shares Accumulation</b>				
Group 1	3.3337	-	3.3337	2.6900
Group 2	3.0579	0.2758	3.3337	2.6900

Investors are reminded that distribution is not guaranteed.

# Investment Review

## Performance Summary

Global equities fell sharply over the months to end-September 2022, but rallied strongly over March 2023, lifted by hopes that central banks may soon start to scale back the pace of their interest rate hikes given the signs of peaked inflation.

Allianz Best Styles Global AC Equity Fund returned 4.46% over the period, gross of fees, in GBP, while its benchmark, the MSCI AC World Total Return (Net) Index in GBP returned 1.95%.

Allianz Best Styles Global AC Equity Fund will maintain its broadly diversified strategic allocation to long-term rewarding factors including Value, Momentum, Revisions, Stable Growth and Quality.

## Market Background

Global equities fell sharply over the six months to end-September 2022. Accelerating inflation forced central banks to be more aggressive in raising interest rates, sparking speculation that a period of negative growth would be needed in the US and Europe to bring inflation back under control. Geopolitical risks also remained elevated, with the war between Russia and Ukraine showing no signs of ending while tensions between China and Taiwan rose. In contrast, Global equities rallied significantly over the six months to end March 2023. Signs that inflation may have peaked sparked speculation that central banks may start to ease the pace at which they raise rates. Sentiment was further boosted when China pivoted on its strict zero-COVID policy, raising hopes of an economic rebound as its economy reopened. However, shares prices closed the period on a weak note after the collapse of two regional US banks and an enforced merger of Credit Suisse with its rival UBS highlighted the stresses in the banking system caused by central banks' aggressive rate hikes in 2022. Global stocks advanced modestly over April, with European and Japanese equities rising the most. On a sector basis, consumer staples companies were among the strongest performers in the MSCI All Countries World Index amid growing evidence that household names were managing to increase prices without materially curbing demand. Energy stocks also outperformed as oil prices rallied following production cuts by OPEC and other oil producing nations, while the financials sector rebounded as fears of a global banking crisis eased. In contrast, the information technology, consumer discretionary and materials sectors lagged.

US equities tumbled on growing concerns that a recession would be needed to tame rampant inflation until end September. This marked the third consecutive quarterly loss and the longest streak of quarterly losses since 2008. By mid-June, the S&P 500 Index and the tech-heavy Nasdaq had dropped significantly as the Federal Reserve (Fed) ramped up its forecasts for the future level of interest rates. Signs that inflationary pressures may be easing led to a brief rally over the summer, but shares fell once more as these hopes faded, closing September back near June lows. However, US stocks rallied strongly over the six months under review as signs that US inflationary pressures were easing boosted hopes that Federal Reserve (Fed) was nearing the end of its rate-hiking cycle. By the start of February, major US equity indices had rallied more than 15% since the end of September 2022 but shares subsequently lost ground as strong economic data stoked fears that the Fed would need to keep rates higher for longer. Sentiment was further dented in March, with banking stocks falling sharply as the collapse of niche lenders Silicon Valley Bank and Signature Bank sparked wider concerns over the health of the banking system. US equities closed the month of April slightly higher, lifted by a raft of better-than-expected corporate earnings from high-profile tech companies in the last days of the month. This helped the US market overcome fears of an economic slowdown as well as expectations that the Federal Reserve (Fed) would raise interest rates at its next meeting in early May. In general, first-quarter earnings beat forecasts, although overall earnings are expected to decline for the second consecutive quarter.

European equities slumped (in EUR terms) as accelerating inflation raised concerns that the European Central Bank (ECB) was behind the curve in raising rates. The second quarter was the weakest for European shares since the start of the pandemic in early-2020 and valuations fell further in the third quarter as a short-lived rally was reversed, with European equities falling into a bear market, having declined at least 20% from their peak in January 2022. Worries over energy supplies persisted after Russia's Nord Stream 1 gas pipeline was closed indefinitely. As gas prices surged, European nations introduced measures to help households and the EU proposed a windfall tax on energy companies. In contrary, European equities surged over the six months to end March (in EUR terms). The FTSEurofirst 300 Index reached its highest level in more than a year in early-March, although it subsequently retreated sharply as the banking sector was hit by uncertainty. Despite the European Central Bank's (ECB) hawkish stance,

# Investment Review continued

sentiment was buoyed by growing hopes that the region may avoid a recession given the fall in energy costs and China's zero-COVID pivot. All sectors rose, with consumer discretionary, industrials and information technology companies advancing the most. The real estate sector was a notable outlier amid fears the banking turmoil will tighten access to credit. European equities moved higher over April (in EUR terms) as fears of a banking crisis waned and optimism over the economic outlook outweighed concerns about further hikes in interest rates. Consumer staples companies were among the strongest performers as companies such as Nestlé reported that demand was holding up well, despite higher prices. However, the technology sector underperformed.

Emerging market equities retreated sharply over the months to end-September 2022 as well with its overall performance dragged lower by weak returns from three of the index's largest constituents: China, Taiwan and South Korea. Eastern European equities also fell sharply, but Turkish equities rallied strongly. In addition to the deteriorating outlook for the global economy, emerging markets also had to contend with rising borrowing costs due to the strength of the US dollar and higher US bond yields. However, Emerging market (EM) stocks rallied strongly over the six months to end March 2023, boosted by optimism over China's zero-COVID pivot and by signs that inflation had passed its peak. Nevertheless, sentiment ebbed and flowed, as investors balanced hawkish statements from major central banks against hopes that rates were closing in on their terminal levels for this rate-hiking cycle. March was a particularly volatile month as two US regional lenders, SVB Financial and Signature Bank, collapsed, with the repercussions felt globally. The US dollar declined steadily throughout the period, further bolstering returns for EM markets. The MSCI Emerging Market Index started April in positive territory but lost ground over the month as shares in China and Taiwan, two of the index's largest components, declined. At a regional level, Eastern European markets delivered robust gains, while Latin American markets also advanced modestly. However, Asian markets were choppy and closed the month lower.

## Portfolio Review

Allianz Best Styles Global AC Equity Fund returned 4.46% over the period, gross of fees, in GBP, while its benchmark, the MSCI AC World Total Return (Net) Index in GBP returned 1.95%.

Thus, the relative performance for the Fund was 2.51%, gross of fees.

The Allianz Best Styles Global AC Equity Fund's strategies implement a well-diversified blend of the five long-term successful investment styles Value, Momentum, Revisions, Stable Growth and Quality.

Thus, the relative performance of the strategy is primarily driven by the performance of these key investment styles.

## Analyzing the performance from an investment style perspective

The environment for our global all country investment styles has been positive in 2022 and more challenging in YTD 2023.

A tumultuous 2022 did not stop the contrarian style Value from outperforming in three quarters out of four in 2022. Although the political and economic pressures caught up with the markets in the beginning of the year, thanks to an especially great performance in Q3 of 2022, trend-following Revisions and Momentum ended the year in the positives. Conversely, due to a poor Q1 2022, Growth and Quality could not recover throughout the rest of the year and ended it in the negatives.

In 2023, the period from January to the beginning of February was characterised by positive returns for two investment styles that are typically negatively correlated: Value and Growth. Despite weak performance in Momentum, Revisions, and Quality, which is consistent with the well-known January effect reversing previous trends, the strategy's overall active performance was neutral owing to its diversified style exposure. The second half of the period, through March until the end of April, was marked by negative performance for Growth, whereas after an unsuccessful March, Value slightly recovered in April. Conversely, Quality outperformed in three months out of four, benefiting from increased uncertainty surrounding the banking sector in the United States and its potential implications for the economy, as well as a potentially more accommodative central bank policy. The performance of other investment styles, such as Revisions and Momentum, was mixed in the end of the period.

Overall, the portfolio has outperformed the benchmark during the entire period thanks to the contribution from Value.

# Investment Review continued

## Analyzing the performance from the more traditional perspective of sectors and regions

The overall sector allocation effect was positive in the reporting period, mainly emanating from underweighting Communication Services and Real Estate. The stock selection within sectors was also positive, boosted by Consumer Discretionary and Materials.

The overall regional allocation effect was slightly negative during the period. Underweighting Pacific Ex Japan and United Kingdom hurt the relative performance the most. The stock selection within regions was overall positive, it was particularly strong within Japan and Europe ex UK.

## Outlook

Global economic growth appears more resilient than expected by many market participants, and a recession in the US or elsewhere seems less probable than feared a few months ago. However, we should not forget that the impact of the rate hikes implemented so far will be felt increasingly over time. Moreover, additional rate steps are quite possible, particularly by those central banks which have been lagging behind in terms of rate normalisation, such as the European Central Bank (ECB). At the same time, lending standards in key regions may tighten due to the tensions in the banking sector. Such an environment may weigh on corporate revenues and profit margins. While both still appear robust in a long-term comparison, they are down from the extremely strong figures of the past year. As a rule, equities – which are “real” assets in the sense that they represent shares in a company – benefit from the fact that companies can quickly pass on price increases to customers, at least to some extent. Overall, the market environment suggests that volatility will increase again after the very favourable start into the year. Active managers will probably find some interesting opportunities in this environment.

Allianz Best Styles Global AC Equity Fund will maintain its broadly diversified strategic allocation to long-term rewarding factors including Value, Momentum, Revisions, Growth and Quality.

# Portfolio Statement

As at 30 April 2023

Holding		Market Value	% of
		£'000	Net Assets
	UNITED KINGDOM - 1.66% (2022 - 3.36%)		
	United Kingdom Equities - 1.66% (2022 - 3.36%)		
10,232	Airtel Africa	12	0.02
1,433	Computacenter	33	0.04
7,624	Diageo	277	0.36
14,294	GSK	206	0.27
70,686	HSBC	404	0.53
1,753	Keller	12	0.02
5,926	Liberty Global	92	0.12
41,664	Lloyds Banking	20	0.03
20,149	Paragon Banking	100	0.13
4,910	Stolt-Nielsen	112	0.14
		<u>1,268</u>	<u>1.66</u>
	EUROPE - 17.64% (2022 - 22.68%)		
	Austria Equities - 0.00% (2022 - 0.61%)		
	Belgium Equities - 0.16% (2022 - 0.13%)		
1,155	Melexis	86	0.11
5,796	X-Fab Silicon Foundries	39	0.05
		<u>125</u>	<u>0.16</u>
	Denmark Equities - 1.39% (2022 - 0.58%)		
39	AP Moller - Maersk 'A Shares'	55	0.07
115	AP Moller - Maersk 'B Shares'	164	0.22
1,272	D/S Norden	64	0.08
5,517	Novo Nordisk	738	0.95
862	Solar	56	0.07
		<u>1,077</u>	<u>1.39</u>
	Finland Equities - 0.14% (2022 - 0.75%)		
31,690	Nokia	106	0.14
		<u>106</u>	<u>0.14</u>
	France Equities - 2.57% (2022 - 4.11%)		
1,236	AXA	32	0.04
2,647	BNP Paribas	135	0.17
2,472	Cie de Saint-Gobain	113	0.15
6,457	Coface	78	0.10
927	Eiffage	87	0.11
202	Hermes International	348	0.45
2,474	IPSOS	108	0.14
7,836	Orange	81	0.10
7,420	Sanofi	658	0.85
3,644	Vinci	359	0.46
		<u>1,999</u>	<u>2.57</u>
	Germany Equities - 1.19% (2022 - 2.54%)		
5,479	Bayerische Motoren Werke	482	0.62
13,336	Deutsche Telekom	256	0.33
849	Elmos Semiconductor	51	0.07
2,089	Mercedes-Benz	128	0.17
		<u>917</u>	<u>1.19</u>
	Greece Equities - 0.40% (2022 - 0.14%)		
44,696	National Bank of Greece	188	0.25
8,529	OPAP	117	0.15
		<u>305</u>	<u>0.40</u>
	Hungary Equities - 0.00% (2022 - 0.06%)		
	Ireland Equities - 0.80% (2022 - 1.45%)		
49,064	Cairn Homes	44	0.06
2,268	Medtronic	166	0.21
2,763	Trane Technologies	411	0.53
		<u>621</u>	<u>0.80</u>
	Italy Equities - 0.75% (2022 - 0.72%)		
40,707	Eni	480	0.62
17,400	PRADA	102	0.13
		<u>582</u>	<u>0.75</u>
	Luxembourg Collective Investment Schemes - 2.93% (2022 - 3.00%)		
2,100	Allianz Global Equity Fund	1,486	1.93
710	Allianz India Equity Fund	779	1.00
		<u>2,265</u>	<u>2.93</u>

# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value £'000	% of Net Assets
	Luxembourg Equities - 0.00% (2022 - 0.20%)		
	Netherlands Equities - 0.94% (2022 - 2.12%)		
17,943	Fiat Chrysler Automobiles	231	0.30
15,799	Koninklijke Ahold Delhaize	434	0.56
2,988	OCI	61	0.08
		<u>726</u>	<u>0.94</u>
	Norway Equities - 0.12% (2022 - 0.30%)		
12,836	Austevoll Seafood	95	0.12
		<u>95</u>	<u>0.12</u>
	Poland Equities - 0.38% (2022 - 0.06%)		
5,312	Asseco Poland	87	0.11
2,560	Ciech	24	0.03
24,935	Powszechny Zaklad Ubezpieczen	184	0.24
		<u>295</u>	<u>0.38</u>
	Portugal Equities - 0.02% (2022 - 0.00%)		
20,033	Sonae	18	0.02
		<u>18</u>	<u>0.02</u>
	Romania Equities - 0.05% (2022 - 0.00%)		
432,146	OMV Petrom	38	0.05
		<u>38</u>	<u>0.05</u>
	Russia Equities - 0.00% (2022 - 0.00%)		
58,950	Gazprom~	-	-
2,478	LUKOIL~	-	-
1,833	PhosAgro~	-	-
		<u>-</u>	<u>-</u>
	Slovenia Equities - 0.04% (2022 - 0.00%)		
2,390	Nova Ljubljanska Banka dd GDR	29	0.04
		<u>29</u>	<u>0.04</u>
	Spain Equities - 2.64% (2022 - 1.77%)		
48,749	Banco Bilbao Vizcaya Argentaria	285	0.37
60,172	Iberdrola	620	0.80
3,886	Indra Sistemas	42	0.05
21,167	Industria de Diseno Textil	574	0.74
16,489	Naturgy Energy	405	0.52
10,959	Repsol	126	0.16
		<u>2,052</u>	<u>2.64</u>
	Sweden Equities - 0.44% (2022 - 1.27%)		
3,865	Betsson	33	0.04
17,819	Investor	308	0.40
		<u>341</u>	<u>0.44</u>
	Switzerland Equities - 2.36% (2022 - 2.38%)		
464	Bucher Industries	166	0.22
2,441	Cie Financiere Richemont	321	0.41
9,893	Novartis	808	1.04
268	Roche	67	0.09
313	Swatch	85	0.11
688	Swisscom	377	0.49
		<u>1,824</u>	<u>2.36</u>
	Turkey Equities - 0.32% (2022 - 0.49%)		
6,542	Dogus Otomotiv Servis ve Ticaret	33	0.04
44,708	KOC	145	0.19
130,543	ODAS Elektrik Uretim ve Sanayi Ticaret	32	0.04
24,253	Turkiye Sise ve Cam Fabrikalari	38	0.05
		<u>248</u>	<u>0.32</u>
	ASIA PACIFIC (EXCLUDING JAPAN) - 11.50% (2022 - 12.33%)		
	Australia Equities - 1.50% (2022 - 0.73%)		
25,256	BHP	592	0.76
39,067	Fortescue Metals	431	0.57
10,752	GrainCorp	39	0.05
17,558	Pilbara Minerals	39	0.05
50,462	Vicinity**	56	0.07
		<u>1,157</u>	<u>1.50</u>



# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value £'000	% of Net Assets
	China Equities - 3.36% (2022 - 4.56%)		
299,000	Agricultural Bank of China	93	0.12
80,000	Anhui Expressway	65	0.08
521,000	Bank of China	167	0.22
158,000	Bank of Communications	82	0.11
171,400	Bank of Jiangsu	153	0.20
401,000	China Construction Bank	215	0.28
71,400	China Pacific Insurance	170	0.22
110,000	China Petroleum & Chemical	58	0.07
271,000	China Railway Signal & Communication	101	0.13
106,000	CSPC Pharmaceutical	86	0.11
56,500	Greentown China	54	0.07
21,500	Guangzhou Great Power Energy & Technology	130	0.17
391,000	Industrial & Commercial Bank of China	169	0.22
59,000	JNBY Design	51	0.07
160,000	Lenovo	131	0.17
7,400	Ming Yang Smart Energy	18	0.02
1,400	Ningbo Deye Technology	41	0.05
3,304	PDD ADR	175	0.23
112,000	PICC Property & Casualty	108	0.14
31,000	Radiance	13	0.02
136,100	Shandong Publishing & Media	182	0.23
116,800	Shandong Weigao Group Medical Polymer	159	0.21
4,448	Vipshop ADR	55	0.07
46,600	ZTE	120	0.15
		<u>2,596</u>	<u>3.36</u>
	Hong Kong Equities - 0.65% (2022 - 0.73%)		
76,000	China State Construction International	76	0.10
32,000	China Water Affairs	21	0.03
95,000	CITIC Telecom International	31	0.04
282,000	Skyworth	112	0.14
92,000	Sun Hung Kai	27	0.03
246,000	Truly International	25	0.03
482,500	WH	215	0.28
		<u>507</u>	<u>0.65</u>
	India Equities - 0.16% (2022 - 0.13%)		
2,148	State Bank of India GDR	121	0.16
		<u>121</u>	<u>0.16</u>
	Indonesia Equities - 0.43% (2022 - 0.49%)		
87,000	Bank Mandiri	25	0.03
571,800	Kalbe Farma	66	0.09
1,436,800	Mitra Adiperkasa	107	0.14
559,600	Perusahaan Gas Negara	44	0.06
1,537,600	Sarana Menara Nusantara	86	0.11
		<u>328</u>	<u>0.43</u>
	Malaysia Equities - 0.25% (2022 - 0.17%)		
69,900	Sime Darby Plantation	54	0.07
694,500	YTL Power International	137	0.18
		<u>191</u>	<u>0.25</u>
	New Zealand Equities - 0.00% (2022 - 0.06%)		
	Singapore Equities - 1.87% (2022 - 0.46%)		
12,600	DBS	248	0.32
299,400	Golden Agri-Resources	49	0.06
14,100	Jardine Cycle & Carriage	286	0.37
68,600	Oversea-Chinese Banking	518	0.67
3,700	United Overseas Bank	63	0.08
120,600	Wilmar International	284	0.37
		<u>1,448</u>	<u>1.87</u>
	South Korea Equities - 2.38% (2022 - 2.55%)		
3,808	DB Insurance	192	0.25
319	Dentium	27	0.03
2,581	DL	77	0.10
5,564	Dreamtech	32	0.04
2,240	HD Hyundai Energy Solutions	57	0.07
5,751	Hyundai Marine & Fire Insurance	129	0.17
630	Hyundai Motor	75	0.10
18,388	JB Financial	92	0.12

# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value	
		£'000	% of Net Assets
1,707	Kia	86	0.11
11,384	KT	205	0.26
4,896	KT&G	252	0.33
460	LG Innotek	73	0.09
3,179	Orion	32	0.04
10,285	Shinhan Financial	215	0.29
478	SK	47	0.06
29,543	Woori Financial	208	0.27
1,056	Youngone	41	0.05
		<b>1,840</b>	<b>2.38</b>
	Taiwan Equities - 0.50% (2022 - 2.45%)		
35,000	ASE Technology	92	0.12
34,000	Lite-On Technology	65	0.08
15,000	Simplo Technology	120	0.15
2,000	Taiwan Semiconductor Manufacturing	26	0.03
79,000	Wistron	96	0.12
		<b>399</b>	<b>0.50</b>
	Thailand Equities - 0.40% (2022 - 0.00%)		
39,000	Delta Electronics Thailand NVDR	67	0.09
359,300	Krung Thai Bank	151	0.19
2,114,800	Sansiri NVDR	94	0.12
		<b>312</b>	<b>0.40</b>
	JAPAN - 5.64% (2022 - 8.44%)		
	Japan Equities - 5.64% (2022 - 8.44%)		
13,200	Canon	251	0.32
5,300	Canon Marketing Japan	106	0.14
1,800	Elematec	18	0.02
6,200	Inabata	101	0.13
13,600	ITOCHU	360	0.46
800	Japan Pulp & Paper	25	0.03
5,800	Marubeni	66	0.09
4,900	Mazda Motor	35	0.05
5,300	Mitsubishi	156	0.20
114,900	Mitsubishi UFJ Financial	577	0.74
21,000	Mitsui	524	0.68
3,900	Mitsui OSK Lines	77	0.10
28,400	Nippon Steel	484	0.62
21,300	Nippon Telegraph & Telephone	520	0.67
4,400	Nomura Real Estate	87	0.11
2,400	Riken Vitamin	29	0.04
2,000	Sanyo Special Steel	28	0.04
6,500	Seiko Epson	79	0.10
11,900	SKY Perfect JSAT	37	0.05
5,600	SoftBank	168	0.22
24,600	Sumitomo	352	0.45
6,600	Sumitomo Mitsui Financial	216	0.28
2,500	Toho	40	0.05
2,200	Tokyo Kiraboshi Financial	36	0.05
		<b>4,372</b>	<b>5.64</b>
	NORTH AMERICA - 57.87% (2022 - 85.65%)		
	Canada Equities - 1.77% (2022 - 3.07%)		
1,845	Agnico Eagle Mines	83	0.11
458	Andlauer Healthcare	14	0.02
7,418	Celestica	66	0.09
7,929	Finning International	163	0.21
1,780	Frontera Energy	13	0.02
2,979	George Weston	319	0.41
1,385	Loblaws	104	0.13
1,456	Lululemon Athletica	442	0.57
2,474	Mercer International	19	0.02
7,841	Pan American Silver	110	0.14
5,604	Tricon Residential	35	0.05
		<b>1,368</b>	<b>1.77</b>
	Puerto Rico Equities - 0.00% (2022 - 0.13%)		
	United States of America Equities - 56.10% (2022 - 82.45%)		
6,736	Abbott Laboratories	592	0.76
2,680	AbbVie	320	0.42
3,572	Agilent Technologies	382	0.49

# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value £'000	% of Net Assets
392	Albemarle	58	0.07
5,190	Albertsons	87	0.11
13,426	Alphabet	1,159	1.49
12,960	Alphabet 'C' Shares	1,127	1.45
7,747	Amazon.com	682	0.88
2,082	American Express	265	0.34
14,199	American International	594	0.77
7,383	Amkor Technology	131	0.17
3,000	Amphenol	180	0.23
26,327	Apple	3,557	4.59
1,916	Applied Materials	172	0.22
1,229	Arista Networks	155	0.20
839	Arrow Electronics	76	0.10
43,584	AT&T	616	0.79
2,383	Automatic Data Processing	413	0.53
6,183	Bandwidth	61	0.08
2,754	Beazer Homes USA	38	0.05
2,463	Belden	155	0.20
877	Biogen	207	0.27
1,190	BlackRock	633	0.82
4,057	Bristol-Myers Squibb	220	0.28
1,368	Broadcom	679	0.88
2,233	Builders FirstSource	165	0.21
1,024	Bunge	76	0.10
2,620	Cadence Design Systems	437	0.56
1,621	Cal-Maine Foods	63	0.08
1,890	Centene	104	0.13
207	Cigna	42	0.05
1,141	Cintas	413	0.53
18,603	Cisco Systems	695	0.90
3,270	Citigroup	123	0.16
8,572	Coca-Cola	438	0.56
2,428	Cohu	64	0.08
146	ConocoPhillips	12	0.02
1,780	Costco Wholesale	716	0.92
3,041	CVS Health	178	0.23
2,687	Danaher	499	0.64
792	Discover Financial Services	65	0.08
2,687	Dollar General	478	0.62
3,552	Donaldson	181	0.23
1,425	Elevance Health	532	0.69
823	Eli Lilly	258	0.33
2,728	Enphase Energy	359	0.46
13,496	Equitable	277	0.36
14,102	Exelon	484	0.62
9,212	Exxon Mobil	864	1.11
395	Fair Isaac	233	0.30
4,602	Flex	74	0.10
7,987	Frontier Communications Parent	140	0.18
818	Gartner	198	0.26
13,044	Genworth Financial	58	0.07
2,460	Gilead Sciences	165	0.21
1,495	Goldman Sachs	410	0.53
3,732	H&E Equipment Services	108	0.14
2,315	Hewlett Packard Enterprise	26	0.03
1,877	Hub	122	0.16
372	Humana	157	0.20
571	IDEXX Laboratories	222	0.29
3,060	Ingredion	259	0.33
6,163	Intel	147	0.19
564	Intuit	194	0.25
2,628	Jabil	164	0.21
2,193	Johnson & Johnson	287	0.37
3,422	JPMorgan Chase	376	0.48
2,800	Keysight Technologies	319	0.41
1,428	KLA	440	0.57
452	Laboratory Corp of America	82	0.11
9,534	Las Vegas Sands	476	0.61

# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value	% of
		£'000	Net Assets
4,441	LyondellBasell Industries	325	0.42
5,452	Marathon Petroleum	531	0.68
3,228	Marriott International	428	0.55
781	Mastercard	234	0.30
9,524	Merck	880	1.14
327	Merck EUR	46	0.06
3,975	Meta Platforms	761	0.98
128	Mettler-Toledo International	150	0.19
12,550	MGIC Investment	147	0.19
1,918	Microchip Technology	110	0.14
12,386	Microsoft	3,028	3.91
429	Moderna	45	0.06
310	Monolithic Power Systems	112	0.14
1,876	Motorola Solutions	442	0.57
1,048	Murphy USA	231	0.30
2,450	Netflix	641	0.83
2,393	Newmont	93	0.12
1,110	Nucor	132	0.17
6,246	NVIDIA	1,364	1.76
20	NVR	93	0.12
4,050	O-I Glass	74	0.10
6,024	PACCAR	356	0.46
2,402	PayPal	143	0.18
14,405	Pfizer	448	0.58
1,889	Pinnacle West Capital	121	0.16
8,966	Principal Financial	537	0.69
3,386	Procter & Gamble	425	0.55
1,794	PTC	178	0.23
2,231	Public Storage**	523	0.67
3,236	PulteGroup	172	0.22
4,958	QUALCOMM	453	0.58
885	Regeneron Pharmaceuticals	562	0.72
2,121	Reinsurance Group of America	241	0.31
11,195	Rithm Capital**	72	0.09
6,608	Ross Stores	558	0.72
3,617	Sanmina	150	0.19
2,069	Schneider National	43	0.06
11,659	Sunrun	200	0.26
4,076	Synchrony Financial	96	0.12
1,571	Synopsys	464	0.60
3,696	Tesla	475	0.61
1,595	Thermo Fisher Scientific	695	0.90
1,517	Titan Machinery	38	0.05
205	United Therapeutics	37	0.05
1,437	UnitedHealth	565	0.73
7,973	Unum	264	0.34
5,159	Valero Energy	475	0.61
1,704	Veeva Systems	239	0.31
9,205	Verizon Communications	286	0.37
852	WEX	118	0.15
		<b>43,540</b>	<b>56.10</b>
	SOUTH AMERICA - 2.17% (2022 - 2.03%)		
	Argentina Equities - 0.11% (2022 - 0.00%)		
9,691	YPF ADR	86	0.11
		<b>86</b>	<b>0.11</b>
	Brazil Equities - 0.47% (2022 - 1.45%)		
24,100	Banco do Brasil	166	0.21
22,215	Gerdau Preference Shares	88	0.11
9,000	Intelbras Industria de Telecomunicacao Eletronica Brasileira	32	0.04
34,400	Jalles Machado	42	0.05
81,100	Marcopolo Preference Shares	46	0.06
		<b>46</b>	<b>0.06</b>
		<b>374</b>	<b>0.47</b>
	Cayman Islands Equities - 0.11% (2022 - 0.00%)		
44,000	Yadea	82	0.11
		<b>82</b>	<b>0.11</b>
	Chile Equities - 0.18% (2022 - 0.24%)		
171,021	Cia Sud Americana de Vapores	14	0.02
26,491	Empresa Nacional de Telecomunicaciones	89	0.11
12,586	Quinenco	42	0.05
		<b>42</b>	<b>0.05</b>
		<b>145</b>	<b>0.18</b>

# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value £'000	% of Net Assets
	Colombia Equities - 0.21% (2022 - 0.00%)		
4,752	Bancolombia	29	0.04
27,171	Bancolombia Preference Shares	132	0.17
		<u>161</u>	<u>0.21</u>
	Mexico Equities - 0.48% (2022 - 0.34%)		
20,500	Arca Continental	155	0.20
15,900	El Puerto de Liverpool	75	0.10
6,070	Grupo Aeroportuario del Sureste	138	0.18
		<u>368</u>	<u>0.48</u>
	Peru Equities - 0.04% (2022 - 0.00%)		
1,771	Intercorp Financial Services	31	0.04
		<u>31</u>	<u>0.04</u>
	Uruguay Equities - 0.57% (2022 - 0.00%)		
442	MercadoLibre	441	0.57
		<u>441</u>	<u>0.57</u>
	AFRICA - 0.31% (2022 - 0.65%)		
	Egypt Equities - 0.07% (2022 - 0.20%)		
87,684	Telecom Egypt	56	0.07
		<u>56</u>	<u>0.07</u>
	South Africa Equities - 0.24% (2022 - 0.45%)		
1,316	Naspers	184	0.24
		<u>184</u>	<u>0.24</u>
	MIDDLE EAST - 0.63% (2022 - 0.86%)		
	Israel Equities - 0.02% (2022 - 0.17%)		
2,516	Delek Automotive Systems	16	0.02
		<u>16</u>	<u>0.02</u>
	Jordan Equities - 0.00% (2022 - 0.11%)		
	Qatar Equities - 0.00% (2022 - 0.27%)		
	Saudi Arabia Equities - 0.46% (2022 - 0.31%)		
6,889	Al Rajhi Bank	113	0.15
30,825	Saudi Arabian Oil	237	0.31
		<u>350</u>	<u>0.46</u>
	United Arab Emirates Equities - 0.15% (2022 - 0.00%)		
199,430	Air Arabia	95	0.12
21,509	Emaar Development	26	0.03
		<u>121</u>	<u>0.15</u>
	DERIVATIVES - 0.04% (2022 - 0.10%)		
	Open Futures Contracts - 0.04% (2022 - 0.10%)		
47	MSCI ACWI Futures June 2023	34	0.04
		<u>34</u>	<u>0.04</u>
	Investment assets	75,559	97.46
	Net other assets	1,972	2.54
	Net assets	<u>77,531</u>	<u>100.00</u>

~Suspended.

\*\*Real Estate Investment Trust.

Stocks shown as ADRs represent American Depositary Receipts.

Stocks shown as GDRs represent Global Depositary Receipts.

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30 April 2022.

# Statement of Total Return

For the year ended 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Income:					
Net capital (losses)/gains	2		(188)		7,580
Revenue	3	2,266		2,687	
Expenses	4	(199)		(285)	
Interest payable and similar charges		(2)		(2)	
Net revenue before taxation		2,065		2,400	
Taxation	5	(275)		(279)	
Net revenue after taxation			1,790		2,121
Total return before distributions			1,602		9,701
Distributions	6		(1,712)		(2,121)
Change in net assets attributable to shareholders from investment activities			(110)		7,580

# Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 April 2023

	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Opening net assets attributable to shareholders		75,936		121,697
Amounts receivable on issue of shares	419		1,098	
Amounts payable on cancellation of shares	(445)		(55,837)	
		(26)		(54,739)
Dilution adjustment		18		15
Change in net assets attributable to shareholders from investment activities (see above)		(110)		7,580
Retained distributions on accumulation shares		1,713		1,383
Closing net assets attributable to shareholders		77,531		75,936

Notes to the Final Report and Financial Statements are from page 32 to 39.

# Balance Sheet

As at 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
<b>Assets:</b>					
<b>Fixed assets:</b>					
Investments			75,559		103,352
<b>Current assets:</b>					
Debtors	7	264		359	
Cash and bank balances	8	1,750		2,715	
<b>Total assets</b>			<b>77,573</b>		<b>106,426</b>
<b>Liabilities:</b>					
<b>Creditors:</b>					
Bank overdrafts	10	(5)		-	
Other creditors	9	(37)		(30,490)	
<b>Total liabilities</b>			<b>(42)</b>		<b>(30,490)</b>
<b>Net assets attributable to shareholders</b>			<b>77,531</b>		<b>75,936</b>

Notes to the Final Report and Financial Statements are from page 32 to 39.

# Notes to the Final Report and Financial Statements

## 1. Accounting Basis and Policies

The applicable accounting policies adopted by the Allianz Best Styles Global AC Equity Fund are included on pages 8 and 9 of the Collective Notes to the Final Report and Financial Statements.

## 2. Net capital (losses)/gains

	2023 £000s	2022 £000s
(Losses)/gains on non-derivative securities	(28)	7,361
(Losses)/gains on derivative securities	(90)	224
(Losses)/gains on currency	(63)	54
Handling charges	(7)	(59)
Net capital (losses)/gains	(188)	7,580

## 3. Revenue

	2023 £000s	2022 £000s
ACD's fee rebates from underlying investments	8	8
Bank interest	1	-
Futures margin interest	24	29
Franked UK dividends	105	146
Overseas dividends - non-taxable	2,002	2,433
Overseas dividends - taxable	101	50
Interest on capital	25	21
Total revenue	2,266	2,687



# Notes to the Final Report and Financial Statements continued

## 4. Expenses

	2023	2022
	£000s	£000s
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
ACD's annual fee	152	229
ACD rebate*	(1)	-
Company secretarial costs	-	(1)
	151	228
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	13	20
Safe custody fees	9	13
	22	33
Other expenses:		
Audit fees	13	12
Distribution costs	2	2
Printing costs	1	1
Other expenses	10	9
	26	24
<b>Total expenses</b>	<b>199</b>	<b>285</b>

All expenditure stated above is inclusive of VAT where applicable.

The Audit fee for the year, excluding VAT, was £10,600 (2022 - £10,600).

\*Operating charges for each share class are capped. C Shares are capped at 0.36%, I Shares are capped at 0.27%, F Shares are capped at 0.20%. Any charges in excess of this amount are borne by the Manager. This is operated by way of a fee rebate from the ACD.

# Notes to the Final Report and Financial Statements continued

## 5. Taxation

	2023	2022
	£000s	£000s
a. Analysis of the taxation charge for the year:		
Overseas tax suffered	275	279
Total taxation for the year (see Note 5(b))	275	279
b. Factors affecting taxation charge for the year:		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for a subfund of an Open-Ended Investment Company (20%) (2022 - 20%).		
The differences are explained below:		
Net revenue before taxation	2,065	2,400
Corporation tax at 20%	413	480
Effects of:		
Capitalised income subject to tax	-	30
Overseas dividends - non-taxable	(400)	(487)
Overseas tax suffered	275	277
Relief for overseas tax treated as an expense	(4)	-
UK dividends not subject to corporation tax	(21)	(29)
Realised offshore gains	-	(35)
Movement in excess management expenses	12	43
Total taxation charge for the year (see Note 5(a))	275	279

OEICs are exempt from tax on capital gains in the UK, therefore capital returns are not included within the reconciliation.

### c. Provision for deferred tax

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

### d. Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £246,000 (2022 : £234,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

## 6. Distributions

The distributions take account of revenue received on the creation of Shares and revenue deducted on the cancellation of Shares and comprise:

	2023	2022
	£000s	£000s
Final	1,713	1,383
Add: Revenue deducted on cancellation of shares	5	750
Deduct: Revenue received on creation of shares	(6)	(12)
Net distributions for the year	1,712	2,121

# Notes to the Final Report and Financial Statements continued

## 7. Debtors

	2023	2022
	£000s	£000s
Accrued ACD's fee rebate	3	3
Accrued revenue	177	216
Amounts receivable on creation of shares	3	46
Overseas tax recoverable	81	92
Sales awaiting settlement	-	2
	264	359

## 8. Cash and bank balances

	2023	2022
	£000s	£000s
Cash and bank balances	1,689	2,632
Amount held at futures clearing houses and brokers	61	83
	1,750	2,715

## 9. Other creditors

	2023	2022
	£000s	£000s
Accrued ACD's annual fee	12	17
Amounts payable on cancellation of shares	-	30,439
Other accrued expenses	25	34
	37	30,490

## 10. Bank overdrafts

	2023	2022
	£000s	£000s
Bank overdrafts	5	-
Total bank overdrafts	5	-

## 11. Related party transactions

Management fees paid to the ACD are disclosed in note 4 and amounts due at the year end are disclosed in note 9.

Monies received and paid by the ACD through the creation and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 7 and 9.

# Notes to the Final Report and Financial Statements continued

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the year end.

## Significant Shareholdings

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 102, which requires the disclosure of details of material transactions between the subfund and any related party.

Details of any related party transactions occurring during the year including commissions paid and any balances due at the year end are disclosed in the Balance Sheet, the Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 7 and 9 to the financial statements. All creations and cancellations were transacted with the ACD.

In addition, assets managed by related parties of the ACD and held by the subfund as at the Balance Sheet date are detailed below:

	2023	2022
	£000s	£000s
The value of holdings at balance sheet date were:		
Allianz Global Equity Fund	1,486	1,480
Allianz India Equity Fund	779	801
The value of purchases during the year were:		
Allianz Global Equity Fund	-	2,210
Allianz SE	-	11
The value of sales during the year were:		
Allianz Best Styles Emerging Markets Equity SRI Fund	-	1,098
Allianz Global Equity Fund	-	638
Allianz SE	-	305

## 12. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the subfund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

## 13. Shareholders' funds

The subfund currently has three share classes: C, I and O. The ACD's annual fee on these share classes are as follows:

Class C :	0.27%
Class I :	0.20%
Class O :	0.20%

The net asset value per share and the number of shares in issue are given in the Comparative Tables on page 17 and 18.

The distribution per share is given in the Distribution Table on page 19.

Revenue available for allocation will be allocated between the share classes based on the respective proportionate interests represented by those share classes on a daily basis and taxation is computed by reference to the net revenue after expenses attributable to each class. All share classes have the same rights on winding up.

# Notes to the Final Report and Financial Statements continued

For the year ended 30 April 2023:

	Class C Shares	Class I Shares	Class O Shares
Opening shares	499,954	36,353,280	10,662
Shares created	157,944	49,337	142
Shares cancelled	(175,883)	(44,112)	(6,643)
Closing shares	482,015	36,358,505	4,161

## 14. Contingent liabilities and commitments

As at 30 April 2023 there were no contingent liabilities (2022: £Nil).

## 15. Derivatives and other financial instruments

For this subfund, the ACD measures and manages risk using the value-at-risk approach. Please see page 15 for further details.

### a. Currency exposure

The majority of the net assets and liabilities of the subfund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Monetary Exposure	Non-Monetary Exposure	Total Exposure	Monetary Exposure	Non-Monetary Exposure	Total Exposure
	30 April 2023	30 April 2023	30 April 2023	30 April 2022	30 April 2022	30 April 2022
	£000s	£000s	£000s	£000s	£000s	£000s
Australian Dollar	9	1,157	1,166	3	555	558
Brazilian Real	6	374	380	26	1,108	1,134
Canadian Dollar	35	907	942	-	2,333	2,333
Chilean Peso	1	145	146	-	182	182
Colombian Peso	-	161	161	-	-	-
Danish Krone	137	1,077	1,214	5	442	447
Egyptian Pound	23	56	79	-	149	149
Euro	241	6,881	7,122	124	9,952	10,076
Hong Kong Dollar	2	2,533	2,535	12	2,900	2,912
Hungarian Forint	-	-	-	-	49	49
Indonesian Rupiah	28	328	356	1	370	371
Japanese Yen	81	4,372	4,453	122	6,400	6,522
Malaysian Ringgit	1	191	192	1	129	130
Mexican Peso	-	368	368	-	264	264
New Israeli Sheqel	-	16	16	-	74	74
New Romanian leu	-	38	38	-	-	-
New Russian Ruble	95	-	95	-	-	-
New Taiwan Dollar	312	399	711	7	1,866	1,873
New Zealand Dollar	-	-	-	-	46	46
Norwegian Krone	-	207	207	(1)	218	217
Polish Zloty	1	295	296	-	43	43
Qatari Rial	-	-	-	-	200	200

# Notes to the Final Report and Financial Statements continued

Currency	Monetary Exposure	Non-Monetary Exposure	Total Exposure	Monetary Exposure	Non-Monetary Exposure	Total Exposure
	30 April 2023	30 April 2023	30 April 2023	30 April 2022	30 April 2022	30 April 2022
	£000s	£000s	£000s	£000s	£000s	£000s
Saudi Riyal	2	350	352	-	-	-
Singapore Dollar	9	1,448	1,457	-	302	302
South African Rand	37	184	221	-	350	350
South Korean Won	13	1,840	1,853	1	1,946	1,947
Swedish Krona	-	341	341	(1)	968	967
Swiss Franc	19	1,824	1,843	31	1,474	1,505
Thailand Baht	5	312	317	-	-	-
Turkish Lira	2	248	250	(1)	378	377
UAE Dirham	4	121	125	-	-	-
US Dollar	67	47,798	47,865	63	67,200	67,263
Yuan Renminbi	1	524	525	(1)	1,051	1,050

## b. Interest rate risk profile

The subfund did not hold any interest bearing financial instruments other than its cash and bank balances as at the balance sheet date (2022 - same).

## c. Fair value hierarchy

An analysis of the portfolio in accordance with the fair value hierarchy is shown below:

	Assets	Liabilities	Assets	Liabilities
	30 April 2023	30 April 2023	30 April 2022	30 April 2022
	£000s	£000s	£000s	£000s
Level 1: Quoted	73,294	-	101,071	-
Level 2: Observable	2,265	-	2,281	-
Level 3: Unobservable	-	-	-	-
	75,559	-	103,352	-

The fair value as at the reporting date has been estimated using the following fair value hierarchy:

### Level (1) Quoted prices for identical instruments in active markets

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

### Level (2) Valuation techniques that use:

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

### Level (3) Valuation techniques that use:

Inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

When the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate, the fair value is estimated by using an alternative valuation technique. Such valuation techniques will, where possible, maximise the use of observable market data inputs as opposed to non-observable entity determined data inputs.

The Investment Manager considers observable data to be that market data that 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.

## d. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2022 - same).

## e. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair value.

# Notes to the Final Report and Financial Statements continued

## 16. Portfolio transaction costs

For the year ended 30 April 2023:

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2023	2023	2023	2023	2023
	£000s	£000s	%	£000s	%
<b>Purchases</b>					
Equity instruments (direct)	61,113	4	0.01	26	0.04
Total purchases	61,113	4	0.01	26	0.04
Total purchases including transaction costs	61,143				
	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Sales</b>					
Equity instruments (direct)	88,798	10	0.01	18	0.02
Total sales	88,798	10	0.01	18	0.02
Total sales including transaction costs	88,770				
Total transaction costs as a % of average net assets		0.02%		0.06%	
	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Purchases</b>					
Equity instruments (direct)	73,456	5	0.01	27	0.04
Total purchases	73,456	5	0.01	27	0.04
Total purchases including transaction costs	73,488				
	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Sales</b>					
Equity instruments (direct)	98,968	14	0.01	21	0.02
Total sales	98,968	14	0.01	21	0.02
Total sales including transaction costs	98,933				
Total transaction costs as a % of average net assets		0.02%		0.06%	

The above analysis covers any direct transaction costs suffered by the subfund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

For the fund's investment transactions in debt and money market instruments any applicable transaction charges form part of the dealing spread for these instruments. Transactions in money market instruments to manage the subfund's daily liquidity position are excluded from the analysis.

For the fund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

Dealing spread costs suffered by the subfund vary considerably for the different asset / instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.08% (2022 : 0.03%).

# Fund Information

## Investment Objective and Policy

The Allianz China A-Shares Equity Fund aims to generate long-term capital growth through investment in the Chinese A-Shares equity markets of the PRC, by aiming to outperform (net of fees) the Target Benchmark, the MSCI China A Onshore Total Return (Net) GBP over a rolling 5 year period.

The ACD will invest in equities and securities equivalent to equities (e.g. P-Notes, American Depositary Receipts, Global Depositary Receipts) of Chinese Companies.

At least 70% of the Fund's assets shall be invested in Chinese A-Shares directly via Stock Connect or RQFII (Renmibi Qualified Foreign Institutional Investor program).

In addition, up to 5% of the Fund's assets may be invested in index certificates and other certificates on equities, adequately diversified equity baskets, participation certificates and warrants on Chinese Companies.

Up to 20% of the Fund's assets may be invested in securities or instruments of PRC markets which are not defined as Chinese A-Shares. These may include China B and China H-Shares listed in Hong-Kong. Up to 10% of the Fund's assets may be invested in securities or instruments where the issuers or the issuers of the underlying securities are located outside of the PRC in other developed and Non-Developed Countries.

The ACD may also utilise deposits and money market instruments in the management of the portfolio and their value, together with money market funds, may make up to a maximum of 10% of the Fund's assets.

The Fund may also invest up to a maximum of 10% of the Fund's assets in other Funds managed by Allianz Global Investors and its group of companies and other collective investment schemes managed by third parties.

It must be noted that from time to time the ACD will also invest in securities and money market instruments that are offered within the scope of Initial Public Offerings on a recognised stock exchange or in another regulated market as set out in this Prospectus.

The Fund may from time to time hold a concentrated portfolio because of its investments in a limited number of equity securities.

This Fund is managed in accordance with the Climate Engagement with Outcome Strategy, which promotes responsible investment by engaging with companies and issuers on climate outcomes and by including environmental factors in the analysis of investments held (or to be held) within a Fund's portfolio. A Fund managed in accordance with the Climate Engagement with Outcome Strategy aims to promote advances in environmental issues by engaging with the top 10 carbon emitting issuers within the Fund's portfolio to encourage their transition pathway to a low carbon economy. This is done by setting objectives and targets which are sector specific. In addition, Funds managed in accordance with the Climate Engagement with Outcome Strategy will apply Minimum Exclusion Criteria.

The process of identifying the top 10 absolute carbon emitters will commence in Q4 of 2021. Once the top 10 have been identified the ACD will begin the actual engagement activities described in the Climate Engagement with Outcome Strategy referred to above. The ACD expects this to start taking place in 2022. Therefore, identification of the top 10 emitters will start in Q4 2021, and the first annual engagement reporting for this Fund is expected in Q4 of 2022.

All details of this strategy are set out in this Prospectus under the section headed "The Funds and their Investment Objectives and Policies".

The ACD may use derivatives for efficient portfolio management (Including for hedging).

The Fund is actively managed and although the portfolio manager will in general follow the sector weightings in the benchmark, it will not be constrained by the benchmark when making individual investment decisions. The Fund's portfolio may therefore deviate materially from the benchmark.



# Fund Information continued

## Fund Details

Fund Manager	Anthony Wong and Kevin You	
Benchmark	MSCI China A Onshore Total Return (Net) GBP	
Income allocation date	30 April	
Income pay date	31 August (normally by 30 June)	
Launch dates	Fund	16 July 2020
	C Shares	16 July 2020
	W Shares	16 July 2020
ISA status	Yes	
Share Classes and types of Shares	C (Accumulation Shares) W (Accumulation Shares)	
Minimum investment	C Shares	Lump sum £500 Monthly saving £50
	W Shares	Lump sum £10,000,000 Available for subscriptions by Approved Investors only.
Initial charge	C Shares	Nil
	W Shares	Nil
Annual ACD fee	C Shares	1.10%*
	W Shares	0.93%**

\*1.10 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the C shares.

\*\*0.93 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the W shares.

# Comparative Tables

For the year ended 30 April 2023

	C Shares Accumulation			W Shares Accumulation		
	2023 (p)	2022 (p)	2021 (p)	2023 (p)	2022 (p)	2021 (p)
Opening net asset value per share	97.64	117.91	100.00	97.91	118.04	100
Return before operating charges	(12.62)	(19.00)	18.98	(12.67)	(19.05)	18.94
Operating charges	(1.05)	(1.27)	(1.07)	(0.89)	(1.08)	(0.90)
Return after operating charges	(13.67)	(20.27)	17.91	(13.56)	(20.13)	18.04
Distributions	(0.20)	-	-	(0.37)	-	-
Retained distributions on accumulation shares	0.20	-	-	0.37	-	-
Closing net asset value per share	83.97	97.64	117.91	84.35	97.91	118.04
After direct transaction costs of <sup>1</sup>	(0.19)	(0.22)	(0.31)	(0.19)	(0.22)	(0.30)
Performance						
Return after operating charges	(14.00)%	(17.19)%	17.91%	(13.85)%	(17.05)%	18.04%
Other information						
Closing net asset value (£'000)	8,243	9,788	8,521	140,038	182,314	139,538
Closing number of shares	9,817,027	10,024,576	7,226,835	166,028,894	186,200,276	118,214,440
Operating charges	1.10%	1.10%	1.09%	0.93%	0.93%	0.92%
Direct transaction costs	0.19%	0.19%	0.25%	0.19%	0.19%	0.25%
Prices						
Highest share price	112.02	129.27	138.06	112.36	129.55	138.16
Lowest share price	82.52	90.98	95.70	82.89	91.23	95.70

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.

# Distribution Tables

## For the year ended 30 April 2023

Final Distribution in pence per share

Group 1 Shares purchased prior to 1 May 2022

Group 2 Shares purchased on or after 1 May 2022 to 30 April 2023

	Net revenue (p)	Equalisation (p)	Distribution payable 30/06/23 (p)	Distribution paid 30/06/22 (p)
<b>C Shares Accumulation</b>				
Group 1	0.2027	-	0.2027	-
Group 2	-	0.2027	0.2027	-
<b>W Shares Accumulation</b>				
Group 1	0.3660	-	0.3660	-
Group 2	-	0.3660	0.3660	-

Investors are reminded that distribution is not guaranteed.

# Investment Review

## Performance Summary

Over the period under review, from 1 May 2022 to 30 April 2023, the Fund's C class shares produced a total return of -14.0%. The Fund's benchmark, the MSCI China A Onshore Total Return Index, declined by 1.4% over the period.

The key reason for performance lagging the benchmark was stock selection in the materials, industrials and information technology sectors, where valuations were significantly impacted by the weaker macro-economic conditions.

## Market Background

The China A-Shares market declined over the year ending April 2023. Much of the decline happened in the first half of the period, when restrictive Covid policies and growing signs of distress in the property market led to a sharp deceleration in economic activity. In addition, a severe drought led to power cuts, and geopolitical tensions between China and the US increased after House of Representative speaker Nancy Pelosi visited Taiwan. A further development was the US Department of Commerce announcement of a swathe of tough new restrictions controlling the export of some technologically advanced chips and chipmaking equipment to China.

However, China equity markets started to recover towards the end of last year, when more supportive domestic policies, including the removal of Covid restrictions and an easing of liquidity restrictions for the embattled property sector, restored some confidence in the economic outlook. A much stronger than expected GDP figure of 4.5% in the first quarter of 2023 confirmed the recovery and puts China on course to exceed the national growth target of 'around 5%' for the year.

## Portfolio Review

The portfolio manager maintained close to benchmark sector allocations in terms of portfolio construction and focused on selecting stocks with superior growth and quality while trading at reasonable valuations.

At a stock level, a top detractor was Goertek, a manufacturer of high precision components such as Apple's AirPods as well as being a smart hardware producer for virtual and augmented reality products. The share price was weak after a

key client downgraded forecasts for Oculus virtual reality headset shipments. Given limited near-term catalysts, we decided to exit the position.

On the positive side, a leading contributor was Advanced Micro-Fabrication, a leading Chinese semiconductor equipment company. The company is expected to benefit from China's strategic push for enhanced self-sufficiency in key technologies. This should result in domestic providers in the semiconductor supply chain gaining market share over foreign competitors.

## Outlook

Looking ahead, we expect a further recovery in China equity markets with a number of macro headwinds appearing to have eased. So far, the market recovery from the low point last year has primarily been a function of an improvement in valuations. Nevertheless, these remain below longer-term average levels and should continue to provide support until there is more evidence of a pick-up in corporate earnings.

There have been concerns recently about the pace of the economic rebound in China. The majority of the growth so far has come from a rebound in areas such as restaurants, catering, entertainment and domestic tourism, which have surged since the Covid lockdowns ended. We expect a more broad-based recovery to unfold in coming months as the benefits of a more pro-growth policy setting filter down into the real economy.

At the end of the period, the Fund's largest overweight position relative to the benchmark is in the consumer discretionary sector and the largest underweight is in the financials sector.

# Portfolio Statement

As at 30 April 2023

Holding		Market Value	% of
		£'000	Net Assets
	CHINA - 97.22% (2022 - 95.82%)		
65,000	Alternative Energy - 1.38% (2022 - 0.00%)		
210,662	Sungrow Power Supply	848	0.57
	Trina Solar	1,200	0.81
		<u>2,048</u>	<u>1.38</u>
	Automobiles & Parts - 5.67% (2022 - 5.00%)		
208,762	Contemporary Amperex Technology	5,580	3.76
119,418	Huizhou Desay Sv Automotive	1,429	0.96
240,600	Ningbo Tuopu	1,409	0.95
		<u>8,418</u>	<u>5.67</u>
	Banks - 5.80% (2022 - 9.14%)		
844,833	Bank of Chengdu	1,344	0.91
714,203	Bank of Ningbo	2,263	1.53
822,828	China Merchants Bank	3,199	2.16
892,067	Industrial Bank	1,779	1.20
		<u>8,585</u>	<u>5.80</u>
	Beverages - 8.47% (2022 - 6.25%)		
87,299	JiuGui Liquor	1,130	0.76
39,798	Kweichow Moutai	8,110	5.47
127,000	Luzhou Laojiao	3,327	2.24
		<u>12,567</u>	<u>8.47</u>
	Chemicals - 4.23% (2022 - 3.24%)		
1,182,293	China Jushi	1,996	1.35
36,600	Henan Liliang Diamond	355	0.24
100,670	Henan Liliang Diamond CNY	977	0.66
275,199	Wanhua Chemical	2,937	1.98
		<u>6,265</u>	<u>4.23</u>
	Construction & Materials - 5.19% (2022 - 5.77%)		
101,700	Arrow Home	222	0.15
585,351	Beijing Oriental Yuhong Waterproof Technology	2,011	1.36
3,497,258	China Railway	3,758	2.53
546,669	Anhui Conch Cement	1,701	1.15
		<u>7,692</u>	<u>5.19</u>
	Electricity - 1.54% (2022 - 1.61%)		
900,800	China Yangtze Power	2,281	1.54
		<u>2,281</u>	<u>1.54</u>
	Electronic & Electrical Equipment - 2.00% (2022 - 4.88%)		
796,572	NARI Technology	2,408	1.62
103,180	Ningbo Orient Wires & Cables	560	0.38
		<u>2,968</u>	<u>2.00</u>
	Finance & Credit Services - 2.55% (2022 - 1.41%)		
2,029,822	East Money Information	3,781	2.55
		<u>3,781</u>	<u>2.55</u>
	Food Producers - 3.80% (2022 - 5.35%)		
163,272	Anjoy Foods	3,211	2.17
306,679	Muyuan Foods	1,700	1.15
533,720	Toly Bread	708	0.48
		<u>5,619</u>	<u>3.80</u>
	General Industrials - 0.82% (2022 - 3.14%)		
100,285	Yunnan Energy New Material	1,209	0.82
		<u>1,209</u>	<u>0.82</u>
	Health Care Providers - 2.86% (2022 - 2.22%)		
556,656	Aier Eye Hospital	1,898	1.28
221,890	Hangzhou Tigermed Consulting	2,336	1.58
		<u>4,234</u>	<u>2.86</u>
	Household Goods & Home Construction - 3.34% (2022 - 4.38%)		
258,952	Jason Furniture Hangzhou	1,111	0.75
583,350	Midea	3,835	2.59
		<u>4,946</u>	<u>3.34</u>
	Industrial Engineering - 3.81% (2022 - 1.15%)		
657,800	Estun Automation	1,736	1.17
309,462	Shenzhen Inovance Technology	2,211	1.49
289,782	Zhejiang Dingli Machinery	1,714	1.15
		<u>5,661</u>	<u>3.81</u>

# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value	
		£'000	% of Net Assets
996,584	Industrial Materials - 0.99% (2022 - 0.00%) Jiangsu Eastern Shenghong	1,462	0.99
		<u>1,462</u>	<u>0.99</u>
177,985	Industrial Metals & Mining - 1.62% (2022 - 2.90%) Ganfeng Lithium	1,339	0.90
117,851	Western Superconducting Technologies	1,063	0.72
		<u>2,402</u>	<u>1.62</u>
277,115	Industrial Transportation - 2.81% (2022 - 0.67%) SF	1,811	1.22
232,000	Shanghai International Airport	1,442	0.97
548,807	Sinotruk Jinan Truck	927	0.62
		<u>4,180</u>	<u>2.81</u>
2,344,431	Investment Banking & Brokerage - 3.85% (2022 - 4.39%) CITIC Securities	5,705	3.85
		<u>5,705</u>	<u>3.85</u>
13,856	Leisure Goods - 0.19% (2022 - 1.76%) Chengdu XGimi Technology	279	0.19
		<u>279</u>	<u>0.19</u>
629,298	Life Insurance - 2.54% (2022 - 2.60%) Ping An Insurance	3,774	2.54
		<u>3,774</u>	<u>2.54</u>
1,046,200	Media - 0.53% (2022 - 0.00%) Focus Media Information Technology	780	0.53
		<u>780</u>	<u>0.53</u>
24,316	Medical Equipment & Services - 3.78% (2022 - 2.18%) Imeik Technology Development	1,531	1.03
93,682	Shenzhen Mindray Bio-Medical Electronics	3,382	2.28
245,075	Tofflon Science & Technology	697	0.47
		<u>5,610</u>	<u>3.78</u>
353,260	Oil, Gas & Coal - 1.46% (2022 - 1.09%) China Oilfield Services	660	0.44
480,876	Yantai Jereh Oilfield Services	1,510	1.02
		<u>2,170</u>	<u>1.46</u>
158,189	Personal Goods - 2.07% (2022 - 1.79%) Proya Cosmetics	3,075	2.07
		<u>3,075</u>	<u>2.07</u>
282,924	Pharmaceuticals & Biotechnology - 1.49% (2022 - 4.49%) WuXi AppTec	2,212	1.49
		<u>2,212</u>	<u>1.49</u>
1,486,799	Precious Metals & Mining - 1.49% (2022 - 2.04%) Zijin Mining	2,208	1.49
		<u>2,208</u>	<u>1.49</u>
1,048,365	Real Estate Investment & Services - 1.14% (2022 - 2.78%) Poly Developments	1,688	1.14
		<u>1,688</u>	<u>1.14</u>
193,944	Retailers - 2.44% (2022 - 0.00%) China Tourism Group Duty Free	3,615	2.44
		<u>3,615</u>	<u>2.44</u>
62,468	Software & Computer Services - 4.27% (2022 - 0.73%) Beijing Kingsoft Office Software	3,184	2.15
118,500	Beijing United Information Technology	825	0.56
404,299	Hundsun Technologies	2,312	1.56
		<u>6,321</u>	<u>4.27</u>
158,179	Technology Hardware & Equipment - 11.11% (2022 - 8.95%) Advanced Micro-Fabrication Equipment China	3,323	2.24
424,485	LONGi Green Energy Technology	1,714	1.15
366,852	Montage Technology	2,587	1.74
20,699	NAURA Technology	802	0.54
53,469	StarPower Semiconductor	1,498	1.01
133,814	Unigroup Guoxin Microelectronics	1,642	1.11
810,000	Unisplendour	2,778	1.87
271,800	Zhejiang Jingsheng Mechanical & Electrical	2,153	1.45
		<u>16,497</u>	<u>11.11</u>

# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value	
		£'000	% of Net Assets
779,077	Telecommunications Equipment - 1.59% (2022 - 2.90%) Luxshare Precision Industry	2,353	1.59
572,998	Travel & Leisure - 2.39% (2022 - 3.01%) Shanghai Jinjiang International Hotels	3,548	2.39
	Investment assets	144,153	97.22
	Net other assets	4,128	2.78
	Net assets	148,281	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30 April 2022.

# Statement of Total Return

For the year ended 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Income:					
Net capital losses	2		(30,696)		(39,503)
Revenue	3	2,830		1,628	
Expenses	4	(1,821)		(1,861)	
Interest payable and similar charges		(1)		(6)	
Net revenue/(expense) before taxation		1,008		(239)	
Taxation	5	(290)		(165)	
Net revenue/(expense) after taxation			718		(404)
Total return before distributions			(29,978)		(39,907)
Distributions	6		(705)		207
Change in net assets attributable to shareholders from investment activities			(30,683)		(39,700)

# Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 April 2023

	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Opening net assets attributable to shareholders		192,102		148,059
Amounts receivable on issue of shares	47,478		116,292	
Amounts payable on cancellation of shares	(61,244)		(32,549)	
		(13,766)		83,743
Change in net assets attributable to shareholders from investment activities (see above)		(30,683)		(39,700)
Retained distributions on accumulation shares		628		-
Closing net assets attributable to shareholders		148,281		192,102

Notes to the final report and Financial Statements are from page 50 to 57.



# Balance Sheet

As at 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
<b>Assets:</b>					
<b>Fixed assets:</b>					
Investments			144,153		184,071
<b>Current assets:</b>					
Debtors	7	125		1,734	
Cash and bank balances	8	18,140		7,107	
<b>Total assets</b>			<b>162,418</b>		<b>192,912</b>
<b>Liabilities:</b>					
<b>Creditors:</b>					
Bank overdrafts	10	-		(629)	
Other creditors	9	(14,137)		(181)	
<b>Total liabilities</b>			<b>(14,137)</b>		<b>(810)</b>
<b>Net assets attributable to shareholders</b>			<b>148,281</b>		<b>192,102</b>

Notes to the final report and Financial Statements are from page 50 to 57.

# Notes to the Final Report and Financial Statements

## 1. Accounting Basis and Policies

The applicable accounting policies adopted by the Allianz China A-Shares Equity are included on pages 8 and 9 of the Collective Notes to the Final Report and Financial Statements.

## 2. Net capital losses

	2023 £000s	2022 £000s
Losses on non-derivative securities	(30,796)	(39,344)
Gains/(losses) on currency	121	(148)
Losses on forward currency contracts	(8)	-
Handling charges	(13)	(11)
Net capital losses	(30,696)	(39,503)

## 3. Revenue

	2023 £000s	2022 £000s
Bank interest	16	1
Overseas dividends - non-taxable	2,819	1,627
Other Income - Futures	(5)	-
Total revenue	2,830	1,628

# Notes to the Final Report and Financial Statements continued

## 4. Expenses

	2023	2022
	£000s	£000s
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
ACD's annual fee	1,835	1,871
ACD rebate*	(126)	(141)
	1,709	1,730
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	35	35
Safe custody fees	49	67
	84	102
Other expenses:		
Audit fees	13	15
Distribution costs	2	2
Registration fees	2	2
Other expenses	11	10
	28	29
<b>Total expenses</b>	<b>1,821</b>	<b>1,861</b>

All expenditure stated above is inclusive of VAT where applicable.

The Audit fee for the year, excluding VAT, was £10,600 (2022 - £10,600).

\*Operating charges for each share class are capped. C Shares are capped at 1.10%, W Shares are capped at 0.93%. Any charges in excess of this amount are borne by the Manager. This is operated by way of a fee rebate from the ACD.

# Notes to the Final Report and Financial Statements continued

## 5. Taxation

	2023	2022
	£000s	£000s
a. Analysis of the taxation charge for the year:		
Overseas tax suffered	290	165
Total taxation for the year (see Note 5(b))	290	165
b. Factors affecting taxation charge for the year:		
The taxation assessed for the year is higher than the standard rate of corporation tax in the UK for a subfund of an Open-Ended Investment Company (20%) (2022 - 20%).		
The differences are explained below:		
Net revenue/(expense) before taxation	1,009	(239)
Corporation tax at 20%	202	(48)
Effects of:		
Overseas dividends - non-taxable	(579)	(329)
Overseas tax suffered	290	165
Expenses not deductible for tax purposes	(3)	(2)
Movement in excess management expenses	380	379
Total taxation charge for the year (see Note 5(a))	290	165

OEICs are exempt from tax on capital gains in the UK, therefore capital returns are not included within the reconciliation.

### c. Provision for deferred tax

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

### d. Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £851,501 (2022 : £471,660) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

## 6. Distributions

The distributions take account of revenue received on the creation of Shares and revenue deducted on the cancellation of Shares and comprise:

	2023	2022
	£000s	£000s
Final	628	-
Add: Revenue deducted on cancellation of shares	326	39
Deduct: Revenue received on creation of shares	(249)	(246)
Net distributions for the year	705	(207)
Reconciliation of net revenue/(expense) after taxation to net distributions for the year		
Net revenue/(expense) after taxation	719	(404)
Add: Capitalised ACD fee rebate	(14)	(11)
Net revenue shortfall taken to capital	-	208
Net distributions for the year	705	(207)

# Notes to the Final Report and Financial Statements continued

## 7. Debtors

	2023	2022
	£000s	£000s
Accrued ACD's fee rebate	9	10
Amounts receivable on creation of shares	116	1,610
Sales awaiting settlement	-	114
	125	1,734

## 8. Cash and bank balances

	2023	2022
	£000s	£000s
Cash and bank balances	18,140	7,107
	18,140	7,107

## 9. Other creditors

	2023	2022
	£000s	£000s
Accrued ACD's annual fee	120	144
Amounts payable on cancellation of shares	13,019	2
Other accrued expenses	43	35
Purchases awaiting settlement	955	-
	14,137	181

## 10. Bank overdrafts

	2023	2022
	£000s	£000s
Bank overdrafts	-	629
Total bank overdrafts	-	629

## 11. Related party transactions

Management fees paid to the ACD are disclosed in note 4 and amounts due at the year end are disclosed in note 9.

Monies received and paid by the ACD through the creation and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 7 and 9.

# Notes to the Final Report and Financial Statements continued

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the year end.

## Significant Shareholdings

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 102, which requires the disclosure of details of material transactions between the subfund and any related party.

Details of any related party transactions occurring during the year including commissions paid and any balances due at the year end are disclosed in the Balance Sheet, the Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 7 and 9 to the financial statements. All creations and cancellations were transacted with the ACD.

## 12. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the subfund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

## 13. Shareholders' funds

The subfund currently has two share classes: C and W. The ACD's annual fee on these share classes are as follows:

Class C :	1.10%
Class W :	0.93%

The net asset value per share and the number of shares in issue are given in the Comparative Tables on page 42.

The distribution per share is given in the Distribution Table on page 43.

Revenue available for allocation will be allocated between the share classes based on the respective proportionate interests represented by those share classes on a daily basis and taxation is computed by reference to the net revenue after expenses attributable to each class. All share classes have the same rights on winding up.

For the year ended 30 April 2023:

	Class C Shares	Class W Shares
Opening shares	10,024,576	186,200,276
Shares created	3,276,487	43,849,353
Shares cancelled	(3,545,586)	(63,959,411)
Shares converted	61,550	(61,324)
Closing shares	9,817,027	166,028,894

# Notes to the Final Report and Financial Statements continued

## 14. Contingent liabilities and commitments

As at 30 April 2023 there were no contingent liabilities (2022: £Nil).

## 15. Derivatives and other financial instruments

### a. Currency exposure

The majority of the net assets and liabilities of the subfund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
	Exposure	Exposure	Exposure	Exposure	Exposure	Exposure
	30 April	30 April	30 April	30 April	30 April	30 April
	2023	2023	2023	2022	2022	2022
	£000s	£000s	£000s	£000s	£000s	£000s
Chinese Yuan	3,940	144,153	148,093	-	184,071	184,071
US Dollar	633	-	633	-	-	-

### b. Interest rate risk profile

The subfund did not hold any interest bearing financial instruments other than its cash and bank balances as at the balance sheet date (2022 - same).

### c. Sensitivity analysis

#### Market price sensitivity

The value of the subfund's listed investments, which were exposed to market price risk as at 30 April was as follows:

	2023	2022
	£000s	£000s
Listed equity investments held at fair value through profit or loss	144,153	184,071

The following illustrates the sensitivity of the net return and the net assets to an increase or decrease of 20% (2022 - 20%) in the fair values of the subfund's investments. This level of change is considered to be reasonably possible based on observation of market conditions in the year. The sensitivity analysis is based on the impact of a change to the value of the subfund's investments at each balance sheet date.

	2023	2023	2022	2022
	20% Increase	20% Decrease	20% Increase	20% Decrease
	in fair value	in fair value	in fair value	in fair value
	£000s	£000s	£000s	£000s
Capital Return				
Net gains (losses) on investments at fair value	28,831	(28,831)	36,814	(36,814)

# Notes to the Final Report and Financial Statements continued

## Foreign currency risk sensitivity

The following table details the subfund's sensitivity to a 20% increase and decrease in sterling against the relevant foreign currencies and the resultant impact that any such increase or decrease would have on the net return and net assets. The sensitivity analysis includes all foreign currency denominated items and adjusts their translation at the year end for a 20% change in foreign currency rates.

	2023	2023	2022	2022
	20% Increase in Sterling against foreign currencies	20% Decrease in Sterling against foreign currencies	20% Increase in Sterling against foreign currencies	20% Decrease in Sterling against foreign currencies
Chinese Yuan	(24,234)	36,352	(30,679)	46,018
US Dollar	(105)	158	-	-
Change in net return and net assets	(24,339)	36,510	(30,679)	46,018

## d. Leverage

The subfund did not employ significant leverage during the year (2022 - same).

## e. Fair value hierarchy

An analysis of the portfolio in accordance with the fair value hierarchy is shown below:

	Assets	Liabilities	Assets	Liabilities
	30 April 2023 £000s	30 April 2023 £000s	30 April 2022 £000s	30 April 2022 £000s
Level 1: Quoted	144,153	-	184,071	-
Level 2: Observable	-	-	-	-
Level 3: Unobservable	-	-	-	-
	144,153	-	184,071	-

The fair value as at the reporting date has been estimated using the following fair value hierarchy:

### Level (1) Quoted prices for identical instruments in active markets

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

### Level (2) Valuation techniques that use:

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

### Level (3) Valuation techniques that use:

Inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

When the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate, the fair value is estimated by using an alternative valuation technique. Such valuation techniques will, where possible, maximise the use of observable market data inputs as opposed to non-observable entity determined data inputs.

The Investment Manager considers observable data to be that market data that 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.

## f. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2022 - same).

## g. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair value.

A fixed income security is deemed to be of investment grade, if it is rated BBB- or above. Sub-investment grade are those securities that are rated below investment grade.



# Notes to the Final Report and Financial Statements continued

## 16. Portfolio transaction costs

For the year ended 30 April 2023:

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2023	2023	2023	2023	2023
	£000s	£000s	%	£000s	%
<b>Purchases</b>					
Equity instruments (direct)	131,735	105	0.08	13	0.01
Total purchases	131,735	105	0.08	13	0.01
Total purchases including transaction costs	131,853				
	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2023	2023	2023	2023	2023
	£000s	£000s	%	£000s	%
<b>Sales</b>					
Equity instruments (direct)	141,246	117	0.08	155	0.11
Total sales	141,246	117	0.08	155	0.11
Total sales including transaction costs	140,974				
Derivative Transaction costs		-		-	
Total transaction costs as a % of average net assets		0.11%		0.09%	
	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Purchases</b>					
Equity instruments (direct)	204,929	136	0.07	22	0.01
Total purchases	204,929	136	0.07	22	0.01
Total purchases including transaction costs	205,087				
	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Sales</b>					
Equity instruments (direct)	122,793	87	0.07	136	0.11
Total sales	122,793	87	0.07	136	0.11
Total sales including transaction costs	122,570				
Derivative Transaction costs		-		-	
Total transaction costs as a % of average net assets		0.11%		0.08%	

The above analysis covers any direct transaction costs suffered by the subfund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc) are attributable to the subfund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the subfund vary considerably for the different asset / instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.03% (2022 : 0.04%).

# Fund Information

## Investment Objective and Policy

The investment objective of the Allianz Emerging Markets Equity Fund is to achieve capital growth in the long term by investing mainly in the equity markets of countries which are represented in the MSCI Emerging Markets Index Net Total Return GBP (each an “Emerging Market Country” and together “Emerging Market Countries”), aiming to outperform (net of fees) the Target Benchmark, the MSCI Emerging Markets Index Net Total Return GBP over a rolling five year period.

The ACD will invest at least 80% of the Fund’s assets in equities and securities equivalent to equities (e.g. American Depositary Receipts, Global Depositary Receipts, equity linked notes etc.) in the equity markets of Emerging Market Countries. The following may also be acquired and counted towards the 80% limit; warrants, index certificates, certificates on adequately diversified equity baskets that apply to at least 10 equities and other transferable securities.

Up to 30% of the Fund’s assets may be invested into the Chinese A-Shares market either directly via Stock Connect or indirectly through all eligible instruments, as set out in the Fund’s investment policy.

Up to 20% of the Fund’s assets may be invested outside Emerging Market Countries (as defined above) including developed economies and / or other Non-Developed Countries.

The ACD may also utilise deposits and money market instruments in the management of the portfolio and their value, together with money market funds, may make up to a maximum of 20% of the Fund’s assets.

The Fund may also invest up to a maximum of 10% of the Fund’s assets in other Funds managed by Allianz Global Investors and its group of companies and other collective investment schemes managed by third parties.

## Fund Details

Fund Manager	Kunal Ghosh and Lu Yu	
Benchmark	MSCI Emerging Markets Index Net Total Return GBP	
Income allocation date	30 April	
Income pay date	31 August (normally by 30 June)	
Launch dates	Fund	22 February 2006
	A Shares	22 February 2006
	C Shares	22 February 2006
	O Shares	3 May 2018
ISA status	Yes	
Share Classes and types of Shares	A (Accumulation Shares) C (Accumulation Shares) O (Accumulation Shares)	
Minimum investment	A Shares	Lump sum £500 Monthly saving £50
	C Shares	Lump sum £500 Monthly saving £50
	O Shares <sup>1</sup>	Lump sum £10,000,000
Initial charge	A Shares	Nil
	C Shares	Nil
	O Shares	Nil
Annual ACD fee	A Shares	1.75%
	C Shares	0.88%
	O Shares	0.30%*

A Shares closed on 18 September 2020.

\*0.30 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the O shares.

<sup>1</sup> Available for subscriptions by Approved Investors only.

# Comparative Tables

For the year ended 30 April 2023

	A Shares Accumulation			C Shares Accumulation		
	2023 (p)	2022 (p)	2021 (p)	2023 (p)	2022 (p)	2021 (p)
Opening net asset value per share	242.91	277.22	196.92	275.84	312.09	219.79
Return before operating charges	(14.08)	(29.47)	84.50	(16.02)	(33.35)	94.96
Operating charges	(4.25)	(4.84)	(4.20)	(2.58)	(2.90)	(2.66)
Return after operating charges	(18.33)	(34.31)	80.30	(18.60)	(36.25)	92.30
Distributions	(5.27)	(3.59)	(0.89)	(8.26)	(6.62)	(3.35)
Retained distributions on accumulation shares	5.27	3.59	0.89	8.26	6.62	3.35
Closing net asset value per share	224.58	242.91	277.22	257.24	275.84	312.09
After direct transaction costs of <sup>1</sup>	(0.72)	(0.84)	(0.61)	(0.82)	(0.95)	(0.73)
Performance						
Return after operating charges	(7.55)%	(12.38)%	40.78%	(6.74)%	(11.62)%	41.99%
Other information						
Closing net asset value (£'000)	9,856	12,072	15,664	107,964	127,367	154,780
Closing number of shares	4,388,346	4,969,531	5,650,455	41,970,972	46,173,736	49,594,471
Operating charges	1.85%	1.84%	1.81%	0.98%	0.97%	0.97%
Direct transaction costs	0.31%	0.32%	0.26%	0.31%	0.32%	0.26%
Prices						
Highest share price	242.67	281.73	293.01	277.35	318.14	329.30
Lowest share price	207.43	228.72	191.62	236.58	259.45	213.90

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.

# Comparative Tables continued

For the year ended 30 April 2023

	O Shares Accumulation		
	2023 (p)	2022 (p)	2021 (p)
Opening net asset value per share	112.85	126.91	90.03
Return before operating charges	(6.57)	(13.70)	37.21
Operating charges	(0.32)	(0.36)	(0.33)
Return after operating charges	(6.89)	(14.06)	36.88
Distributions	(4.10)	(3.43)	(0.41)
Retained distributions on accumulation shares	4.10	3.43	0.41
Closing net asset value per share	105.96	112.85	126.91
After direct transaction costs of Performance	(0.34)	(0.39)	(0.29)
Return after operating charges	(6.11)%	(11.08)%	40.96%
Other information			
Closing net asset value (£'000)	161	252	224
Closing number of shares	151,848	223,452	176,116
Operating charges <sup>2</sup>	0.30%	0.30%	0.30%
Performance fee	-	0.01%	1.62%
Direct transaction costs	0.31%	0.32%	0.26%
Prices			
Highest share price	114.04	129.12	134.11
Lowest share price	97.11	105.87	87.61

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.

<sup>2</sup> Operating charges have been capped at 0.30%.

# Distribution Tables

## For the year ended 30 April 2023

Final Distribution in pence per share

Group 1 Shares purchased prior to 1 May 2022  
 Group 2 Shares purchased on or after 1 May 2022 to 30 April 2023

	Net revenue (p)	Equalisation (p)	Distribution payable 30/06/23 (p)	Distribution paid 30/06/22 (p)
<b>A Shares Accumulation</b>				
Group 1	5.2735	-	5.2735	3.5919
Group 2	1.0304	4.2431	5.2735	3.5919
<b>C Shares Accumulation</b>				
Group 1	8.2562	-	8.2562	6.6202
Group 2	1.0405	7.2157	8.2562	6.6202
<b>O Shares Accumulation</b>				
Group 1	4.1010	-	4.1010	3.4276
Group 2	2.0932	2.0078	4.1010	3.4276

Investors are reminded that distribution is not guaranteed.

# Investment Review

## Performance Summary

The MSCI Emerging Markets (EM) Index tumbled over much of 2022, although a rally towards year-end helped the index recover some lost ground. The US Federal Reserve's aggressive stance to raising rates weighed on sentiment, undermining the outlook for the global economy.

EM shares closed the first quarter of 2023 on a stronger note as concerns over the health of the global banking system faded and investors started to anticipate that major central banks may need to take a more dovish stance.

The Fund returned -5.1% over the evaluation period, gross of fees, in GBP, based on closing price valuation, while its benchmark, the MSCI Emerging Markets Total Return (Net) Index returned -6.6%.

The Fund will maintain its broadly diversified strategic allocation to long-term rewarding factors including Value, Momentum, Revisions, Growth and Quality.

## Market Background

During the second quarter of 2022, Emerging market equities were undermined by the US Federal Reserve's increasingly hawkish stance and fears of slower global growth as well as the impact of China's zero-COVID policy. All three regions declined, with Asia holding up the best while Latin American and Eastern European markets were the weakest.

Over the second half of 2022, Emerging market equities slightly weakened, lagging the rallies in US and European stock markets. Sentiment was hindered by fears over the outlook for the global economy and interest rates, although a weakening in the US dollar and signs that China may be relaxing its strict zero-COVID policy led to robust gains in November. At a regional level, Latin American and Eastern European markets rallied the most, while weak returns from China weighed on overall returns in Asia.

In 2023, initial optimism over China's reopening proved short lived, with EM stocks declining in February as investors became increasingly concerned about the prospects of interest rates staying higher for longer. March saw a banking crisis as the collapse of two regional US banks caused global repercussions. However, EM shares closed the first quarter of

2023 on a stronger note as concerns over the health of the global banking system faded and investors started to anticipate that major central banks may need to take a more dovish stance. April was started in positive territory but lost ground over the month as shares in China and Taiwan, two of the index's largest components, declined. At a regional level, Eastern European markets delivered robust gains, while Latin American markets also advanced modestly. However, Asian markets were choppy and closed the month lower.

Economic data confirmed that China's economy was recovering strongly after the lifting of pandemic-related restrictions, with China's GDP expanding by a stronger-than-expected annual rate of 4.5% in the first quarter of 2023, helped by a rebound in household spending and rising factory activity. However, shares were negatively affected by concerns over whether China could sustain the rebound in growth. Additionally, there were concerns that the US would impose a further crackdown over investment in China.

## Portfolio Review

The Fund returned -5.1% over the evaluation period, gross of fees, in GBP, based on closing price valuation, while its benchmark, the MSCI Emerging Markets Total Return (Net) Index returned -6.6%. Thus, the portfolio was ahead of its benchmark by 152 bps.

Until July 25, 2022 the Fund was managed according to a behavioral finance-focused strategy.

Since July 25, 2022 the Fund is managed according to the Best Styles Emerging Markets Equity strategy which implements a well-diversified blend of the five long-term successful investment styles Value, Momentum, Revisions, Growth and Quality. Thus, the relative performance of the strategy is primarily driven by the performance of these key investment styles. The portfolio aims to be sector- and region neutral and applies active weights restriction to sectors (+/- 4%) and single stocks (+/-2%) versus the benchmark.

# Investment Review continued

## Analyzing the performance

From April 29, 2022 to July 25, 2022

The Fund was managed using a behavioral finance-focused approach designed to capitalize on mispricing, blending a scientific investment process with a human overlay. Performance results trailed the benchmark during the period due to short-term stock selection.

The Fund had a mix of growth and valuation, with a higher historical earnings growth and inline forecast earnings growth, which was complemented by a lower price-to-earnings ratio on both a historical and forecast basis. The Fund also had an emphasis on dividend yield, which was meaningfully higher than the benchmark, and outsized exposure to lower volatility stocks, designed to help protect relative performance during periods of market turbulence.

From a sector perspective, the overall allocation effect was negative. The underweight in Materials added the most, while the underweight in Consumer Discretionary detracted the most from the relative performance. At the same time, the stock selection effect was negative, mainly emanating from the less successful selection within Materials and Financials.

From July 25, 2022 to April 28, 2023

The most prominent investment style of the Best Styles strategy, Value, posted close to neutral performance from August to October, outperformed significantly in November and slightly in December. Value delivered neutral to positive results in the first four months of 2023. Stocks were boosted by signs that inflation may have peaked and China's decision to relax its zero-COVID policy in October and November. This reversal supported the investment style Value in Q4. In brief, Value closed the last nine months in positive territory.

On the other hand, the trend-following investment styles Momentum, Revisions, and Growth added to the relative performance from August to October but turned negative/neutral in the following months. Overall, Growth and Momentum had a challenging time in the past nine months, predominantly for Momentum from November to January, while Revisions outperformed.

The more defensive investment style Quality slightly supported the relative performance during the reporting period.

Consequently, gains from Value and Revisions compensated for the weakness in Momentum and Growth, resulting in the outperformance of the Fund over the period from July 25, 2022 to April 28, 2023.

## Analyzing the performance from the more traditional perspective of sectors

The overall sector allocation effect was slightly negative in the reporting period

The overweight in Communication Services added the most to the relative performance, while the underweight in Consumer Discretionary and the overweight in Financials detracted the most.

The stock selection effect was positive in the reporting period. Stock selection was more successful within Energy and Communication Services, while it was less successful in Consumer Staples and IT.

## Outlook

Global economic growth appears more resilient than expected by many market participants, and a recession in the US or elsewhere seems less probable than feared a few months ago. However, we should not forget that the impact of the rate hikes implemented so far will be felt increasingly over time. Moreover, additional rate steps are quite possible, particularly by those central banks which have been lagging behind in terms of rate normalisation, such as the European Central Bank (ECB). At the same time, lending standards in key regions may tighten due to the tensions in the banking sector. Such an environment may weigh on corporate revenues and profit margins. While both still appear robust in a long-term comparison, they are down from the extremely strong figures of the past year. As a rule, equities – which are “real” assets in the sense that they represent shares in a company – benefit from the fact that companies can quickly pass on price increases to customers, at least to some extent. Overall, the market environment suggests that volatility will increase again after the very favourable start into the year.

The Fund will maintain its broadly diversified strategic allocation to long-term rewarding factors including Value, Momentum, Revisions, Growth and Quality.

# Portfolio Statement

As at 30 April 2023

Holding		Market Value	% of
		£'000	Net Assets
	EQUITIES - 96.55% (2022 - 96.09%)		
	Brazil - 4.18% (2022 - 7.94%)		
97,100	Banco do Brasil	662	0.56
421,600	Cielo	365	0.31
112,300	CPFL Energia	591	0.50
63,525	Gerdau Preference Shares	254	0.22
222,200	Petroleo Brasileiro	942	0.80
156,300	Petroleo Brasileiro Preference Shares	589	0.50
132,400	Vale	1,523	1.29
		<b>4,926</b>	<b>4.18</b>
	Cayman Islands - 0.53% (2022 - 2.06%)		
11,482	PDD ADR	622	0.53
		<b>622</b>	<b>0.53</b>
	Chile - 1.21% (2022 - 0.00%)		
103,826	Cencosud	169	0.14
112,600	Quinenco	370	0.31
16,508	Sociedad Quimica y Minera de Chile Preference Shares	892	0.76
		<b>1,431</b>	<b>1.21</b>
	China - 28.25% (2022 - 32.61%)		
309,500	3SBio	246	0.21
2,287,000	Agricultural Bank of China	702	0.60
398,100	Alibaba	3,311	2.81
326,000	Anhui Expressway	263	0.22
79,200	Baidu	929	0.79
2,020,000	Bank of China	641	0.54
603,000	Bank of Communications	309	0.26
1,045,500	Bank of Jiangsu	924	0.78
16,500	BYD (Canada stock exchange)	394	0.33
134,000	BYD (Hong Kong stock exchange)	321	0.27
601,000	China CITIC Bank	258	0.22
4,353,000	China Construction Bank	2,312	1.96
528,000	China Medical System	696	0.59
152,000	China Merchants Bank	580	0.49
943,165	China Merchants Expressway Network & Technology	993	0.84
1,027,000	China New Higher Education	281	0.24
1,091,000	China Railway	665	0.56
326,000	China Resources Medical	241	0.20
503,000	China Resources Pharmaceutical	397	0.34
405,000	China Shineway Pharmaceutical	330	0.28
110,200	Chongqing Changan Automobile	151	0.13
2,558,000	CIFI	194	0.17
18,720	Contemporary Amperex Technology	496	0.42
723,500	COSCO SHIPPING	666	0.56
8,612	Daqo New Energy ADR	315	0.27
199,000	EEKA Fashion	223	0.19
91,200	Foxconn Industrial Internet	169	0.14
880,000	Fufeng	423	0.36
77,800	Gree Electric Appliances of Zhuhai	352	0.30
92,200	Haier Smart Home	237	0.20
62,156	Hello ADR	413	0.35
122,000	Hisense Home Appliances	221	0.19
260,000	Hua Hong Semiconductor	843	0.71
868,000	Industrial & Commercial Bank of China	371	0.32
44,500	JCET	141	0.12
42,876	JD.com	591	0.50
8,000	Jiangsu Yanghe Brewery Joint-Stock	138	0.12
7,655	JinkoSolar ADR	302	0.26
81,800	LB	163	0.14
85,760	Meituan	1,156	0.98
56,600	Ming Yang Smart Energy	134	0.11
10,360	MINISO ADR	152	0.13
86,500	NetEase	1,215	1.03
627,000	People's Insurance Co Group of China	195	0.17
3,294,000	PetroChina	1,813	1.54
536,000	Shandong Publishing & Media	712	0.60
466,200	Shandong Weigao Group Medical Polymer	630	0.53
2,581,500	Shui On Land	249	0.21



# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value	
		£'000	% of Net Assets
99,600	Sichuan Road and Bridge	181	0.15
103,200	Sinopharm	290	0.25
415,700	Sinotrans	218	0.18
114,000	Tencent	3,977	3.37
91,242	Tencent Music Entertainment ADR	538	0.46
128,000	Yadea	238	0.20
168,200	ZTE	429	0.36
		<b>33,329</b>	<b>28.25</b>
	Colombia - 0.27% (2022 - 0.00%)		
64,873	Bancolombia Preference Shares	322	0.27
		<b>322</b>	<b>0.27</b>
	Greece - 1.97% (2022 - 0.00%)		
78,793	Hellenic Telecommunications Organization	917	0.78
19,290	Motor Oil Hellas Corinth Refineries	366	0.31
14,214	Mytilineos	328	0.28
51,458	National Bank of Greece	214	0.18
18,767	OPAP	255	0.22
39,516	Sarantis	242	0.20
		<b>2,322</b>	<b>1.97</b>
	Hong Kong - 3.47% (2022 - 0.00%)		
311,000	C&D International Investment	758	0.64
874,000	CSPC Pharmaceutical	707	0.60
823,000	Digital China	271	0.23
797,000	GCL Technology	158	0.14
1,088,000	Kunlun Energy	799	0.68
540,000	Lenovo	439	0.37
6,500	Orient Overseas	105	0.09
1,768,000	Shougang Fushan Resources	475	0.40
333,000	Yuexiu Property	382	0.32
		<b>4,094</b>	<b>3.47</b>
	India - 11.53% (2022 - 11.13%)		
64,486	Axis Bank	539	0.46
447,208	Bank of Baroda	819	0.69
73,498	Bharti Airtel	570	0.48
117,621	Gujarat Ambuja Exports	333	0.28
45,738	HCL Technologies	472	0.40
144,364	ICICI Bank	1,290	1.09
90,617	Infosys	1,104	0.94
339,737	ITC	1,405	1.19
157,456	Jindal Steel & Power	889	0.75
96,606	Mahindra & Mahindra	1,151	0.98
37,017	Mahindra CIE Automotive	144	0.12
4,365	Maruti Suzuki India	365	0.31
184,345	Power Finance	305	0.26
265,250	Power Grid Corp of India	609	0.52
240,686	REC	309	0.26
163,817	Redington	268	0.23
16,062	Reliance Industries	378	0.32
207,017	State Bank of India	1,159	0.98
44,583	Sun Pharmaceutical Industries	427	0.36
29,728	Tata Consultancy Services	929	0.79
28,141	Zyklus Lifesciences	142	0.12
		<b>13,607</b>	<b>11.53</b>
	Indonesia - 2.97% (2022 - 2.51%)		
632,200	Astra International	231	0.20
910,300	Bank Central Asia	447	0.38
3,796,300	Bank Mandiri	1,065	0.90
1,694,500	Bank Rakyat Indonesia	469	0.40
481,500	Indofood Sukses Makmur	168	0.14
1,482,500	Kalbe Farma	170	0.14
3,917,100	Mitra Adiperkasa	290	0.25
2,893,400	Perusahaan Gas Negara	224	0.19
1,903,900	Telkom Indonesia	438	0.37
		<b>3,502</b>	<b>2.97</b>
	Malaysia - 1.21% (2022 - 0.00%)		
414,400	Alliance Bank Malaysia	246	0.21
616,100	CIMB	556	0.47

# Portfolio Statement continued

As at 30 April 2023

Holding	Market Value £'000	% of Net Assets	
164,100	MISC	213	0.18
197,900	RHB Bank	194	0.16
1,135,700	YTL Power International	223	0.19
		<u>1,432</u>	<u>1.21</u>
	Mexico - 2.11% (2022 - 1.83%)		
1,938,300	America Movil	1,652	1.40
64,600	Arca Continental	487	0.42
7,735	Grupo Aeroportuario del Sureste	176	0.15
39,600	Grupo Bimbo	168	0.14
		<u>2,483</u>	<u>2.11</u>
	Netherlands - 0.38% (2022 - 0.00%)		
93,979	NEPI Rockcastle	450	0.38
		<u>450</u>	<u>0.38</u>
	Philippines - 0.41% (2022 - 0.00%)		
228,360	Universal Robina	479	0.41
		<u>479</u>	<u>0.41</u>
	Poland - 0.38% (2022 - 0.00%)		
61,601	Powszechny Zaklad Ubezpieczen	452	0.38
		<u>452</u>	<u>0.38</u>
	Qatar - 0.29% (2022 - 0.00%)		
158,078	Ooredoo	342	0.29
		<u>342</u>	<u>0.29</u>
	Russia - 0.00% (2022 - 0.00%)		
942,793	Gazprom~	-	-
39,529	LUKOIL~	-	-
		<u>-</u>	<u>-</u>
	Saudi Arabia - 3.33% (2022 - 0.00%)		
8,119	Arabian Internet & Communications Services	481	0.41
9,097	Elm	854	0.73
90,995	Etihad Etisalat	887	0.75
113,243	Saudi Arabian Oil	865	0.73
19,379	Saudi Basic Industries	379	0.32
18,138	Saudi British Bank	139	0.12
63,008	Saudi Electricity	322	0.27
		<u>3,927</u>	<u>3.33</u>
	South Africa - 3.05% (2022 - 5.48%)		
135,685	Absa	1,048	0.89
39,669	Bid	718	0.61
19,460	Impala Platinum	151	0.13
6,884	Naspers	976	0.82
11,330	Sasol	117	0.10
335,950	Sibanye Stillwater	590	0.50
		<u>3,600</u>	<u>3.05</u>
	South Korea - 13.01% (2022 - 9.19%)		
3,594	Dentium	307	0.26
60,240	Hana Financial	1,500	1.27
15,524	Hankook Tire & Technology	318	0.27
28,348	Hanwha	457	0.39
16,389	Hyundai Marine & Fire Insurance	365	0.31
1,109	Hyundai Mobis	143	0.12
13,121	Hyundai Motor	1,539	1.30
25,672	Industrial Bank of Korea	153	0.13
11,990	KB Financial	352	0.30
18,485	Kia	929	0.79
40,836	KT	728	0.62
3,193	KT&G	163	0.14
14,245	LX International	248	0.21
13,599	Meritz Financial	370	0.31
6,003	OCI	428	0.36
5,671	Orion	486	0.41
3,524	POSCO	790	0.67
19,843	Samsung C&T	1,292	1.10
85,014	Samsung Electronics	3,305	2.80
9,334	Samsung Fire & Marine Insurance	1,243	1.05
33,114	Woori Financial	231	0.20
		<u>15,347</u>	<u>13.01</u>

# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value £'000	% of Net Assets
	Taiwan - 12.30% (2022 - 17.85%)		
115,000	ASE Technology	299	0.25
279,000	Compeq Manufacturing	311	0.26
1,032,000	FIT Hon Teng	161	0.14
130,000	Global Brands Manufacture	114	0.10
312,000	Hon Hai Precision Industry	840	0.71
75,200	Lite-On Technology	143	0.12
409,000	Pou Chen	336	0.28
161,000	Radiant Opto-Electronics	469	0.40
229,000	Sigurd Microelectronics	308	0.26
132,000	Sinon	126	0.11
56,000	Sitronix Technology	330	0.28
273,000	Supreme Electronics	306	0.26
331,000	Synnex Technology International	529	0.45
62,000	Taiwan Hon Chuan Enterprise	160	0.14
489,000	Taiwan Semiconductor Manufacturing	6,340	5.37
128,000	Tong Yang Industry	158	0.13
48,000	Unimicron Technology	179	0.15
52,000	United Integrated Services	291	0.25
1,127,000	United Microelectronics	1,432	1.21
669,000	Walsin Lihwa	860	0.73
479,000	Wistron	576	0.49
85,000	Zhen Ding Technology	245	0.21
		<b>14,513</b>	<b>12.30</b>
	Thailand - 1.27% (2022 - 1.35%)		
197,400	Hana Microelectronics NVDR	190	0.16
1,552,300	Krung Thai Bank NVDR	647	0.55
269,900	Supalai NVDR	133	0.11
1,248,300	Thai Union	398	0.34
1,081,400	Thaifoods NVDR	129	0.11
		<b>1,497</b>	<b>1.27</b>
	Turkey - 1.52% (2022 - 0.62%)		
19,843	Coca-Cola Icecek	191	0.16
264,157	Eregli Demir ve Celik Fabrikalari	358	0.30
129,755	Haci Omer Sabanci	203	0.17
122,118	KOC	378	0.32
39,839	Turk Hava Yollari	208	0.18
104,968	Turkcell Iletisim Hizmetleri	142	0.12
426,196	Turkiye Is Bankasi	189	0.16
84,493	Turkiye Sise ve Cam Fabrikalari	127	0.11
		<b>1,796</b>	<b>1.52</b>
	United Arab Emirates - 2.06% (2022 - 0.00%)		
1,014,072	Air Arabia	481	0.41
1,087,192	Emaar Properties	1,397	1.18
149,740	Emirates NBD Bank	456	0.39
134,520	Multiply	97	0.08
		<b>2,431</b>	<b>2.06</b>
	United States - 0.85% (2022 - 3.52%)		
987	MercadoLibre	1,003	0.85
		<b>1,003</b>	<b>0.85</b>
	Derivatives - 0.00% (2022 - 0.00%)		
	Open Forward Exchange Contracts* - 0.00% (2022 - 0.00%)		
	Bought ZAR30,080,774 for GBP1,311,799 Settlement 03/05/2023	(3)	-
	Sold ZAR19,309,115 for GBP842,573 Settlement 03/05/2023	2	-
		<b>(1)</b>	<b>-</b>
	Investment assets <sup>1</sup>	113,906	96.55
	Net other assets	4,075	3.45
	<b>Net assets</b>	<b>117,981</b>	<b>100.00</b>

<sup>1</sup> Includes derivative liabilities.

~ Suspended.

\* Forwards are not approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Stocks shown as ADRs represent American Depositary Receipts.

Unless otherwise stated, the holdings shown without market value are below £500 and rounded down.

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30 April 2022.

# Statement of Total Return

For the year ended 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Income:					
Net capital losses	2		(14,035)		(22,619)
Revenue	3	6,897		5,757	
Expenses	4	(1,314)		(1,630)	
Interest payable and similar charges		(7)		(2)	
Net revenue before taxation		5,576		4,125	
Taxation	5	(800)		(716)	
Net revenue after taxation			4,776		3,409
Total return before distributions			(9,259)		(19,210)
Distributions	6		(3,991)		(3,409)
Change in net assets attributable to shareholders from investment activities			(13,250)		(22,619)

# Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 April 2023

	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Opening net assets attributable to shareholders		139,691		170,668
Amounts receivable on issue of shares	19,363		20,330	
Amounts payable on cancellation of shares	(31,526)		(31,931)	
		(12,163)		(11,601)
Change in net assets attributable to shareholders from investment activities (see above)		(13,250)		(22,619)
Retained distributions on accumulation shares		3,703		3,243
Closing net assets attributable to shareholders		117,981		139,691

Notes to the final report and Financial Statements are from page 70 to 78.

# Balance Sheet

As at 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
<b>Assets:</b>					
<b>Fixed assets:</b>					
Investments			113,909		134,225
<b>Current assets:</b>					
Debtors	7	28,537		3,313	
Cash and bank balances	8	4,040		5,627	
<b>Total assets</b>			<b>146,486</b>		<b>143,165</b>
<b>Liabilities:</b>					
Investment liabilities			(3)		-
<b>Creditors:</b>					
Other creditors	9	(28,502)		(3,474)	
<b>Total liabilities</b>			<b>(28,505)</b>		<b>(3,474)</b>
<b>Net assets attributable to shareholders</b>			<b>117,981</b>		<b>139,691</b>

Notes to the final report and Financial Statements are from page 70 to 78.

# Notes to the Final Report and Financial Statements

## 1. Accounting Basis and Policies

The applicable accounting policies adopted by the Allianz Emerging Markets Equity Fund are included on pages 8 and 9 of the Collective Notes to the Final Report and Financial Statements.

## 2. Net capital losses

	2023 £000s	2022 £000s
Losses on non-derivative securities	(13,871)	(22,591)
Gains on derivative securities	2	-
Losses on currency	(147)	(11)
Handling charges	(19)	(17)
Net capital losses	(14,035)	(22,619)

## 3. Revenue

	2023 £000s	2022 £000s
Bank interest	7	-
Overseas dividends - non-taxable	5,721	4,876
Overseas dividends - taxable	937	833
Interest on capital	226	48
Income tax refund	6	-
Total revenue	6,897	5,757

# Notes to the Final Report and Financial Statements continued

## 4. Expenses

	2023	2022
	£000s	£000s
<hr/>		
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
ACD's annual fee	1,204	1,498
Company secretarial costs	-	(1)
	<hr/>	<hr/>
	1,204	1,497
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	22	28
Safe custody fees	43	47
	<hr/>	<hr/>
	65	75
Other expenses:		
Audit fees	13	13
Distribution costs	2	1
Printing costs	1	1
Registration fees	8	9
Other expenses	21	34
	<hr/>	<hr/>
	45	58
<b>Total expenses</b>	<hr/>	<hr/>
	1,314	1,630

All expenditure stated above is inclusive of VAT where applicable.

The Audit fee for the year, excluding VAT, was £10,600 (2022 - £10,600).

# Notes to the Final Report and Financial Statements continued

## 5. Taxation

	2023	2022
	£000s	£000s
a. Analysis of the taxation charge for the year:		
Overseas tax suffered	800	716
Total taxation for the year (see Note 5(b))	800	716
b. Factors affecting taxation charge for the year:		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for a subfund of an Open-Ended Investment Company (20%) (2022 - 20%).		
The differences are explained below:		
Net revenue before taxation	5,577	4,125
Corporation tax at 20%	1,115	825
Effects of:		
Overseas dividends - non-taxable	(1,144)	(975)
Overseas tax suffered	800	716
Surplus allowable expenses arising in the year	-	168
Overseas tax expensed	(28)	(18)
Movement in excess management expenses	57	-
Total taxation charge for the year (see Note 5(a))	800	716

OEICs are exempt from tax on capital gains in the UK, therefore capital returns are not included within the reconciliation.

### c. Provision for deferred tax

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

### d. Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £8,103,000 (2022 : £8,046,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

## 6. Distributions

The distributions take account of revenue received on the creation of Shares and revenue deducted on the cancellation of Shares and comprise:

	2023	2022
	£000s	£000s
Final	3,703	3,243
Add: Revenue deducted on cancellation of shares	836	453
Deduct: Revenue received on creation of shares	(548)	(287)
Net distributions for the year	3,991	3,409
Reconciliation of net revenue after taxation to net distributions for the year		
Net revenue after taxation	4,776	3,409
Revenue carried forward	(785)	-
Net distributions for the year	3,991	3,409



# Notes to the Final Report and Financial Statements continued

## 7. Debtors

	2023	2022
	£000s	£000s
Accrued revenue	150	296
Amounts receivable on creation of shares	-	52
Sales awaiting settlement	28,387	2,965
	28,537	3,313

## 8. Cash and bank balances

	2023	2022
	£000s	£000s
Cash and bank balances	4,040	5,627
	4,040	5,627

## 9. Other creditors

	2023	2022
	£000s	£000s
Accrued ACD's annual fee	88	107
Amounts payable on cancellation of shares	241	285
Other accrued expenses	48	46
Purchases awaiting settlement	28,125	3,036
	28,502	3,474

## 10. Related party transactions

Management fees paid to the ACD are disclosed in note 4 and amounts due at the year end are disclosed in note 9.

Monies received and paid by the ACD through the creation and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 7 and 9.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the year end.

### Significant Shareholdings

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 102, which requires the disclosure of details of material transactions between the subfund and any related party.

There were no assets managed by related parties of the ACD held by the subfund during the year.

# Notes to the Final Report and Financial Statements continued

## 11. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the subfund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

## 12. Shareholders' funds

The subfund currently has three share classes: A, C and O. The ACD's annual fee on these share classes are as follows:

Class A :	1.75%
Class C :	0.88%
Class O :	0.30%

The net asset value per share and the number of shares in issue are given in the Comparative Tables on page 59 and 60.

The distribution per share is given in the Distribution Table on page 61.

Revenue available for allocation will be allocated between the share classes based on the respective proportionate interests represented by those share classes on a daily basis and taxation is computed by reference to the net revenue after expenses attributable to each class. All share classes have the same rights on winding up.

For the year ended 30 April 2023:

	Class A Shares	Class C Shares	Class O Shares
Opening shares	4,969,531	46,173,736	223,452
Shares created	31,589	7,342,319	128,680
Shares cancelled	(612,774)	(11,545,083)	(200,284)
Closing shares	4,388,346	41,970,972	151,848

## 13. Contingent liabilities and commitments

As at 30 April 2023 there were no contingent liabilities (2022: £Nil).

# Notes to the Final Report and Financial Statements continued

## 14. Derivatives and other financial instruments

### a. Currency exposure

The majority of the net assets and liabilities of the subfund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Monetary Exposure	Non-Monetary Exposure	Total Exposure	Monetary Exposure	Non-Monetary Exposure	Total Exposure
	30 April 2023	30 April 2023	30 April 2023	30 April 2022	30 April 2022	30 April 2022
	£000s	£000s	£000s	£000s	£000s	£000s
Brazilian Real	26	4,926	4,952	256	11,087	11,343
Chilean Peso	114	1,431	1,545	-	-	-
Colombian Peso	-	322	322	-	-	-
Euro	(34)	2,322	2,288	-	-	-
Hong Kong Dollar	594	31,092	31,686	(36)	29,831	29,795
Indian Rupee	3,055	13,607	16,662	1,357	11,414	12,771
Indonesian Rupiah	1,152	3,502	4,654	-	3,499	3,499
Malaysian Ringgit	(1,035)	1,431	396	-	-	-
Mexican Peso	-	2,483	2,483	-	2,554	2,554
New Russian Ruble	680	-	680	-	-	-
New Taiwan Dollar	4,976	14,352	19,328	(1)	24,935	24,934
Philippine Peso	(285)	479	194	-	-	-
Polish Zloty	-	452	452	-	-	-
Qatari Rial	1,144	342	1,486	-	-	-
Saudi Riyal	4,299	3,927	8,226	-	-	-
South African Rand	(109)	4,050	3,941	1	6,794	6,795
South Korean Won	(1,426)	15,347	13,921	(548)	12,837	12,289
Thailand Baht	1,185	1,497	2,682	-	1,887	1,887
Turkish Lira	-	1,796	1,796	-	872	872
UAE Dirham	22	2,431	2,453	-	-	-
US Dollar	69	3,345	3,414	(804)	10,267	9,463
Yuan Renminbi	(480)	4,772	4,292	-	18,249	18,249

### b. Interest rate risk profile

The subfund did not hold any interest bearing financial instruments other than its cash and bank balances as at the balance sheet date (2022 - same).

### c. Sensitivity analysis

#### Market price sensitivity

	2023	2022
	£000s	£000s
Listed equity investments held at fair value through profit or loss	113,906	134,225

# Notes to the Final Report and Financial Statements continued

The following illustrates the sensitivity of the net return and the net assets to an increase or decrease of 20% (2022 - 20%) in the fair values of the subfund's investments. This level of change is considered to be reasonably possible based on observation of market conditions in the year. The sensitivity analysis is based on the impact of a change to the value of the subfund's investments at each balance sheet date.

	2023	2023	2022	2022
	20% Increase in fair value £000s	20% Decrease in fair value £000s	20% Increase in fair value £000s	20% Decrease in fair value £000s
<b>Capital Return</b>				
Net gains (losses) on investments at fair value	22,781	(22,781)	26,845	(26,845)

#### Foreign currency risk sensitivity

The following table details the subfund's sensitivity to a 20% increase and decrease in sterling against the relevant foreign currencies and the resultant impact that any such increase or decrease would have on the net return and net assets. The sensitivity analysis includes all foreign currency denominated items and adjusts their translation at the year end for a 20% change in foreign currency rates.

	2023	2023	2022	2022
	20% Increase in Sterling against foreign currencies £000s	20% Decrease in Sterling against foreign currencies £000s	20% Increase in Sterling against foreign currencies £000s	20% Decrease in Sterling against foreign currencies £000s
Brazilian Real	(825)	1,238	(1,890)	2,836
Chilean Peso	(257)	386	-	-
Yuan Renminbi	(715)	1,073	(3,041)	4,562
Colombian Peso	(54)	81	-	-
Euro	(381)	572	-	-
Hong Kong Dollar	(5,281)	7,922	(4,966)	7,449
Indian Rupee	(2,777)	4,166	(2,129)	3,193
Indonesian Rupiah	(776)	1,163	(583)	875
Malaysian Ringgit	(66)	99	-	-
Mexican Peso	(414)	621	(426)	639
New Russian Ruble	(113)	170	-	-
New Taiwan Dollar	(3,221)	4,832	(4,156)	6,234
Philippine Peso	(32)	49	-	-
Polish Zloty	(75)	113	-	-
Qatari Rial	(248)	371	-	-
Saudi Riyal	(1,371)	2,057	-	-
South African Rand	(657)	985	(1,133)	1,699
South Korean Won	(2,320)	3,480	(2,048)	3,072
Thailand Baht	(447)	670	(315)	472
Turkish Lira	(299)	449	(145)	218
UAE Dirham	(409)	613	-	-
US Dollar	(569)	853	(1,577)	2,366
Change in net return and net assets	(21,307)	31,963	(22,409)	33,615

#### d. Leverage

The subfund did not employ significant leverage during the year (2022 - same).

# Notes to the Final Report and Financial Statements continued

## e. Fair value hierarchy

An analysis of the portfolio in accordance with the fair value hierarchy is shown below:

	Assets		Liabilities	
	30 April 2023 £000s	30 April 2023 £000s	30 April 2022 £000s	30 April 2022 £000s
Level 1: Quoted	113,907	-	134,225	-
Level 2: Observable	2	(3)	-	-
Level 3: Unobservable	-	-	-	-
	113,909	(3)	134,225	-

The fair value as at the reporting date has been estimated using the following fair value hierarchy:

Level (1) Quoted prices for identical instruments in active markets

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level (2) Valuation techniques that use:

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level (3) Valuation techniques that use:

Inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

When the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate, the fair value is estimated by using an alternative valuation technique. Such valuation techniques will, where possible, maximise the use of observable market data inputs as opposed to non-observable entity determined data inputs.

The Investment Manager considers observable data to be that market data that 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.

## f. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2022 - same).

## g. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair value.

## 15. Portfolio transaction costs

For the year ended 30 April 2023:

	Transaction Value 2023 £000s	Commissions 2023 £000s	Commissions 2023 %	Taxes 2023 £000s	Taxes 2023 %
<b>Purchases</b>					
Equity instruments (direct)	148,775	62	0.04	85	0.06
Collective Investment Schemes	2,648	-	-	-	-
Total purchases	151,423	62	0.04	85	0.06
Total purchases including transaction costs	151,570				
<b>Sales</b>					
Equity instruments (direct)	155,692	67	0.04	180	0.12
Collective Investment Schemes	2,613	-	-	-	-
Total sales	158,305	67	0.04	180	0.12
Total sales including transaction costs	158,058				
Total transaction costs as a % of average net assets		0.10%		0.21%	

# Notes to the Final Report and Financial Statements continued

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Purchases</b>					
Equity instruments (direct)	141,116	104	0.07	97	0.07
Total purchases	141,116	104	0.07	97	0.07
Total purchases including transaction costs	141,317				
	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Sales</b>					
Equity instruments (direct)	152,485	101	0.07	200	0.13
Total sales	152,485	101	0.07	200	0.13
Total sales including transaction costs	152,184				
Total transaction costs as a % of average net assets		0.13%		0.19%	

The above analysis covers any direct transaction costs suffered by the subfund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc) are attributable to the subfund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the subfund vary considerably for the different asset / instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.20% (2022 : 0.14%).

# Fund Information

## Investment Objective and Policy

The Allianz Fixed Income Macro Fund aims to generate capital growth by outperforming the Target Benchmark, the SONIA GBP by producing positive absolute returns above SONIA GBP (net of fees) over a rolling twelve month period irrespective of market conditions by investing predominantly in derivatives of fixed income instruments and fixed income securities. Investors should be aware that the Fund's capital is at risk and there is no guarantee that the Fund will achieve its investment objective over any particular period at all.

The ACD will adopt a policy of active management and will invest up to 100% of the Fund's assets into fixed income securities indirectly through the use of derivative instruments in order to implement the strategies within the Fund. These will include but not be limited to futures, options, options on swaps and swap agreements (e.g. interest rate swaps, index swaps and inflation linked swaps) and currency forward contracts.

The ACD may also invest using an unconstrained approach to allocate up to 100% of the Fund's assets to fixed income securities including global sovereign bonds which includes agencies and municipalities, global credit including high yield and global foreign exchange currencies.

More than 35% of the value of the property of the Fund may be invested in Government and public securities issued or guaranteed by any of the following states; the United Kingdom (including the Scottish Administration, the Executive Committee of the Northern Ireland Assembly, the National Assembly of Wales), Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Italy, Japan, Liechtenstein, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United States of America.

Up to 30% of the Fund's assets may be invested into Chinese bonds denominated in RMB either directly via CIBM Direct/ Bond Connect or through all eligible instruments, as set out in the Fund's investment policy.

Investments in either derivatives or fixed income securities may be made anywhere in the world including developed markets and non-developed markets or emerging market countries.

The ACD may also utilise deposits and money market instruments in the management of the portfolio and their

value, together with money market funds, may make up to a maximum of 100% of the Fund's assets.

The Fund may also invest up to a maximum of 10% of the Fund's assets in other Funds managed by Allianz Global Investors and its group of companies and other collective investment schemes managed by third parties.

## Fund Details

Fund Manager	Joe Pak, Ravin Seeneevassen and Jack Norris	
Benchmark	SONIA (Sterling Over Night Index Average) GBP	
Income allocation date	30 April	
Income pay date	31 August (normally by 30 June)	
Launch dates	Fund	18 July 2018
	E Shares	18 July 2018
	W Shares	18 November 2020
ISA status	Yes	
Share Classes and types of Shares	E (Accumulation Shares) W (Accumulation Shares)	
Minimum investment	E Shares	Lump sum £25,000,000 Available to Approved Investors only
	W Shares	Lump sum £10,000,000 Available to Approved Investors only
Initial charge	E Shares	Nil
	W Shares	Nil
Annual ACD fee	E Shares	0.35%*
	W Shares	0.70%**

\*0.35 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the E shares.

\*\*0.70 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the W shares.

# Comparative Tables

For the year ended 30 April 2023

	E Shares Accumulation			W Shares Accumulation		
	2023 (p)	2022 (p)	2021 (p)	2023 (p)	2022 (p)	2021 (p)
Opening net asset value per share	106.98	117.91	113.99	90.63	100.24	100.00
Return before operating charges	2.66	(10.53)	4.33	2.32	(8.95)	0.55
Operating charges	(0.37)	(0.40)	(0.41)	(0.63)	(0.66)	(0.31)
Return after operating charges	2.29	(10.93)	3.92	1.69	(9.61)	0.24
Distributions	(8.04)	(2.57)	(14.01)	(6.55)	(2.05)	(3.14)
Retained distributions on accumulation shares	8.04	2.57	14.01	6.55	2.05	3.14
Closing net asset value per share	109.27	106.98	117.91	92.32	90.63	100.24
After direct transaction costs of <sup>1</sup>	(0.06)	(0.06)	(0.01)	(0.05)	(0.05)	(0.01)
Performance						
Return after operating charges	2.14%	(9.27)%	3.44%	1.86%	(9.59)%	0.24%
Other information						
Closing net asset value (£'000)	73,034	258,423	457,763	143	20,981	13,098
Closing number of shares	66,840,726	241,553,862	388,215,151	154,853	23,148,787	13,066,122
Operating charges	0.35%	0.35%	0.35%	0.70%	0.69%	0.69%
Direct transaction costs	0.05%	0.05%	0.01%	0.05%	0.05%	0.01%
Prices						
Highest share price	114.51	118.06	119.22	96.74	100.34	101.42
Lowest share price	103.11	106.80	113.54	87.22	90.48	99.08

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.



# Distribution Tables

## For the year ended 30 April 2023

Final Distribution in pence per share

Group 1 Shares purchased prior to 1 May 2022

Group 2 Shares purchased on or after 1 May 2022 to 30 April 2023

	Net revenue (p)	Equalisation (p)	Distribution payable 30/06/23 (p)	Distribution paid 30/06/22 (p)
<b>E Shares Accumulation</b>				
Group 1	8.0377	-	8.0377	2.5742
Group 2	6.0252	2.0125	8.0377	2.5742
<b>W Shares Accumulation</b>				
Group 1	6.5518	-	6.5518	2.0498
Group 2	4.7894	1.7624	6.5518	2.0498

Investors are reminded that distribution is not guaranteed.

# Investment Review

## Performance Summary

Over the period under review, 1 May 2022 to 30 April 2023, the Fund's E Acc share class produced a total return of 2.63%. The Fund's benchmark, SONIA, produced a total return of 2.56%.

Over the full period, our rates and FX strategies contributed negatively to performance while our credit and equity strategies were positive. The main positive contribution came from our defensive portfolio positioning in both the rates segment and in risky assets in March 2023, benefiting from the rising risk aversion in the wake of the banking sector events.

## Market Background

Risk assets slumped towards the end of the second quarter of 2022 on concerns that a period of negative growth may be needed to bring persistent inflation under control. The US was particularly weak as the Federal Reserve (Fed) adopted a more aggressive policy stance. Global government bonds also closed the volatile second quarter with losses. In the US, the yield on the 10-year Treasury bond briefly came within touching distance of 3.5% in mid-June, but closed the quarter around 3.0%. With inflation continuing to accelerate, central banks adopted a more aggressive stance to raising rates. The US Fed raised rates by 75 bps – its first move of that magnitude since 1994 – and warned that some economic pain may be needed to bring inflation under control.

Global government bonds rallied in July, and risk assets rebounded strongly over July into the first half of August, as slowing economic growth raised hopes that inflation would moderate, and central banks would soon start to reduce the pace of monetary tightening. However, the rally ended abruptly as hawkish comments from the US Fed and the European Central Bank (ECB) dashed these hopes post upside surprises in inflation prints.

Global government bonds tumbled in August and September, following a set of hawkish statements from major central banks. In the US, the 10-year Treasury yield reached a high of 4.0% in late-September, while the 10-year German Bund yield rose around 100 basis points (bps) to trade above 2.2% for the first time since late-2011. UK gilt yields jumped sharply in September, topping 4.5%, as the new UK government ramped up spending, raising fears over the sustainability of UK debt levels.

UK government bond yields fell in Q4 as short-lived Prime Minister Liz Truss's unfunded tax cuts were completely reversed by her successor, ex-chancellor Rishi Sunak, who announced GBP 55 billion of fiscal tightening to restore the UK's fiscal credibility. In mid-October, the yield on the 10-year Treasury bond hit a high of 4.33% but yields subsequently tumbled as easing inflationary pressures boosted hopes the Fed may be less aggressive in raising rates. The 10-year bond yield hit a trough of 3.4% in early-December before closing the quarter little changed at around 3.8%. European sovereign bonds delivered negative returns in Q4 as hopes that easing inflation may cause the ECB to turn more dovish were dashed by a series of hawkish statements from policymakers and fears of elevated gas prices heading into the winter. In early-October, the yield on the 10-year German Bund hit a high of more than 2.5%. While yields later fell back below 2.0%, they rose again in December to close the quarter around 2.5%. The German yield curve also inverted, with 10-year yields moving below two-year yields.

While the economic outlook darkened over the course of Q4, there was some cause for optimism as inflation looked as though it may have peaked. The US Federal Reserve (Fed), ECB and Bank of England continued to raise interest rates, but December's 50-basis-point (bps) hikes were lower than the 75-bps increases seen earlier in the quarter. Nevertheless, central banks highlighted that further rate rises should be expected in 2023. In late-December, the BOJ surprised markets by amending its yield curve control policy although, with overnight rates remaining at -0.1%, the central bank denied the move marked a pivot away from Japan's ultra-loose monetary policy. Going into 2023, bonds initially rallied in January as signs that inflation may have peaked boosted hopes that central banks may be nearing the end of their rate-hiking cycles – particularly in Europe whereby following a mild start to winter, gas prices came under significant pressure. However, when stronger-than-expected economic data dashed these hopes, bond yields rose sharply over February, only to fall once more in March when the banking crisis unfolded. In early-March, the yield on the two-year US-Treasury note traded above 5.0% for the first time since 2007, meaning the yield difference between two- and 10-year bonds widened to more than -100 basis points (bps), the most inverted since 1981, before snapping back to -50 bps as the banking crisis caused markets to reassess their forecasts for future US interest rates. Headline inflation rates eased over the first quarter of 2023, but core inflation proved stickier.

# Investment Review continued

In April, US-Treasuries initially rallied, with the 10-year yield falling below 3.3% for the first time in seven months as the problems in the banking sector boosted speculation that the Fed would need to cut rates later this year. But bond yields later rose once more as these expectations seemed premature. Headline US inflation fell to an annual rate of 5.0% in March, compared to 6.0% in February, but core inflation picked up slightly to an annual rate of 5.6%.

## Portfolio Review

The Fund aims to generate returns through four core investment strategies: rates, FX, credit, and inflation. We also manage portfolio risk through positions within our equity strategy.

### Rates

A theme we expressed over the whole period was that rates markets generally have not been reflecting the global economic growth slowdown that we have been confident is coming. Given our bearish growth outlook, we maintained an overall long-duration bias in the portfolio, while preserving the need for flexibility, particularly since the fourth quarter of 2022.

At the start of the period, in May 2022, we rotated some of our front-end long core rates positions into the 5y5y part of the curve and in June, we moved our Emerging Markets (EM) duration into core rates. Whilst our long headline duration position detracted in June, it benefited from the subsequent rally in yields that followed in July.

However, global core rates turned negative again in August – led by UK Gilts. Despite shortening the duration of parts of our core rates positions in July, our long duration positioning was the largest detractor from performance in August. UK Gilts took the biggest hit, followed by EUR, AUD and CAD rates. In September, global core rates continued their selloff, once again led by UK Gilts, where the government surprised markets with a large package of unfunded tax cuts. The collapse in sterling and spike in gilt yields were extreme, forcing the Bank of England to intervene in the Gilt market to restore liquidity. Despite a further reduction of core rates duration in August and September, our long duration positioning was again the main drag on performance.

In October, our long position in GBP rates and a 10s30s curve steepening position we held were the largest positive contributors as the UK rates curve bull-steepened significantly following the government's U-turn and the resignation of Liz Truss. Over the fourth quarter of 2022, we shortened the headline duration in the Fund, reducing our long position in 5y GBP swaps in October and selling 10y US-Treasury futures following the substantial rally in core rates in November. We also started to build into a 5s30s curve steepening position.

Given the buoyancy of economic data in the first few weeks of 2023, on the back of a milder winter and changes in seasonality, we curtailed our curve steepening positions in February and optionalised the duration exposure instead. This helped as Developed Markets government bond yields surged around the globe in February, with yield curves bear-flattening (i.e. front-end maturities under-performed the long end). Our rates positioning was the biggest single positive contributor to performance in March, when our long core rate duration via call option structures benefited from the decrease in yields across the globe in the wake of the banking sector events. Front-end curve flattening positions added further to performance. We increased the headline duration of the Fund in March given our increased conviction on credit contraction in the economy.

April was a negative month for our rates positioning. UK rates were the largest detractor, as our long position suffered during the sell-off. Front-end EUR rates also sold off, adding to the negative contribution from this segment.

### FX

Between May and September 2022, the main active risk contributors in FX were: short CNH, and long the “energy complex” (long NOK, CAD, AUD, short INR). Besides being short CNH, some of our long FX positions were funded via being short the USD.

Our currency positioning detracted particularly in June as the USD (which we were short of) was once more amongst the strongest currencies globally, whilst both the Norwegian Krone and JPY (which we were long of) weakened further. In August, we tactically increased FX exposure in EUR and GBP versus USD, via options, to minimize downside risks.

# Investment Review continued

Our active FX views performed negatively in September. The long EURUSD and GBP options we added in August suffered on the back of continued USD strength despite further aggressive pricing of rate hikes in Europe and the UK. Our long-held positions: long AUD, NOK, JPY vs CNH, MXN, which had been designed as a beta neutral basket, also underperformed.

Against the backdrop of a general acceleration of the year 2022's FX trends: continued USD and MXN outperformance, and increasing FX interventions by authorities globally (e.g. China, India, Japan, Philippines) in the midst of what felt to us to be a protracted market deleveraging episode post the recent UK political uncertainty, we curtailed our FX exposure significantly at the end of September.

Overall currency risk was light throughout the fourth quarter as we preferred to remain cautious with reduced FX exposure, continuously monitoring developments. Overall, the contribution from FX was slightly positive over the quarter, mainly thanks to tactical short positions in USD versus EUR, AUD and GBP in November.

Going into 2023, we increased FX risk via tactical options strategies. Besides these, we held a short USD bias against the backdrop of the reopening of the Chinese economy boosting global growth outside the US. Currencies were the largest detractor in both February and March, mainly due to an increased usage of short-term FX option strategies, designed to balance our rates and risk positions in the portfolio.

## Credit

Similar to rates, risk assets and spread products more specifically had not been pricing in a looming economic growth hit, nor a steady withdrawal of central bank liquidity in our view. We were therefore positioned overall short credit throughout the review period.

We started with a long protection position in the iTraxx Xover CDS index and short positions in Italian BTP futures versus German Bunds. Following the divergence between EUR High Yield CDS and BTP spreads in June, we turned the iTraxx Xover position from long into short protection and closed this tactical position in July. We re-entered into the long protection position on the iTraxx Xover in October, traded around that position more tactically between December and March and

maintained a long protection position for the remainder of the period. Our short positions in Italian BTPs versus German Bunds were kept until February 2023.

Our credit positioning was a positive contributor over the period overall, mainly between May and August 2022, as both corporate credit spreads as well as peripheral European government bond spreads over Germany rose, and during the banking sector turmoil in March 2023, when high yield corporate bond spreads surged.

## Inflation

We started the period with a short UK RPI (Retail Price Index) position, which was held primarily in the 9yr segment, contributing slightly positively. In June, we decided to preferably express our conviction of an impending global recession via a bullish nominal rates position rather than an accentuated directional inflation positioning and therefore cut our short UK RPI position. In the following months, the contribution from inflation was only marginal as the Fund kept only a very small short exposure in GBP breakevens which was fully closed in September 2022.

We added a long position in long-dated UK real yields in February 2023, as valuations had become attractive in our view. This position had an overall neutral contribution to performance in the remainder of the period.

## Equity

In line with our bearish view on risk assets – we held bearish positions on equity indices (via long positions in put options) tactically in the portfolio over the period. Having contributed slightly positively on balance in the other months of the period, our put options on the S&P 500 index were significantly positive in March 2023, benefiting from the rising risk aversion following the US bank failures and elevated market volatility.

# Investment Review continued

## Outlook

The combination of a potentially more robust economy, stubbornly sticky inflation and noticeably different economic interest rate sensitivities leaves open the right tail for rates markets and an increasingly volatile environment with higher event risks.

Where does this leave us? We have maintained a core long duration bias in the portfolio for the past year and given the above, we believe the best course of action currently is to be more tactical in terms of both duration and curve strategies. The distribution of forecasts is wide and varied and we anticipate that the narrative this year swings back and forth between a no/soft landing scenario and a deeper recession.

Our call on risky assets – via long protection on credit indices and long put structures on equity indices has been timelier and has benefited from our ability to trade tactically. We foresee the pain in risk to be most acute towards the end of summer as market participants bring their focus to the looming US Debt ceiling showdown coinciding with a deterioration in economic data and corporate earnings.

# Portfolio Statement

As at 30 April 2023

Holding/Nominal		Market Value	
		£'000	% of Net Assets
	Canadian Dollar Denominated Fixed Rate Government Bonds - 45.67% (2022 - 20.77%)		
CAD 11,000,000	Canadian Government Bond 0.25% 01/05/2023	6,462	8.83
CAD 10,000,000	Canadian Government Bond 1.5% 01/06/2023	5,859	8.01
CAD 10,000,000	Canadian Government Bond 0.25% 01/08/2023	5,810	7.94
CAD 9,500,000	Canadian Government Bond 1.75% 01/09/2023	5,533	7.56
CAD 9,000,000	Canadian Government Bond 0.25% 01/11/2023	5,180	7.08
CAD 8,000,000	Canadian Government Bond 0.75% 01/02/2024	4,573	6.25
		<u>33,417</u>	<u>45.67</u>
	Chilean Peso Denominated Fixed Rate Government Bonds - 0.00% (2022 - 3.05%)		
	Colombian Peso Denominated Fixed Rate Government Bonds - 0.00% (2022 - 2.35%)		
	Euro Denominated Fixed Rate Corporate Bonds - 1.20% (2022 - 23.66%)		
EUR 1,000,000	Coca-Cola Europacific Partners 2.625% 06/11/2023	877	1.20
		<u>877</u>	<u>1.20</u>
	Japanese Yen Denominated Fixed Rate Government Bonds - 0.00% (2022 - 8.38%)		
	Mexican Peso Denominated Fixed Rate Government Bonds - 0.00% (2022 - 3.24%)		
	New Israeli Sheqel Denominated Fixed Rate Government Bonds - 7.16% (2022 - 7.86%)		
ILS 24,000,000	Israel Government Bond - Fixed 0.15% 31/07/2023	5,240	7.16
		<u>5,240</u>	<u>7.16</u>
	Peruvian Sol Denominated Fixed Rate Government Bonds - 0.00% (2022 - 2.43%)		
	South Korean Won Denominated Fixed Rate Government Bonds - 0.00% (2022 - 0.25%)		
	Sterling Denominated Fixed Rate Government Bonds - 17.95% (2022 - 5.15%)		
GBP 4,200,000	UK Treasury 0.75% 22/07/2023	4,167	5.69
GBP 4,500,000	UK Treasury 0.125% 31/01/2024	4,366	5.97
GBP 4,200,000	UK Treasury 1% 22/04/2024	4,070	5.56
GBP 500,000	UK Treasury 0.125% 22/03/2023	532	0.73
		<u>13,135</u>	<u>17.95</u>
	Swedish Krona Denominated Fixed Rate Government Bonds - 0.00% (2022 - 0.39%)		
	US Dollar Denominated Fixed Rate Government Bonds - 19.97% (2022 - 8.10%)		
USD 6,000,000	US Treasury Note 0.125% 30/04/2023	4,814	6.58
USD 5,400,000	US Treasury Note 0.125% 15/05/2023	4,324	5.91
USD 6,800,000	US Treasury Note 0.125% 31/05/2023	5,434	7.43
USD 800,000	Lebanon Government International Bond 6.85% 23/03/2027	40	0.05
		<u>14,612</u>	<u>19.97</u>
	Derivatives - 5.90% (2022 - (8.58)%)		
	Credit Default Swaps - (1.45)% (2022 - 0.00%)		
35,600,000	Credit Default Swap Pay 5% 20/12/2027	(1,036)	(1.42)
830,000	Credit Default Swap Pay 5% 20/06/2028	(8)	(0.01)
589,000	Credit Default Swap Pay 5% 20/06/2028	(11)	(0.02)
		<u>(1,055)</u>	<u>(1.45)</u>
	Interest Rate Swaps - 0.44% (2022 - (6.81)%)		
49,000,000	Pay 0.74% Receive Variable 16/03/2032	10,880	14.88
12,500,000	Pay 2.322% Receive Variable 21/09/2027	311	0.42
3,100,000	Pay 2.993% Receive Variable 20/09/2032	4	0.01
20,000,000	Pay 3.055% Receive Variable 20/09/2032	(16)	(0.02)
2,800,000	Pay 3.638% Receive Variable 30/06/2026	(4)	(0.01)
2,700,000	Pay 4.29% Receive Variable 31/03/2033	(15)	(0.02)
3,000,000	Pay 4.72% Receive Variable 21/12/2027	(81)	(0.11)
49,000,000	Receive 1% Pay Variable 16/03/2032	(9,977)	(13.63)
12,500,000	Receive 2.322% Pay Variable 21/09/2027	(873)	(1.19)
3,100,000	Receive 2.993% Pay Variable 20/09/2032	(4)	(0.01)
20,000,000	Receive 3.055% Pay Variable 20/09/2032	16	0.02
50,000,000	Receive 3.607% Pay Variable 10/05/2024	(4)	(0.01)
2,800,000	Receive 3.638% Pay Variable 30/06/2026	4	0.01
3,000,000	Receive 4.697% Pay Variable 21/12/2027	78	0.11
11,400,000	Receive 4.92% Pay Variable 31/03/2025	(7)	(0.01)
		<u>312</u>	<u>0.44</u>
	Swaptions - 0.04% (2022 - 0.00%)		
(3,900,000)	US Dollar Put Option 3.4 September 2023	(65)	(0.09)
3,900,000	US Dollar Put Option 3.7 September 2023	94	0.13
		<u>29</u>	<u>0.04</u>
	Open Forward Exchange Contracts* - 4.79% (2022 - (2.45)%)		
	Bought AUD3,099,232 for EUR1,936,618 Settlement 21/06/2023	(71)	(0.10)
	Bought AUD10,000,000 for JPY870,536,000 Settlement 21/06/2023	126	0.17
	Bought AUD10,000,000 for USD6,680,754 Settlement 21/06/2023	(67)	(0.09)
	Bought BRL69,000,000 for USD12,869,061 Settlement 21/06/2023	690	0.94
	Bought CAD54,000,000 for JPY5,139,304,680 Settlement 21/06/2023	1,243	1.70

# Portfolio Statement continued

As at 30 April 2023

Holding/Nominal	Market Value £'000	% of Net Assets
Bought CNH55,299,792 for USD8,000,000 Settlement 21/06/2023	8	0.01
Bought EUR10,848,436 for GBP9,581,846 Settlement 21/06/2023	(4)	(0.01)
Bought EUR15,000,000 for JPY2,100,477,500 Settlement 21/06/2023	788	1.08
Bought EUR6,000,000 for SEK68,252,370 Settlement 21/06/2023	(3)	-
Bought EUR25,000,000 for USD27,354,482 Settlement 21/06/2023	147	0.20
Bought ILS34,100,000 for GBP7,694,519 Settlement 21/06/2023	(164)	(0.22)
Bought JPY873,127,700 for AUD10,000,000 Settlement 21/06/2023	(111)	(0.15)
Bought JPY5,146,477,640 for CAD54,000,000 Settlement 21/06/2023	(1,201)	(1.64)
Bought JPY2,096,769,000 for EUR15,000,000 Settlement 21/06/2023	(810)	(1.11)
Bought JPY1,000,000,000 for GBP6,187,276 Settlement 21/06/2023	(258)	(0.35)
Bought JPY651,758,600 for USD5,000,000 Settlement 21/06/2023	(143)	(0.20)
Bought NOK40,000,000 for SEK40,314,836 Settlement 21/06/2023	(136)	(0.19)
Bought SEK68,511,992 for EUR6,000,000 Settlement 21/06/2023	23	0.03
Bought THB10,780,576 for USD320,000 Settlement 21/06/2023	(2)	-
Bought USD6,739,144 for AUD10,000,000 Settlement 21/06/2023	113	0.15
Bought USD13,080,916 for BRL69,000,000 Settlement 21/06/2023	(520)	(0.71)
Bought USD8,000,000 for CNH55,288,320 Settlement 21/06/2023	(7)	(0.01)
Bought USD21,820,018 for EUR20,000,000 Settlement 21/06/2023	(169)	(0.23)
Bought USD39,013,935 for GBP31,614,666 Settlement 21/06/2023	(345)	(0.47)
Bought USD3,000,000 for JPY404,091,840 Settlement 21/06/2023	8	0.01
Bought USD320,000 for PHP17,432,960 Settlement 21/06/2023	4	0.01
Sold AUD2,575,052 for GBP1,424,709 Settlement 21/06/2023	63	0.09
Sold CAD50,313,329 for GBP30,880,827 Settlement 21/06/2023	1,328	1.81
Sold CHF100,000 for GBP90,999 Settlement 21/06/2023	1	-
Sold EUR18,090,919 for GBP16,057,641 Settlement 21/06/2023	86	0.12
Sold ILS57,961,011 for GBP13,598,910 Settlement 21/06/2023	799	1.09
Sold JPY1,067,798,774 for GBP6,632,351 Settlement 21/06/2023	301	0.41
Sold USD59,486,376 for GBP49,469,277 Settlement 21/06/2023	1,791	2.45
	<u>3,508</u>	<u>4.79</u>
	Open Futures Contracts - (0.91)% (2022 - 2.67%)	
(696)	3 Month EURIBOR June 2023	(99)
696	3 Month EURIBOR December 2023	(38)
218	3 Month SONIA June 2023	(82)
1,401	3 Month SOFR December 2023	(231)
(10)	Japanese 10 Year Government Bond (OSE) June 2023	(186)
36	Korean 3 Year Government Bond June 2023	(6)
(18)	S&P 500 E Mini Index Futures June 2023	(12)
25	US 5 Year Note (CBT) June 2023	(10)
		<u>(664)</u>
	Future-Style Options - (0.26)% (2022 - 0.29%)	
124	Euro Call Future-Style Option 98.5 March 2024	(8)
(124)	Euro Call Future-Style Option 99 March 2024	(1)
(6,000)	Euro Put Future-Style Option 95.5 September 2023	(121)
4,000	Euro Put Future-Style Option 95.75 September 2023	-
2,000	Euro Put Future-Style Option 99.25 September 2023	(55)
		<u>(185)</u>
	Purchased Call Options - 0.92% (2022 - (0.05)%)	
5,000,000	3 Month SOFR Call Option 94.625 December 2023	4,162
(10,000,000)	3 Month SOFR Call Option 94.75 December 2023	(7,562)
5,000,000	3 Month SOFR Call Option 94.875 December 2023	3,430
2,500,000	3 Month SOFR Call Option 98 December 2023	206
(5,000,000)	3 Month SOFR Call Option 98.5 December 2023	(271)
205,000	3 Month SOFR Call Option 98 March 2024	28
(205,000)	3 Month SOFR Call Option 98.5 March 2024	(19)
1,500,000	Euro Call Option 11.5 July 2023	13
1,500,000	Euro Call Option 12.1 July 2023	2
2,100,000	Euro Call Option 4.7 August 2023	16
10,000,000	Eurodollar Mid-Curve Call Option 97.25 June 2023	1,043
(5,000,000)	Eurodollar Mid-Curve Call Option 97.375 June 2023	(371)
(10,000,000)	Eurodollar Mid-Curve Call Option 97.5 June 2023	(522)
5,000,000	Eurodollar Mid-Curve Call Option 97.625 June 2023	181
2,500,000	Eurodollar Mid-Curve Call Option 97.25 September 2023	461
(3,750,000)	Eurodollar Mid-Curve Call Option 97.5 September 2023	(451)
2,500,000	Eurodollar Mid-Curve Call Option 97.625 September 2023	241
1,250,000	Eurodollar Mid-Curve Call Option 98 September 2023	60
(2,500,000)	Eurodollar Mid-Curve Call Option 98.5 September 2023	(45)
600,000	US 6-7 Year Note (W1) Call Option 116 May 2023	105
(600,000)	US 6-7 Year Note (W1) Call Option 117 May 2023	(38)
		<u>669</u>
		<u>0.92</u>

# Portfolio Statement continued

As at 30 April 2023

Holding/Nominal		Market Value £'000	% of Net Assets
	Purchased Put Options - 0.31% (2022 - (2.81)%)		
2,500,000	3 Month SOFR Put Option 94.75 June 2023	130	0.18
(457,500)	3 Month SOFR Put Option 93.375 December 2023	(13)	(0.02)
1,707,500	3 Month SOFR Put Option 93.625 December 2023	62	0.08
(2,500,000)	3 Month SOFR Put Option 94.125 December 2023	(135)	(0.18)
1,250,000	3 Month SOFR Put Option 94.625 December 2023	140	0.19
(2,500,000)	Eurodollar Mid-Curve Put Option 95.5 June 2023	(60)	(0.08)
4,000,000	Polish Zloty Put Option 28.6 August 2023	106	0.14
(350)	S&P Emini Put Option 3600 June 2023	(4)	(0.01)
350	S&P Emini Put Option 3700 June 2023	6	0.01
		<u>232</u>	<u>0.31</u>
	Written Call Options - 1.00% (2022 - 0.30%)		
750,000	Euro Call Option 1.09 May 2023	248	0.34
500,000	Euro Call Option 1.11 May 2023	138	0.19
1,000,000	Euro Call Option 1.15 July 2023	113	0.15
(1,500,000)	Euro Call Option 11.7 July 2023	(7)	(0.01)
(1,500,000)	Euro Call Option 11.9 July 2023	(4)	(0.01)
(2,100,000)	Euro Call Option 4.8 August 2023	(8)	(0.01)
20,000,000	US Dollar Call Option 84 February 2024	254	0.35
		<u>734</u>	<u>1.00</u>
	Written Put Options - 1.02% (2022 - 0.28%)		
240,000	Canadian Dollar Put Option 83.2 September 2023	4	0.01
(240,000)	Canadian Dollar Put Option 83.2 September 2023	(4)	(0.01)
2,000,000	Canadian Dollar Put Option 94 June 2023	75	0.10
2,000,000	Canadian Dollar Put Option 95 May 2023	53	0.07
(1,900,000)	Euro Put Option 136.3 August 2023	(9)	(0.01)
1,900,000	Euro Put Option 139.3 August 2023	14	0.02
3,000,000	US Dollar Put Option 120 May 2023	-	-
1,000,000	US Dollar Put Option 15.75 May 2023	-	-
52,000	US Dollar Put Option 17.3 May 2023	-	-
(52,000)	US Dollar Put Option 17.3 May 2023	-	-
525,000	US Dollar Put Option 81 May 2023	52	0.07
100,000,000	US Dollar Put Option 18.25 June 2023	107	0.15
3,000,000	US Dollar Put Option 124 June 2023	58	0.08
20,000,000	US Dollar Put Option 84 February 2024	394	0.54
		<u>744</u>	<u>1.02</u>
		<u>4,324</u>	<u>5.90</u>
	Investment assets <sup>1</sup>	71,605	97.85
	Net other assets	1,572	2.15
	Net assets	73,177	100.00

<sup>1</sup> Includes investment liabilities.

\* Forwards are not approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Unless otherwise stated, the holdings shown without market value are below £500 and rounded down.

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30 April 2022.



# Statement of Total Return

For the year ended 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Income:					
Net capital losses	2		(11,349)		(42,962)
Revenue	3	12,414		8,495	
Expenses	4	(557)		(1,350)	
Interest payable and similar charges		(100)		(64)	
Net revenue before taxation		11,757		7,081	
Taxation	5	(3)		(45)	
Net revenue after taxation			11,754		7,036
Total return before distributions			405		(35,926)
Distributions	6		(11,692)		(7,002)
Change in net assets attributable to shareholders from investment activities			(11,287)		(42,928)

# Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 April 2023

	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Opening net assets attributable to shareholders		279,404		470,861
Amounts receivable on issue of shares	18,589		65,117	
Amounts payable on cancellation of shares	(218,950)		(220,381)	
		(200,361)		(155,264)
Dilution adjustment		38		42
Change in net assets attributable to shareholders from investment activities (see above)		(11,287)		(42,928)
Retained distributions on accumulation shares		5,383		6,693
Closing net assets attributable to shareholders		73,177		279,404

Notes to the Final Report and Financial Statements are from page 91 to 99.

# Balance Sheet

As at 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
<b>Assets:</b>					
<b>Fixed assets:</b>					
Investments			98,089		277,261
<b>Current assets:</b>					
Debtors	7	151		2,531	
Cash and bank balances	8	18,279		62,359	
<b>Total assets</b>			<b>116,519</b>		<b>342,151</b>
<b>Liabilities:</b>					
<b>Investment liabilities</b>					
			(26,484)		(61,967)
<b>Creditors:</b>					
Other creditors	9	(16,854)		(769)	
Bank overdrafts	10	(4)		(11)	
<b>Total liabilities</b>			<b>(43,342)</b>		<b>(62,747)</b>
<b>Net assets attributable to shareholders</b>			<b>73,177</b>		<b>279,404</b>

Notes to the Final Report and Financial Statements are from page 91 to 99.

# Notes to the Final Report and Financial Statements

## 1. Accounting Basis and Policies

The applicable accounting policies adopted by the Allianz Fixed Income Macro Fund are included on pages 8 and 9 of the Collective Notes to the Final Report and Financial Statements.

## 2. Net capital losses

	2023 £000s	2022 £000s
Losses on non-derivative securities	(173)	(2,016)
Losses on derivative securities	(4,853)	(28,824)
Gains on currency	1,368	1,725
Losses on forward currency contracts	(7,633)	(13,813)
Handling charges	(58)	(34)
Net capital losses	(11,349)	(42,962)

## 3. Revenue

	2023 £000s	2022 £000s
Bank interest	130	11
Interest on fixed income securities	2,768	3,547
Option Income	10,367	10,947
Premiums on swaps	(515)	(2,702)
Returns from futures	(336)	(3,308)
Total revenue	12,414	8,495

# Notes to the Final Report and Financial Statements continued

## 4. Expenses

	2023	2022
	£000s	£000s
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
ACD's annual fee	623	1,384
ACD rebate*	(140)	(181)
Company secretarial costs	-	(1)
	483	1,202
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	29	68
Safe custody fees	23	56
	52	124
Other expenses:		
Audit fees	13	13
Distribution costs	2	2
FT publication fees	2	1
Registration fees	1	1
Other expenses	4	7
	22	24
<b>Total expenses</b>	<b>557</b>	<b>1,350</b>

All expenditure stated above is inclusive of VAT where applicable.

The Audit fee for the year, excluding VAT, was £11,200 (2022 - £11,200).

\*Operating charges for each share class are capped. E Shares are capped at 0.35%, W Shares are capped at 0.70%. Any charges in excess of this amount are borne by the Manager. This is operated by way of a fee rebate from the ACD.

# Notes to the Final Report and Financial Statements continued

## 5. Taxation

	2023	2022
	£000s	£000s
a. Analysis of the taxation charge for the year:		
Overseas tax suffered	3	45
Total taxation for the year (see Note 5(b))	3	45
b. Factors affecting taxation charge for the year:		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for a subfund of an Open-Ended Investment Company (20%) (2022 - 20%).		
The differences are explained below:		
Net revenue before taxation	11,757	7,081
Corporation tax at 20%	2,351	1,416
Effects of:		
Overseas tax suffered	3	45
Expenses not deductible for tax purposes	(13)	(7)
Tax deductible interest distributions	(2,338)	(1,409)
Total taxation charge for the year (see Note 5(a))	3	45

OEICs are exempt from tax on capital gains in the UK, therefore capital returns are not included within the reconciliation.

### c. Provision for deferred tax

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

## 6. Distributions

The distributions take account of revenue received on the creation of Shares and revenue deducted on the cancellation of Shares and comprise:

	2023	2022
	£000s	£000s
Final	5,383	6,693
Add: Revenue deducted on cancellation of shares	6,753	578
Deduct: Revenue received on creation of shares	(444)	(269)
Net distributions for the year	11,692	7,002
Reconciliation of net revenue after taxation to net distributions for the year		
Net revenue after taxation	11,755	7,036
Add: Capitalised ACD fee rebate	(63)	(34)
Net distributions for the year	11,692	7,002

# Notes to the Final Report and Financial Statements continued

## 7. Debtors

	2023	2022
	£000s	£000s
Accrued ACD's fee rebate	9	19
Accrued revenue	5	499
Amounts receivable on creation of shares	-	694
Sales awaiting settlement	137	1,319
	151	2,531

## 8. Cash and bank balances

	2023	2022
	£000s	£000s
Cash and bank balances	11,980	38,678
Amount held at futures clearing houses and brokers	6,299	23,681
	18,279	62,359

## 9. Other creditors

	2023	2022
	£000s	£000s
Accrued ACD's annual fee	23	91
Amounts payable on cancellation of shares	10,972	115
Other accrued expenses	46	47
Purchases awaiting settlement	5,813	516
	16,854	769

## 10. Bank overdrafts

	2023	2022
	£000s	£000s
Bank overdrafts	4	11
Total bank overdrafts	4	11

## 11. Related party transactions

Management fees paid to the ACD are disclosed in note 4 and amounts due at the year end are disclosed in note 9.

Monies received and paid by the ACD through the creation and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 7 and 9.

# Notes to the Final Report and Financial Statements continued

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the year end.

## Significant Shareholdings

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 102, which requires the disclosure of details of material transactions between the subfund and any related party.

There were no assets managed by related parties of the ACD held by the subfund during the year.

## 12. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the subfund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

## 13. Shareholders' funds

The subfund currently has two share classes: E and W. The ACD's annual fee on these share classes are as follows:

Class E :	0.35%
Class W :	0.70%

The net asset value per share and the number of shares in issue are given in the Comparative Tables on page 80.

The distribution per share is given in the Distribution Table on page 81.

Revenue available for allocation will be allocated between the share classes based on the respective proportionate interests represented by those share classes on a daily basis and taxation is computed by reference to the net revenue after expenses attributable to each class. All share classes have the same rights on winding up.

For the year ended 30 April 2023:

	Class E Shares	Class W Shares
Opening shares	241,553,862	23,148,787
Shares created	15,368,845	2,905,651
Shares cancelled	(190,081,981)	(25,899,585)
Closing shares	66,840,726	154,853

## 14. Contingent liabilities and commitments

As at 30 April 2023 there were no contingent liabilities (2022: £Nil).

# Notes to the Final Report and Financial Statements continued

## 15. Derivatives and other financial instruments

For this subfund, the ACD measures and manages risk using the value-at-risk approach. Please see page 15 for further details.

### a. Currency exposure

The majority of the net assets and liabilities of the subfund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
	Exposure	Exposure	Exposure	Exposure	Exposure	Exposure
	30 April 2023	30 April 2023	30 April 2023	30 April 2022	30 April 2022	30 April 2022
	£000s	£000s	£000s	£000s	£000s	£000s
Australian Dollar	1,634	-	1,634	1,261	(1,458)	(197)
Brazilian Real	75	-	75	-	-	-
Canadian Dollar	(33,122)	33,417	295	(51,623)	57,992	6,369
Chilean Peso	-	-	-	(4,406)	8,519	4,113
Chinese Yuan	149	-	149	7,714	-	7,714
Colombian Peso	-	-	-	(7,282)	6,555	(727)
Euro	618	877	1,495	(69,322)	64,131	(5,191)
Hungarian Forint	4	-	4	-	-	-
Indian Rupee	-	-	-	836	-	836
Indonesian Rupiah	-	-	-	4,935	-	4,935
Japanese Yen	1,391	-	1,391	(5,760)	23,392	17,632
Mexican Peso	113	-	113	(9,779)	8,592	(1,187)
New Israeli Sheqel	(5,243)	5,240	(3)	(22,158)	21,970	(188)
New Zealand Dollar	13	-	13	(431)	-	(431)
Norwegian Krone	2,995	-	2,995	13,890	-	13,890
Peruvian Nouveau Sol	56	-	56	(4,534)	6,793	2,259
Philippine Peso	(252)	-	(252)	-	-	-
Polish Zloty	57	-	57	(149)	-	(149)
South African Rand	-	-	-	(217)	-	(217)
South Korean Won	44	-	44	(841)	(158)	(999)
Swedish Krona	(3,056)	-	(3,056)	(2,445)	1,090	(1,355)
Swiss Franc	481	-	481	(5,519)	(18)	(5,537)
Thailand Baht	255	-	255	4,772	-	4,772
US Dollar	(13,138)	14,612	1,474	(65,911)	17,158	(48,753)

### b. Interest rate risk profile

The interest rate profile of the subfund's portfolio of investments at the balance sheet date was:

Currency	Floating Rate	Fixed Rate	Non-Interest	Total	Floating Rate	Fixed Rate	Non-Interest	Total
	30 April 2023	30 April 2023	30 April 2023	30 April 2023	30 April 2022	30 April 2022	30 April 2022	30 April 2022
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Assets	-	67,281	30,808	98,089	-	239,162	38,099	277,261
Liabilities	-	-	(26,484)	(26,484)	-	-	(61,967)	(61,967)



# Notes to the Final Report and Financial Statements continued

## Foreign currency risk sensitivity

### c. Fair value hierarchy

An analysis of the portfolio in accordance with the fair value hierarchy is shown below:

	Assets	Liabilities	Assets	Liabilities
	30 April 2023	30 April 2023	30 April 2022	30 April 2022
	£000s	£000s	£000s	£000s
Level 1: Quoted	61,124	(849)	193,203	(11,256)
Level 2: Observable	36,965	(25,635)	84,058	(50,711)
Level 3: Unobservable	-	-	-	-
	98,089	(26,484)	277,261	(61,967)

The fair value as at the reporting date has been estimated using the following fair value hierarchy:

Level (1) Quoted prices for identical instruments in active markets

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level (2) Valuation techniques that use:

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level (3) Valuation techniques that use:

Inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

When the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate, the fair value is estimated by using an alternative valuation technique. Such valuation techniques will, where possible, maximise the use of observable market data inputs as opposed to non-observable entity determined data inputs.

The Investment Manager considers observable data to be that market data that 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.

### d. Maturity of financial liabilities

All liabilities except for Credit Default Swaps and Interest Rate Swaps are due in one year or less or on demand (2022 - All except for 3 Month EURIBOR future and Interest Rate Swaps).

### e. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair value.

### f. Derivatives

Derivatives are used in the subfund for hedging purposes and/or investment purposes. The main instruments used are money market futures, forward exchange contracts and credit default swaps. For more details please refer to page 11 and 12.

### i. Credit rating

	2023	2023	2022	2022
	Market Value £000s	% of Net Assets	Market Value £000s	% of Net Assets
Investment Grade	67,241	91.90	143,906	51.50
Sub-investment Grade	40	0.05	921	0.33
Non-rated	-	-	94,335	33.76
Derivatives	4,324	5.90	(23,868)	(8.54)
Other assets	1,572	2.15	64,110	22.95
Total net assets	73,177	100.00	279,404	100.00

A fixed income security is deemed to be of investment grade, if it is rated BBB- or above. Sub-investment grade are those securities that are rated below investment grade.

# Notes to the Final Report and Financial Statements continued

## 16. Portfolio transaction costs

For the year ended 30 April 2023:

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2023	2023	2023	2023	2023
	£000s	£000s	%	£000s	%
<b>Purchases</b>					
Debt instruments (direct)	318,239	-	-	-	-
Total purchases	318,239	-	-	-	-
Total purchases including transaction costs	318,239				

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%

<b>Sales</b>					
Debt instruments (direct)	490,701	-	-	-	-
Total sales	490,701	-	-	-	-
Total sales including transaction costs	490,701				

Derivative Transaction costs		82		6	
Total transaction costs as a % of average net assets		0.05%		0.00%	

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%

<b>Purchases</b>					
Debt instruments (direct)	871,853	-	-	-	-
Total purchases	871,853	-	-	-	-
Total purchases including transaction costs	871,853				

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%

<b>Sales</b>					
Debt instruments (direct)	1,045,377	-	-	-	-
Total sales	1,045,377	-	-	-	-
Total sales including transaction costs	1,045,377				

Derivative Transaction costs		205		5	
Total transaction costs as a % of average net assets		0.05%		0.00%	

The above analysis covers any direct transaction costs suffered by the subfund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

For the subfund's investment transactions in debt and money market instruments any applicable transaction charges form part of the dealing spread for these instruments.

Transactions in money market instruments to manage the subfund's daily liquidity position are excluded from the analysis.

During the period the subfund utilised futures contracts as derivative instruments covering different underlying asset classes. The settlement values for opening and closing derivative positions are not comparable to principal values for transactions in direct holding investments and therefore purchase and sale amounts for derivative transactions are not quantified in the analysis above. Transaction costs for derivatives positions will be either suffered as direct costs or form part of the dealing spread for the instruments. Any direct costs are identified in the analysis above.

# Notes to the Final Report and Financial Statements continued

Separately identifiable direct transaction costs (commissions & taxes etc) are attributable to the subfund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the subfund vary considerably for the different asset / instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.85% (2022 : 0.13%).

# Fund Information

## Investment Objective and Policy

The Allianz Global Multi Sector Credit Fund aims to generate capital growth and income by outperforming (net of fees) the Target Benchmark, the SONIA GBP over a rolling five year period.

Investors should be aware that the Fund's capital is at risk and there is no guarantee that the Fund will achieve its investment objective over any particular period at all.

The ACD will adopt a policy of active management and will invest up to 100% of the Fund's assets in global credit bond markets such as fixed and floating rate corporate debt securities, convertibles and securitised credit bonds listed or traded on recognised markets.

At least 25% of the securities of the Fund shall be invested in investment grade or higher (AAA to BBB- rated by Standard & Poor's or Fitch or at least Baa3 rated by Moody's).

Up to 75% of the Fund's assets may be invested in high yield securities (below BBB- rated by Standard & Poor's or Fitch or below Baa3 rated by Moody's), of which up to 10% of the Fund's assets may be held in unrated debt securities (securities with no credit rating). In this instance a rating is to be determined by the Investment Adviser to view securities of a comparable quality to those rated.

More than 35% of the value of the property of the Fund may be invested in Government and public securities issued or guaranteed by any of the following states; the United Kingdom (including the Scottish Administration, the Executive Committee of the Northern Ireland Assembly, the National Assembly of Wales), Australia, Canada, Germany, Netherlands, Norway, Sweden, Switzerland and the United States of America.

Investments in fixed income securities may be made anywhere in the world including developed markets and non-developed markets or emerging market countries.

Up to 40% of the Fund's assets may be invested in Asset Backed Securities (ABS) and/or Mortgage Backed Securities (MBS). The underlying assets of the ABS and/or MBS may include loans, leases or receivables (such as credit card debt and whole business in the case of ABS and commercial and

residential mortgages originating from a regulated and authorised financial institution in the case of MBS).

Up to 10% of the Fund's assets may be invested in debt securities (CCC+ and below as rated by Standard & Poor's or CCC as rated by Fitch or Caa1 as rated by Moody's) including defaulted securities.

Up to 10% of the Fund's assets may be invested in contingent convertible bonds.

The ACD may also utilise deposits and money market instruments in the management of the portfolio and their value, together with money market funds, may make up to a maximum of 100% of the Fund's assets.

The Fund may use derivative instruments such as, but not limited to futures, options, options on swaps, swap agreements (e.g. interest rate swaps, credit default swaps and index swaps) and currency forward contracts.

The Fund may also invest up to a maximum of 10% of the Fund's assets in other Funds managed by Allianz Global Investors and its group of companies and other collective investment schemes managed by third parties.

# Fund Information continued

## Fund Details

Fund Manager	David Newman and David Butler	
Benchmark	Sterling Over Night Index Average (SONIA) GBP	
Income allocation		
date	1st Interim	31 July
	2nd Interim	31 October
	3rd Interim	31 January
	Final	30 April
Income pay date	1st Interim	30 September
	2nd Interim	31 December
	3rd Interim	31 March
	Final	31 August (normally by 30 June)
Launch dates	Fund	31 May 2019
	W Shares (Accumulation Shares)	31 May 2019
	W Shares (Income Shares)	31 May 2019
ISA status	Yes	
Share Classes and types of Shares	W (Accumulation Shares) W (Income Shares)	
Minimum investment	W Shares	Lump sum £10,000,000 Available to Approved Investors only.
Initial charge	W Shares	Nil
Annual ACD fee	W Shares	0.42%*

\*0.42 % p.a. minus those Additional Expenses which form part of the Ongoing Charges and are payable in respect of the W shares.

# Comparative Tables

For the year ended 30 April 2023

	W Shares Income			W Shares Accumulation		
	2023 (p)	2022 (p)	2021 (p)	2023 (p)	2022 (p)	2021 (p)
Opening net asset value per share	926.29	979.25	935.21	1,011.22	1,040.51	964.94
Return before operating charges	(12.54)	(42.40)	56.59	10.57	(24.92)	79.85
Operating charges	(3.83)	(4.08)	(4.10)	(4.22)	(4.37)	(4.28)
Return after operating charges	(16.37)	(46.48)	52.49	6.35	(29.29)	75.57
Distributions	(8.87)	(6.48)	(8.45)	(33.96)	(27.99)	(29.86)
Retained distributions on accumulation shares	-	-	-	33.96	27.99	29.86
Closing net asset value per share	901.05	926.29	979.25	1,017.57	1,011.22	1,040.51
After direct transaction costs of <sup>1</sup>	(0.01)	-	-	(0.01)	-	-
Performance						
Return after operating charges	(1.77)%	(4.75)%	5.61%	0.63%	(2.81)%	7.83%
Other information						
Closing net asset value (£'000)	98,009	180,509	213,809	55,520	114,143	119,870
Closing number of shares	10,877,270	19,487,334	21,833,978	5,456,132	11,287,600	11,520,332
Operating charges <sup>2</sup>	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price	928.00	989.82	990.89	1,025.29	1,056.59	1,042.49
Lowest share price	887.1	934.61	942.83	975.47	1,013.21	969.46

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.

<sup>2</sup> Operating charges have been capped at 0.42%.

# Distribution Tables

## For the year ended 30 April 2023

### First Interim Distribution in pence per share

Group 1 Shares purchased prior to 1 May 2022

Group 2 Shares purchased on or after 1 May 2022 to 31 July 2022

	Net revenue (p)	Equalisation (p)	Distribution paid 30/09/22 (p)	Distribution paid 30/09/21 (p)
W Shares Income				
Group 1	6.6089	-	6.6089	6.4778
Group 2	1.4538	5.1551	6.6089	6.4778
W Shares Accumulation				
Group 1	n/a	n/a	n/a	n/a
Group 2	n/a	n/a	n/a	n/a

### Second Interim Distribution in pence per share

Group 1 Shares purchased prior to 1 August 2022

Group 2 Shares purchased on or after 1 August 2022 to 31 October 2022

	Net revenue (p)	Equalisation (p)	Distribution paid 31/12/22 (p)	Distribution paid 31/12/21 (p)
W Shares Income				
Group 1	7.7773	-	7.7773	6.4905
Group 2	7.5016	0.2757	7.7773	6.4905
W Shares Accumulation				
Group 1	n/a	n/a	n/a	n/a
Group 2	n/a	n/a	n/a	n/a

### Third Interim Distribution in pence per share

Group 1 Shares purchased prior to 1 November 2022

Group 2 Shares purchased on or after 1 November 2022 to 31 January 2023

	Net revenue (p)	Equalisation (p)	Distribution paid 31/03/23 (p)	Distribution paid 31/03/22 (p)
W Shares Income				
Group 1	7.4629	-	7.4629	6.6366
Group 2	2.1509	5.3120	7.4629	6.6366
W Shares Accumulation				
Group 1	n/a	n/a	n/a	n/a
Group 2	n/a	n/a	n/a	n/a

### Final Distribution in pence per share

Group 1 Shares purchased prior to 1 February 2023

Group 2 Shares purchased on or after 1 February 2023 to 30 April 2023

	Net revenue (p)	Equalisation (p)	Distribution payable 30/06/23 (p)	Distribution paid 30/06/22 (p)
W Shares Income				
Group 1	8.8653	-	8.8653	6.4836
Group 2	7.3666	1.4987	8.8653	6.4836
W Shares Accumulation				
Group 1	33.957	-	33.9570	27.9896
Group 2	16.7362	17.2208	33.9570	27.9896

Investors are reminded that distribution is not guaranteed.

# Investment Review

## Performance Summary

For the period from 1 May 2022 to 30 April 2023, W-Acc shares at net asset value (“NAV”) of the Allianz Global Multi Sector Credit Fund (the “Fund”) returned 0.66% net of fees in GBP terms.

## Market Background

In financial markets, the period under review was dominated by aggressive central bank tightening in the face of stubborn inflation. In the UK inflation reached a high of 11.1% by the end of October 2022, settling at 10.1% by April 2023. As a result of this, US interest rates rose from 0.75% at the beginning of May 2022 to 4.5% by the end of the period. Alongside the monetary tightening, we saw 2-year government bond yields move from 2.73% to 4.01% in the US, 1.58% to 3.77% in the UK, and 0.24% to 2.68% in Germany. These are the highest government rates seen in the market since the Global Financial Crisis (GFC).

The period under review can be characterised as one of two halves. Q2 and Q3 2022 saw further strain on already disrupted supply chains, in addition to the Russia-Ukraine war. Additionally, during this time, fears over gas shortages began to weigh on performance, particularly in Europe. However, these did not materialise as severely as projected and hence Q4 saw a sharp rebound of the credit market which continued into the beginning of Q1 2023, with lower quality credits outperforming. The bank liquidity events in March 2023 were a reminder for markets of how rapid monetary tightening and more restrictive financial conditions can affect individual institutions and the broader economy. After the choppy waters of March, April provided plainer sailing for global credit markets. Attention turned back from the banking sector to the macro picture. Despite the strong policy action to support the banking sector after a series of bank failures in the US and Europe, questions are growing about the near-term path of economic activity given expectations of constrained credit expansion ahead. Corporates have been facing a more challenging refinancing market and tougher operating conditions, with high costs, supply chain disruption and a weaker consumer in play.

Despite an eventful year for global risk assets, by the end of the period, credit spreads in most asset classes were little changed. The spread on global high yield industrial bonds (HNVC) widened 8 basis points (bps) to 534 bps, while for

investment grade industrial bonds (GVBC) these figures were 17bps and 129bps respectively. Emerging market corporates (EMCB) went from 300bps to 306 bps while securitised issues (CABS) saw some more material widening at 68 bps to 188bps; however, total returns were insulated by the floating rate component. The Fund seeks to invest across the aforementioned asset classes, being a multi-asset strategy.

## Portfolio Review

The Fund was not immune to the broader forces of surging interest rates and widening spreads, however, the strategy’s shorter duration and diverse nature provided it with some protection against its more severe impacts. In a year dominated by interest rate movements, and where the 1–3-year Gilts index (G1L0) generated a total return of -1.29% in hedged GBP terms, the Fund, but contrast, posted a positive overall return of 0.66% net of fees. Our active allocation and security selection meant we had a bias towards higher quality bonds across the spectrum. By way of comparison, GBVC index had a return of 0.10% in GBP hedged terms, while for the HNVC index this was -0.27%. We have also been actively managing our cash and treasuries balance alongside market sentiment and ended Q1 2023 with a slightly higher balance.

The well-timed increase in allocation to high yield was additive in the latter half of 2022, as corporate earnings produced more positive surprises than negative, and fears over costs and energy access for European corporates receded. Selective, yet limited exposure in emerging market corporates was beneficial towards the end of 2022 as China reopening provided opportunity and our hedging positions mitigated the overall market moves in 2022, where we also took partial profit. Our security selection was beneficial as we had no direct exposure to Russian assets, nor to the large-scale defaults in Chinese real estate and limited exposure to subordinated bank and insurance capital.

Our positioning in investment grade industrials and utilities, in addition to our strong dynamic global regional and currency allocation, provided positive contributions to performance and in Q4 2022 and Q1 2023, spreads tightened both in the US and in Europe, bolstered by the outperformance of USD. Securitised bonds and FRNs provided attractive structure in a tightening rate environment as we slightly increased these positions, while a cloudier outlook and difficulty faced by the



# Investment Review continued

real estate sector in the latter part of the period under review softened their performance.

## Outlook

In the current market environment, valuation for short-dated credit remain attractive, with global central banks approaching the end of their hiking cycles. Given the expectation that interest rate hikes will slow, we maintain our effective interest rate duration position of 1.5 years, benefiting from the attractive front-end yields, while keeping an eye out for potentially constructive signals to extend duration.

However, the global growth outlook remains challenging, due to a number of factors including increasing financial stability risks, a reduction in US bank lending affecting economic activity and growth resilience, and uncertainty around the speed of decline in core inflation. The cumulative effects of rate hikes are also yet to fully feed through into the real economy, with a transition from monetary policy tightening to credit tightening underway. Whether this is a temporary pause, or a real pivot of US monetary policy is the main question for markets.

Corporate credit quality is challenged by the macro backdrop, higher funding costs, and margin squeeze. Intra-sector performance disparity is likely to increase this year as company operational and financial resilience is tested. However, risks are tempered by a resilient consumer and a more optimistic outlook on input costs and inflation. In this soft economic backdrop and attractive carry and rolldown opportunities in shorter maturities due to flat or inverted yield curves, we continue to focus on our name selection on higher quality credit in the front end.

# Portfolio Statement

As at 30 April 2023

Holding/Nominal		Market Value	
		£'000	% of Net Assets
	Open-Ended Funds - 5.98% (2022 - 3.06%)		
	Fixed Interest - 5.98% (2022 - 3.06%)		
94	Allianz Emerging Markets SRI Corporate Bond Fund	7,680	5.00
4,038	Allianz Dynamic Asian High Yield Bond	1,511	0.98
		<b>9,191</b>	<b>5.98</b>
	Euro Denominated Fixed Rate Debt Securities - 28.65% (2022 - 15.83%)		
EUR 700,000	Accor 2.375% 29/11/2028 2.375% 29/11/2028	549	0.36
EUR 500,000	Allwyn International 3.875% 15/02/2027 3.875% 15/02/2027	409	0.27
EUR 1,000,000	Altice Financing 2.25% 15/01/2025 2.25% 15/01/2025	829	0.54
EUR 1,750,000	Altice France 2.5% 15/01/2025 2.5% 15/01/2025	1,422	0.93
EUR 1,650,000	Anglo American Capital 1.625% 18/09/2025 1.625% 18/09/2025	1,392	0.91
EUR 2,200,000	Autostrade per l'Italia 1.75% 26/06/2026 1.75% 26/06/2026	1,794	1.17
EUR 1,000,000	Banca Monte dei Paschi di Siena 2.625% 28/04/2025 2.625% 28/04/2025	818	0.53
EUR 1,450,000	Belden 3.875% 15/03/2028 3.875% 15/03/2028	1,175	0.76
EUR 2,500,000	Caixa Geral de Depositos 1.25% 25/11/2024 1.25% 25/11/2024	2,105	1.37
EUR 1,800,000	Cellnex Finance 2.25% 12/04/2026 2.25% 12/04/2026	1,500	0.98
EUR 1,850,000	CETIN 3.125% 14/04/2027 3.125% 14/04/2027	1,525	0.99
EUR 1,700,000	Deutsche Lufthansa 1.625% 16/11/2023 1.625% 16/11/2023	1,471	0.96
EUR 2,000,000	Faurecia 3.125% 15/06/2026 3.125% 15/06/2026	1,646	1.07
EUR 1,850,000	Ford Motor Credit 2.33% 25/11/2025 2.33% 25/11/2025	1,514	0.99
EUR 2,250,000	Grifols 1.625% 15/02/2025 1.625% 15/02/2025	1,874	1.22
EUR 1,500,000	International Consolidated Airlines 2.75% 25/03/2025 2.75% 25/03/2025	1,258	0.82
EUR 1,100,000	Intesa Sanpaolo 3.928% 15/09/2026 3.928% 15/09/2026	950	0.62
EUR 700,000	Intesa Sanpaolo 6.625% 13/09/2023 6.625% 13/09/2023	621	0.40
EUR 900,000	Jaguar Land Rover Automotive 5.875% 15/11/2024 5.875% 15/11/2024	787	0.51
EUR 1,250,000	Kraft Heinz Foods 1.5% 24/05/2024 1.5% 24/05/2024	1,078	0.70
EUR 2,000,000	Nassa Topco 2.875% 06/04/2024 2.875% 06/04/2024	1,723	1.12
EUR 512,960	OHL Operaciones 6.6% 31/03/2026 6.6% 31/03/2026	383	0.25
EUR 1,700,000	Orano 5.375% 15/05/2027 5.375% 15/05/2027	1,536	1.00
EUR 1,450,000	Petroleos Mexicanos 3.625% 24/11/2025 3.625% 24/11/2025	1,164	0.76
EUR 347,000	Quatrim SASU 5.875% 15/01/2024 5.875% 15/01/2024	255	0.17
EUR 1,000,000	Renault 2.5% 02/06/2027 2.5% 02/06/2027	779	0.51
EUR 1,050,000	Rolls-Royce 0.875% 09/05/2024 0.875% 09/05/2024	889	0.58
EUR 650,000	Rolls-Royce 4.625% 16/02/2026 4.625% 16/02/2026	561	0.37
EUR 650,000	SBB Treasury 1.125% 26/11/2029 1.125% 26/11/2029	334	0.22
EUR 1,900,000	Schneider Electric 3.375% 06/04/2025 3.375% 06/04/2025	1,674	1.09
EUR 1,850,000	SoftBank 5% 15/04/2028 5% 15/04/2028	1,428	0.93
EUR 1,000,000	SPIE 2.625% 18/06/2026 2.625% 18/06/2026	830	0.54
EUR 2,550,000	Telecom Italia 2.75% 15/04/2025 2.75% 15/04/2025	2,123	1.38
EUR 1,500,000	Teva Pharmaceutical Finance Netherlands II 3.75% 09/05/2027 3.75% 09/05/2027	1,191	0.78
EUR 700,000	Transportes Aereos Portugueses 5.625% 02/12/2024 5.625% 02/12/2024	599	0.39
EUR 950,000	United 4.875% 01/07/2024 4.875% 01/07/2024	829	0.54
EUR 1,500,000	Verisure 3.25% 15/02/2027 3.25% 15/02/2027	1,154	0.75
EUR 1,200,000	Vonovia 4.75% 23/05/2027 4.75% 23/05/2027	1,043	0.68
EUR 900,000	ZF Finance 3% 21/09/2025 3% 21/09/2025	751	0.49
		<b>43,963</b>	<b>28.65</b>
	Euro Denominated Variable Rate Debt Securities - 11.85% (2022 - 10.60%)		
EUR 400,000	AIB 2.875% 30/05/2031 2.875% 30/05/2031	320	0.21
EUR 1,700,000	Banco de Credito Social Cooperativo 1.75% 09/03/2028 1.75% 09/03/2028	1,189	0.77
EUR 1,100,000	Banco de Sabadell 2% 17/01/2030 2% 17/01/2030	855	0.56
EUR 975,000	Bank of Cyprus 2.5% 24/06/2027 2.5% 24/06/2027	724	0.47
EUR 1,600,000	de Volksbank 1.75% 22/10/2030 1.75% 22/10/2030	1,282	0.83
EUR 1,710,013	Domi 2021-1 FRN 3.587% 15/06/2053 3.587% 15/06/2053	1,493	0.97
EUR 1,200,000	Ford Motor Credit FRN 3.416% 01/12/2024 4.174% 01/12/2024	1,034	0.67
EUR 600,000	Green STORM 2023 FRN 3.242% 22/02/2070 3.768% 22/02/2070	529	0.34
EUR 1,750,000	Iccrea Banca 2.125% 17/01/2027 2.125% 17/01/2027	1,381	0.90
EUR 1,600,000	Jyske Bank 0.05% 02/09/2026 0.05% 02/09/2026	1,274	0.83
EUR 350,000	Jyske Bank 0.375% 15/10/2025 0.375% 15/10/2025	291	0.19
EUR 2,400,000	La Banque Postale 0.5% 17/06/2026 0.5% 17/06/2026	1,954	1.27
EUR 2,014,128	Last Mile Logistics Pan Euro Finance FRN 3.432% 17/08/2033 4.108% 17/08/2033	1,686	1.10
EUR 2,550,000	Permanent TSB 2.125% 26/09/2024 2.125% 26/09/2024	2,221	1.45
EUR 2,250,000	Volvo Treasury FRN 3.74% 27/09/2023 3.74% 27/09/2023	1,986	1.29
		<b>18,219</b>	<b>11.85</b>
	Euro Denominated Variable Rate Perpetual Debt Securities - 1.05% (2022 - 9.03%)		
EUR 1,500,000	Accor 4.375% Perpetual 4.375% Perpetual	1,279	0.83
EUR 400,000	Ferrovial Netherlands 2.124% Perpetual 5.105% Perpetual	339	0.22
		<b>1,618</b>	<b>1.05</b>

# Portfolio Statement continued

As at 30 April 2023

Holding/Nominal		Market Value £'000	% of Net Assets
	<b>Sterling Denominated Fixed Rate Debt Securities - 7.43% (2022 - 5.22%)</b>		
GBP 1,600,000	CPUK Finance 5.876% 28/08/2027 5.876% 28/08/2027	1,583	1.03
GBP 1,950,000	E.ON International Finance 5.625% 06/12/2023 5.625% 06/12/2023	1,950	1.27
GBP 1,800,000	General Motors Financial 2.35% 03/09/2025 2.35% 03/09/2025	1,676	1.09
GBP 1,765,000	Hammerson 3.5% 27/10/2025 3.5% 27/10/2025	1,546	1.01
GBP 1,450,000	Heathrow Finance 4.75% 01/03/2024 4.75% 01/03/2024	1,424	0.93
GBP 3,250,000	National Grid Electricity Distribution 3.625% 06/11/2023 3.625% 06/11/2023	3,219	2.10
		<b>11,398</b>	<b>7.43</b>
	<b>Sterling Denominated Variable Rate Debt Securities - 1.05% (2022 - 0.00%)</b>		
GBP 1,700,000	DNB Bank 2.625% 10/06/2026 2.625% 10/06/2026	1,606	1.05
		<b>1,606</b>	<b>1.05</b>
	<b>Sterling Denominated Variable Rate Perpetual Debt Securities - 0.00% (2022 - 0.87%)</b>		
	<b>US Dollar Denominated Fixed Rate Debt Securities - 24.05% (2022 - 31.64%)</b>		
USD 2,300,000	AerCap Ireland Capital DAC / AerCap Global Aviation Trust 1.75% 29/10/2024 1.75% 29/10/2024	1,728	1.13
USD 1,400,000	Air Canada 2020-1 Class C Pass Through Trust 10.5% 15/07/2026 10.5% 15/07/2026	1,194	0.78
USD 2,100,000	Ally Financial 5.75% 20/11/2025 5.75% 20/11/2025	1,636	1.07
USD 1,350,000	American Airlines 11.75% 15/07/2025 11.75% 15/07/2025	1,186	0.77
USD 2,200,000	American Express 2.5% 30/07/2024 2.5% 30/07/2024	1,711	1.11
USD 1,500,000	Avolon 5.125% 01/10/2023 5.125% 01/10/2023	1,196	0.78
USD 1,250,000	Avolon Funding 5.25% 15/05/2024 5.25% 15/05/2024	990	0.64
USD 300,000	Bancolumbia 3% 29/01/2025 3% 29/01/2025	228	0.15
USD 2,150,000	Berry Global 4.875% 15/07/2026 4.875% 15/07/2026	1,680	1.09
USD 900,000	Caesars Entertainment 8.125% 01/07/2027 8.125% 01/07/2027	737	0.48
USD 1,416,000	Canpack 3.125% 01/11/2025 3.125% 01/11/2025	1,007	0.66
USD 1,850,000	Celanese US 6.05% 15/03/2025 6.05% 15/03/2025	1,490	0.97
USD 1,550,000	Connect Finco 6.75% 01/10/2026 6.75% 01/10/2026	1,181	0.77
USD 1,000,000	CSC 5.25% 01/06/2024 5.25% 01/06/2024	782	0.51
USD 1,450,000	GE HealthCare Technologies 5.55% 15/11/2024 5.55% 15/11/2024	1,168	0.76
USD 2,100,000	Hyatt Hotels 5.375% 23/04/2025 5.375% 23/04/2025	1,688	1.10
USD 1,800,000	ING Bank 5.8% 25/09/2023 5.8% 25/09/2023	1,443	0.94
USD 900,000	Melco Resorts Finance 4.875% 06/06/2025 4.875% 06/06/2025	681	0.44
USD 1,800,000	Navient 6.75% 15/06/2026 6.75% 15/06/2026	1,404	0.91
USD 1,800,000	NBM US 7% 14/05/2026 7% 14/05/2026	1,399	0.91
USD 1,600,000	Newell Brands 4.7% 01/04/2026 4.7% 01/04/2026	1,231	0.80
USD 900,000	NMG Co / Neiman Marcus 7.125% 01/04/2026 7.125% 01/04/2026	671	0.44
USD 1,450,000	OneMain Finance 7.125% 15/03/2026 7.125% 15/03/2026	1,131	0.74
USD 500,000	Petroleos Mexicanos 6.875% 04/08/2026 6.875% 04/08/2026	377	0.25
USD 2,100,000	Prime Security Services Borrower 5.75% 15/04/2026 5.75% 15/04/2026	1,672	1.09
USD 1,000,000	SM Energy 6.75% 15/09/2026 6.75% 15/09/2026	781	0.51
USD 1,000,000	Smurfit Kappa Treasury Funding 7.5% 20/11/2025 7.5% 20/11/2025	843	0.55
USD 900,000	Spirit Loyalty Cayman 8% 20/09/2025 8% 20/09/2025	729	0.47
USD 1,550,000	Summit Midstream 8.5% 15/10/2026 9% 15/10/2026	1,197	0.78
USD 550,000	Transocean 7.25% 01/11/2025 7.25% 01/11/2025	419	0.27
USD 900,000	Ulker Biskuvi Sanayi 6.95% 30/10/2025 6.95% 30/10/2025	630	0.41
USD 1,750,000	Vantage Data Centers Issuer 1.645% 15/09/2045 1.645% 15/09/2045	1,264	0.82
USD 1,850,000	Willis North America 3.6% 15/05/2024 3.6% 15/05/2024	1,466	0.95
		<b>36,940</b>	<b>24.05</b>
	<b>US Dollar Denominated Variable Rate Debt Securities - 12.01% (2022 - 19.09%)</b>		
USD 1,800,000	Bank of America FRN 5.3631% 04/02/2025 5.765% 04/02/2025	1,434	0.93
USD 2,100,000	BBCMS 2017-DELC Mortgage Trust FRN 5.9227% 15/08/2036 6.0824% 15/08/2036	1,679	1.09
USD 3,200,000	BBCMS 2018-TALL Mortgage Trust FRN 5.82% 15/03/2037 5.98% 15/03/2037	2,292	1.49
USD 1,600,000	BHMS 2018-ATLS FRN 6.1977% 15/07/2035 6.3574% 15/07/2035	1,237	0.81
USD 2,100,000	BX Trust 2018-BILT FRN 5.748% 15/05/2030 6.157% 15/05/2030	1,652	1.08
USD 2,080,000	BX Trust 2018-GW FRN 5.748% 15/05/2035 6.157% 15/05/2035	1,644	1.07
USD 1,850,000	Citigroup 5.508% FRN 01/05/2025 5.7535% 01/05/2025	1,471	0.96
USD 450,000	Credit Suisse FRN 5.0861% 09/08/2023 5.4861% 09/08/2023	354	0.23
USD 2,050,000	Danske Bank 3.773% 28/03/2025 3.773% 28/03/2025	1,605	1.04
USD 2,050,000	Goldman Sachs 6.0336% FRN 15/05/2026 6.4907% 15/05/2026	1,639	1.07
USD 1,316,000	Morgan Stanley Capital I Trust 2018-SUN FRN 5.848% 15/07/2035 6.007% 15/07/2035	1,037	0.68
USD 2,000,000	NatWest 4.519% 25/06/2024 4.519% 25/06/2024	1,600	1.04
USD 1,000,000	PNC Financial Services 5.671% 28/10/2025 5.671% 28/10/2025	805	0.52
		<b>18,449</b>	<b>12.01</b>

# Portfolio Statement continued

As at 30 April 2023

Holding/Nominal		Market Value £'000	% of Net Assets
	US Dollar Denominated Variable Rate Perpetual Debt Securities - 2.56% (2022 - 2.33%)		
USD 1,500,000	Barclays 8% Perpetual 8% Perpetual	1,054	0.69
USD 1,800,000	Credit Agricole 8.125% Perpetual 8.125% Perpetual	1,436	0.93
USD 1,000,000	HSBC 6% Perpetual 6% Perpetual	707	0.46
USD 1,000,000	ING 7.5% Perpetual 7.5% Perpetual	732	0.48
		<u>3,929</u>	<u>2.56</u>
	Derivatives - 2.17% (2022 - (1.90)%)		
	Euro Open Forward Exchange Contracts* - 0.44% (2022 - 0.09%)		
	Bought EUR12,029,397 for GBP10,651,013 Settlement 14/06/2023	(33)	(0.02)
	Sold EUR89,178,117 for GBP79,412,867 Settlement 14/06/2023	700	0.46
		<u>667</u>	<u>0.44</u>
	US Dollar Open Forward Exchange Contracts* - 2.03% (2022 - (2.22)%)		
	Bought USD16,352,972 for GBP13,203,529 Settlement 14/06/2023	(95)	(0.06)
	Sold USD108,606,119 for GBP90,264,087 Settlement 14/06/2023	3,204	2.09
		<u>3,109</u>	<u>2.03</u>
	Open Futures Contracts - (0.30)% (2022 - 0.23%)		
(11,500,000)	German Euro BOBL Futures June 2023	(252)	(0.16)
(1,050)	S&P 500 E Mini Index Futures June 2023	(221)	(0.14)
		<u>(473)</u>	<u>(0.30)</u>
	Investment assets <sup>1</sup>	148,616	96.80
	Net other assets	4,913	3.20
	Net assets	<u>153,529</u>	<u>100.00</u>

\* Forwards are not approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

<sup>1</sup> Includes derivative liabilities.

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30 April 2022.

Any Collective Investment Scheme prefixed with Allianz in the name is a related party.

# Statement of Total Return

For the year ended 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Income:					
Net capital losses	2		(9,433)		(15,911)
Revenue	3	7,167		8,460	
Expenses	4	(888)		(1,316)	
Interest payable and similar charges		(30)		(16)	
Net revenue before taxation		6,249		7,128	
Taxation	5	-		1	
Net revenue after taxation			6,249		7,129
Total return before distributions			(3,184)		(8,782)
Distributions	6		(7,138)		(8,444)
Change in net assets attributable to shareholders from investment activities			(10,322)		(17,226)

# Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 April 2023

	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Opening net assets attributable to shareholders		294,652		333,679
Amounts receivable on issue of shares	59,254		31,863	
Amounts payable on cancellation of shares	(192,106)		(56,918)	
		(132,852)		(25,055)
Dilution adjustment		198		95
Change in net assets attributable to shareholders from investment activities (see above)		(10,322)		(17,226)
Retained distributions on accumulation shares		1,853		3,159
Closing net assets attributable to shareholders		153,529		294,652

Notes to the Final Report and Financial Statements are from page 111 to 119.

# Balance Sheet

As at 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
<b>Assets:</b>					
<b>Fixed assets:</b>					
Investments			149,217		288,955
<b>Current assets:</b>					
Debtors	7	6,259		2,862	
Cash and bank balances	8	5,248		12,210	
<b>Total assets</b>			<b>160,724</b>		<b>304,027</b>
<b>Liabilities:</b>					
Investment liabilities			(601)		(6,776)
<b>Creditors:</b>					
Other creditors	9	(5,630)		(845)	
Bank overdrafts	10	-		(490)	
Distribution payable		(964)		(1,264)	
<b>Total liabilities</b>			<b>(7,195)</b>		<b>(9,375)</b>
<b>Net assets attributable to shareholders</b>			<b>153,529</b>		<b>294,652</b>

Notes to the Final Report and Financial Statements are from page 111 to 119.

# Notes to the Final Report and Financial Statements

## 1. Accounting Basis and Policies

The applicable accounting policies adopted by the Allianz Global Multi Sector Credit Fund are included on pages 8 and 9 of the Collective Notes to the Final Report and Financial Statements.

## 2. Net capital losses

	2023 £000s	2022 £000s
Gains/(losses) on non-derivative securities	3,911	(4,728)
Gains on derivative securities	1,144	1,459
Losses on currency	(884)	(3,425)
Losses on forward currency contracts	(13,595)	(9,210)
Handling charges	(9)	(7)
Net capital losses	(9,433)	(15,911)

## 3. Revenue

	2023 £000s	2022 £000s
Bank interest	109	1
Futures interest	2	-
Futures margin interest	(300)	(95)
Interest on fixed income securities	7,356	8,554
Total revenue	7,167	8,460

# Notes to the Final Report and Financial Statements continued

## 4. Expenses

	2023	2022
	£000s	£000s
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
ACD's annual fee	899	1,323
ACD rebate*	(81)	(100)
	818	1,223
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	38	56
Safe custody fees	9	13
	47	69
Other expenses:		
Audit fees	13	14
Distribution costs	8	8
Printing costs	2	2
	23	24
<b>Total expenses</b>	<b>888</b>	<b>1,316</b>

All expenditure stated above is inclusive of VAT where applicable.

The Audit fee for the year, excluding VAT, was £11,200 (2022 - £11,200).

\*Operating charges for W Shares are capped at 0.42%. Any charges in excess of this amount are borne by the Manager. This is operated by way of a fee rebate from the ACD.



# Notes to the Final Report and Financial Statements continued

## 5. Taxation

	2023	2022
	£000s	£000s
a. Analysis of the taxation charge/(credit) for the year:		
Irrecoverable overseas tax	-	(1)
Total taxation for the year (see Note 5(b))	-	(1)
b. Factors affecting taxation charge/(credit) for the year:		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for a subfund of an Open-Ended Investment Company (20%) (2022 - 20%).		
The differences are explained below:		
Net revenue before taxation	6,250	7,128
Corporation tax at 20%	1,250	1,426
Effects of:		
Tax deductible interest distributions	(1,248)	(1,424)
Expenses not deductible for tax purposes	(2)	(2)
Irrecoverable overseas tax	-	(1)
Total taxation charge/(credit) for the year (see Note 5(a))	-	(1)

OEICs are exempt from tax on capital gains in the UK, therefore capital returns are not included within the reconciliation.

### c. Provision for deferred tax

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

## 6. Distributions

The distributions take account of revenue received on the creation of Shares and revenue deducted on the cancellation of Shares and comprise:

	2023	2022
	£000s	£000s
First Interim	1,297	1,265
Second Interim	808	1,287
Third Interim	822	1,333
Final	2,817	4,423
Add: Revenue deducted on cancellation of shares	1,744	306
Deduct: Revenue received on creation of shares	(350)	(170)
Net distributions for the year	7,138	8,444
Reconciliation of net revenue after taxation to net distributions for the year		
Net revenue after taxation	6,250	7,128
Add: Capitalised ACD fee rebate	(11)	(7)
Add: Capitalised expenses	899	1,323
Net distributions for the year	7,138	8,444

# Notes to the Final Report and Financial Statements continued

## 7. Debtors

	2023	2022
	£000s	£000s
Accrued ACD's fee rebate	5	8
Accrued revenue	1,631	2,851
Amounts receivable on creation of shares	-	3
Sales awaiting settlement	4,623	-
	6,259	2,862

## 8. Cash and bank balances

	2023	2022
	£000s	£000s
Cash and bank balances	4,339	12,088
Amount held at futures clearing houses and brokers	909	122
	5,248	12,210

## 9. Other creditors

	2023	2022
	£000s	£000s
Accrued ACD's annual fee	52	102
Amounts payable on cancellation of shares	5,546	715
Other accrued expenses	32	28
	5,630	845

## 10. Bank overdrafts

	2023	2022
	£000s	£000s
Amounts overdrawn at futures clearing houses and brokers	-	490
Total bank overdrafts	-	490

## 11 Related party transactions

Management fees paid to the ACD are disclosed in note 4 and amounts due at the year end are disclosed in note 9.

Monies received and paid by the ACD through the creation and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 7 and 9.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the year end.

# Notes to the Final Report and Financial Statements continued

## Significant Shareholdings

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 102, which requires the disclosure of details of material transactions between the subfund and any related party.

Details of any related party transactions occurring during the year including commissions paid and any balances due at the year end are disclosed in the Balance Sheet, the Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 8 and 10 to the financial statements. All creations and cancellations were transacted with the ACD.

In addition, assets managed by related parties of the ACD and held by the subfund as at the Balance Sheet date are detailed below:

	2023	2022
	£000s	£000s
The value of holdings at balance sheet date were:		
Allianz Dynamic Asian High Yield Bond	1,511	-
Allianz Emerging Markets SRI Corporate Bond Fund	7,680	9,017
The value of purchases during the year were:		
Allianz Dynamic Asian High Yield Bond	1,659	-
Allianz Emerging Markets SRI Corporate Bond Fund	823	-
The value of sales during the year were:		
Allianz Emerging Markets SRI Corporate Bond Fund	2,223	-
Allianz Global Financials Fund	-	4,660
Allianz Short Duration Global Real Estate Bond Fund	-	9,170

## 12. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the subfund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

# Notes to the Final Report and Financial Statements continued

## 13. Shareholders' funds

The subfund currently has one share classes: W. The ACD's annual fee on the share classes are as follows:

Class W : 0.42%

The net asset value per share and the number of shares in issue are given in the Comparative Tables on page 102.

The distribution per share is given in the Distribution Table on page 103.

Revenue available for allocation will be allocated between the share classes based on the respective proportionate interests represented by those share classes on a daily basis and taxation is computed by reference to the net revenue after expenses attributable to each class. All share classes have the same rights on winding up.

For the year ended 30 April 2023:

	Class W Shares	Class W Shares
	Income	Accumulation
Opening shares	19,487,334	11,287,600
Shares created	5,535,062	921,042
Shares cancelled	(14,145,126)	(6,752,510)
Shares converted	-	-
Closing shares	10,877,270	5,456,132

## 14. Contingent liabilities and commitments

As at 30 April 2023 there were no contingent liabilities (2022: £Nil).

## 15. Derivatives and other financial instruments

### a. Currency exposure

The majority of the net assets and liabilities of the subfund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Monetary Exposure	Non-Monetary Exposure	Total Exposure	Monetary Exposure	Non-Monetary Exposure	Total Exposure
	30 April 2023 £000s	30 April 2023 £000s	30 April 2023 £000s	30 April 2022 £000s	30 April 2022 £000s	30 April 2022 £000s
Euro	(66,498)	63,800	(2,698)	(108,236)	104,483	(3,753)
US Dollar	(70,666)	68,510	(2,156)	(168,936)	165,377	(3,559)

### b. Interest rate risk profile

The interest rate profile of the subfund's portfolio of investments at the balance sheet date was:

Currency	Floating Rate	Fixed Rate	Non-Interest	Total	Floating Rate	Fixed Rate	Non-Interest	Total
	30 April 2023 £000s	30 April 2023 £000s	30 April 2023 £000s	30 April 2023 £000s	30 April 2022 £000s	30 April 2022 £000s	30 April 2022 £000s	30 April 2022 £000s
Assets	43,821	101,492	3,904	149,217	123,581	164,205	1,169	288,955
Liabilities	-	-	(601)	(601)	-	-	(6,776)	(6,776)

# Notes to the Final Report and Financial Statements continued

## c. Fair value hierarchy

An analysis of the portfolio in accordance with the fair value hierarchy is shown below:

	Assets	Liabilities	Assets	Liabilities
	30 April 2023	30 April 2023	30 April 2022	30 April 2022
	£000s	£000s	£000s	£000s
Level 1: Quoted	-	(473)	13,597	(33)
Level 2: Observable	149,217	(128)	275,358	(6,743)
Level 3: Unobservable	-	-	-	-
	149,217	(601)	288,955	(6,776)

The fair value as at the reporting date has been estimated using the following fair value hierarchy:

Level (1) Quoted prices for identical instruments in active markets

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level (2) Valuation techniques that use:

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level (3) Valuation techniques that use:

Inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

When the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate, the fair value is estimated by using an alternative valuation technique. Such valuation techniques will, where possible, maximise the use of observable market data inputs as opposed to non-observable entity determined data inputs.

The Investment Manager considers observable data to be that market data that 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.

## d. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2022 - same).

## e. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair value.

## f. Derivatives

Derivatives are used in the subfund for hedging purposes and/or investment purposes. The main instruments used are money market futures, forward exchange contracts and credit default swaps. For more details please refer to page 11 and 12.

## g. Credit rating

	2023	2023	2022	2022
	Market Value £000s	% of Net Assets	Market Value £000s	% of Net Assets
Investment Grade	72,013	46.87	132,531	44.98
Sub-investment Grade	62,872	40.97	139,801	47.45
Non-rated	10,428	6.79	15,454	5.24
Derivatives	3,303	2.17	(5,607)	(1.90)
Other assets	4,913	3.20	12,473	4.23
Total net assets	153,529	100.00	294,652	100.00

A fixed income security is deemed to be of investment grade, if it is rated BBB- or above. Sub-investment grade are those securities that are rated below investment grade.

# Notes to the Final Report and Financial Statements continued

## 16. Portfolio transaction costs

For the year ended 30 April 2023:

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2023	2023	2023	2023	2023
	£000s	£000s	%	£000s	%
<b>Purchases</b>					
Debt instruments (direct)	140,428	-	-	-	-
Collective Investment Schemes	2,482	-	-	-	-
Total purchases	142,910	-	-	-	-
Total purchases including transaction costs	142,910				
<b>Sales</b>					
Debt instruments (direct)	286,161	-	-	-	-
Collective Investment Schemes	2,223	-	-	-	-
Total sales	288,384	-	-	-	-
Total sales including transaction costs	288,384				
Derivative transaction costs		1		-	
Total transaction costs as a % of average net assets		0.00%		0.00%	
	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Purchases</b>					
Debt instruments (direct)	232,482	-	-	-	-
Collective Investment Schemes	-	-	-	-	-
Total purchases	232,482	-	-	-	-
Total purchases including transaction costs	232,482				
<b>Sales</b>					
Debt instruments (direct)	245,604	-	-	-	-
Collective Investment Schemes	13,830	-	-	-	-
Total sales	259,434	-	-	-	-
Total sales including transaction costs	259,434				
Total transaction costs as a % of average net assets		0.00%		0.00%	

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The above analysis covers any direct transaction costs suffered by the subfund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

For the subfund's investment transactions in debt and money market instruments any applicable transaction charges form part of the dealing spread for these instruments.

Transactions in money market instruments to manage the subfund's daily liquidity position are excluded from the analysis.

During the period the subfund utilised futures contracts as derivative instruments covering different underlying asset classes. The settlement values for opening and closing derivative positions are not comparable to principal values for transactions in direct holding investments and therefore purchase and sale amounts for derivative transactions are not quantified in the analysis above. Transaction costs for derivatives positions will be either suffered as direct costs or form part of the dealing spread for the instruments. Any direct costs are identified in the analysis above.

Separately identifiable direct transaction costs (commissions & taxes etc) are attributable to the subfund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the subfund vary considerably for the different asset / instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.47% (2022 : 0.43%).

# Fund Information

## Investment Objective and Policy

The Allianz RiskMaster Conservative Multi Asset Fund aims to achieve long term capital growth. The level of risk is expected to be approximately 50% of the volatility of global equities defined as the MSCI World Index Net Total Return GBP, based on monthly data over a rolling five year period. This volatility level may fluctuate in the short term, and this target is not guaranteed.

It is intended that this Fund will aim to take less risk than the Allianz RiskMaster Moderate Multi Asset Fund and Allianz RiskMaster Growth Multi Asset Fund.

The Fund seeks to achieve this objective by (1) maintaining the level of risk stated in the objective and (2) by using a strategic asset allocation model designed by the ACD to deliver an optimised risk and return profile. In addition to this the ACD will tactically manage the asset allocation to enhance the return where appropriate. Over the long-term this is expected to generate capital growth whilst remaining within the anticipated level of risk stated in the objective. The Fund will invest in all permissible asset classes stated below in a globally unconstrained manner in order to implement the strategies within the Fund.

The Fund may gain up to 100% of its exposure to the asset classes listed in the paragraphs below by investing in other Funds managed by Allianz Global Investors and its group of companies and other collective investment schemes and/or Exchange Traded Funds managed by third parties. Investments into these asset classes may also be made directly into the underlying securities subject to the percentage limits set out below.

The ACD may also invest up to 60% of the Fund's assets (allowing for leverage) into equities, securities equivalent to equities (e.g. American Depositary Receipts, Global Depositary Receipts and P-Notes) worldwide. In addition, index certificates and other certificates on equities, adequately diversified equity baskets and warrants may be acquired. Equities held in the Fund may be in Emerging Market Countries and Non-Developed Countries.

The ACD may also invest up to 100% of the Fund's assets (allowing for leverage) to fixed income securities including global sovereign bonds which includes agencies and

municipalities, global credit including high yield and global foreign exchange currencies.

The ACD may also utilise deposits and money market instruments in the management of the portfolio and their value, together with money market funds, may make up to a maximum of 100% of the Fund's assets.

The Fund will use derivative instruments such as but not be limited to futures, options, options on swaps and swap agreements (e.g. interest rate swaps, index swaps, credit default swaps and inflation linked swaps) and currency forward contracts.



# Fund Information continued

## Fund Details

Fund Manager	Gavin Counsell and Matt Toms	
Benchmark	MSCI World Index Net Total Return GBP	
Income allocation date	30 April	
Income pay date	31 August (normally by 30 June)	
Launch dates	Fund	15 May 2012
	C Shares	15 May 2012
	F Shares	19 May 2016
	T Shares	15 March 2013
	Y Shares	20 February 2017
ISA status	Yes	
Share Classes and types of Shares	C (Accumulation Shares) F (Accumulation Shares) T (Accumulation Shares) Y (Accumulation Shares)	
Minimum investment	C Shares	Lump sum £500 Monthly saving £50
	F Shares	Available only to a feeder UCITS which has been approved to invest at least 85% of its assets in units of another UCITS and which has been approved by the ACD
	T Shares	Available to Approved Investors only.
	Y Shares	Lump sum £100,000,000 Available to Approved Investors only
Initial charge	C Shares	Nil
	F Shares	Nil
	T Shares	Nil
	Y Shares	Nil
Annual ACD fee	C Shares	0.75%
	F Shares	0.25%*
	T Shares	0.90%**
	Y Shares	0.50%***

A Shares closed on 16 February 2017.

\*0.25 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the F shares.

\*\*0.90 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the T shares.

\*\*\*0.50 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the Y shares.

# Comparative Tables

For the year ended 30 April 2023

	C Shares Accumulation			T Shares Accumulation		
	2023 (p)	2022 (p)	2021 (p)	2023 (p)	2022 (p)	2021 (p)
Opening net asset value per share	156.43	161.74	141.26	140.53	145.53	127.04
Return before operating charges	(4.13)	(3.99)	22.00	(3.47)	(3.68)	19.73
Operating charges	(1.30)	(1.32)	(1.52)	(1.31)	(1.32)	(1.24)
Return after operating charges	(5.43)	(5.31)	20.48	(4.78)	(5.00)	18.49
Distributions	(2.20)	(1.58)	(1.80)	(2.08)	(1.25)	(1.69)
Retained distributions on accumulation shares	2.20	1.58	1.80	2.08	1.25	1.69
Closing net asset value per share	151.00	156.43	161.74	135.75	140.53	145.53
After direct transaction costs of <sup>1</sup>	(0.01)	(0.02)	(0.01)	(0.01)	(0.01)	(0.01)
Performance						
Return after operating charges	(3.47)%	(3.28)%	14.50%	(3.40)%	(3.44)%	14.55%
Other information						
Closing net asset value (£'000)	2,032	2,867	2,872	2,131	2,791	3,240
Closing number of shares	1,345,397	1,832,942	1,775,445	1,569,599	1,986,395	2,226,606
Operating charges <sup>2</sup>	0.99%	0.80%	0.99%	0.90%	0.90%	0.90%
Direct transaction costs	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
Prices						
Highest share price	156.15	168.65	162.31	140.28	151.60	146.05
Lowest share price	142.72	155.67	139.84	128.23	140.12	125.78

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.

<sup>2</sup> Operating charges have been capped at 0.99% (C shares). Operating charges have been capped at 0.90% (T shares).

# Comparative Tables continued

For the year ended 30 April 2023

	F Shares Accumulation			Y Shares Accumulation		
	2023 (p)	2022 (p)	2021 (p)	2023 (p)	2022 (p)	2021 (p)
Opening net asset value per share	143.80	148.10	128.80	5,772.66	5,958.22	5,184.64
Return before operating charges	(4.04)	(3.93)	19.89	(150.66)	(155.81)	801.76
Operating charges	(0.13)	(0.37)	(0.59)	(27.75)	(29.75)	(28.18)
Return after operating charges	(4.17)	(4.30)	19.30	(178.41)	(185.56)	773.58
Distributions	(2.85)	(2.06)	(2.25)	(103.26)	(70.36)	(86.97)
Retained distributions on accumulation shares	2.85	2.06	2.25	103.26	70.36	86.97
Closing net asset value per share	139.63	143.80	148.10	5,594.25	5,772.66	5,958.22
After direct transaction costs of <sup>1</sup>	-	(0.01)	(0.01)	(0.33)	(0.60)	(0.53)
Performance						
Return after operating charges	(2.90)%	(2.90)%	14.98%	(3.09)%	(3.11)%	14.92%
Other information						
Closing net asset value (£'000)	348,438	350,102	262,734	439	434	143
Closing number of shares	249,541,809	243,469,415	177,398,286	7,841	7,511	2,398
Operating charges <sup>2</sup>	0.25%	0.25%	0.42%	0.50%	0.49%	0.50%
Direct transaction costs	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
Prices						
Highest share price	143.55	154.74	148.61	5,762.58	6,219.65	5,978.69
Lowest share price	131.52	143.30	127.52	5,275.05	5,755.15	5,133.64

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.

<sup>2</sup> Operating charges are capped at a maximum of 0.50%, however these are subject to quarterly review and so are currently less than this (F shares). Operating charges have been capped at 0.50% (Y shares).

# Distribution Tables

## For the year ended 30 April 2023

Final Distribution in pence per share

Group 1 Shares purchased prior to 1 May 2022

Group 2 Shares purchased on or after 1 May 2022 to 30 April 2023

	Net revenue (p)	Equalisation (p)	Distribution payable 30/06/23 (p)	Distribution paid 30/06/22 (p)
<b>C Shares Accumulation</b>				
Group 1	2.2036	-	2.2036	1.5845
Group 2	1.2070	0.9966	2.2036	1.5845
<b>T Shares Accumulation</b>				
Group 1	2.0793	-	2.0793	1.2532
Group 2	1.6090	0.4703	2.0793	1.2532
<b>F Shares Accumulation</b>				
Group 1	2.8508	-	2.8508	2.0614
Group 2	1.8890	0.9618	2.8508	2.0614
<b>Y Shares Accumulation</b>				
Group 1	103.258	-	103.2580	70.3559
Group 2	2.6428	100.6152	103.2580	70.3559

Investors are reminded that distribution is not guaranteed.

# Investment Review

## Performance Summary

Over the 12 months under review, 1 May 2022 to 30 April 2023, the Fund's 'C' class net total return was -3.37%.

## Market Background

Global equities slumped over the period, posting their worst annual returns since 2008. Russia's invasion of Ukraine added to already heightened inflationary pressures and caused the biggest energy price shock since the 1970s. Central banks raised rates aggressively to combat soaring inflation and China's strict zero-COVID policy also contributed to growing speculation that a global recession was imminent. By mid-October, the MSCI All Countries World Index had fallen deep into bear market territory (defined as a fall of at least 20% from a recent peak), before signs that inflation may have peaked, and that China was relaxing its COVID-19 restrictions, helped stocks end the year on a stronger note. Global equities then surged over January, boosted by rising hopes of a soft landing for the global economy and optimism over China's reopening. However, fears that interest rates would need to stay higher for longer to combat sticky inflation subsequently weighed on share prices, as did the collapse of two regional US banks and the enforced takeover of Credit Suisse in March. At a sector level, performance was bifurcated. Growth-focused companies in the communication services, consumer discretionary and information technology sectors delivered robust gains, while energy, financials and health care retreated.

At a sector level, energy stocks were a rare bright spot, surging as the war in Ukraine raised concerns over supply. In contrast, growth-oriented companies in the communication services, consumer discretionary and information technology sectors were hit the hardest as rising rates weighed on future profits. Real estate companies were another casualty of higher rates.

Global bonds plummeted as yields soared to multi-year highs. Already rising inflation expectations were further boosted by the Russia/Ukraine war, prompting concerns that central banks would have to tighten monetary policy aggressively. In the US, the yield on the 10-year Treasury bond rose around 230 basis points (bps) to close December near 3.8%. European bond yields rose even more, with the 10-year German Bund yield ending the year above 2.5%. 2023 has started with positive returns. Bonds initially rallied as signs that inflation

may have peaked boosted hopes that central banks may be nearing the end of their rate-hiking cycles. However, when stronger-than-expected economic data dashed these hopes, bond yields rose sharply over February, only to fall once more in March when the banking crisis led to speculation that central banks may need to pivot to a more dovish stance.

Inflation surged to multi-decade highs. Central banks found themselves 'behind the curve' and moved to raise rates aggressively, despite the worsening outlook for the global economy. In March 2022, the US Federal Reserve (Fed) raised rates for the first time since 2018 and continued to ramp up its tightening policy throughout the reporting period. In total, US rates were increased by 425 bps over the course of the year, taking borrowing costs to the highest level since 2007. In Europe, the European Central Bank waited until July before abandoning its dovish stance. Euro-zone interest rates were raised by 250 bps over the second half of 2022, taking them to a 14-year high of 2.5%. The Bank of Japan (BOJ) remained the outlier as it maintained negative interest rates, although it did amend its yield curve control policy in late-December.

The US dollar strengthened significantly as the Fed raised rates aggressively to tackle inflation. In contrast, the Japanese yen weakened against all major currencies as the BOJ maintained its accommodative stance. The euro and British pound also depreciated against the US dollar (although they rallied against the yen) amid concerns that weak European economic growth may undermine central banks' ability to raise rates. The British pound was hit especially hard in the third quarter as short-lived UK Prime Minister Liz Truss's economic policies threatened the UK's fiscal credibility.

It was a volatile period for commodities. Energy, wheat and some industrial metals prices soared in the first quarter as Russia's invasion of Ukraine sparked fears of supply disruptions and shortages – both countries were key producers of certain commodities. However, commodity prices later retreated amid escalating fears that the global economy was heading for a recession. Having touched a 14-year peak of almost USD 140 a barrel in March 2022, Brent crude closed the year at around USD 85 a barrel, only slightly higher than at the start of the year. Wheat prices ended the year with flat returns, while many industrial metals prices declined over the 12 months.

US stocks plunged as the Federal Reserve (Fed) tightened monetary policy aggressively, earnings growth slowed sharply,

# Investment Review continued

and fears grew that the US economy was heading for a recession. Having touched a record high in early-January, the S&P 500 Index subsequently entered a bear market. The tech-heavy Nasdaq Index fell even more as growth stocks were especially weak. Despite a fourth-quarter rally, the S&P 500 Index lost almost a fifth of its value over the year, while the Nasdaq fell by a third. The year was also notable for a rotation out of popular growth-oriented companies, with value stocks outpacing growth ones by more than 20% over the 12 months.

In political news, President Joe Biden succeeded in getting the Inflation Reduction Act through Congress: the landmark USD 375 billion bill is focused on climate-fighting strategies. Also, the anticipated red wave of Republican US economic growth rebounded in the third quarter. However, economic momentum appeared to be weakening again in the fourth quarter as higher interest rates weighed on demand. The flash estimate of S&P Global's US composite purchasing managers' index (PMI) dropped to 44.6 in December, the joint lowest reading in two-and-a-half years. The manufacturing PMI fell to 46.2, the weakest reading since the height of the pandemic in 2020, while activity in the services sector slid to 44.0, one of the lowest readings since 2009.

The contribution from the active asset allocation positions was positive in 2022 but has been negative YTD. This was mainly driven by the overweight to cash and underweights to European equity and bonds, in a year when both equities and bonds delivered negative returns. The challenges has been the aggressive risk on months: October, November and January; where markets rebounded strongly. The overweight to the alternatives blend was a positive contribution, with 5 of the 7 strategies delivering positive absolute returns.

Stock selection was the key detractor over the period, with negative contributions from all but two of our strategies, Allianz Global BestStyles and Allianz Global High Income. The Allianz Continental European and China A shares funds weighed most on equity performance. Within fixed income, Allianz Strategic Bond and Allianz Asian High Yield underperformed. The Allianz EM Short Duration also gave back some of its positive longer-term performance. We want stock selection to compliment but not dominate our relative performance, so with this in mind, we've reduced magnitude of exposure to underlying managers from 25% to 18%. Over the longer term have confidence in diversified alpha approach and this has proved additive over 3 and 5 years.

## Portfolio Review

### Strategic Asset Allocation

The Fund's medium-term Strategic Asset Allocation (SAA) reflects the asset allocation that seeks to achieve the Fund's objectives over the next 12-18 months. The Fund aims to maximise returns whilst delivering the required level of risk which, for the RiskMaster Moderate Fund, is equivalent to 65% of global equities. Over shorter time horizons, the asset allocation is tactically varied with the aim of either enhancing return or mitigating risks. We carried out a full review of the SAA at the beginning of the review period and implemented the changes in May 2022, where we added distinct allocations to Chinese Equities, Chinese Bonds and Global Inflation Linked Bonds. The updated SAA seeks to further diversify across both equity and bonds markets through a reduction in UK and US bias. For non-equity growth assets, the SAA offers exposure to both emerging market debt and global high yield. Within the defensive assets, the SAA contains an allocation to UK gilts, global government and corporate bonds. We performed an annual health check at 31 December 2022 and confirmed the existing allocations met the objectives stated above.

### Tactical Asset Allocation

Rotated from UK equities to Japanese equities

- We switched a small amount of equity (0.5%) from the UK to Japan. This trade was primarily driven by a positive market cycle signal for Japanese equities as well as belief that Japan will be a local beneficiary of China's ongoing re-opening. Both markets now sit slightly overweight.

Increased European equities via a risk reversal

- Falling gas prices, better than expected economic activity and normalisation of the war in Ukraine have all pushed European equities higher, triggering a stronger momentum signal for European equities. We have taken European equities to neutral, implemented via a risk reversal with two advantages: an upside strike price closer than the downside and upside exposure multiple times bigger than the downside.

Focus rates at the short end of the US curve

- We flipped ~1% of the Global Government Bond ETF into Treasuries 1-3 ETF year (both GBP hedged). This follows a

# Investment Review continued

similar trade in March – we are looking to express a preference for US rates over other regions and a preference for the short-end, given the flat nature of the curve and the advanced nature of the US hiking cycle (relative to other regions).

## Outlook

- We now sit close to neutral in equities within the Funds. Whilst our fundamental outlook is cautious, with the risk that earnings will disappoint more than consensus expectations, our market cycle / momentum signals have picked up strongly. These offsetting factors create a neutral position, with a preference for UK, Japanese and EM equities and an aversion to US equities.
- Within fixed income, we maintain our duration underweight; this is primarily through the underweight to investment grade bonds. We sit roughly neutral in developed market sovereign bonds. However, we have regional and curve preferences - we prefer the US over Europe / Japan (likely more advanced in its hiking cycle) and we prefer the shorter end of the curve (due to curve flatness). We retain a small overweight to Chinese bonds.
- We are underweight credit risk, this is across investment grade credit, high yield, and emerging market debt.
- In addition to the above, the Funds continue to run more granular alpha strategies. Within equities we hold a Russell 1000 value future. Within fixed income, we hold a US 5s10s steepener position, a JGB short (albeit reduced) and a position in Asian High Yield. Within commodities we have a satellite position in industrial metals.

# Portfolio Statement

As at 30 April 2023

Holding/Nominal		Market Value	
		£'000	% of Net Assets
	Open-Ended Funds - 79.21% (2022 - 64.61%)		
	Commodities - 3.88% (2022 - 2.06%)		
102,639	WisdomTree Industrial Metals	1,239	0.35
1,190,453	WisdomTree Physical Gold - GBP Daily Hedged	12,461	3.53
		<b>13,700</b>	<b>3.88</b>
	Equities - 22.66% (2022 - 24.66%)		
3,399	Allianz Best Styles Global Equity	6,609	1.87
2,513,956	Allianz China A-Shares (London Quoted)	2,104	0.60
2,349	Allianz China A-Shares (Luxembourg Quoted)	2,971	0.84
2,496,178	Allianz Continental European	5,357	1.52
49	Allianz Dynamic Commodities	4,354	1.23
3,026	Allianz Emerging Markets Equity	2,518	0.71
19	Allianz Global Equity Unconstrained	2,601	0.74
4,720	Allianz Global Sustainability	9,771	2.77
2,578,115	Allianz UK Listed Opportunities	3,936	1.12
51,250	Amundi S&P 500 ETF	3,255	0.92
2,284,281	iShares MSCI EM IMI ESG Screened	10,320	2.92
2,625,900	iShares MSCI Japan ESG Screened	11,626	3.29
193,396	iShares MSCI USA ESG Screened	1,240	0.35
52,811	Xtrackers MSCI China A ESG Screened Swap	671	0.19
197,572	Xtrackers S&P 500 Swap ETF	12,683	3.59
		<b>80,016</b>	<b>22.66</b>
	Fixed Interest - 52.67% (2022 - 37.89%)		
4,951	Allianz Dynamic Asian High Yield Bond	2,009	0.57
2,166	Allianz Emerging Markets Select Bond	2,201	0.62
3,119	Allianz Emerging Markets Short Duration Bond	2,209	0.63
2,941	Allianz Emerging Markets Sovereign Bond	2,953	0.84
1,880,464	Allianz Fixed Income Macro	2,109	0.60
5,533,970	Allianz Gilt Yield	8,238	2.33
4,218	Allianz Multi Asset Long/Short	5,114	1.45
46	Allianz Multi Asset Risk Premia	3,804	1.08
22	Allianz Selective Global High Income	2,184	0.62
9,787,852	Allianz Strategic Bond	9,719	2.75
13,750	Allianz Volatility Strategy	12,515	3.55
2,105,068	iShares China CNY Bond	10,738	3.04
82,066	iShares Core GBP Corp Bond ETF	9,948	2.82
803,287	iShares Fallen Angels High Yield Corp Bond ETF	3,828	1.09
140,560	iShares GBP Ultrashort Bond	14,296	4.05
5,245,112	iShares Global Corp Bond ETF	23,309	6.60
2,743,941	iShares Global Inflation Linked Government Bond	12,131	3.44
2,277,941	iShares USD Treasury Bond 1-3yr	10,669	3.02
294,184	L&G ESG GBP Corporate Bond	2,339	0.66
9,877	Lyxor Smart Overnight Return	10,508	2.98
1,458,949	Xtrackers II Global Government Bond	35,066	9.93
		<b>185,887</b>	<b>52.67</b>
	Euro Denominated Fixed Rate Government Bonds - 0.00% (2022 - 1.18%)		
	Japanese Yen Denominated Fixed Rate Government Bonds - 3.31% (2022 - 0.00%)		
1,978,000,000	Japan Government Two Year Bond 0.005% 01/06/2023	11,665	3.31
		<b>11,665</b>	<b>3.31</b>
	Swiss Franc Denominated Fixed Rate Government Bonds - 1.04% (2022 - 0.00%)		
4,100,000	Swiss Confederation Government Bond 1.25% 11/06/2024	3,679	1.04
		<b>3,679</b>	<b>1.04</b>
	Sterling Denominated Fixed Rate Government Bonds - 8.21% (2022 - 23.79%)		
14,350,000	UK Treasury 0.125% 31/01/2024	13,922	3.94
15,200,000	UK Treasury 0.75% 22/07/2023	15,081	4.27
		<b>29,003</b>	<b>8.21</b>
	Derivatives - 1.09% (2022 - (0.76%))		
	Open Forward Exchange Contracts* - 0.58% (2022 - (0.75%))		
	Bought EUR6,165,874 for GBP5,470,117 Settlement 09/06/2023	(29)	(0.01)
	Bought JPY490,339,000 for GBP3,088,314 Settlement 09/06/2023	(186)	(0.05)
	Bought USD35,633,389 for GBP28,879,445 Settlement 09/06/2023	(312)	(0.09)
	Sold AUD6,851,000 for GBP3,840,929 Settlement 09/06/2023	219	0.06
	Sold CAD1,930,000 for GBP1,179,523 Settlement 09/06/2023	46	0.01
	Sold EUR22,903,000 for GBP20,322,993 Settlement 09/06/2023	112	0.03
	Sold JPY490,339,000 for GBP3,032,472 Settlement 09/06/2023	130	0.04
	Sold JPY1,978,000,000 for GBP12,581,345 Settlement 01/06/2023	883	0.25
	Sold USD42,393,716 for GBP35,171,143 Settlement 09/06/2023	1,184	0.34
		<b>2,047</b>	<b>0.58</b>



# Portfolio Statement continued

As at 30 April 2023

Holding/Nominal		Market Value £'000	% of Net Assets
	Open Futures Contracts - 0.52% (2022 - (0.01)%)		
60	S&P 500 E Mini Index Futures June 2023	496	0.14
400	German Euro STOXX 50 June 2023	635	0.18
96	Australian SPI 200 June 2023	200	0.06
36	Japanese TOPIX Index June 2023	81	0.02
124	MSCI Emerging Markets June 2023	75	0.02
(223)	US 10 Year Ultra June 2023	(691)	(0.20)
599	US 5 Year Note (CBT) June 2023	1,104	0.31
171	UK FTSE 100 Index June 2023	183	0.05
51	UK Long Gilt June 2023	19	0.01
127	US E-Mini Russel 1000 June 2023	177	0.05
(22)	Japanese 10 Year Government Bond (OSE) June 2023	(437)	(0.12)
		<u>1,842</u>	<u>0.52</u>
	Written Call Options - 0.00% (2022 - 0.00%)		
647	Euro Stoxx 50 Index 4550 Call Option May 2023	7	-
		<u>7</u>	<u>-</u>
	Written Put Options - (0.01)% (2022 - 0.00%)		
(125)	Euro Stoxx 50 Index 4125 Put Option May 2023	(29)	(0.01)
		<u>(29)</u>	<u>(0.01)</u>
	Investment assets <sup>1</sup>	327,817	92.86
	Net other assets	25,222	7.14
	Net assets	<u>353,039</u>	<u>100.00</u>

\* Forwards are not approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

<sup>1</sup> Includes derivative liabilities.

Stocks shown as ETFs represent Exchange - Traded Funds.

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Any Collective Investment Scheme prefixed with Allianz in the name is a related party.

Note: Comparative figures show percentages for each category of holding at 30 April 2022.

# Statement of Total Return

For the year ended 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Income:					
Net capital losses	2		(17,386)		(16,543)
Revenue	3	9,145		5,920	
Expenses	4	(387)		(500)	
Interest payable and similar charges		(22)		(30)	
Net revenue before taxation		8,736		5,390	
Taxation	5	(1,450)		(828)	
Net revenue after taxation			7,286		4,562
Total return before distributions			(10,100)		(11,981)
Distributions	6		(7,231)		(4,438)
Change in net assets attributable to shareholders from investment activities			(17,331)		(16,419)

# Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 April 2023

	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Opening net assets attributable to shareholders		356,194		268,989
Amounts receivable on issue of shares	53,062		115,433	
Amounts payable on cancellation of shares	(46,070)		(16,887)	
		6,992		98,546
Change in net assets attributable to shareholders from investment activities (see above)		(17,331)		(16,419)
Retained distributions on accumulation shares		7,184		5,078
Closing net assets attributable to shareholders		353,039		356,194

Notes to the final report and Financial Statements are from page 132 to 140.

# Balance Sheet

As at 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
<b>Assets:</b>					
<b>Fixed assets:</b>					
Investments			329,501		322,388
<b>Current assets:</b>					
Debtors	7	2,457		3,958	
Cash and bank balances	8	25,006		36,731	
<b>Total assets</b>			<b>356,964</b>		<b>363,077</b>
<b>Liabilities:</b>					
Investment liabilities			(1,684)		(6,003)
<b>Creditors:</b>					
Other creditors	9	(2,151)		(608)	
Deffered tax	5(c)	(90)		(272)	
<b>Total liabilities</b>			<b>(3,925)</b>		<b>(6,883)</b>
<b>Net assets attributable to shareholders</b>			<b>353,039</b>		<b>356,194</b>

Notes to the final report and Financial Statements are from page 132 to 140.

# Notes to the Final Report and Financial Statements

## 1. Accounting Basis and Policies

The applicable accounting policies adopted by the Allianz RiskMaster Conservative Multi Asset Fund are included on pages 8 and 9 of the Collective Notes to the Final Report and Financial Statements.

## 2. Net capital losses

	2023 £000s	2022 £000s
Losses on non-derivative securities	(11,605)	(11,889)
Losses on derivative securities	(3,046)	(3,198)
(Losses)/gains on currency	(39)	27
Losses on forward currency contracts	(2,690)	(1,472)
Handling charges	(10)	(11)
CSDR penalties	4	-
Net capital losses	(17,386)	(16,543)

## 3. Revenue

	2023 £000s	2022 £000s
ACD's fee rebates from underlying investments	468	536
Bank interest	99	1
Franked Dividends from collective Investment Schemes	170	105
Interest Income from Collective Investment Scheme	870	365
Interest on Fixed Income Securities	245	93
Option Income	39	239
Income from Collective Investment Schemes - non-taxable	1,051	528
Income from Collective Investment Schemes - Taxable	2,683	1,958
Returns from equity index futures	3,519	2,095
Interest on tax reclaim	1	-
Total revenue	9,145	5,920

# Notes to the Final Report and Financial Statements continued

## 4. Expenses

	2023	2022
	£000s	£000s
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
ACD's annual fee	490	470
ACD rebate*	(198)	(54)
Company secretarial costs	-	(1)
	292	415
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	62	58
Safe custody fees	16	15
	78	73
Other expenses:		
Audit fees	13	13
Distribution costs	2	2
Printing costs	1	(4)
Registration fees	1	1
	17	12
<b>Total expenses</b>	<b>387</b>	<b>500</b>

The Audit fee for the year, excluding VAT, was £10,600 (2022 - £10,600).

\*Operating charges for each share class are capped. C Shares are capped at 0.99%, T Shares are capped at 0.90%, F Shares are capped at a maximum of 0.50%, however these are subject to quarterly review and so are currently less than this, Y Shares are capped at 0.50%. Any charges in excess of this amount are borne by the Manager. This is operated by way of a fee rebate from the ACD.

# Notes to the Final Report and Financial Statements continued

## 5. Taxation

	2023	2022
	£000s	£000s
a. Analysis of the taxation charge for the year:		
Corporation tax	1,632	955
Deferred tax	(182)	(42)
Corporation tax: adjustment in respect of prior years	-	(85)
<b>Total taxation for the year (see Note 5(b))</b>	<b>1,450</b>	<b>828</b>
b. Factors affecting taxation charge for the year:		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for a subfund of an Open-Ended Investment Company (20%) (2022 - 20%).		
The differences are explained below:		
Net revenue before taxation	8,737	5,390
Corporation tax at 20%	1,747	1,078
Effects of:		
Capitalised income subject to tax	(53)	(38)
Overseas dividends - non-taxable	(209)	(106)
UK dividends not subject to corporation tax	(34)	(21)
Expenses not deductible for tax purposes	(1)	-
Corporation tax: adjustment in respect of prior years	-	(85)
<b>Total taxation charge for the year (see Note 5(a))</b>	<b>1,450</b>	<b>828</b>
OEICs are exempt from tax on capital gains in the UK, therefore capital returns are not included within the reconciliation.		
The subfund has utilised its management expenses (2022 - same).		
c. Deferred tax		
Movement in the year		
Provision at start of the year	272	314
Deferred tax charge	(182)	(42)
Provision at the end of the year	90	272

## 6. Distributions

The distributions take account of revenue received on the creation of Shares and revenue deducted on the cancellation of Shares and comprise:

	2023	2022
	£000s	£000s
Final	7,184	5,078
Add: Revenue deducted on cancellation of shares	418	142
Deduct: Revenue received on creation of shares	(371)	(782)
<b>Net distributions for the year</b>	<b>7,231</b>	<b>4,438</b>
Reconciliation of net revenue after taxation to net distributions for the year		
Net revenue after taxation	7,286	4,562
Add: Capitalised ACD fee rebate	(2)	(1)
Tax on capital items	(53)	(38)
Tax relief due to/from capital: adjustment in respect of prior years	-	(85)
<b>Net distributions for the year</b>	<b>7,231</b>	<b>4,438</b>

# Notes to the Final Report and Financial Statements continued

## 7. Debtors

	2023	2022
	£000s	£000s
Accrued ACD's fee rebate	312	289
Accrued revenue	413	221
Amounts receivable on creation of shares	355	3,448
Sales awaiting settlement	1,377	-
	2,457	3,958

## 8. Cash and bank balances

	2023	2022
	£000s	£000s
Cash and bank balances	21,110	30,731
Amount held at futures clearing houses and brokers	3,896	6,000
	25,006	36,731

## 9. Other creditors

	2023	2022
	£000s	£000s
Accrued ACD's annual fee	37	36
Amounts payable on cancellation of shares	1,159	86
Corporation tax	906	444
Other accrued expenses	49	42
	2,151	608

## 10. Related party transactions

Management fees paid to the ACD are disclosed in note 4 and amounts due at the year end are disclosed in note 9.

Monies received and paid by the ACD through the creation and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 7 and 9.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the year end.

### Significant Shareholdings

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 102, which requires the disclosure of details of material transactions between the subfund and any related party.

# Notes to the Final Report and Financial Statements continued

Details of any related party transactions occurring during the year including commissions paid and any balances due at the year end are disclosed in the Balance Sheet, the Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 7 and 9 to the financial statements. All creations and cancellations were transacted with the ACD.

In addition, assets managed by related parties of the ACD and held by the subfund as at the Balance Sheet date are detailed below:

	2023	2022
	£000s	£000s
The value of holdings at balance sheet date were:		
Allianz Best Styles Global Equity	6,609	11,791
Allianz China A-Shares (London Quoted)	2,104	2,412
Allianz China A-Shares (Luxembourg Quoted)	2,971	972
Allianz Continental European	5,357	7,912
Allianz Dynamic Asian High Yield Bond	2,009	2,034
Allianz Dynamic Commodities	4,354	4,511
Allianz Emerging Markets Equity	2,518	5,465
Allianz Emerging Markets Short Duration Bond	2,209	3,423
Allianz Global Equity Unconstrained	2,601	7,599
Allianz Global Sustainability	9,771	10,486
Allianz UK Listed Opportunities	3,936	3,904
Allianz Emerging Markets Select Bond	2,201	2,997
Allianz Emerging Markets Sovereign Bond	2,953	2,936
Allianz Fixed Income Macro	2,109	7,660
Allianz Gilt Yield	8,238	10,017
Allianz Multi Asset Long/Short	5,114	4,787
Allianz Multi Asset Risk Premia	3,804	3,599
Allianz Selective Global High Income	2,184	2,746
Allianz Strategic Bond	9,719	11,062
Allianz Volatility Strategy	12,515	13,017
The value of purchases during the year were:		
Allianz Best Styles Global Equity	-	1,305
Allianz China A-Shares (London Quoted)	-	2,898
Allianz China A-Shares (Luxembourg Quoted)	5,542	-
Allianz Continental European	-	2,246
Allianz Dynamic Asian High Yield Bond	351	2,538
Allianz Dynamic Commodities	4,509	3,566
Allianz Emerging Markets Short Duration Bond	-	3,611
Allianz Global Equity Unconstrained	-	848
Allianz Global Sustainability	-	1,711
Allianz Emerging Markets Select Bond	2,160	-
Allianz Emerging Markets Sovereign Bond	2,926	-
Allianz Multi Asset Long/Short	537	734
Allianz Multi Asset Risk Premia	-	5,467
Allianz Volatility Strategy	-	5,410



# Notes to the Final Report and Financial Statements continued

	2023	2022
	£000s	£000s
The value of sales during the year were:		
Allianz Best Styles Global Equity	27,403	-
Allianz China A-Shares (Luxembourg Quoted)	2,250	-
Allianz Continental European	2,655	-
Allianz Europe Equity Value	-	2,611
Allianz Dynamic Commodities	3,595	-
Allianz Emerging Markets Short Duration Bond	1,246	-
Allianz Global Equity Unconstrained	4,735	-
Allianz Global Sustainability	855	-
Allianz UK Listed Opportunities	-	1,408
Allianz Fixed Income Macro	2,884	-
Allianz Multi Asset Long/Short	-	280
Allianz Multi Asset Risk Premia	-	5,776
Allianz Volatility Strategy	1,367	-

## 11. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the subfund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

## 12. Shareholders' funds

The subfund currently has four share classes: C, T, F and Y. The ACD's annual fee on these share classes are as follows:

Class C :	0.75%
Class T :	0.90%
Class F :	0.25%
Class Y :	0.50%

The net asset value per share and the number of shares in issue are given in the Comparative Tables on page 122 and 123.

The distribution per share is given in the Distribution Table on page 124.

Revenue available for allocation will be allocated between the share classes based on the respective proportionate interests represented by those share classes on a daily basis and taxation is computed by reference to the net revenue after expenses attributable to each class. All share classes have the same rights on winding up.

For the year ended 30 April 2023:

	Class C Shares	Class T Shares	Class F Shares	Class Y Shares
Opening shares	1,832,942	1,986,395	243,469,415	7,511
Shares created	50,973	18,021	38,365,088	1,453
Shares cancelled	(538,518)	(434,817)	(32,292,694)	(1,123)
Shares converted	-	-	-	-
Closing shares	1,345,397	1,569,599	249,541,809	7,841

# Notes to the Final Report and Financial Statements continued

## 13. Contingent liabilities and commitments

As at 30 April 2023 there were no contingent liabilities (2022: £Nil).

## 14. Derivatives and other financial instruments

### a. Currency exposure

The majority of the net assets and liabilities of the subfund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Monetary Exposure	Non-Monetary Exposure	Total Exposure	Monetary Exposure	Non-Monetary Exposure	Total Exposure
	30 April 2023	30 April 2023	30 April 2023	30 April 2022	30 April 2022	30 April 2022
	£000s	£000s	£000s	£000s	£000s	£000s
Australian Dollar	(1,172)	200	(972)	(1,729)	-	(1,729)
Canadian Dollar	(516)	-	(516)	(1,206)	-	(1,206)
Euro	(11,353)	26,142	14,789	-	-	-
Japanese Yen	(9,193)	11,309	2,116	(3,092)	-	(3,092)
Swiss Franc	308	3,679	3,987	-	-	-
US Dollar	(1,644)	48,931	47,287	(39,694)	62,187	22,493

### b. Interest rate risk profile

The interest rate profile of the subfund's portfolio of investments at the balance sheet date was:

Currency	Floating Rate	Fixed Rate	Non-Interest	Total	Floating Rate	Fixed Rate	Non-Interest	Total
	30 April 2023	30 April 2023	30 April 2023	30 April 2023	30 April 2022	30 April 2022	30 April 2022	30 April 2022
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Assets	-	44,347	285,154	329,501	-	88,915	233,473	322,388
Liabilities	-	-	(1,684)	(1,684)	-	-	(6,003)	(6,003)

### c. Fair value hierarchy

An analysis of the portfolio in accordance with the fair value hierarchy is shown below:

	Assets		Liabilities	
	30 April 2023	30 April 2022	30 April 2023	30 April 2022
	£000s	£000s	£000s	£000s
Level 1: Quoted	229,972	(1,157)	202,352	(2,636)
Level 2: Observable	99,529	(527)	120,036	(3,367)
Level 3: Unobservable	-	-	-	-
	329,501	(1,684)	322,388	(6,003)

The fair value as at the reporting date has been estimated using the following fair value hierarchy:

Level (1) Quoted prices for identical instruments in active markets

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level (2) Valuation techniques that use:

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level (3) Valuation techniques that use:

Inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

# Notes to the Final Report and Financial Statements continued

When the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate, the fair value is estimated by using an alternative valuation technique. Such valuation techniques will, where possible, maximise the use of observable market data inputs as opposed to non-observable entity determined data inputs. The Investment Manager considers observable data to be that market data that 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.

#### d. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2022 - same).

#### e. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair value.

#### f. Derivatives

Derivatives are used in the subfund for hedging purposes and/or investment purposes. The main instruments used are money market futures, forward exchange contracts and credit default swaps. For more details please refer to page 11 and 12.

#### g. Credit rating

	2023		2022	
	Market Value £000s	% of Net Assets	Market Value £000s	% of Net Assets
Investment Grade	29,003	8.21	84,711	23.79
Open-Ended Funds	279,603	79.21	230,180	64.61
Non-rated	15,344	4.35	4,204	1.18
Derivatives	3,867	1.09	(2,710)	(0.76)
Other assets	25,222	7.14	39,809	11.18
<b>Total net assets</b>	<b>353,039</b>	<b>100.00</b>	<b>356,194</b>	<b>100.00</b>

A fixed income security is deemed to be of investment grade, if it is rated BBB- or above. Sub-investment grade are those securities that are rated below investment grade.

## 15. Portfolio transaction costs

For the year ended 30 April 2023:

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2023 £000s	2023 £000s	2023 %	2023 £000s	2023 %
<b>Purchases</b>					
Debt instruments (direct)	15,676	-	-	-	-
Collective Investment Schemes	175,737	-	-	-	-
<b>Total purchases</b>	<b>191,413</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total purchases including transaction costs</b>	<b>191,413</b>				

# Notes to the Final Report and Financial Statements continued

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2023	2023	2023	2023	2023
	£000s	£000s	%	£000s	%
<b>Sales</b>					
Debt instruments (direct)	59,933	-	-	-	-
Collective Investment Schemes	116,206	-	-	-	-
Total sales	176,139	-	-	-	-
Total sales including transaction costs	176,139				
Derivative Transaction costs		21		-	
Total transaction costs as a % of average net assets		0.00%		0.00%	

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Purchases</b>					
Debt instruments (direct)	121,312	-	-	-	-
Collective Investment Schemes	86,274	-	-	-	-
Total purchases	207,586	-	-	-	-
Total purchases including transaction costs	207,586				

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Sales</b>					
Debt instruments (direct)	76,093	-	-	-	-
Collective Investment Schemes	27,963	-	-	-	-
Total sales	104,056	-	-	-	-
Total sales including transaction costs	104,056				
Derivative Transaction costs		32		-	
Total transaction costs as a % of average net assets		0.00%		0.00%	

The above analysis covers any direct transaction costs suffered by the subfund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

For the subfund's investment transactions in debt and money market instruments any applicable transaction charges form part of the dealing spread for these instruments.

Transactions in money market instruments to manage the subfund's daily liquidity position are excluded from the analysis.

During the period the subfund utilised futures contracts as derivative instruments covering different underlying asset classes. The settlement values for opening and closing derivative positions are not comparable to principal values for transactions in direct holding investments and therefore purchase and sale amounts for derivative transactions are not quantified in the analysis above. Transaction costs for derivatives positions will be either suffered as direct costs or form part of the dealing spread for the instruments. Any direct costs are identified in the analysis above.

Separately identifiable direct transaction costs (commissions & taxes etc) are attributable to the subfund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the subfund vary considerably for the different asset / instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.08% (2022 : 0.05%).

# Fund Information

## Investment Objective and Policy

The Allianz RiskMaster Growth Multi Asset Fund aims to achieve long term capital growth. The level of risk is expected to be approximately 80% of the volatility of global equities defined as the MSCI World Index Net Total Return GBP, based on monthly data over a rolling five year period. This volatility level may fluctuate in the short term, and this target is not guaranteed.

It is intended that this Fund will aim to take more risk than the Allianz RiskMaster Conservative Multi Asset Fund and Allianz RiskMaster Moderate Multi Asset Fund.

The Fund seeks to achieve this objective by (1) maintaining the level of risk stated in the objective and (2) by using a strategic asset allocation model designed by the ACD to deliver an optimised risk and return profile. In addition to this the ACD will tactically manage the asset allocation to enhance the return where appropriate. Over the long-term this is expected to generate capital growth whilst remaining within the anticipated level of risk stated in the objective. The Fund will invest in all permissible asset classes stated below in a globally unconstrained manner in order to implement the strategies within the Fund.

The Fund may gain up to 100% of its exposure to the asset classes listed in the paragraphs below by investing in other Funds managed by Allianz Global Investors and its group of companies and other collective investment schemes and/or Exchange Traded Funds managed by third parties. Investments into these asset classes may also be made directly into the underlying securities subject to the percentage limits set out below.

The ACD may also invest up to 100% of the Fund's assets (allowing for leverage) into equities, securities equivalent to equities (e.g. American Depositary Receipts, Global Depositary Receipts and P-Notes) worldwide. In addition, index certificates and other certificates on equities, adequately diversified equity baskets and warrants may be acquired. Equities held in the Fund may be in Emerging Market Countries and Non-Developed Countries.

The ACD may also invest up to 100% of the Fund's assets (allowing for leverage) to fixed income securities including global sovereign bonds which includes agencies and

municipalities, global credit including high yield and global foreign exchange currencies.

The ACD may also utilise deposits and money market instruments in the management of the portfolio and their value, together with money market funds, may make up to a maximum of 100% of the Fund's assets.

The Fund will use derivative instruments such as but not be limited to futures, options, options on swaps and swap agreements (e.g. interest rate swaps, index swaps, credit default swaps and inflation linked swaps) and currency forward contracts.

## Fund Details

Fund Manager	Gavin Counsell and Matt Toms	
Benchmark	MSCI World Index Net Total Return GBP	
Income allocation date	30 April	
Income pay date	31 August (normally by 30 June)	
Launch dates	Fund	15 May 2012
	C Shares	15 May 2012
	F Shares	19 May 2016
	T Shares	15 March 2013
	Y Shares	20 February 2017
ISA status	Yes	
Share Classes and types of Shares	C (Accumulation Shares) F (Accumulation Shares) T (Accumulation Shares) Y (Accumulation Shares)	
Minimum investment	C Shares	Lump sum £500 Monthly saving £50
	F Shares	Only available to a UK feeder UCITS which has been approved to invest at least 85% of its assets in units of another UCITS or UK UCITS and which has been approved by the ACD.
	T Shares	Available to Approved Investors only.
	Y Shares	Lump sum £100,000,000 Available to Approved Investors only.
Initial charge	C Shares	Nil
	F Shares	Nil
	T Shares	Nil
	Y Shares	Nil
Annual ACD fee	C Shares	0.75%
	F Shares	0.25%*
	T Shares	0.90%**
	Y Shares	0.50%***

\*0.25 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the F shares.

\*\*0.90 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the T shares.

\*\*\*0.50 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the Y shares.

# Comparative Tables

For the year ended 30 April 2023

	C Shares Accumulation			T Shares Accumulation		
	2023 (p)	2022 (p)	2021 (p)	2023 (p)	2022 (p)	2021 (p)
Opening net asset value per share	190.83	191.01	151.91	167.27	167.61	133.23
Return before operating charges	0.54	1.37	40.81	0.46	1.20	35.74
Operating charges	(1.76)	(1.55)	(1.71)	(1.46)	(1.54)	(1.36)
Return after operating charges	(1.22)	(0.18)	39.10	(1.00)	(0.34)	34.38
Distributions	(3.17)	(2.14)	(2.01)	(2.84)	(1.73)	(1.84)
Retained distributions on accumulation shares	3.17	2.14	2.01	2.84	1.73	1.84
Closing net asset value per share	189.61	190.83	191.01	166.27	167.27	167.61
After direct transaction costs of <sup>1</sup>	(0.02)	(0.02)	(0.02)	(0.01)	(0.02)	(0.02)
Performance						
Return after operating charges	(0.64)%	(0.09)%	25.74%	(0.60)%	(0.20)%	25.80%
Other information						
Closing net asset value (£'000)	3,088	3,690	3,141	2,443	2,977	3,332
Closing number of shares	1,628,713	1,933,899	1,644,642	1,468,989	1,779,562	1,987,765
Operating charges <sup>2</sup>	0.99%	0.99%	0.99%	0.90%	0.90%	0.90%
Direct transaction costs	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
Prices						
Highest share price	193.46	204.31	191.55	169.61	179.16	168.08
Lowest share price	175.00	184.97	149.36	153.41	162.25	131.02

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.

<sup>2</sup> Operating charges have been capped at 0.99% (C shares). Operating charges have been capped at 0.90% (T shares).

# Comparative Tables continued

For the year ended 30 April 2023

	F Shares Accumulation			Y Shares Accumulation		
	2023 (p)	2022 (p)	2021 (p)	2023 (p)	2022 (p)	2021 (p)
Opening net asset value per share	171.22	170.63	135.12	6241.54	6232.95	4938.81
Return before operating charges	0.28	1.03	36.16	12.71	40.50	1,322.09
Operating charges	(0.42)	(0.44)	(0.65)	(30.39)	(31.91)	(27.95)
Return after operating charges	(0.14)	0.59	35.51	(17.68)	8.59	1,294.14
Distributions	(3.78)	(2.68)	(2.45)	(125.35)	(85.22)	(86.10)
Retained distributions on accumulation shares	3.78	2.68	2.45	125.35	85.22	86.10
Closing net asset value per share	171.08	171.22	170.63	6,223.86	6,241.54	6,232.95
After direct transaction costs of <sup>1</sup>	(0.01)	(0.02)	(0.02)	(0.54)	(0.81)	(0.75)
Performance						
Return after operating charges	(0.08)%	0.35%	26.28%	(0.28)%	0.14%	26.20%
Other information						
Closing net asset value (£'000)	1,212,281	1,007,917	645,688	412	377	220
Closing number of shares	708,603,868	588,676,683	378,418,515	6,622	6,044	3,523
Operating charges <sup>2</sup>	0.25%	0.25%	0.42%	0.50%	0.50%	0.50%
Direct transaction costs	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
Prices						
Highest share price	174.31	183.08	171.09	6,344.35	6,678.41	6,249.88
Lowest share price	157.38	165.94	132.89	5,732.14	6,051.12	4,857.46

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.

<sup>2</sup> Operating charges are capped at a maximum of 0.25% (F shares). Operating charges have been capped at 0.50% (Y shares).



# Distribution Tables

## For the year ended 30 April 2023

Final Distribution in pence per share

Group 1 Shares purchased prior to 1 May 2022

Group 2 Shares purchased on or after 1 May 2022 to 30 April 2023

	Net revenue (p)	Equalisation (p)	Distribution payable 30/06/23 (p)	Distribution paid 30/06/22 (p)
<b>C Shares Accumulation</b>				
Group 1	3.1671	-	3.1671	2.1355
Group 2	1.3039	1.8632	3.1671	2.1355
<b>T Shares Accumulation</b>				
Group 1	2.8397	-	2.8397	1.7251
Group 2	1.0802	1.7595	2.8397	1.7251
<b>F Shares Accumulation</b>				
Group 1	3.7794	-	3.7794	2.6766
Group 2	2.0449	1.7345	3.7794	2.6766
<b>Y Shares Accumulation</b>				
Group 1	125.3457	-	125.3457	85.2154
Group 2	14.4749	110.8708	125.3457	85.2154

Investors are reminded that distribution is not guaranteed.

# Investment Review

## Performance Summary

Over the 12 months under review, 1 May 2022 to 30 April 2023, the Fund's 'C' class net total return was -0.62%.

## Market Background

Global equities slumped over the period, posting their worst annual returns since 2008. Russia's invasion of Ukraine added to already heightened inflationary pressures and caused the biggest energy price shock since the 1970s. Central banks raised rates aggressively to combat soaring inflation and China's strict zero-COVID policy also contributed to growing speculation that a global recession was imminent. By mid-October, the MSCI All Countries World Index had fallen deep into bear market territory (defined as a fall of at least 20% from a recent peak), before signs that inflation may have peaked, and that China was relaxing its COVID-19 restrictions, helped stocks end the year on a stronger note. Global equities then surged over January, boosted by rising hopes of a soft landing for the global economy and optimism over China's reopening. However, fears that interest rates would need to stay higher for longer to combat sticky inflation subsequently weighed on share prices, as did the collapse of two regional US banks and the enforced takeover of Credit Suisse in March. At a sector level, performance was bifurcated. Growth-focused companies in the communication services, consumer discretionary and information technology sectors delivered robust gains, while energy, financials and health care retreated.

At a sector level, energy stocks were a rare bright spot, surging as the war in Ukraine raised concerns over supply. In contrast, growth-oriented companies in the communication services, consumer discretionary and information technology sectors were hit the hardest as rising rates weighed on future profits. Real estate companies were another casualty of higher rates.

Global bonds plummeted as yields soared to multi-year highs. Already rising inflation expectations were further boosted by the Russia/Ukraine war, prompting concerns that central banks would have to tighten monetary policy aggressively. In the US, the yield on the 10-year Treasury bond rose around 230 basis points (bps) to close December near 3.8%. European bond yields rose even more, with the 10-year German Bund yield ending the year above 2.5%. 2023 has started with positive returns. Bonds initially rallied as signs that inflation

may have peaked boosted hopes that central banks may be nearing the end of their rate-hiking cycles. However, when stronger-than-expected economic data dashed these hopes, bond yields rose sharply over February, only to fall once more in March when the banking crisis led to speculation that central banks may need to pivot to a more dovish stance.

Inflation surged to multi-decade highs. Central banks found themselves 'behind the curve' and moved to raise rates aggressively, despite the worsening outlook for the global economy. In March 2022, the US Federal Reserve (Fed) raised rates for the first time since 2018 and continued to ramp up its tightening policy throughout the reporting period. In total, US rates were increased by 425 bps over the course of the year, taking borrowing costs to the highest level since 2007. In Europe, the European Central Bank waited until July before abandoning its dovish stance. Euro-zone interest rates were raised by 250 bps over the second half of 2022, taking them to a 14-year high of 2.5%. The Bank of Japan (BOJ) remained the outlier as it maintained negative interest rates, although it did amend its yield curve control policy in late-December.

The US dollar strengthened significantly as the Fed raised rates aggressively to tackle inflation. In contrast, the Japanese yen weakened against all major currencies as the BOJ maintained its accommodative stance. The euro and British pound also depreciated against the US dollar (although they rallied against the yen) amid concerns that weak European economic growth may undermine central banks' ability to raise rates. The British pound was hit especially hard in the third quarter as short-lived UK Prime Minister Liz Truss's economic policies threatened the UK's fiscal credibility.

It was a volatile period for commodities. Energy, wheat and some industrial metals prices soared in the first quarter as Russia's invasion of Ukraine sparked fears of supply disruptions and shortages – both countries were key producers of certain commodities. However, commodity prices later retreated amid escalating fears that the global economy was heading for a recession. Having touched a 14-year peak of almost USD 140 a barrel in March 2022, Brent crude closed the year at around USD 85 a barrel, only slightly higher than at the start of the year. Wheat prices ended the year with flat returns, while many industrial metals prices declined over the 12 months.

US stocks plunged as the Federal Reserve (Fed) tightened monetary policy aggressively, earnings growth slowed sharply,

# Investment Review continued

and fears grew that the US economy was heading for a recession. Having touched a record high in early-January, the S&P 500 Index subsequently entered a bear market. The tech-heavy Nasdaq Index fell even more as growth stocks were especially weak. Despite a fourth-quarter rally, the S&P 500 Index lost almost a fifth of its value over the year, while the Nasdaq fell by a third. The year was also notable for a rotation out of popular growth-oriented companies, with value stocks outpacing growth ones by more than 20% over the 12 months.

In political news, President Joe Biden succeeded in getting the Inflation Reduction Act through Congress: the landmark USD 375 billion bill is focused on climate-fighting strategies. Also, the anticipated red wave of Republican US economic growth rebounded in the third quarter. However, economic momentum appeared to be weakening again in the fourth quarter as higher interest rates weighed on demand. The flash estimate of S&P Global's US composite purchasing managers' index (PMI) dropped to 44.6 in December, the joint lowest reading in two-and-a-half years. The manufacturing PMI fell to 46.2, the weakest reading since the height of the pandemic in 2020, while activity in the services sector slid to 44.0, one of the lowest readings since 2009.

The contribution from the active asset allocation positions was positive in 2022 but has been negative YTD. This was mainly driven by the overweight to cash and underweights to European equity and bonds, in a year when both equities and bonds delivered negative returns. The challenges has been the aggressive risk on months: October, November and January; where markets rebounded strongly. The overweight to the alternatives blend was a positive contribution, with 5 of the 7 strategies delivering positive absolute returns.

Stock selection was the key detractor over the period, with negative contributions from all but two of our strategies, Allianz Global BestStyles and Allianz Global High Income. The Allianz Continental European and China A shares funds weighed most on equity performance. Within fixed income, Allianz Strategic Bond and Allianz Asian High Yield underperformed. The Allianz EM Short Duration also gave back some of its positive longer-term performance. We want stock selection to compliment but not dominate our relative performance, so with this in mind, we've reduced magnitude of exposure to underlying managers from 25% to 18%. Over the longer term have confidence in diversified alpha approach and this has proved additive over 3 and 5 years.

## Portfolio Review

### Strategic Asset Allocation

The Fund's medium-term Strategic Asset Allocation (SAA) reflects the asset allocation that seeks to achieve the Fund's objectives over the next 12-18 months. The Fund aims to maximise returns whilst delivering the required level of risk which, for the RiskMaster Moderate Fund, is equivalent to 65% of global equities. Over shorter time horizons, the asset allocation is tactically varied with the aim of either enhancing return or mitigating risks. We carried out a full review of the SAA at the beginning of the review period and implemented the changes in May 2022, where we added distinct allocations to Chinese Equities, Chinese Bonds and Global Inflation Linked Bonds. The updated SAA seeks to further diversify across both equity and bonds markets through a reduction in UK and US bias. For non-equity growth assets, the SAA offers exposure to both emerging market debt and global high yield. Within the defensive assets, the SAA contains an allocation to UK gilts, global government and corporate bonds. We performed an annual health check at 31 December 2022 and confirmed the existing allocations met the objectives stated above.

### Tactical Asset Allocation

Rotated from UK equities to Japanese equities

- We switched a small amount of equity (0.5%) from the UK to Japan. This trade was primarily driven by a positive market cycle signal for Japanese equities as well as belief that Japan will be a local beneficiary of China's ongoing re-opening. Both markets now sit slightly overweight.

Increased European equities via a risk reversal

- Falling gas prices, better than expected economic activity and normalisation of the war in Ukraine have all pushed European equities higher, triggering a stronger momentum signal for European equities. We have taken European equities to neutral, implemented via a risk reversal with two advantages: an upside strike price closer than the downside and upside exposure multiple times bigger than the downside.

Focus rates at the short end of the US curve

- We flipped ~1% of the Global Government Bond ETF into Treasuries 1-3 ETF year (both GBP hedged). This follows a

# Investment Review continued

similar trade in March – we are looking to express a preference for US rates over other regions and a preference for the short-end, given the flat nature of the curve and the advanced nature of the US hiking cycle (relative to other regions).

## Outlook

- We now sit close to neutral in equities within the Funds. Whilst our fundamental outlook is cautious, with the risk that earnings will disappoint more than consensus expectations, our market cycle / momentum signals have picked up strongly. These offsetting factors create a neutral position, with a preference for UK, Japanese and EM equities and an aversion to US equities.
- Within fixed income, we maintain our duration underweight; this is primarily through the underweight to investment grade bonds. We sit roughly neutral in developed market sovereign bonds. However, we have regional and curve preferences - we prefer the US over Europe / Japan (likely more advanced in its hiking cycle) and we prefer the shorter end of the curve (due to curve flatness). We retain a small overweight to Chinese bonds.
- We are underweight credit risk, this is across investment grade credit, high yield, and emerging market debt.
- In addition to the above, the Funds continue to run more granular alpha strategies. Within equities we hold a Russell 1000 value future. Within fixed income, we hold a US 5s10s steepener position, a JGB short (albeit reduced) and a position in Asian High Yield. Within commodities we have a satellite position in industrial metals.

# Portfolio Statement

As at 30 April 2023

Holding		Market Value	
		£'000	% of Net Assets
	Open-Ended Funds - 68.15% (2022 - 59.09%)		
	Commodities - 3.90% (2022 - 2.06%)		
488,084	WisdomTree Industrial Metals	5,892	0.48
3,981,149	WisdomTree Physical Gold - GBP Daily Hedged	41,673	3.42
		<u>47,565</u>	<u>3.90</u>
	Equities - 36.20% (2022 - 28.36%)		
20,706	Allianz Best Styles Global Equity	40,260	3.30
15,819,596	Allianz China A-Shares (London Quoted)	13,238	1.09
10,763	Allianz China A-Shares (Luxembourg Quoted)	13,609	1.12
7,348,365	Allianz Continental European	15,770	1.29
143	Allianz Dynamic Commodities	12,706	1.04
11,503	Allianz Emerging Markets Equity	9,575	0.79
101	Allianz Global Equity Unconstrained	13,517	1.11
16,742	Allianz Global Sustainability	34,657	2.84
8,238,998	Allianz UK Listed Opportunities	12,577	1.03
1,275,002	Amundi S&P 500 ETF	80,969	6.65
8,064,687	iShares MSCI EM IMI ESG Screened	36,436	2.99
17,040,762	iShares MSCI Japan ESG Screened	75,445	6.19
2,084,204	iShares MSCI USA ESG Screened	13,360	1.10
174,742	Xtrackers MSCI China A ESG Screened Swap	2,220	0.18
642,775	Xtrackers S&P 500 Swap ETF	41,263	3.39
394,192	Xtrackers S&P 500 Swap ETF(Luxembourg Quoted)	25,419	2.09
		<u>441,021</u>	<u>36.20</u>
	Fixed Interest - 28.05% (2022 - 28.67%)		
19,665	Allianz Dynamic Asian High Yield Bond	7,978	0.65
9,140	Allianz Emerging Markets Select Bond	9,289	0.76
13,398	Allianz Emerging Markets Short Duration Bond	9,489	0.78
9,960	Allianz Emerging Markets Sovereign Bond	10,000	0.82
10,308,055	Allianz Fixed Income Macro	11,563	0.95
10,522	Allianz Multi Asset Long/Short	12,758	1.05
105	Allianz Multi Asset Risk Premia	8,684	0.71
98	Allianz Selective Global High Income	9,891	0.81
7,914,860	Allianz Strategic Bond	7,859	0.65
31,506	Allianz Volatility Strategy	28,674	2.35
4,698,509	iShares China CNY Bond	23,967	1.97
5,210,582	iShares Fallen Angels High Yield Corporate Bond ETF	24,834	2.04
458,865	iShares GBP Ultrashort Bond	46,671	3.83
5,082,012	iShares Global Corp Bond ETF	22,584	1.85
2,489,739	iShares Global Inflation Linked Government Bond	11,007	0.90
5,047,160	iShares USD Treasury Bond 1-3yr	23,638	1.94
212,774	JPMorgan USD Emerging Markets Sovereign Bond	12,956	1.06
100,068	L&G ESG GBP Corporate Bond	796	0.07
55,676	Lyxor Smart Overnight Return	59,233	4.86
		<u>341,871</u>	<u>28.05</u>
	Euro Denominated Fixed Rate Government Bonds - 3.05% (2022 - 2.32%)		
42,000,000	French Republic Government Bond 4.25% 25/10/2023	37,191	3.05
		<u>37,191</u>	<u>3.05</u>
	Japanese Yen Denominated Fixed Rate Government Bonds - 3.26% (2022 - 2.83%)		
6,742,000,000	Japan Government Two Year Bond 0.005% 01/06/2023	39,761	3.26
		<u>39,761</u>	<u>3.26</u>
	Sterling Denominated Fixed Rate Government Bonds - 10.29% (2022 - 22.84%)		
40,063,000	UK Treasury 0.125% 31/01/2024	38,869	3.19
43,050,000	UK Treasury 0.75% 22/07/2023	42,713	3.51
44,044,000	UK Treasury 2.25% 07/09/2023	43,731	3.59
		<u>125,313</u>	<u>10.29</u>
	Swiss Franc Denominated Fixed Rate Government Bonds - 0.85% (2022 - 0.00%)		
11,600,000	Swiss Confederation Government Bond 1.25% 11/06/2024	10,409	0.85
		<u>10,409</u>	<u>0.85</u>
	US Dollar Denominated Fixed Rate Government Bonds - 3.52% (2022 - 0.00%)		
54,100,000	US Treasury Note 0.125% 31/07/2023	42,854	3.52
		<u>42,854</u>	<u>3.52</u>
	Derivatives - 1.66% (2022 - (0.20)%)		
	Open Forward Exchange Contracts* - 0.66% (2022 - (1.04)%)		
	Bought EUR19,863,590 for GBP17,622,183 Settlement 09/06/2023	(93)	(0.01)
	Bought JPY1,127,965,000 for GBP7,104,288 Settlement 09/06/2023	(427)	(0.04)
	Bought USD22,780,537 for GBP18,852,239 Settlement 09/06/2023	(589)	(0.05)

# Portfolio Statement continued

As at 30 April 2023

Holding	Market Value	
	£'000	% of Net Assets
Bought USD47,243,000 for GBP38,292,624 Settlement 09/06/2023	(418)	(0.03)
Bought USD31,824,132 for GBP25,553,135 Settlement 09/06/2023	(40)	-
Sold AUD32,276,000 for GBP18,095,143 Settlement 09/06/2023	1,033	0.08
Sold CAD8,435,000 for GBP5,155,064 Settlement 09/06/2023	201	0.04
Sold EUR42,727,900 for GBP37,620,741 Settlement 25/05/2023	(66)	(0.01)
Sold EUR25,799,564 for GBP22,893,261 Settlement 09/06/2023	125	0.01
Sold JPY1,127,965,000 for GBP6,975,830 Settlement 09/06/2023	298	0.03
Sold JPY6,742,000,000 for GBP42,883,430 Settlement 01/06/2023	3,010	0.25
Sold USD54,100,000 for GBP44,226,436 Settlement 31/07/2023	895	0.07
Sold USD137,414,000 for GBP114,002,919 Settlement 09/06/2023	<u>3,839</u>	<u>0.32</u>
	<u>7,768</u>	<u>0.66</u>
Open Futures Contracts - 1.01% (2022 - 0.84%)		
606 Australian SPI 200 June 2023	1,353	0.11
3,296 German Euro STOXX 50 June 2023	5,714	0.46
(75) Japanese 10 Year Government Bond (OSE) June 2023	(1,510)	(0.12)
167 Japanese TOPIX Index June 2023	432	0.04
1,099 UK FTSE 100 Index June 2023	1,146	0.09
116 UK Long Gilt June 2023	43	-
(727) US 10 Year Ultra June 2023	(2,251)	(0.18)
1,529 US 5 Year Note (CBT) June 2023	2,818	0.23
538 US E-Mini Russel 1000 June 2023	749	0.06
1,648 MSCI Emerging Markets June 2023	977	0.08
355 S&P 500 E Mini Index Futures June 2023	<u>2,896</u>	<u>0.24</u>
	<u>12,367</u>	<u>1.01</u>
Written Call Options - 0.00% (2022 - 0.00%)		
2,200 Euro Stoxx 50 Index 4550 Call Option May 2023	<u>23</u>	-
	<u>23</u>	-
Written Put Options - (0.01)% (2022 - 0.00%)		
(425) Euro Stoxx 50 Index 4125 Put Option May 2023	<u>(100)</u>	<u>(0.01)</u>
	<u>(100)</u>	<u>(0.01)</u>
Investment assets <sup>1</sup>	1,106,043	90.79
Net other assets	112,181	9.21
Net assets	<u>1,218,224</u>	<u>100.00</u>

<sup>1</sup> Includes derivative liabilities.

\* Forwards are not approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Stocks shown as ETFs represent Exchange - Traded Funds.

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30 April 2022.

Any Collective Investment Scheme prefixed with Allianz in the name is a related party.

# Statement of Total Return

For the year ended 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Income:					
Net capital losses	2		(21,937)		(20,483)
Revenue	3	31,104		16,738	
Expenses	4	(1,386)		(1,269)	
Interest payable and similar charges		(67)		(65)	
Net revenue before taxation		29,651		15,404	
Taxation	5	(4,531)		(2,529)	
Net revenue after taxation			25,120		12,875
Total return before distributions			3,183		(7,608)
Distributions	6		(24,958)		(12,746)
Change in net assets attributable to shareholders from investment activities			(21,775)		(20,354)

# Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 April 2023

	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Opening net assets attributable to shareholders		1,014,961		652,381
Amounts receivable on issue of shares	280,577		379,348	
Amounts payable on cancellation of shares	(82,422)		(12,248)	
		198,155		367,100
Change in net assets attributable to shareholders from investment activities (see above)		(21,775)		(20,354)
Retained distributions on accumulation shares		26,883		15,834
Closing net assets attributable to shareholders		1,218,224		1,014,961

Notes to the Final Report and Financial Statements are from page 153 to 161.

# Balance Sheet

As at 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
<b>Assets:</b>					
<b>Fixed assets:</b>					
Investments			1,111,537		899,544
<b>Current assets:</b>					
Debtors	7	5,291		6,311	
Cash and bank balances	8	112,264		133,814	
<b>Total assets</b>			<b>1,229,092</b>		<b>1,039,669</b>
<b>Liabilities:</b>					
<b>Investment liabilities</b>					
			(5,494)		(17,732)
<b>Creditors:</b>					
Other creditors	9	(5,003)		(6,246)	
Deferred tax	5(c)	(371)		(730)	
<b>Total liabilities</b>			<b>(10,868)</b>		<b>(24,708)</b>
<b>Net assets attributable to shareholders</b>			<b>1,218,224</b>		<b>1,014,961</b>

Notes to the final report and Financial Statements are from page 153 to 161.



# Notes to the Final Report and Financial Statements

## 1. Accounting Basis and Policies

The applicable accounting policies adopted by the Allianz RiskMaster Growth Multi Asset Fund are included on pages 8 and 9 of the Collective Notes to the Final Report and Financial Statements.

## 2. Net capital losses

	2023 £000s	2022 £000s
Losses on non-derivative securities	(18,515)	(8,502)
Gains/(losses) on derivative securities	2,238	(3,698)
Losses on currency	(49)	(321)
Losses on forward currency contracts	(5,609)	(7,947)
Handling charges	(14)	(15)
CSDR Penalties	12	-
Net capital losses	(21,937)	(20,483)

## 3. Revenue

	2023 £000s	2022 £000s
ACD's fee rebates from underlying investments	1,362	1,363
Bank interest	326	3
Interest on fixed income securities	2,481	(1)
Income from Collective Investment Schemes - non-taxable	5,677	1,793
Income from Collective Investment Schemes - taxable	4,884	3,333
Returns from equity index futures	14,896	8,864
Option Income	137	573
Franked dividends from Collective Investment Schemes	521	323
Interest income from Collective Investment Schemes	820	487
Total revenue	31,104	16,738

# Notes to the Final Report and Financial Statements continued

## 4. Expenses

	2023	2022
	£000s	£000s
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
ACD's annual fee	1,467	1,184
ACD rebate*	(340)	(117)
Company secretarial costs	-	(1)
	1,127	1,066
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	194	152
Safe custody fees	48	40
	242	192
Other expenses:		
Audit fees	13	12
Distribution costs	2	2
Printing costs	1	(4)
Registration fees	1	1
	17	11
<b>Total expenses</b>	<b>1,386</b>	<b>1,269</b>

\* Operating charges for each share class are capped. F Shares are capped at a maximum of 0.25%, however these are subject to quarterly review and so are currently less than this, Y Shares are capped at 0.50%, C Shares are capped at 0.95% and T Shares are capped at 0.90%. Any charges in excess of this amount are borne by the Manager. This is operated by way of a fee rebate from the ACD.

All expenditure stated above is inclusive of VAT where applicable.

The Audit fee for the year, excluding VAT, was £10,600 (2022 - £10,600).

# Notes to the Final Report and Financial Statements continued

## 5. Taxation

	2023	2022
	£000s	£000s
a. Analysis of the taxation charge for the year:		
Corporation tax	4,890	2,669
Deferred tax	(359)	(140)
Total taxation for the year (see Note 5(b))	4,531	2,529
b. Factors affecting taxation charge for the year:		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for a subfund of an Open-Ended Investment Company (20%) (2022 - 20%).		
The differences are explained below:		
Net revenue before taxation	29,651	15,404
Corporation tax at 20%	5,930	3,081
Effects of:		
Capitalised income subject to tax	(160)	(128)
Overseas dividends - non-taxable	(1,135)	(359)
UK dividends not subject to corporation tax	(104)	(65)
Total taxation charge for the year (see Note 5(a))	4,531	2,529
OEICs are exempt from tax on capital gains in the UK, therefore capital returns are not included within the reconciliation.		
c. Deferred tax		
Provision at start of the year	730	870
Deferred tax charge	(359)	(140)
Provision at the end of the year	371	730

## 6. Distributions

The distributions take account of revenue received on the creation of Shares and revenue deducted on the cancellation of Shares and comprise:

	2023	2022
	£000s	£000s
Final	26,883	15,834
Add: Revenue deducted on cancellation of shares	1,026	142
Deduct: Revenue received on creation of shares	(2,951)	(3,230)
Net distributions for the year	24,958	12,746
Reconciliation of net revenue after taxation to net distributions for the year		
Net revenue after taxation	25,120	12,874
Tax on capital items	(162)	(128)
Net distributions for the year	24,958	12,746

# Notes to the Final Report and Financial Statements continued

## 7. Debtors

	2023	2022
	£000s	£000s
Accrued ACD's fee rebate	608	446
Accrued revenue	1,276	417
Amounts receivable on creation of shares	3,404	5,448
Overseas tax recoverable	3	-
	5,291	6,311

## 8. Cash and bank balances

	2023	2022
	£000s	£000s
Cash and bank balances	89,714	109,305
Amount held at futures clearing houses and brokers	22,550	24,509
	112,264	133,814

## 9. Other creditors

	2023	2022
	£000s	£000s
Accrued ACD's annual fee	124	105
Amounts payable on cancellation of shares	4,061	4,593
Corporation tax	727	1,484
Other accrued expenses	91	64
	5,003	6,246

## 10. Related party transactions

Management fees paid to the ACD are disclosed in note 4 and amounts due at the year end are disclosed in note 9.

Monies received and paid by the ACD through the creation and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 7 and 9.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the year end.

### Significant Shareholdings

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 102, which requires the disclosure of details of material transactions between the subfund and any related party.

# Notes to the Final Report and Financial Statements continued

Details of any related party transactions occurring during the year including commissions paid and any balances due at the year end are disclosed in the Balance Sheet, the Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 7 and 9 to the financial statements. All creations and cancellations were transacted with the ACD.

In addition, assets managed by related parties of the ACD and held by the subfund as at the Balance Sheet date are detailed below:

	2023	2022
	£000s	£000s
The value of holdings at balance sheet date were:	-	-
Allianz Best Styles Emerging Markets Equity	-	20,777
Allianz Best Styles Global Equity	40,260	47,162
Allianz China A-Shares	26,847	11,611
Allianz Continental European	15,770	21,863
Allianz Dynamic Asian High Yield Bond	7,978	8,388
Allianz Dynamic Commodities	12,706	10,526
Allianz Emerging Markets Select Bond	9,289	11,625
Allianz Emerging Markets Short Duration Bond	9,489	9,617
Allianz Emerging Markets Sovereign Bond	10,000	9,942
Allianz Fixed Income Macro	11,563	16,296
Allianz Global Equity Unconstrained	13,517	25,268
Allianz Global Sustainability	34,657	39,989
Allianz Multi Asset Long/Short	12,758	10,283
Allianz Multi Asset Risk Premia	8,684	8,216
Allianz Selective Global High Yield	9,891	9,598
Allianz Strategic Bond	7,859	8,945
Allianz UK Opportunities	12,577	12,477
Allianz Volatility Strategy	28,674	31,023
The value of purchases during the year were:		
Allianz Best Styles Emerging Markets Equity	-	4,171
Allianz Best Styles Global Equity	-	11,953
Allianz China A-Shares	23,993	10,188
Allianz Continental European	-	7,658
Allianz Dynamic Asian High Yield Bond	1,110	10,023
Allianz Dynamic Commodities	13,158	8,349
Allianz Emerging Markets Select Bond	9,112	-
Allianz Emerging Markets Short Duration Bond	-	9,953
Allianz Emerging Markets Sovereign Bond	9,910	-
Allianz Global Equity Unconstrained	-	2,958
Allianz Global Sustainability	-	12,488
Allianz Multi Asset Long/Short	2,960	1,408
Allianz Multi Asset Risk Premia	-	11,435
Allianz Volatility Strategy	-	13,844

# Notes to the Final Report and Financial Statements continued

	2023	2022
	£000s	£000s
The value of sales during the year were:		
Allianz Best Styles Global Equity	7,182	-
Allianz China A-Shares	1,834	-
Allianz Continental European	6,783	-
Allianz Europe Equity Value	-	9,048
Allianz Emerging Markets Bond	11,346	-
Allianz Fixed Income Macro	5,293	-
Allianz Global Equity Unconstrained	10,950	-
Allianz Global Sustainability	5,725	-
Allianz Multi Asset Risk Premia	-	10,749
Allianz Multi Asset Long/Short	-	601
Allianz UK Opportunities	-	4,500
Allianz Volatility Strategy	4,376	-

## 11. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the subfund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

## 12. Shareholders' funds

The subfund currently has four share classes: C, T, F and Y. The ACD's annual fee on these share classes are as follows:

Class C :	0.75%
Class T :	0.90%
Class F :	0.25%
Class Y :	0.50%

The net asset value per share and the number of shares in issue are given in the Comparative Tables on page 143 and 144.

The distribution per share is given in the Distribution Table on page 145.

Revenue available for allocation will be allocated between the share classes based on the respective proportionate interests represented by those share classes on a daily basis and taxation is computed by reference to the net revenue after expenses attributable to each class. All share classes have the same rights on winding up.

For the year ended 30 April 2023:

	Class C Shares	Class T Shares	Class F Shares	Class Y Shares
Opening shares	1,933,899	1,779,562	588,676,683	6,044
Shares created	79,696	58,579	169,751,803	3,403
Shares cancelled	(384,882)	(369,152)	(49,824,618)	(2,825)
Closing shares	1,628,713	1,468,989	708,603,868	6,622

## 13. Contingent liabilities and commitments

As at 30 April 2023 there were no contingent liabilities (2022: £Nil).

# Notes to the Final Report and Financial Statements continued

## 14. Derivatives and other financial instruments

### a. Currency exposure

The majority of the net assets and liabilities of the subfund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Monetary Exposure	Non-Monetary Exposure	Total Exposure	Monetary Exposure	Non-Monetary Exposure	Total Exposure
	30 April 2023 £000s	30 April 2023 £000s	30 April 2023 £000s	30 April 2022 £000s	30 April 2022 £000s	30 April 2022 £000s
Australian Dollar	(5,295)	1,353	(3,942)	1,904	-	1,904
Canadian Dollar	(1,986)	-	(1,986)	(4,613)	-	(4,613)
Euro	(26,282)	133,963	107,681	-	-	-
Japanese Yen	(30,003)	38,683	8,680	(44,920)	28,785	(16,135)
Swiss Franc	873	10,409	11,282	-	-	-
US Dollar	(61,872)	356,089	294,217	(178,631)	302,356	123,725

### b. Interest rate risk profile

The interest rate profile of the subfund's portfolio of investments at the balance sheet date was:

Currency	Floating Rate	Fixed Rate	Non-Interest	Total	Floating Rate	Fixed Rate	Non-Interest	Total
	30 April 2023 £000s	30 April 2023 £000s	30 April 2023 £000s	30 April 2023 £000s	30 April 2022 £000s	30 April 2022 £000s	30 April 2022 £000s	30 April 2022 £000s
Assets	-	255,528	856,009	1,111,537	-	284,087	615,457	899,544
Liabilities	-	-	(5,494)	(5,494)	-	-	(17,732)	(17,732)

### c. Fair value hierarchy

An analysis of the portfolio in accordance with the fair value hierarchy is shown below:

	Assets	Liabilities	Assets	Liabilities
	30 April 2023 £000s	30 April 2023 £000s	30 April 2022 £000s	30 April 2022 £000s
Level 1: Quoted	809,633	(3,861)	582,548	(3,864)
Level 2: Observable	301,904	(1,633)	316,996	(13,868)
Level 3: Unobservable	-	-	-	-
	1,111,537	(5,494)	899,544	(17,732)

The fair value as at the reporting date has been estimated using the following fair value hierarchy:

Level (1) Quoted prices for identical instruments in active markets

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level (2) Valuation techniques that use:

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level (3) Valuation techniques that use:

Inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

When the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate, the fair value is estimated by using an alternative valuation technique. Such valuation techniques will, where possible, maximise the use of observable market data inputs as opposed to non-observable entity determined data inputs.

The Investment Manager considers observable data to be that market data that 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.

### d. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2022 - same).

### e. Fair value disclosure

# Notes to the Final Report and Financial Statements continued

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair value.

## f. Derivatives

Derivatives are used in the subfund for hedging purposes and/or investment purposes. The main instruments used are money market futures and forward exchange contracts. For more details please refer to page 11 and 12.

## g. Credit rating

	2023	2023	2022	2022
	Market Value £000s	% of Net Assets	Market Value £000s	% of Net Assets
Investment Grade	255,528	20.97	284,087	28.02
Open-Ended Funds	830,457	68.16	599,709	59.09
Derivatives	20,058	1.66	(1,984)	(0.20)
Other assets	112,181	9.21	133,149	13.12
Total net assets	1,218,224	100.00	1,014,961	100.03

A fixed income security is deemed to be of investment grade, if it is rated BBB- or above. Sub-investment grade are those securities that are rated below investment grade.

## 15. Portfolio transaction costs

For the year ended 30 April 2023:

	Transaction Value 2023 £000s	Commissions 2023 £000s	Commissions 2023 %	Taxes 2023 £000s	Taxes 2023 %
<b>Purchases</b>					
Debt instruments (direct)	175,975	-	-	-	-
Collective investment schemes	429,721	1	-	-	-
Total purchases	605,696	1	-	-	-
Total purchases including transaction costs	605,697				
<b>Sales</b>					
Debt instruments (direct)	202,467	-	-	-	-
Collective investment schemes	187,784	-	-	-	-
Total sales	390,252	-	-	-	-
Total sales including transaction costs	390,252				
Derivative Transaction costs		96		-	
Total transaction costs as a % of average net assets		0.00%		0.00%	
	Transaction Value 2022 £000s	Commissions 2022 £000s	Commissions 2022 %	Taxes 2022 £000s	Taxes 2022 %
<b>Purchases</b>					
Debt instruments (direct)	344,951	-	-	-	-
Collective investment schemes	336,925	-	-	-	-
Total purchases	681,877	-	-	-	-
Total purchases including transaction costs	681,877				



# Notes to the Final Report and Financial Statements continued

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Sales</b>					
Debt instruments (direct)	241,117	-	-	-	-
Collective investment schemes	82,781	-	-	-	-
Total sales	323,898	-	-	-	-
Total sales including transaction costs	323,898				
Derivative Transaction costs		107		1	
Total transaction costs as a % of average net assets		0.01%		0.00%	

The above analysis covers any direct transaction costs suffered by the subfund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

For the subfund's investment transactions in debt and money market instruments any applicable transaction charges form part of the dealing spread for these instruments.

Transactions in money market instruments to manage the subfund's daily liquidity position are excluded from the analysis.

For the subfund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs suffered in those underlying subfunds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

During the period the subfund utilised futures contracts as derivative instruments covering different underlying asset classes. The settlement values for opening and closing derivative positions are not comparable to principal values for transactions in direct holding investments and therefore purchase and sale amounts for derivative transactions are not quantified in the analysis above. Transaction costs for derivatives positions will be either suffered as direct costs or form part of the dealing spread for the instruments. Any direct costs are identified in the analysis above.

Dealing spread costs suffered by the subfund vary considerably for the different asset / instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.06% (2022 : 0.04%).

# Fund Information

## Investment Objective and Policy

The Allianz RiskMaster Moderate Multi Asset Fund aims to achieve long term capital growth. The level of risk is expected to be approximately 65% of the volatility of global equities defined as the MSCI World Index Net Total Return GBP, based on monthly data over a rolling five year period. This volatility level may fluctuate in the short term, and this target is not guaranteed.

It is intended that this Fund will aim to take medium risk between the Allianz RiskMaster Conservative Multi Asset Fund and Allianz RiskMaster Growth Multi Asset Fund.

The Fund seeks to achieve this objective by (1) maintaining the level of risk stated in the objective and (2) by using a strategic asset allocation model designed by the ACD to deliver an optimised risk and return profile. In addition to this the ACD will tactically manage the asset allocation to enhance the return where appropriate. Over the long-term this is expected to generate capital growth whilst remaining within the anticipated level of risk stated in the objective. The Fund will invest in all permissible asset classes stated below in a globally unconstrained manner in order to implement the strategies within the Fund.

The Fund may gain up to 100% of its exposure to the asset classes listed in the paragraphs below by investing in other Funds managed by Allianz Global Investors and its group of companies and other collective investment schemes and/or Exchange Traded Funds managed by third parties. Investments into these asset classes may also be made directly into the underlying securities subject to the percentage limits set out below.

The ACD may also invest up to 80% of the Fund's assets (allowing for leverage) into equities, securities equivalent to equities (e.g. American Depositary Receipts, Global Depositary Receipts and P-Notes) worldwide. In addition, index certificates and other certificates on equities, adequately diversified equity baskets and warrants may be acquired. Equities held in the Fund may be in Emerging Market Countries and Non-Developed Countries.

The ACD may also invest up to 100% of the Fund's assets (allowing for leverage) to fixed income securities including global sovereign bonds which includes agencies and

municipalities, global credit including high yield and global foreign exchange currencies.

The ACD may also utilise deposits and money market instruments in the management of the portfolio and their value, together with money market funds, may make up to a maximum of 100% of the Fund's assets.

The Fund will use derivative instruments such as but not be limited to futures, options, options on swaps and swap agreements (e.g. interest rate swaps, index swaps, credit default swaps and inflation linked swaps) and currency forward contracts.

# Fund Information continued

## Fund Details

Fund Manager	Gavin Counsell and Matt Toms	
Benchmark	MSCI World Index Net Total Return GBP	
Income allocation date	30 April	
Income pay date	31 August (normally by 30 June)	
Launch dates	Fund	15 May 2012
	C Shares	15 May 2012
	F Shares	19 May 2016
	T Shares	15 March 2013
	Y Shares	20 February 2017
ISA status	Yes	
Share Classes and types of Shares	C (Accumulation Shares) F (Accumulation Shares) T (Accumulation Shares) Y (Accumulation Shares)	
Minimum investment	C Shares	Lump sum £500 Monthly saving £50
	F Shares	Available only to a feeder UCITS which has been approved to invest at least 85% of its assets in units of another UCITS and which has been approved by the ACD
	T Shares	Available to Approved Investors only.
	Y Shares	Lump sum £100,000,000 Available to Approved Investors only
Initial charge	C Shares	Nil
	F Shares	Nil
	T Shares	Nil
	Y Shares	Nil
Annual ACD fee	C Shares	0.75%
	F Shares	0.25%*
	T Shares	0.90%**
	Y Shares	0.50%***

\*0.25 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the F shares.

\*\*0.90 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the T shares.

\*\*\*0.50 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the Y shares.

# Comparative Tables

For the year ended 30 April 2023

	C Shares Accumulation			T Shares Accumulation		
	2023 (p)	2022 (p)	2021 (p)	2023 (p)	2022 (p)	2021 (p)
Opening net asset value per share	173.09	175.68	146.54	153.03	155.60	129.69
Return before operating charges	(1.80)	(1.02)	30.75	(1.73)	(1.15)	27.20
Operating charges	(1.62)	(1.57)	(1.61)	(1.33)	(1.42)	(1.29)
Return after operating charges	(3.42)	(2.59)	29.14	(3.06)	(2.57)	25.91
Distributions	(2.67)	(1.67)	(1.87)	(2.45)	(2.31)	(1.76)
Retained distributions on accumulation shares	2.67	1.67	1.87	2.45	2.31	1.76
Closing net asset value per share	169.67	173.09	175.68	149.97	153.03	155.60
After direct transaction costs of <sup>1</sup>	(0.01)	(0.02)	(0.02)	(0.01)	(0.02)	(0.02)
Performance						
Return after operating charges	(1.98)%	(1.47)%	19.89%	(2.00)%	(1.65)%	19.98%
Other information						
Closing net asset value (£'000)	7,171	7,984	8,387	4,580	5,150	5,978
Closing number of shares	4,226,698	4,613,023	4,774,131	3,054,131	3,365,477	3,841,563
Operating charges <sup>2</sup>	0.97%	0.88%	0.99%	0.90%	0.90%	0.90%
Direct transaction costs	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
Prices						
Highest share price	173.10	185.35	176.21	153.31	164.19	156.07
Lowest share price	158.53	169.93	144.50	140.39	150.58	127.89

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.

<sup>2</sup> Operating charges have been capped at 0.97% (C shares). Operating charges have been capped at 0.90% (T shares).

# Comparative Tables continued

For the year ended 30 April 2023

	F Shares Accumulation			Y Shares Accumulation		
	2023 (p)	2022 (p)	2021 (p)	2023 (p)	2022 (p)	2021 (p)
Opening net asset value per share	156.83	158.41	131.53	6,008.89	6,083.57	5,056.79
Return before operating charges	(1.70)	(1.18)	27.50	(60.43)	(43.69)	1,055.10
Operating charges	(0.38)	(0.40)	(0.62)	(29.18)	(30.99)	(28.32)
Return after operating charges	(2.08)	(1.58)	26.88	(89.61)	(74.68)	1,026.78
Distributions	(3.30)	(1.44)	(2.34)	(114.72)	(76.20)	(86.28)
Retained distributions on accumulation shares	3.30	1.44	2.34	114.72	76.20	86.28
Closing net asset value per share	154.75	156.83	158.41	5,919.28	6,008.89	6,083.57
After direct transaction costs of <sup>1</sup>	(0.01)	(0.02)	(0.02)	(0.43)	(0.70)	(0.66)
Performance						
Return after operating charges	(1.33)%	(1.00)%	20.44%	(1.49)%	(1.23)%	20.30%
Other information						
Closing net asset value (£'000)	1,369,269	1,192,504	827,274	247	546	459
Closing number of shares	884,811,971	760,388,547	522,241,530	4,166	9,086	7,539
Operating charges <sup>2</sup>	0.25%	0.25%	0.42%	0.50%	0.50%	0.50%
Direct transaction costs	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
Prices						
Highest share price	157.55	167.66	158.86	6,027.94	6,431.30	6,101.20
Lowest share price	144.04	154.01	129.71	5,515.07	5,904.05	4,987.68

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.

<sup>2</sup> Operating charges are capped at a maximum of 0.50%, however these are subject to quarterly review and so are currently less than this (F shares). Operating charges have been capped at 0.50% (Y shares).

# Distribution Tables

## For the year ended 30 April 2023

Final Distribution in pence per share

Group 1 Shares purchased prior to 1 May 2022

Group 2 Shares purchased on or after 1 May 2022 to 30 April 2023

	Net revenue (p)	Equalisation (p)	Distribution payable 30/06/23 (p)	Distribution paid 30/06/22 (p)
<b>C Shares Accumulation</b>				
Group 1	2.6720	-	2.6720	1.6656
Group 2	1.6581	1.0139	2.6720	1.6656
<b>T Shares Accumulation</b>				
Group 1	2.4511	-	2.4511	2.3072
Group 2	1.4070	1.0441	2.4511	2.3072
<b>F Shares Accumulation</b>				
Group 1	3.3031	-	3.3031	1.4402
Group 2	1.8077	1.4954	3.3031	1.4402
<b>Y Shares Accumulation</b>				
Group 1	114.7185	-	114.7185	76.1952
Group 2	13.4139	101.3046	114.7185	76.1952

Investors are reminded that distribution is not guaranteed.

# Investment Review

## Performance Summary

Over the 12 months under review, 1 May 2022 to 30 April 2023, the Fund's 'C' class net total return was -1.84%.

## Market Background

Global equities slumped over the period, posting their worst annual returns since 2008. Russia's invasion of Ukraine added to already heightened inflationary pressures and caused the biggest energy price shock since the 1970s. Central banks raised rates aggressively to combat soaring inflation and China's strict zero-COVID policy also contributed to growing speculation that a global recession was imminent. By mid-October, the MSCI All Countries World Index had fallen deep into bear market territory (defined as a fall of at least 20% from a recent peak), before signs that inflation may have peaked, and that China was relaxing its COVID-19 restrictions, helped stocks end the year on a stronger note. Global equities then surged over January, boosted by rising hopes of a soft landing for the global economy and optimism over China's reopening. However, fears that interest rates would need to stay higher for longer to combat sticky inflation subsequently weighed on share prices, as did the collapse of two regional US banks and the enforced takeover of Credit Suisse in March. At a sector level, performance was bifurcated. Growth-focused companies in the communication services, consumer discretionary and information technology sectors delivered robust gains, while energy, financials and health care retreated.

At a sector level, energy stocks were a rare bright spot, surging as the war in Ukraine raised concerns over supply. In contrast, growth-oriented companies in the communication services, consumer discretionary and information technology sectors were hit the hardest as rising rates weighed on future profits. Real estate companies were another casualty of higher rates.

Global bonds plummeted as yields soared to multi-year highs. Already rising inflation expectations were further boosted by the Russia/Ukraine war, prompting concerns that central banks would have to tighten monetary policy aggressively. In the US, the yield on the 10-year Treasury bond rose around 230 basis points (bps) to close December near 3.8%. European bond yields rose even more, with the 10-year German Bund yield ending the year above 2.5%. 2023 has started with positive returns. Bonds initially rallied as signs that inflation

may have peaked boosted hopes that central banks may be nearing the end of their rate-hiking cycles. However, when stronger-than-expected economic data dashed these hopes, bond yields rose sharply over February, only to fall once more in March when the banking crisis led to speculation that central banks may need to pivot to a more dovish stance.

Inflation surged to multi-decade highs. Central banks found themselves 'behind the curve' and moved to raise rates aggressively, despite the worsening outlook for the global economy. In March 2022, the US Federal Reserve (Fed) raised rates for the first time since 2018 and continued to ramp up its tightening policy throughout the reporting period. In total, US rates were increased by 425 bps over the course of the year, taking borrowing costs to the highest level since 2007. In Europe, the European Central Bank waited until July before abandoning its dovish stance. Euro-zone interest rates were raised by 250 bps over the second half of 2022, taking them to a 14-year high of 2.5%. The Bank of Japan (BOJ) remained the outlier as it maintained negative interest rates, although it did amend its yield curve control policy in late-December.

The US dollar strengthened significantly as the Fed raised rates aggressively to tackle inflation. In contrast, the Japanese yen weakened against all major currencies as the BOJ maintained its accommodative stance. The euro and British pound also depreciated against the US dollar (although they rallied against the yen) amid concerns that weak European economic growth may undermine central banks' ability to raise rates. The British pound was hit especially hard in the third quarter as short-lived UK Prime Minister Liz Truss's economic policies threatened the UK's fiscal credibility.

It was a volatile period for commodities. Energy, wheat and some industrial metals prices soared in the first quarter as Russia's invasion of Ukraine sparked fears of supply disruptions and shortages – both countries were key producers of certain commodities. However, commodity prices later retreated amid escalating fears that the global economy was heading for a recession. Having touched a 14-year peak of almost USD 140 a barrel in March 2022, Brent crude closed the year at around USD 85 a barrel, only slightly higher than at the start of the year. Wheat prices ended the year with flat returns, while many industrial metals prices declined over the 12 months.

US stocks plunged as the Federal Reserve (Fed) tightened monetary policy aggressively, earnings growth slowed sharply,

# Investment Review continued

and fears grew that the US economy was heading for a recession. Having touched a record high in early-January, the S&P 500 Index subsequently entered a bear market. The tech-heavy Nasdaq Index fell even more as growth stocks were especially weak. Despite a fourth-quarter rally, the S&P 500 Index lost almost a fifth of its value over the year, while the Nasdaq fell by a third. The year was also notable for a rotation out of popular growth-oriented companies, with value stocks outpacing growth ones by more than 20% over the 12 months.

In political news, President Joe Biden succeeded in getting the Inflation Reduction Act through Congress: the landmark USD 375 billion bill is focused on climate-fighting strategies. Also, the anticipated red wave of Republican US economic growth rebounded in the third quarter. However, economic momentum appeared to be weakening again in the fourth quarter as higher interest rates weighed on demand. The flash estimate of S&P Global's US composite purchasing managers' index (PMI) dropped to 44.6 in December, the joint lowest reading in two-and-a-half years. The manufacturing PMI fell to 46.2, the weakest reading since the height of the pandemic in 2020, while activity in the services sector slid to 44.0, one of the lowest readings since 2009.

The contribution from the active asset allocation positions was positive in 2022 but has been negative YTD. This was mainly driven by the overweight to cash and underweights to European equity and bonds, in a year when both equities and bonds delivered negative returns. The challenges has been the aggressive risk on months: October, November and January; where markets rebounded strongly. The overweight to the alternatives blend was a positive contribution, with 5 of the 7 strategies delivering positive absolute returns.

Stock selection was the key detractor over the period, with negative contributions from all but two of our strategies, Allianz Global BestStyles and Allianz Global High Income. The Allianz Continental European and China A shares funds weighed most on equity performance. Within fixed income, Allianz Strategic Bond and Allianz Asian High Yield underperformed. The Allianz EM Short Duration also gave back some of its positive longer-term performance. We want stock selection to compliment but not dominate our relative performance, so with this in mind, we've reduced magnitude of exposure to underlying managers from 25% to 18%. Over the longer term have confidence in diversified alpha approach and this has proved additive over 3 and 5 years.

## Portfolio Review

### Strategic Asset Allocation

The Fund's medium-term Strategic Asset Allocation (SAA) reflects the asset allocation that seeks to achieve the Fund's objectives over the next 12-18 months. The Fund aims to maximise returns whilst delivering the required level of risk which, for the RiskMaster Moderate Fund, is equivalent to 65% of global equities. Over shorter time horizons, the asset allocation is tactically varied with the aim of either enhancing return or mitigating risks. We carried out a full review of the SAA at the beginning of the review period and implemented the changes in May 2022, where we added distinct allocations to Chinese Equities, Chinese Bonds and Global Inflation Linked Bonds. The updated SAA seeks to further diversify across both equity and bonds markets through a reduction in UK and US bias. For non-equity growth assets, the SAA offers exposure to both emerging market debt and global high yield. Within the defensive assets, the SAA contains an allocation to UK gilts, global government and corporate bonds. We performed an annual health check at 31 December 2022 and confirmed the existing allocations met the objectives stated above.

### Tactical Asset Allocation

Rotated from UK equities to Japanese equities

- We switched a small amount of equity (0.5%) from the UK to Japan. This trade was primarily driven by a positive market cycle signal for Japanese equities as well as belief that Japan will be a local beneficiary of China's ongoing re-opening. Both markets now sit slightly overweight.

Increased European equities via a risk reversal

- Falling gas prices, better than expected economic activity and normalisation of the war in Ukraine have all pushed European equities higher, triggering a stronger momentum signal for European equities. We have taken European equities to neutral, implemented via a risk reversal with two advantages: an upside strike price closer than the downside and upside exposure multiple times bigger than the downside.

Focus rates at the short end of the US curve

- We flipped ~1% of the Global Government Bond ETF into Treasuries 1-3 ETF year (both GBP hedged). This follows a



# Investment Review continued

similar trade in March – we are looking to express a preference for US rates over other regions and a preference for the short-end, given the flat nature of the curve and the advanced nature of the US hiking cycle (relative to other regions).

## Outlook

- We now sit close to neutral in equities within the funds. Whilst our fundamental outlook is cautious, with the risk that earnings will disappoint more than consensus expectations, our market cycle / momentum signals have picked up strongly. These offsetting factors create a neutral position, with a preference for UK, Japanese and EM equities and an aversion to US equities.
- Within fixed income, we maintain our duration underweight; this is primarily through the underweight to investment grade bonds. We sit roughly neutral in developed market sovereign bonds. However, we have regional and curve preferences - we prefer the US over Europe / Japan (likely more advanced in its hiking cycle) and we prefer the shorter end of the curve (due to curve flatness). We retain a small overweight to Chinese bonds.
- We are underweight credit risk, this is across investment grade credit, high yield, and emerging market debt.
- In addition to the above, the funds continue to run more granular alpha strategies. Within equities we hold a Russell 1000 value future. Within fixed income, we hold a US 5s10s steepener position, a JGB short (albeit reduced) and a position in Asian High Yield. Within commodities we have a satellite position in industrial metals.

# Portfolio Statement

As at 30 April 2023

Holding/Nominal		Market Value	% of
		£'000	Net Assets
	Open-Ended Funds - 74.27% (2022 - 59.43%)		
	Commodities - 3.91% (2022 - 2.06%)		
519,886	WisdomTree Industrial Metals	6,276	0.46
4,554,973	WisdomTree Physical Gold - GBP Daily Hedged	47,679	3.45
		<b>53,955</b>	<b>3.91</b>
	Equities - 28.56% (2022 - 25.88%)		
15,147	Allianz Best Styles Global Equity	29,450	2.13
14,222,784	Allianz China A-Shares (London Quoted)	11,902	0.86
9,838	Allianz China A-Shares (Luxembourg Quoted)	12,439	0.90
9,590,050	Allianz Continental European	20,581	1.49
178	Allianz Dynamic Commodities	15,815	1.15
12,814	Allianz Emerging Markets Equity	10,666	0.77
149	Allianz Global Equity Unconstrained	19,972	1.45
18,252	Allianz Global Sustainability	37,784	2.74
8,891,350	Allianz UK Listed Opportunities	13,573	0.98
788,068	Amundi S&P 500 ETF	50,046	3.62
9,327,835	iShares MSCI EM IMI ESG Screened	42,143	3.05
14,818,006	iShares MSCI Japan ESG Screened	65,604	4.75
182,571	iShares MSCI USA ESG Screened	1,170	0.08
194,464	Xtrackers MSCI China A ESG Screened Swap	2,471	0.18
723,624	Xtrackers S&P 500 Swap ETF	46,453	3.36
224,379	Xtrackers S&P 500 Swap ETF(Luxembourg Quoted)	14,469	1.05
		<b>394,538</b>	<b>28.56</b>
	Fixed Interest - 41.80% (2022 - 31.49%)		
21,122	Allianz Dynamic Asian High Yield Bond	8,569	0.62
10,044	Allianz Emerging Markets Select Bond	10,208	0.74
15,060	Allianz Emerging Markets Short Duration Bond	10,667	0.77
11,388	Allianz Emerging Markets Sovereign Bond	11,434	0.83
7,381,881	Allianz Fixed Income Macro	8,280	0.60
12,568,529	Allianz Gilt Yield	18,709	1.35
13,775	Allianz Multi Asset Long/Short	16,702	1.21
141	Allianz Multi Asset Risk Premia	11,661	0.84
104	Allianz Selective Global High Income	10,436	0.76
22,320,585	Allianz Strategic Bond	22,164	1.60
43,727	Allianz Volatility Strategy	39,797	2.88
6,768,604	iShares China CNY Bond	34,527	2.50
119,953	iShares Core GBP Corporate Bond ETF	14,541	1.05
4,297,092	iShares Fallen Angels High Yield Corporate Bond ETF	20,480	1.48
749,071	iShares GBP Ultrashort Bond	76,188	5.52
15,189,750	iShares Global Corporate Bond ETF	67,503	4.90
5,775,646	iShares Global Inflation Linked Government Bond	25,534	1.85
8,726,756	iShares USD Treasury Bond 1-3yr	40,872	2.96
85,851	JPMorgan USD Emerging Markets Sovereign Bond	5,227	0.38
1,186,214	L&G ESG GBP Corporate Bond	9,433	0.68
63,417	Lyxor Smart Overnight Return	67,469	4.88
1,955,174	Xtrackers II Global Government Bond	46,993	3.40
		<b>577,394</b>	<b>41.80</b>
	Euro Denominated Fixed Rate Government Bonds - 0.00% (2022 - 1.88%)		
	Japanese Yen Denominated Fixed Rate Government Bonds - 2.89% (2022 - 2.79%)		
EUR 6,780,000,000	Japan Government Two Year Bond 0.005% 01/06/2023	39,985	2.89
		<b>39,985</b>	<b>2.89</b>
	Sterling Denominated Fixed Rate Government Bonds - 10.27% (2022 - 23.80%)		
EUR 51,350,000	UK Treasury 0.75% 22/07/2023	50,948	3.69
EUR 44,547,000	UK Treasury 2.25% 07/09/2023	44,230	3.20
EUR 48,107,000	UK Treasury 0.125% 31/01/2024	46,673	3.38
		<b>141,851</b>	<b>10.27</b>
	Swiss Franc Denominated Fixed Rate Government Bonds - 0.90% (2022 - 0.00%)		
EUR 13,800,000	Swiss Confederation Government Bond 1.25% 11/06/2024	12,383	0.90
		<b>12,383</b>	<b>0.90</b>
	Derivatives - 1.29% (2022 - (0.42)%)		
	Open Forward Exchange Contracts* - 0.50% (2022 - (0.83)%)		
	Bought EUR26,510,094 for GBP23,518,695 Settlement 09/06/2023	(124)	(0.01)
	Bought JPY2,101,043,000 for GBP13,233,048 Settlement 09/06/2023	(794)	(0.06)
	Bought USD155,400,765 for GBP126,636,357 Settlement 09/06/2023	(2,052)	(0.15)
	Sold AUD28,619,000 for GBP16,044,890 Settlement 09/06/2023	916	0.07
	Sold CAD8,591,000 for GBP5,250,404 Settlement 09/06/2023	205	0.01

# Portfolio Statement continued

As at 30 April 2023

Holding/Nominal		Market Value	% of
		£'000	Net Assets
	Sold EUR61,137,000 for GBP54,249,960 Settlement 09/06/2023	297	0.02
	Sold JPY2,101,043,000 for GBP12,993,772 Settlement 09/06/2023	555	0.04
	Sold JPY6,780,000,000 for GBP43,125,135 Settlement 01/06/2023	3,027	0.22
	Sold USD176,014,000 for GBP146,026,677 Settlement 09/06/2023	4,917	0.36
		<b>6,947</b>	<b>0.50</b>
	Open Futures Contracts - 0.80% (2022 - 0.41%)		
539	Australian SPI 200 June 2023	1,190	0.09
2,629	German Euro STOXX 50 June 2023	4,442	0.32
(86)	Japanese 10 Year Government Bond (OSE) June 2023	(1,730)	(0.13)
165	Japanese TOPIX Index June 2023	418	0.03
1,085	UK FTSE 100 Index June 2023	1,096	0.08
136	UK Long Gilt June 2023	50	-
(841)	US 10 Year Ultra June 2023	(2,604)	(0.19)
1,814	US 5 Year Note (CBT) June 2023	3,343	0.24
490	US E-Mini Russel 1000 June 2023	682	0.05
1,158	MSCI Emerging Markets June 2023	688	0.05
434	S&P 500 E Mini Index Futures June 2023	3,546	0.26
		<b>11,121</b>	<b>0.80</b>
	Written Call Options - 0.00% (2022 - 0.00%)		
2,511	Euro Stoxx 50 Index 4550 Call Option May 2023	27	-
		<b>27</b>	<b>-</b>
	Written Put Options - (0.01)% (2022 - 0.00%)		
(485)	Euro Stoxx 50 Index 4125 Put Option May 2023	(114)	(0.01)
		<b>(114)</b>	<b>(0.01)</b>
	Investment assets <sup>1</sup>	1,238,087	89.63
	Net other assets	143,180	10.37
	<b>Net assets</b>	<b>1,381,267</b>	<b>100.00</b>

\* Forwards are not approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

<sup>1</sup> Includes derivative liabilities.

Stocks shown as ETC represent Exchange - Traded Commodity.

Stocks shown as ETFs represent Exchange - Traded Funds.

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30 April 2022.

Any Collective Investment Scheme prefixed with Allianz in the name is a related party.

# Statement of Total Return

For the year ended 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Income:					
Net capital losses	2		(42,455)		(35,873)
Revenue	3	34,648		19,706	
Expenses	4	(1,490)		(1,674)	
Interest payable and similar charges		(68)		(83)	
Net revenue before taxation		33,090		17,949	
Taxation	5	(5,276)		(2,963)	
Net revenue after taxation			27,814		14,986
Total return before distributions			(14,641)		(20,887)
Distributions	6		(27,654)		(14,826)
Change in net assets attributable to shareholders from investment activities			(42,295)		(35,713)

# Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 April 2023

	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Opening net assets attributable to shareholders		1,206,184		842,098
Amounts receivable on issue of shares	251,657		391,260	
Amounts payable on cancellation of shares	(63,698)		(9,137)	
		187,959		382,123
Change in net assets attributable to shareholders from investment activities (see above)		(42,295)		(35,713)
Retained distributions on accumulation shares		29,419		17,676
Closing net assets attributable to shareholders		1,381,267		1,206,184

Notes to the Final Report and Financial Statements are from page 174 to 182.

# Balance Sheet

As at 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
<b>Assets:</b>					
<b>Fixed assets:</b>					
Investments			1,245,505		1,076,183
<b>Current assets:</b>					
Debtors	7	11,351		6,224	
Cash and bank balances	8	136,534		148,393	
<b>Total assets</b>			<b>1,393,390</b>		<b>1,230,800</b>
<b>Liabilities:</b>					
<b>Investment liabilities</b>					
			(7,418)		(21,069)
<b>Creditors:</b>					
Other creditors	9	(4,154)		(2,665)	
Deferred tax	5(c)	(551)		(882)	
<b>Total liabilities</b>			<b>(12,123)</b>		<b>(24,616)</b>
<b>Net assets attributable to shareholders</b>			<b>1,381,267</b>		<b>1,206,184</b>

Notes to the Final Report and Financial Statements are from page 174 to 182.

# Notes to the Final Report and Financial Statements

## 1. Accounting Basis and Policies

The applicable accounting policies adopted by the Allianz RiskMaster Moderate Multi Asset Fund are included on pages 8 and 9 of the Collective Notes to the Final Report and Financial Statements.

## 2. Net capital losses

	2023 £000s	2022 £000s
Losses on non-derivative securities	(30,099)	(24,133)
Losses on derivative securities	(2,960)	(5,854)
Losses on currency	(843)	(163)
Losses on forward currency contracts	(8,556)	(5,708)
Handling charges	(13)	(15)
CSDR Penalties	16	-
Net capital losses	(42,455)	(35,873)

## 3. Revenue

	2023 £000s	2022 £000s
ACD's fee rebates from underlying investments	1,675	1,743
Bank interest	466	3
Franked dividends from Collective Investment Schemes	579	359
Interest income from Collective Investment Schemes	2,104	936
Interest on fixed income securities	1,770	136
Income from Collective Investment Schemes - non-taxable	5,338	1,976
Income from Collective Investment Schemes - taxable	7,738	4,875
Returns from equity index futures	14,810	8,935
Option Income	168	743
Total revenue	34,648	19,706

# Notes to the Final Report and Financial Statements continued

## 4. Expenses

	2023	2022
	£000s	£000s
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
ACD's annual fee	1,731	1,550
ACD rebate*	(541)	(129)
Company secretarial costs	-	(1)
	1,190	1,420
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	225	188
Safe custody fees	56	51
	281	239
Other expenses:		
Audit fees	13	13
Distribution costs	2	2
Printing costs	1	(4)
Registration fees	3	4
	19	15
<b>Total expenses</b>	<b>1,490</b>	<b>1,674</b>

All expenditure stated above is inclusive of VAT where applicable.

The Audit fee for the year, excluding VAT, was £10,600 (2022 - £10,600).

\*Operating charges for each share class are capped. C Shares are capped at 0.97%, T Shares are capped at 0.90%, F Shares are capped at a maximum of 0.50%, however these are subject to quarterly review and so are currently less than this, Y Shares are capped at 0.50%. Any charges in excess of this amount are borne by the Manager. This is operated by way of a fee rebate from the ACD.

# Notes to the Final Report and Financial Statements continued

## 5. Taxation

	2023	2022
	£000s	£000s
a. Analysis of the taxation charge for the year:		
Corporation tax	5607	3,135
Deferred tax	(331)	(172)
Total taxation for the year (see Note 5(b))	5,276	2,963
b. Factors affecting taxation charge for the year:		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for a subfund of an Open-Ended Investment Company (20%) (2022 - 20%).		
The differences are explained below:		
Net revenue before taxation	33,091	17,949
Corporation tax at 20%	6,618	3,590
Effects of:		
Capitalised income subject to tax	(158)	(160)
Overseas dividends - non-taxable	(1,068)	(395)
UK dividends not subject to corporation tax	(116)	(72)
Total taxation charge for the year (see Note 5(a))	5,276	2,963
OEICs are exempt from tax on capital gains in the UK, therefore capital returns are not included within the reconciliation.		
c. Deferred tax		
Movement in the year		
Provision at start of the year	882	1,054
Deferred tax credit	(331)	(172)
Provision at the end of the year	551	882

## 6. Distributions

The distributions take account of revenue received on the creation of Shares and revenue deducted on the cancellation of Shares and comprise:

	2023	2022
	£000s	£000s
Final	29,419	17,676
Add: Revenue deducted on cancellation of shares	735	62
Deduct: Revenue received on creation of shares	(2,500)	(2,912)
Net distributions for the year	27,654	14,826
Reconciliation of net revenue after taxation to net distributions for the year		
Net revenue after taxation	27,814	14,986
Add: Capitalised ACD fee rebate	(2)	-
Tax on capital items	(158)	(160)
Net distributions for the year	27,654	14,826



# Notes to the Final Report and Financial Statements continued

## 7. Debtors

	2023	2022
	£000s	£000s
Accrued ACD's fee rebate	742	552
Accrued revenue	1,208	735
Amounts receivable on creation of shares	3,995	4,932
Sales awaiting settlement	5,406	5
	11,351	6,224

## 8. Cash and bank balances

	2023	2022
	£000s	£000s
Cash and bank balances	113,294	24,855
Amount held at futures clearing houses and brokers	23,240	123,538
	136,534	148,393

## 9. Other creditors

	2023	2022
	£000s	£000s
Accrued ACD's annual fee	143	121
Amounts payable on cancellation of shares	3,310	691
Corporation tax	593	1,774
Other accrued expenses	108	79
	4,154	2,665

## 10. Related party transactions

Management fees paid to the ACD are disclosed in note 4 and amounts due at the year end are disclosed in note 9.

Monies received and paid by the ACD through the creation and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 7 and 9.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the year end.

### Significant Shareholdings

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 102, which requires the disclosure of details of material transactions between the subfund and any related party.

# Notes to the Final Report and Financial Statements continued

Details of any related party transactions occurring during the year including commissions paid and any balances due at the year end are disclosed in the Balance Sheet, the Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 7 and 9 to the financial statements. All creations and cancellations were transacted with the ACD.

In addition, assets managed by related parties of the ACD and held by the subfund as at the Balance Sheet date are detailed below:

	2023	2022
	£000s	£000s
The value of holdings at balance sheet date were:		
Allianz Best Styles Global Equity	29,450	43,579
Allianz China A-Shares (London Quoted)	11,902	8,828
Allianz China A-Shares (Luxembourg Quoted)	12,439	2,438
Allianz Continental European	20,581	26,193
Allianz Dynamic Asian High Yield Bond	8,569	8,913
Allianz Dynamic Commodities	15,815	14,411
Allianz Emerging Markets Equity	10,666	23,146
Allianz Emerging Markets Select Bond	10,208	12,938
Allianz Emerging Markets Short Duration Bond	10,667	10,810
Allianz Emerging Markets Sovereign Bond	11,434	11,368
Allianz Fixed Income Macro	8,280	22,476
Allianz Gilt Yield	18,709	22,750
Allianz Global Equity Unconstrained	19,972	30,397
Allianz Global Sustainability	37,784	41,546
Allianz Multi Asset Long/Short	16,702	13,948
Allianz Multi Asset Risk Premia	11,661	11,033
Allianz Selective Global High Income	10,436	12,413
Allianz Strategic Bond	22,164	25,227
Allianz UK Listed Opportunities	13,573	13,465
Allianz Volatility Strategy	39,797	42,131
The value of purchases during the year were:		
Allianz Best Styles Global Equity	-	6,847
Allianz China A-Shares (London Quoted)	5,284	9,993
Allianz China A-Shares (Luxembourg Quoted)	19,870	-
Allianz Continental European	-	9,677
Allianz Dynamic Asian High Yield Bond	1,281	10,808
Allianz Dynamic Commodities	16,379	11,411
Allianz Emerging Markets Equity	-	5,042
Allianz Emerging Markets Select Bond	10,014	-
Allianz Emerging Markets Short Duration Bond	-	11,406
Allianz Emerging Markets Sovereign Bond	11,331	-
Allianz Gilt Yield	-	3,602
Allianz Global Equity Unconstrained	-	3,431
Allianz Global Sustainability	-	10,231
Allianz Multi Asset Long/Short	3,400	1,898

# Notes to the Final Report and Financial Statements continued

	2023	2022
	£000s	£000s
Allianz Multi Asset Risk Premia	-	15,318
Allianz Volatility Strategy	-	19,182
The value of sales during the year were:		
Allianz Best Styles Global Equity	14,098	-
Allianz China A-Shares (Luxembourg Quoted)	4,975	-
Allianz Continental European	6,442	-
Allianz Dynamic Commodities	11,485	-
Allianz Emerging Markets Equity	11,073	-
Allianz Emerging Markets Select Bond	12,625	-
Allianz Emerging Markets Sovereign Bond	11,495	-
Allianz Europe Equity Value	-	9,914
Allianz Fixed Income Macro	14,645	-
Allianz Global Equity Unconstrained	9,634	-
Allianz Global Sustainability	4,222	-
Allianz Multi Asset Long/Short	-	814
Allianz Multi Asset Risk Premia	-	15,605
Allianz UK Listed Opportunities	2,438	-
Allianz Volatility Strategy	-	4856
	5,112	-

## 11. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the subfund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

## 12. Shareholders' funds

The subfund currently has four share classes: C, T, F and Y. The ACD's annual fee on these share classes are as follows:

Class C :	0.75%
Class T :	0.90%
Class F :	0.25%
Class Y :	0.50%

The net asset value per share and the number of shares in issue are given in the Comparative Tables on page 164 and 165.

The distribution per share is given in the Distribution Table on page 166.

Revenue available for allocation will be allocated between the share classes based on the respective proportionate interests represented by those share classes on a daily basis and taxation is computed by reference to the net revenue after expenses attributable to each class. All share classes have the same rights on winding up.

# Notes to the Final Report and Financial Statements continued

For the year ended 30 April 2023:

	Class C Shares	Class T Shares	Class F Shares	Class Y Shares
Opening shares	4,613,023	3,365,477	760,388,547	9,086
Shares created	78,895	27,286	166,995,316	2,046
Shares cancelled	(465,220)	(338,632)	(42,571,892)	(6,966)
Shares converted	-	-	-	-
Closing shares	4,226,698	3,054,131	884,811,971	4,166

## 13. Contingent liabilities and commitments

As at 30 April 2023 there were no contingent liabilities (2022: £Nil).

## 14. Derivatives and other financial instruments

### a. Currency exposure

The majority of the net assets and liabilities of the subfund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Monetary Exposure	Non-Monetary Exposure	Total Exposure	Monetary Exposure	Non-Monetary Exposure	Total Exposure
	30 April 2023	30 April 2023	30 April 2023	30 April 2022	30 April 2022	30 April 2022
	£000s	£000s	£000s	£000s	£000s	£000s
Australian Dollar	(4,774)	1,190	(3,584)	(60)	-	(60)
Canadian Dollar	(2,372)	-	(2,372)	(4,890)	-	(4,890)
Euro	(15,008)	105,235	90,227	(74,518)	149,839	75,321
Japanese Yen	(31,148)	38,673	7,525	(52,053)	33,683	(18,370)
Swiss Franc	1,143	12,383	13,526	-	-	-
US Dollar	(9,197)	264,189	254,992	(182,922)	294,296	111,374

### b. Interest rate risk profile

The interest rate profile of the subfund's portfolio of investments at the balance sheet date was:

Currency	Floating Rate	Fixed Rate	Non-Interest	Total	Floating Rate	Fixed Rate	Non-Interest	Total
	30 April 2023	30 April 2023	30 April 2023	30 April 2023	30 April 2022	30 April 2022	30 April 2022	30 April 2022
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Assets	-	194,219	1,051,286	1,245,505	-	343,411	732,772	1,076,183
Liabilities	-	-	(7,418)	(7,418)	-	-	(21,069)	(21,069)

### c. Fair value hierarchy

An analysis of the portfolio in accordance with the fair value hierarchy is shown below:

	Assets	Liabilities	Assets	Liabilities
	30 April 2023	30 April 2023	30 April 2022	30 April 2022
	£000s	£000s	£000s	£000s
Level 1: Quoted	882,396	(4,448)	674,223	(7,121)
Level 2: Observable	363,109	(2,970)	401,960	(13,948)
Level 3: Unobservable	-	-	-	-
	1,245,505	(7,418)	1,076,183	(21,069)

# Notes to the Final Report and Financial Statements continued

The fair value as at the reporting date has been estimated using the following fair value hierarchy:

Level (1) Quoted prices for identical instruments in active markets

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level (2) Valuation techniques that use:

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level (3) Valuation techniques that use:

Inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

When the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate, the fair value is estimated by using an alternative valuation technique. Such valuation techniques will, where possible, maximise the use of observable market data inputs as opposed to non-observable entity determined data inputs.

The Investment Manager considers observable data to be that market data that 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.

d. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2022 - same).

e. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair value.

f. Derivatives

Derivatives are used in the subfund for hedging purposes and/or investment purposes. The main instruments used are money market futures, forward exchange contracts and credit default swaps. For more details please refer to page 11 and 12.

g. Credit rating

	2023	2023	2022	2022
	Market Value £000s	% of Net Assets	Market Value £000s	% of Net Assets
Investment Grade	194,219	14.06	320,712	26.57
Non-rated	-	-	22,699	1.88
Open-Ended Funds	1,025,887	74.27	716,713	59.39
Derivatives	17,981	1.30	(4,339)	(0.36)
Other assets	143,180	10.37	151,070	12.52
Total net assets	1,381,267	100.00	1,206,855	100.00

A fixed income security is deemed to be of investment grade, if it is rated BBB- or above. Sub-investment grade are those securities that are rated below investment grade. As at 30 April 2022, all fixed income investments were investment grade (2022 - same).

## 15. Portfolio transaction costs

For the year ended 30 April 2023:

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2023	2023	2023	2023	2023
	£000s	£000s	%	£000s	%
Purchases					
Debt instruments (direct)	97,625	-	-	-	-
Collective Investment Schemes	627,769	1	-	-	-
Total purchases	725,394	1	-	-	-
Total purchases including transaction costs	725,395	-	-	-	-

# Notes to the Final Report and Financial Statements continued

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2023	2023	2023	2023	2023
	£000s	£000s	%	£000s	%
<b>Sales</b>					
Debt instruments (direct)	245,601	-	-	-	-
Collective Investment Schemes	295,489	-	-	-	-
Total sales	541,090	-	-	-	-
Total sales including transaction costs	541,090	-	-	-	-
Derivative Transaction costs		94		-	
Total transaction costs as a % of average net assets		0.01%		0.00%	

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Purchases</b>					
Debt instruments (direct)	440,773	-	-	-	-
Collective Investment Schemes	344,512	-	-	-	-
Total purchases	785,285	-	-	-	-
Total purchases including transaction costs	785,285	-	-	-	-

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Sales</b>					
Debt instruments (direct)	311,971	-	-	-	-
Collective Investment Schemes	93,285	-	-	-	-
Total sales	405,256	-	-	-	-
Total sales including transaction costs	405,256	-	-	-	-
Derivative Transaction costs		119		1	
Total transaction costs as a % of average net assets		0.01%		0.00%	

The above analysis covers any direct transaction costs suffered by the subfund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc) are attributable to the subfund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the subfund vary considerably for the different asset / instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.07% (2022 : 0.04%).

# Fund Information

## Investment Objective and Policy

The investment objective of the Allianz Thematica Fund is to achieve long-term capital growth through investment in global equity markets with a focus on Thematic Investing, aiming to outperform (net of fees) the Target Benchmark, the MSCI All Country World Index Total Return (Net) GBP over a rolling 5 year period.

The ACD will utilise a Thematic Investing approach to achieve its investment objective. The investible themes will typically be derived from long-term structural shifts; these megatrends could for example include urbanisation, technological innovation, resource scarcity and demographic & social change. Within these themes the ACD targets investment in companies that the ACD believes have a competitive advantage/product/solution in their respective markets. Information on current themes can be found on fact sheets which are published by the ACD on a monthly basis. These fact sheets show current percentage allocations to the individual themes. Further information is available on our website.

The ACD will invest at least 70% of the Fund's assets in equities and securities equivalent to equities (e.g. American Depositary Receipts, Global Depositary Receipts) worldwide. In addition, index certificates and other certificates on equities, adequately diversified equity baskets, participation certificates and warrants may also be acquired. Their value together with the value of the assets defined in the first sentence of this paragraph must be at least 85% of the Fund's assets.

Up to 50% of the Fund's assets may be invested in securities or instruments where the issuers or the issuers of the underlying securities have their registered offices in Emerging Market Countries (as defined in the Prospectus) of which up to 10% of the Fund's assets may be invested in Chinese A-Shares either directly via Stock Connect or indirectly through all eligible instruments as set out in the investment policy.

The ACD may also utilise deposits and money market instruments in the management of the portfolio and their value, together with money market funds, may make up to a maximum of 15% of the Fund's assets.

The Fund may also invest up to a maximum of 10% of the Fund's assets in other Funds managed by Allianz Global Investors and its group of companies and other collective investment schemes managed by third parties.

The ACD may use derivatives, however this will be limited to efficient portfolio management only (Including for hedging).

The Fund will apply the Minimum Exclusion Criteria.

All details of the Minimum Exclusion Criteria are set out in this Prospectus under the section headed "The Funds and their Investment Objectives and Policies".

## Fund Details

Fund Manager	Andreas Fruschki and Gunnar Miller	
Benchmark	MSCI All Country World Index Total Return (Net) GBP.	
Income allocation dates	30 April	
Income pay dates	31 August (normally by 30 June)	
Launch dates	Fund	20 April 2022
	C (Accumulation Shares)	20 April 2022
	E (Accumulation Shares)	20 April 2022
	W Accumulation Shares	20 April 2022
ISA status	Yes	
Share Classes and types of Shares	C (Accumulation Shares)	
	E (Accumulation Shares)	
	W (Accumulation Shares)	
Minimum investment	C Shares	Lump sum £500 Monthly saving £50
	E Shares	Lump sum £25,000,000 Available to Approved Investors only.
	W Shares	Lump sum £10,000,000 Available for subscriptions by Approved Investors only.
Initial charge	C Shares	Nil
	E Shares	Nil
	W Shares	Nil
Annual ACD fee	C Shares	0.80%*
	E Shares	0.45%**
	W Shares	0.73%***

\*0.80 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the C shares.

\*\*0.45 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the E shares.

\*\*\*0.73 % p.a. minus those Additional Expenses which form part of the Ongoing Charge and are payable in respect of the W shares.

# Comparative Tables

For the year ended 30 April 2023

	C Shares Accumulation		E Shares Accumulation	
	2023 (p)	2022 (p)	2023 (p)	2022 (p)
Opening net asset value per share	94.70	100.00	94.71	100.00
Return before operating charges	3.17	(5.27)	3.18	(5.27)
Operating charges	(0.77)	(0.03)	(0.43)	(0.02)
Return after operating charges	2.40	(5.30)	2.75	(5.29)
Distributions	(1.02)	-	(1.20)	(0.09)
Retained distributions on accumulation shares	1.02	-	1.20	0.09
Closing net asset value per share	97.10	94.70	97.46	94.71
After direct transaction costs of <sup>1</sup>	(0.04)	(0.10)	(0.04)	(0.10)
Performance				
Return after operating charges	2.53%	(5.30)%	2.90%	(5.29)%
Other information				
Closing net asset value (£'000)	30,938	1	1	3,409
Closing number of shares	31,860,530	1,000	1,000	3,600,000
Operating charges <sup>2</sup>	0.80%	0.80%	0.45%	0.45%
Direct transaction costs	0.04%	0.07%	0.04%	0.07%
Prices				
Highest share price	104.49	100.05	104.81	100.05
Lowest share price	86.97	93.43	87.01	93.44

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.

<sup>2</sup> Operating charges have been capped at 0.79% (C Shares). Operating charges have been capped at 0.45% (E Shares)

Fund launched on 20 April 2022, therefore no comparatives for April 2021 available.



# Comparative Tables continued

For the year ended 30 April 2023

	W Shares Accumulation	
	2023 (p)	2022 (p)
Opening net asset value per share	94.70	100.00
Return before operating charges	3.18	(5.27)
Operating charges	(0.70)	(0.03)
Return after operating charges	2.48	(5.30)
Distributions	(1.10)	-
Retained distributions on accumulation shares	1.10	-
Closing net asset value per share	97.18	94.70
After direct transaction costs of Performance	(0.04)	(0.10)
Return after operating charges	2.62%	(5.30)%
Other information		
Closing net asset value (£'000)	1	1
Closing number of shares	1,000	1,000
Operating charges <sup>2</sup>	0.73%	0.73%
Direct transaction costs	0.04%	0.07%
Prices		
Highest share price	104.56	100.05
Lowest share price	86.98	93.44

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.

<sup>2</sup> Operating charges have been capped at 0.73%.

Fund launched on 20 April 2022, therefore no comparatives for April 2021 available.

# Distribution Tables

## For the year ended 30 April 2023

Final Distribution in pence per share

Group 1 Shares purchased prior to 1 May 2022

Group 2 Shares purchased on or after 1 May 2022 to 30 April 2023

	Net revenue (p)	Equalisation (p)	Distribution payable 30/06/23 (p)	Distribution paid 30/06/22 (p)
<b>C Shares Accumulation</b>				
Group 1	1.0185	-	1.0185	-
Group 2	0.5079	0.5106	1.0185	-
<b>E Shares Accumulation</b>				
Group 1	1.1970	-	1.1970	0.0886
Group 2	1.1970	-	1.1970	0.0886
<b>W Shares Accumulation</b>				
Group 1	1.0960	-	1.0960	-
Group 2	1.0960	-	1.0960	-

Investors are reminded that distribution is not guaranteed.

# Investment Review

## Performance Summary

Over the period from May 1st, 2022, until April 30th, 2023, Allianz Thematica returned -1.4% (in EUR, gross of fees) while Global Equity markets as represented by the MSCI ACWI returned -2.7% over the same period. Next Generation Energy and Infrastructure theme was the best contributor to relative performance. Both themes benefited from positions in commodities and steel companies such as Steel Dynamics and First Quantum Minerals, infrastructure services providers such as Quanta Services but also oil and gas infrastructure companies such as Baker Hughes and Schlumberger just as First Solar, Sunrun or On Semiconductor. These companies bucked the negative market trend with significant share price gains. The Pet Economy theme was another stabilising factor for the portfolio as companies from the Consumer Goods and Health Care sector held up better than the market on average.

The portfolio also benefited from the underweight in the tech mega cap companies Meta Platforms, Amazon, Netflix, Tesla and Microsoft, which were under pressure during the period.

## Market Background

Global equity markets have been enormously volatile since the beginning of the year 2022. The sector rotation that had already begun in 2021 continued. At the beginning of 2022, the prevailing market opinion was essentially shaped by two expectations: Inflation was seen as temporary and geopolitical risks are unlikely to creating turmoil. Both views had to be corrected. Hopes that bottlenecks in global supply chains would be resolved by a quick end to covid restrictions - at least outside China - were also not fulfilled. Moreover, rising interest rates not only challenged the sustainability of the rather high valuation levels in the equity markets, but increasingly offered an alternative source of returns. Although all these risks were known and on the radar screen, the collective assessment of their likelihood steadily increased, even to the point of concrete recession scenarios.

## Portfolio Review

The Allianz Thematica continued to outperform global equity markets beginning 2023. The portfolio performed strongly against the benchmark MSCI AC World until early March but lost some of its outperformance in the first four month during

the market volatility. The market turmoil around the Financials sector raised doubts about an imminent economic recovery and led to a significant decline in interest rates as some investors turned to safer government bonds. Against this backdrop, growth stocks recorded a relative outperformance, which had an impact on so-called long duration investments, to which the Fund is currently not so much exposed.

We had already started to adjust the positioning of Allianz Thematica in 2021. After a strong performance run in 2020, when all themes in the portfolio contributed positively, the portfolio most notably exhibited a pronounced growth tilt. We started to cut positions with more pronounced future growth profiles and high valuations. Adjustments on the theme level – selling Education, dissolving Artificial Intelligence, adding Infrastructure – further helped to shift the portfolio to a more balanced core positioning with market like valuation levels. This shift has helped to stabilise performance over the course of 2022 with a steady outperformance versus global equity markets as represented by the MSCI AC World in the second half of the year.

## Outlook

On the other hand, the Health Tech and Digital Life themes were the largest detractors since the beginning of the year. For both themes, exposure to the technology sector and more growth-oriented companies had a negative impact against the backdrop of market rotation. Negative contributors included medical technology providers Align Technologies, Straumann and Avantor, as well as cybersecurity companies Zscaler and Cloudflare. Timing on the theme Intelligent Machines, which had been added to the portfolio end of 2021 under the assumption that a wave in inflation as well as the fragility of supply chains would drive a wave of automation, proved to be not optimal but contributed well overall.

During the first quarter, the portfolio's exposure to the Digital Life theme was increased and it is now the largest theme in the portfolio. Intelligent Machines and Health Technology also saw modest increases, while exposure to Infrastructure and Clean Water declined slightly last quarter as some accumulated gains were realised.

# Portfolio Statement

As at 30 April 2023

Holding		Market Value	% of
		£'000	Net Assets
	AUSTRALIA - 2.20% (2022 - 1.56%)		
	Construction and Materials - 0.31% (2022 - 0.62%)		
15,966	CSR	44	0.14
24,355	Reliance Worldwide	52	0.17
		96	0.31
	Industrial Metals and Mining - 1.48% (2022 - 0.94%)		
18,941	Allkem	122	0.39
14,162	Fortescue Metals	156	0.50
19,579	Iluka Resources	113	0.37
19,624	Lynas Rare Earths	67	0.22
		458	1.48
	Oil, Gas and Coal - 0.41% (2022 - 0.00%)		
7,157	Woodside Energy	127	0.41
		127	0.41
	AUSTRIA - 0.29% (2022 - 0.00%)		
	Banks - 0.29% (2022 - 0.00%)		
3,145	Erste Group Bank	90	0.29
		90	0.29
	BELGIUM - 1.19% (2022 - 0.23%)		
	Banks - 0.68% (2022 - 0.00%)		
3,719	KBC	210	0.68
		210	0.68
	Chemicals - 0.51% (2022 - 0.23%)		
6,061	Umicore	157	0.51
		157	0.51
	CANADA - 1.51% (2022 - 3.63%)		
	Alternative Energy - 0.25% (2022 - 0.53%)		
22,141	Ballard Power Systems	77	0.25
		77	0.25
	Industrial Metals and Mining - 0.54% (2022 - 2.34%)		
4,596	Teck Resources	168	0.54
		168	0.54
	Industrial Transportation - 0.72% (2022 - 0.76%)		
3,552	Canadian Pacific Kansas City	222	0.72
		222	0.72
	CAYMAN ISLANDS - 0.58% (2022 - 0.77%)		
	Automobiles and Parts - 0.13% (2022 - 0.30%)		
22,000	Yadea	41	0.13
		41	0.13
	Gas, Water and Multi-Utilities - 0.45% (2022 - 0.47%)		
12,600	ENN Energy	138	0.45
		138	0.45
	CHINA - 0.91% (2022 - 0.00%)		
	Industrial Metals and Mining - 0.91% (2022 - 0.00%)		
339,000	CMOC	166	0.54
21,920	Ganfeng Lithium	116	0.37
		282	0.91
	CURACAO - 0.61% (2022 - 0.94%)		
	Oil, Gas and Coal - 0.61% (2022 - 0.94%)		
4,896	Schlumberger	188	0.61
		188	0.61
	DENMARK - 1.52% (2022 - 2.05%)		
	Alternative Energy - 0.00% (2022 - 0.76%)		
	Electricity - 0.58% (2022 - 0.44%)		
2,515	Orsted	180	0.58
		180	0.58
	Electronic and Electrical Equipment - 0.35% (2022 - 0.00%)		
725	DSV	108	0.35
		108	0.35
	Pharmaceuticals and Biotechnology - 0.59% (2022 - 0.85%)		
1,371	Novo Nordisk	184	0.59
		184	0.59

# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value	
		£'000	% of Net Assets
	FINLAND - 0.96% (2022 - 0.59%)		
	Banks - 0.72% (2022 - 0.59%)		
25,385	Nordea Bank	223	0.72
		<u>223</u>	<u>0.72</u>
	Oil, Gas And Coal - 0.24% (2022 - 0.00%)		
1,984	Neste	75	0.24
		<u>75</u>	<u>0.24</u>
	FRANCE - 3.72% (2022 - 2.52%)		
	Electronic and Electrical Equipment - 1.09% (2022 - 0.64%)		
5,510	Alstom	109	0.35
1,660	Schneider Electric	228	0.74
		<u>337</u>	<u>1.09</u>
	Gas, Water and Multi-utilities - 0.74% (2022 - 0.73%)		
9,220	Veolia Environnement	230	0.74
		<u>230</u>	<u>0.74</u>
	Industrial Support Services - 0.69% (2022 - 0.59%)		
4,131	Edenred	213	0.69
		<u>213</u>	<u>0.69</u>
	Oil, Gas and Coal - 0.49% (2022 - 0.00%)		
3,080	TotalEnergies	153	0.49
		<u>153</u>	<u>0.49</u>
	Pharmaceuticals and Biotechnology - 0.71% (2022 - 0.56%)		
2,475	Sanofi	219	0.71
		<u>219</u>	<u>0.71</u>
	GERMANY - 1.15% (2022 - 1.08%)		
	General Industrials - 0.44% (2022 - 0.38%)		
1,052	Siemens	135	0.44
		<u>135</u>	<u>0.44</u>
	Industrial Engineering - 0.43% (2022 - 0.32%)		
4,295	Jungheinrich Preference Shares	132	0.43
		<u>132</u>	<u>0.43</u>
	Industrial Metals and Mining - 0.28% (2022 - 0.38%)		
1,188	Aurubis	88	0.28
		<u>88</u>	<u>0.28</u>
	IRELAND - 2.40% (2022 - 1.90%)		
	Banks - 0.30% (2022 - 0.00%)		
11,044	Bank of Ireland	92	0.30
		<u>92</u>	<u>0.30</u>
	Chemicals - 0.52% (2022 - 0.00%)		
553	Linde	162	0.52
		<u>162</u>	<u>0.52</u>
	Construction and Materials - 1.04% (2022 - 0.91%)		
3,277	CRH	125	0.40
3,626	Kingspan	198	0.64
		<u>323</u>	<u>1.04</u>
	Electronic and Electrical Equipment - 0.23% (2022 - 0.58%)		
803	Allegion	72	0.23
		<u>72</u>	<u>0.23</u>
	Industrial Engineering - 0.31% (2022 - 0.00%)		
2,096	Pentair	97	0.31
		<u>97</u>	<u>0.31</u>
	Pharmaceuticals and Biotechnology - 0.00% (2022 - 0.41%)		
	ITALY - 1.07% (2022 - 0.86%)		
	Banks - 0.21% (2022 - 0.21%)		
5,443	FincoBank Banca Finco	65	0.21
		<u>65</u>	<u>0.21</u>
	Electricity - 0.72% (2022 - 0.44%)		
41,649	Enel	224	0.72
		<u>224</u>	<u>0.72</u>
	Industrial Support Services - 0.14% (2022 - 0.21%)		
6,768	Nexi	45	0.14
		<u>45</u>	<u>0.14</u>

# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value £'000	% of Net Assets
	JAPAN - 6.60% (2022 - 2.69%)		
	Electronic and Electrical Equipment - 0.57% (2022 - 0.00%)		
300	Keyence	108	0.35
1,700	Nidec	67	0.22
		<u>175</u>	<u>0.57</u>
	Industrial Engineering - 1.97% (2022 - 1.43%)		
5,100	Daifuku	75	0.24
4,000	FANUC	108	0.35
15,400	Kubota	186	0.60
200	SMC	80	0.26
5,000	Yaskawa Electric	162	0.52
		<u>611</u>	<u>1.97</u>
	Industrial Metals and Mining - 0.71% (2022 - 0.00%)		
7,400	Sumitomo Metal Mining	219	0.71
		<u>219</u>	<u>0.71</u>
	Leisure Goods - 1.68% (2022 - 0.67%)		
27,900	Panasonic	209	0.68
500	Shimano	62	0.20
3,300	Sony	249	0.80
		<u>520</u>	<u>1.68</u>
	Technology Hardware and Equipment - 1.67% (2022 - 0.59%)		
2,600	Advantest	161	0.52
1,400	Omron	66	0.21
28,000	Renesas Electronics	292	0.94
		<u>519</u>	<u>1.67</u>
	JERSEY - 0.00% (2022 - 0.53%)		
	Industrial Metals and Mining - 0.00% (2022 - 0.53%)		
	LUXEMBOURG - 0.00% (2022 - 0.32%)		
	ArcelorMittal - 0.00% (2022 - 0.32%)		
	NETHERLANDS - 3.13% (2022 - 2.70%)		
	Banks - 0.58% (2022 - 0.00%)		
18,582	ING	181	0.58
		<u>181</u>	<u>0.58</u>
	Construction and Materials - 0.19% (2022 - 0.00%)		
2,307	Signify	60	0.19
		<u>60</u>	<u>0.19</u>
	Industrial Engineering - 0.67% (2022 - 0.88%)		
19,123	CNH Industrial	209	0.67
		<u>209</u>	<u>0.67</u>
	Industrial Support Services - 0.52% (2022 - 0.44%)		
127	Adyen	160	0.52
		<u>160</u>	<u>0.52</u>
	Technology Hardware and Equipment - 1.17% (2022 - 1.38%)		
1,361	NXP Semiconductors	176	0.57
5,539	STMicroelectronics	187	0.60
		<u>363</u>	<u>1.17</u>
	NORWAY - 1.49% (2022 - 1.58%)		
	Alternative Energy - 0.00% (2022 - 0.29%)		
	Banks - 0.65% (2022 - 0.38%)		
14,415	DNB Bank	200	0.65
		<u>200</u>	<u>0.65</u>
	Industrial Metals and Mining - 0.50% (2022 - 0.91%)		
27,122	Norsk Hydro	156	0.50
		<u>156</u>	<u>0.50</u>
	Oil, Gas and Coal - 0.34% (2022 - 0.00%)		
4,745	Equinor	106	0.34
		<u>106</u>	<u>0.34</u>
	POLAND - 0.00% (2022 - 0.21%)		
	KGHM Polska Miedz - 0.00% (2022 - 0.21%)		
	SOUTH KOREA - 0.60% (2022 - 0.86%)		
	Chemicals - 0.00% (2022 - 0.21%)		

# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value £'000	% of Net Assets
2,328	Construction and Materials - 0.14% (2022 - 0.18%) Doosan Fuel Cell	42	0.14
		42	0.14
344	Technology Hardware and Equipment - 0.46% (2022 - 0.47%) Samsung SDI	142	0.46
		142	0.46
27,044	SPAIN - 1.26% (2022 - 0.59%) Banks - 0.76% (2022 - 0.00%) Banco Bilbao Vizcaya Argentaria	158	0.51
16,497	Bankinter	77	0.25
		235	0.76
8,767	Electricity - 0.50% (2022 - 0.59%) EDP Renovaveis	154	0.50
		154	0.50
8,247	SWEDEN - 2.59% (2022 - 2.49%) Banks - 0.85% (2022 - 0.00%) Skandinaviska Enskilda Banken	74	0.24
13,633	Swedbank	188	0.61
		262	0.85
10,726	Industrial Engineering - 0.55% (2022 - 0.64%) Epiroc	169	0.55
		169	0.55
5,820	Industrial Metals and Mining - 1.19% (2022 - 1.85%) Boliden	164	0.53
36,422	SSAB	204	0.66
		368	1.19
193	SWITZERLAND - 4.66% (2022 - 3.70%) Construction and Materials - 0.54% (2022 - 0.61%) Geberit	87	0.28
365	Sika	79	0.26
		166	0.54
4,506	Electronic and Electrical Equipment - 0.42% (2022 - 0.38%) ABB	129	0.42
		129	0.42
2,304	Food Producers - 0.77% (2022 - 0.79%) Nestle	237	0.77
		237	0.77
409	Industrial Engineering - 0.37% (2022 - 0.00%) VAT	114	0.37
		114	0.37
245	Medical Equipment and Services - 0.39% (2022 - 0.47%) Lonza	120	0.39
		120	0.39
785	Pharmaceuticals and Biotechnology - 0.63% (2022 - 0.59%) Roche	196	0.63
		196	0.63
3,229	Technology Hardware and Equipment - 1.54% (2022 - 0.86%) Logitech International	151	0.49
2,115	Straumann	249	0.80
782	TE Connectivity	76	0.25
		476	1.54
306,829	UNITED KINGDOM - 7.73% (2022 - 7.53%) Alternative Energy - 0.00% (2022 - 0.12%) Banks - 0.48% (2022 - 0.00%) Lloyds Banking	147	0.48
		147	0.48
10,252	Electricity - 0.60% (2022 - 0.67%) SSE	187	0.60
		187	0.60
6,416	Electronic and Electrical Equipment - 0.91% (2022 - 0.90%) Halma	147	0.48
3,826	Sensata Technologies	133	0.43
		280	0.91

# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value £'000	% of Net Assets
	Gas, Water And Multi-Utilities - 2.18% (2022 - 2.70%)		
22,367	Pennon	192	0.62
8,537	Severn Trent	249	0.80
21,784	United Utilities	234	0.76
		<u>675</u>	<u>2.18</u>
	Industrial Metals and Mining - 1.37% (2022 - 1.88%)		
7,553	Anglo American	183	0.59
10,331	Antofagasta	150	0.48
1,835	Rio Tinto	92	0.30
		<u>425</u>	<u>1.37</u>
	Oil, Gas and Coal - 0.54% (2022 - 0.00%)		
31,886	BP	167	0.54
		<u>167</u>	<u>0.54</u>
	Pharmaceuticals and Biotechnology - 0.66% (2022 - 0.47%)		
1,739	AstraZeneca	203	0.66
		<u>203</u>	<u>0.66</u>
	Retailers - 0.48% (2022 - 0.41%)		
38,869	Pets at Home	149	0.48
		<u>149</u>	<u>0.48</u>
	Software and Computer Services - 0.00% (2022 - 0.38%)		
	Technology Hardware and Equipment - 0.51% (2022 - 0.00%)		
6,579	Shell	159	0.51
		<u>159</u>	<u>0.51</u>
	UNITED STATES - 52.25% (2022 - 57.12%)		
	Alternative Energy - 1.04% (2022 - 1.37%)		
1,118	First Solar	180	0.58
611	SolarEdge Technologies	142	0.46
		<u>322</u>	<u>1.04</u>
	Banks - 1.16% (2022 - 1.29%)		
3,345	Charles Schwab	139	0.45
1,994	JPMorgan Chase	219	0.71
		<u>358</u>	<u>1.16</u>
	Chemicals - 1.57% (2022 - 2.29%)		
1,163	Albemarle	174	0.56
1,347	Balchem	136	0.44
10,030	Livent	177	0.57
		<u>487</u>	<u>1.57</u>
	Construction and Materials - 2.02% (2022 - 2.18%)		
433	Martin Marietta Materials	124	0.40
2,682	Owens Corning	224	0.72
2,053	Quanta Services	278	0.90
		<u>626</u>	<u>2.02</u>
	Electricity - 0.42% (2022 - 1.00%)		
956	Eversource Energy	60	0.19
1,186	NextEra Energy	72	0.23
		<u>132</u>	<u>0.42</u>
	Electronic and Electrical Equipment - 3.41% (2022 - 2.97%)		
623	IDEX	104	0.34
1,806	Emerson Electric	120	0.39
1,430	EnerSys	95	0.31
2,583	Itron	108	0.35
477	Rockwell Automation	109	0.35
3,922	Trimble	147	0.48
3,085	Xylem	257	0.83
490	Zebra Technologies	112	0.36
		<u>1,052</u>	<u>3.41</u>
	Finance and Credit Services - 0.75% (2022 - 0.58%)		
385	MSCI	143	0.46
314	S&P Global	90	0.29
		<u>233</u>	<u>0.75</u>
	Food Producers - 1.33% (2022 - 1.45%)		
3,110	General Mills	221	0.71
1,544	J M Smucker	191	0.62
		<u>412</u>	<u>1.33</u>



# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value £'000	% of Net Assets
	Gas, Water and Multi-Utilities - 1.34% (2022 - 1.52%)		
1,952	American Water Works	233	0.75
5,269	Essential Utilities	181	0.59
		<u>414</u>	<u>1.34</u>
	General Industrials - 0.39% (2022 - 0.35%)		
465	Parker-Hannifin	121	0.39
		<u>121</u>	<u>0.39</u>
	Health Care Providers - 1.13% (2022 - 1.55%)		
486	UnitedHealth	191	0.62
1,127	Veeva Systems	158	0.51
		<u>349</u>	<u>1.13</u>
	Household Goods and Home Construction - 0.00% (2022 - 0.12%)		
	Industrial Engineering - 2.85% (2022 - 3.05%)		
2,337	AGCO	231	0.75
1,071	Caterpillar	184	0.59
734	Cummins	136	0.44
793	Deere	237	0.77
721	Watts Water Technologies	94	0.30
		<u>882</u>	<u>2.85</u>
	Industrial Metals and Mining - 1.29% (2022 - 1.61%)		
3,237	MP Materials	56	0.18
976	Nucor	116	0.37
1,552	Steel Dynamics	130	0.42
777	Tesla	100	0.32
		<u>402</u>	<u>1.29</u>
	Industrial Support Services - 2.30% (2022 - 2.95%)		
1,755	American Express	223	0.72
779	Mastercard	234	0.76
1,378	Visa	253	0.82
		<u>710</u>	<u>2.30</u>
	Industrial Transportation - 1.24% (2022 - 1.38%)		
996	Union Pacific	155	0.50
794	United Rentals	228	0.74
		<u>383</u>	<u>1.24</u>
	Investment Banking and Brokerage - 0.42% (2022 - 0.97%)		
1,519	Intercontinental Exchange	131	0.42
		<u>131</u>	<u>0.42</u>
	Leisure Goods - 0.12% (2022 - 0.00%)		
401	Fox Factory	36	0.12
		<u>36</u>	<u>0.12</u>
	Medical Equipment and Services - 4.84% (2022 - 5.37%)		
1,050	Align Technology	268	0.87
11,540	Avantor	174	0.56
1,097	Danaher	204	0.66
534	IDEXX Laboratories	208	0.67
378	Insulet	96	0.31
1,072	Intuitive Surgical	254	0.82
603	IQVIA	89	0.29
1,964	PerkinElmer	203	0.66
		<u>1,496</u>	<u>4.84</u>
	Oil, Gas and Coal - 1.11% (2022 - 1.03%)		
8,910	Baker Hughes	206	0.67
1,111	Cheniere Energy	135	0.44
		<u>341</u>	<u>1.11</u>
	Personal Care, Drug and Grocery Stores - 0.79% (2022 - 0.73%)		
1,344	Colgate-Palmolive	84	0.27
2,762	CVS Health	162	0.52
		<u>246</u>	<u>0.79</u>
	Pharmaceuticals and Biotechnology - 4.43% (2022 - 5.19%)		
1,231	AbbVie	147	0.48
1,873	Catalent	71	0.23
1,119	Johnson & Johnson	146	0.47
3,292	Merck	304	0.98
756	Moderna	79	0.26

# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value	
		£'000	% of Net Assets
373	Regeneron Pharmaceuticals	237	0.77
535	Vertex Pharmaceuticals	146	0.47
1,715	Zoetis	239	0.77
		<u>1,369</u>	<u>4.43</u>
	Real Estate Investment Trusts - 0.17% (2022 - 0.47%)		
324	American Tower	53	0.17
		<u>53</u>	<u>0.17</u>
	Retailers - 1.43% (2022 - 1.61%)		
1,623	Amazon.com	143	0.46
911	Chewy	23	0.07
1,456	Tractor Supply	279	0.90
		<u>445</u>	<u>1.43</u>
	Software and Computer Services - 9.36% (2022 - 8.86%)		
563	Adobe	168	0.54
3,208	Alphabet	277	0.90
362	ANSYS	91	0.29
278	Atlassian	34	0.11
541	Autodesk	83	0.27
2,630	Cloudflare	126	0.41
1,157	CrowdStrike	117	0.38
581	FleetCor Technologies	99	0.32
5,613	Fortinet	284	0.92
1,020	International Business Machines	104	0.34
517	Intuit	178	0.58
553	Manhattan Associates	75	0.24
1,089	Microsoft	266	0.86
1,556	Palo Alto Networks	231	0.75
526	Roper Technologies	191	0.62
520	Salesforce	82	0.27
533	ServiceNow	194	0.63
603	Synopsys	178	0.58
1,438	Zscaler	108	0.35
		<u>2,886</u>	<u>9.36</u>
	Technology Hardware and Equipment - 6.37% (2022 - 6.35%)		
1,903	Apple	257	0.83
2,368	Applied Materials	212	0.69
2,357	Entegris	139	0.45
656	KLA	202	0.65
531	Lam Research	221	0.71
2,944	Microchip Technology	170	0.55
777	NVIDIA	170	0.55
2,394	ON Semiconductor	134	0.43
2,181	QUALCOMM	199	0.64
758	Texas Instruments	101	0.33
383	Thermo Fisher Scientific	167	0.54
		<u>1,972</u>	<u>6.37</u>
	Telecommunications Equipment - 0.97% (2022 - 0.88%)		
2,096	Cisco Systems	78	0.25
942	Motorola Solutions	222	0.72
		<u>300</u>	<u>0.97</u>
	Investment assets	30,450	98.42
	Net other assets	490	1.58
	Net assets	<u>30,940</u>	<u>100.00</u>

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30 April 2022.

# Statement of Total Return

For the year ended 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Income:					
Net capital gains/(losses)	2		1,255		(194)
Revenue	3	396		4	
Expenses	4	(135)		(1)	
Interest payable and similar charges		-		-	
Net revenue before taxation		261		3	
Taxation	5	(41)		-	
Net revenue after taxation			220		3
Total return before distributions			1,475		(191)
Distributions	6		(204)		(3)
Change in net assets attributable to shareholders from investment activities			1,271		(194)

# Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 April 2023

	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Opening net assets attributable to shareholders		3,411		-
Inspecie transfer*		27,257		-
Amounts receivable on issue of shares	4,311		3,602	
Amounts payable on cancellation of shares	(5,636)		-	
		(1,325)		3,602
Dilution adjustment		1		-
Change in net assets attributable to shareholders from investment activities (see above)		1,271		(194)
Retained distributions on accumulation shares		325		3
Closing net assets attributable to shareholders		30,940		3,411

\*Inspecie amounts transferred from Allianz US Equity fund on 30th September 2022.

Notes to the Final Report and Financial Statements are from page 197 to 204.

# Balance Sheet

As at 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
<b>Assets:</b>					
<b>Fixed assets:</b>					
Investments			30,450		3,290
<b>Current assets:</b>					
Debtors	7	123		15	
Cash and bank balances	8	447		118	
<b>Total assets</b>			<b>31,020</b>		<b>3,423</b>
<b>Liabilities:</b>					
<b>Creditors:</b>					
Other creditors	9	(80)		(12)	
<b>Total liabilities</b>			<b>(80)</b>		<b>(12)</b>
<b>Net assets attributable to shareholders</b>			<b>30,940</b>		<b>3,411</b>

Notes to the Final Report and Financial Statements are from page 197 to 204.

# Notes to the Final Report and Financial Statements

## 1. Accounting Basis and Policies

The applicable accounting policies adopted by the Allianz Thematica Fund are included on pages 8 and 9 of the Collective Notes to the Final Report and Financial Statements.

## 2. Net capital gains/(losses)

	2023 £000s	2022 £000s
Gains/(losses) on non-derivative securities	1,390	(127)
Gains on derivative securities	4	-
Losses on currency	(122)	(67)
Handling charges	(17)	-
Net capital gains/(losses)	1,255	(194)

## 3. Revenue

	2023 £000s	2022 £000s
Bank interest	2	-
Franked UK dividends	50	2
Overseas dividends - non-taxable	341	2
Overseas dividends - taxable	2	-
Stock dividends	1	-
Total revenue	396	4

# Notes to the Final Report and Financial Statements continued

## 4. Expenses

	2023	2022
	£000s	£000s
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
ACD's annual fee	151	1
ACD rebate*	(51)	(11)
Company secretarial costs	4	-
	104	(10)
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	3	-
Safe custody fees	1	-
	4	-
Other expenses:		
Audit fees	14	11
FT publication fees	1	-
Registration fees	4	-
Taxation advice	4	-
Other expenses	4	-
	27	11
<b>Total expenses</b>	<b>135</b>	<b>1</b>

All expenditure stated above is inclusive of VAT where applicable.

The Audit fee for the year, excluding VAT, was £10,600 (2022 - £10,600).

# Notes to the Final Report and Financial Statements continued

## 5. Taxation

	2023	2022
	£000s	£000s
a. Analysis of the taxation charge for the year:		
Overseas tax suffered	41	-
Total taxation for the year (see Note 5(b))	41	-
b. Factors affecting taxation charge for the year:		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for a subfund of an Open-Ended Investment Company (20%) (2022 - 20%).		
The differences are explained below:		
Net revenue before taxation	262	3
Corporation tax at 20%	52	1
Effects of:		
Overseas dividends - non-taxable	(68)	(1)
Overseas tax suffered	41	-
UK dividends not subject to corporation tax	(10)	-
Movement in excess management expenses	30	-
Expenses not deductible for tax purposes	(4)	-
Total taxation charge for the year (see Note 5(a))	41	-

OEICs are exempt from tax on capital gains in the UK, therefore capital returns are not included within the reconciliation.

### c. Provision for deferred tax

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

### d. Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £29,600 (2022 : nil) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

## 6. Distributions

The distributions take account of revenue received on the creation of Shares and revenue deducted on the cancellation of Shares and comprise:

	2023	2022
	£000s	£000s
Final	325	3
Add: Revenue deducted on cancellation of shares	32	-
Deduct: Revenue received on creation of shares	(153)	-
Net distributions for the year	204	3
Reconciliation of net revenue after taxation to net distributions for the year		
Net revenue after taxation	221	3
Add: Capitalised ACD fee rebate	(17)	-
Net distributions for the year	204	3

# Notes to the Final Report and Financial Statements continued

## 7. Debtors

	2023	2022
	£000s	£000s
Accrued ACD's fee rebate	4	11
Accrued revenue	64	4
Overseas tax recoverable	6	-
Rec for Dividend Income (Overseas Non Taxable)	61	-
Rec for Merger Receivable ANZH	(12)	-
	123	15

## 8. Cash and bank balances

	2,023	2,022
	£000s	£000s
Cash and bank balances	447	118
	447	118

## 9. Other creditors

	2,023	2,022
	£000s	£000s
Accrued ACD's annual fee	19	-
Amounts payable on cancellation of shares	30	-
Other accrued expenses	31	12
	80	12

## 10. Related party transactions

Management fees paid to the ACD are disclosed in note 4 and amounts due at the year end are disclosed in note 9.

Monies received and paid by the ACD through the creation and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 7 and 9.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the year end.

### Significant Shareholdings

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 102, which requires the disclosure of details of material transactions between the subfund and any related party. There were no assets managed by related parties of the ACD held by the subfund during the period.



# Notes to the Final Report and Financial Statements continued

Details of any related party transactions occurring during the year including commissions paid and any balances due at the year end are disclosed in the Balance Sheet, the Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 7 and 9 to the financial statements. All creations and cancellations were transacted with the ACD.

## 11. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the subfund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

## 12. Shareholders' funds

The subfund currently has three share classes: C, E and W. The ACD's annual fee on these share classes are as follows:

Class C :	0.79%
Class E :	0.45%
Class W :	0.76%

The net asset value per share and the number of shares in issue are given in the Comparative Tables on page 184 and 185.

The distribution per share is given in the Distribution Table on page 186.

Revenue available for allocation will be allocated between the share classes based on the respective proportionate interests represented by those share classes on a daily basis and taxation is computed by reference to the net revenue after expenses attributable to each class. All share classes have the same rights on winding up.

For the year ended 30 April 2023:

	Class C Shares	Class E Shares	Class W Shares
Opening shares	1,000	3,600,000	1,000
Shares created	34,260,468	1,000	-
Shares cancelled	(2,400,938)	(3,600,000)	-
Closing shares	31,860,530	1,000	1,000

## 13. Contingent liabilities and commitments

As at 30 April 2023 there were no contingent liabilities (2022: £Nil).

## 14. Derivatives and other financial instruments

### a. Currency exposure

The majority of the net assets and liabilities of the subfund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Monetary Exposure	Non-Monetary Exposure	Total Exposure	Monetary Exposure	Non-Monetary Exposure	Total Exposure
	30 April 2023	30 April 2023	30 April 2023	30 April 2022	30 April 2022	30 April 2022
	£000s	£000s	£000s	£000s	£000s	£000s
Australian Dollar	21	681	702	(1)	53	52
Canadian Dollar	3	-	3	-	56	56
Danish Krone	5	472	477	-	70	70

# Notes to the Final Report and Financial Statements continued

Currency	Monetary Exposure	Non-Monetary Exposure	Total Exposure	Monetary Exposure	Non-Monetary Exposure	Total Exposure
	30 April 2023 £000s	30 April 2023 £000s	30 April 2023 £000s	30 April 2022 £000s	30 April 2022 £000s	30 April 2022 £000s
Euro	81	4,008	4,089	2	275	277
Hong Kong Dollar	-	461	461	-	16	16
Japanese Yen	13	2,044	2,057	1	92	93
Norwegian Krone	20	462	482	-	54	54
Polish Zloty	-	-	-	-	7	7
South Korean Won	-	184	184	-	29	29
Swedish Krona	46	1,022	1,068	-	105	105
Swiss Franc	18	1,362	1,380	-	117	117
US Dollar	105	17,529	17,634	1	2,151	2,152

## b. Interest rate risk profile

The subfund did not hold any interest bearing financial instruments other than its cash and bank balances as at the balance sheet date (2022 - same).

## c. Sensitivity analysis

### Market price sensitivity

The value of the subfund's listed investments, which were exposed to market price risk as at 30 April was as follows:

	2023 £000s	2022 £000s
Listed equity investments held at fair value through profit or loss	30,450	3,290

The following illustrates the sensitivity of the net return and the net assets to an increase or decrease of 20% (2022 - 20%) in the fair values of the subfund's investments. This level of change is considered to be reasonably possible based on observation of market conditions in the year. The sensitivity analysis is based on the impact of a change to the value of the subfund's investments at each balance sheet date.

	2023	2023	2022	2022
	20% Increase in fair value £000s	20% Decrease in fair value £000s	20% Increase in fair value £000s	20% Decrease in fair value £000s
Capital Return				
Net gains (losses) on investments at fair value	6,090	(6,090)	658	(658)

### Foreign currency risk sensitivity

The following table details the subfund's sensitivity to a 20% increase and decrease in sterling against the relevant foreign currencies and the resultant impact that any such increase or decrease would have on the net return and net assets. The sensitivity analysis includes all foreign currency denominated items and adjusts their translation at the year end for a 20% change in foreign currency rates.

	2023	2023	2022	2022
	20% Increase in Sterling against foreign currencies £000s	20% Decrease in Sterling against foreign currencies £000s	20% Increase in Sterling against foreign currencies £000s	20% Decrease in Sterling against foreign currencies £000s
Australian Dollar	(117)	176	(9)	13
Canadian Dollar	-	1	(9)	14
Danish Krone	(79)	119	(12)	17
Euro	(682)	1,022	(46)	69
Hong Kong Dollar	(77)	115	(3)	4
Japanese Yen	(343)	514	(16)	23
Norwegian Krone	(80)	120	(9)	14

# Notes to the Final Report and Financial Statements continued

Polish Zloty	-	-	(1)	2
South Korean Won	(31)	46	(5)	7
Swedish Krona	(178)	267	(17)	26
Swiss Franc	(230)	345	(20)	29
US Dollar	(2,939)	4,408	(359)	538
<b>Change in net return and net assets</b>	<b>(4,756)</b>	<b>7,133</b>	<b>(506)</b>	<b>756</b>

## d. Leverage

The subfund did not employ significant leverage during the year (2022 - same).

## e. Fair value hierarchy

An analysis of the portfolio in accordance with the fair value hierarchy is shown below:

	Assets	Liabilities	Assets	Liabilities
	30 April	30 April	30 April	30 April
	2023	2023	2022	2022
	£000s	£000s	£000s	£000s
Level 1: Quoted	30,450	-	3,290	-
Level 2: Observable	-	-	-	-
Level 3: Unobservable	-	-	-	-
	<b>30,450</b>	<b>-</b>	<b>3,290</b>	<b>-</b>

The fair value as at the reporting date has been estimated using the following fair value hierarchy:

### Level (1) Quoted prices for identical instruments in active markets

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

### Level (2) Valuation techniques that use:

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

### Level (3) Valuation techniques that use:

Inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

When the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate, the fair value is estimated by using an alternative valuation technique. Such valuation techniques will, where possible, maximise the use of observable market data inputs as opposed to non-observable entity determined data inputs. The Investment Manager considers observable data to be that market data that 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.

## f. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2022 - same).

## g. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair value.

## 15. Portfolio transaction costs

For the year ended 30 April 2023:

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2023	2023	2023	2023	2023
	£000s	£000s	%	£000s	%
<b>Purchases</b>					
Equity instruments (direct)	35,437	1	0.00	5	0.01
Total purchases	35,437	1	0.00	5	0.01
Total purchases including transaction costs	35,443				

# Notes to the Final Report and Financial Statements continued

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2023	2023	2023	2023	2023
	£000s	£000s	%	£000s	%
<b>Sales</b>					
Equity instruments (direct)	9,611	2	0.02	-	0.00
Total sales	9,611	2	0.02	-	0.00
Total sales including transaction costs	9,609				
Total transaction costs as a % of average net assets		0.00%		0.00%	
	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Purchases</b>					
Equity instruments (direct)	3,414	1	0.02	2	0.05
Total purchases	3,414	1	0.02	2	0.05
Total purchases including transaction costs	3,417				
Total transaction costs as a % of average net assets		0.00%		0.00%	

The above analysis covers any direct transaction costs suffered by the subfund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc) are attributable to the subfund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the subfund vary considerably for the different asset / instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.06% (2022 : 0.08%).

# Fund Information

## Investment Objective and Policy

The investment objective of the Allianz Total Return Asian Equity Fund is to maximise total return through capital growth and income by investing in the equity markets of Asian countries excluding Japan, aiming to outperform (net of fees) the target benchmark, the MSCI All Country Asia (ex-Japan) Index Net Total Return GBP, over a rolling five year period.

Investors should be aware that the Fund's capital is at risk and there is no guarantee that the Fund will achieve its investment objective over any particular period at all.

The ACD will invest at least 70% of the Fund's assets in equities and securities equivalent to equities (e.g. American Depositary Receipts, Global Depositary Receipts and P-Notes) in, (but not limited to) the Republic of Korea, Taiwan, Thailand, Hong Kong, Malaysia, Indonesia, Philippines, Singapore, India, Pakistan and China. This includes companies that derive a predominant amount of their profits within these countries. In addition, index certificates and other certificates on equities, adequately diversified equity baskets and warrants may also be acquired.

Up to 30% of the Fund's assets may be invested into the Chinese A-Shares market either directly via Stock Connect or indirectly through all eligible instruments, as set out in the Fund's investment policy.

The ACD may also utilise deposits and money market instruments in the management of the portfolio and their value together with money market funds, may make up to a maximum of 30% of the Fund's assets.

The Fund may also invest up to a maximum of 10% of the Fund's assets in other Funds managed by Allianz Global Investors and its group of companies and other collective investment schemes managed by third parties.

## Fund Details

Fund Manager	Yuming Pan and Raymond Chan	
Benchmark	MSCI All Country Asia (ex Japan) Index Net Total Return GBP	
Income allocation dates	Interim	31 October
	Final	30 April
Income pay dates	Interim	31 December
	Final	31 August (normally by 30 June)
Launch dates	Fund	20 June 2002
	A (Accumulation Shares)	20 June 2002
	C (Income Shares)	2 November 2006
	C (Accumulation Shares)	17 February 2016
ISA status	Yes	
Share Classes and types of Shares	A (Accumulation Shares)	
	C (Income Shares)	
	C (Accumulation Shares)	
Minimum investment	A Shares	Lump sum £500 Monthly saving £50
	C Shares	Lump sum £500 Monthly saving £50
Initial charge	A Shares	Nil
	C Shares	Nil
Annual ACD fee	A Shares	1.50%
	C Shares	0.75%

# Comparative Tables

For the year ended 30 April 2023

	A Shares Accumulation			C Shares Income		
	2023 (p)	2022 (p)	2021 (p)	2023 (p)	2022 (p)	2021 (p)
Opening net asset value per share	1,137.97	1,441.65	950.57	1,013.56	1,289.89	852.26
Return before operating charges	(77.20)	(280.90)	511.69	(71.55)	(255.20)	458.85
Operating charges	(20.70)	(22.78)	(20.61)	(8.90)	(11.42)	(11.86)
Return after operating charges	(97.90)	(303.68)	491.08	(80.45)	(266.62)	446.99
Distributions	(10.23)	(10.02)	(10.90)	(10.23)	(9.71)	(9.36)
Retained distributions on accumulation shares	10.23	10.02	10.90	-	-	-
Closing net asset value per share	1,040.07	1,137.97	1,441.65	922.88	1,013.56	1,289.89
After direct transaction costs of <sup>1</sup>	(3.07)	(4.32)	(4.86)	(2.70)	(3.67)	(4.44)
Performance						
Return after operating charges	(8.60)%	(21.06)%	51.66%	(7.94)%	(20.67)%	52.45%
Other information						
Closing net asset value (£'000)	26	80	26,993	9,150	11,296	19,221
Closing number of shares	2,452	7,082	1,872,387	991,496	1,114,497	1,490,116
Operating charges	1.87%	1.66%	1.58%	0.91%	0.98%	1.00%
Direct transaction costs	0.28%	0.31%	0.37%	0.28%	0.31%	0.37%
Prices						
Highest share price	1,191.20	1,461.35	1,630.88	1,059.40	1,308.99	1,461.81
Lowest share price	936.73	1,044.61	925.51	841.00	936.01	829.86

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.

# Comparative Tables continued

For the year ended 30 April 2023

	C Shares Accumulation		
	2023 (p)	2022 (p)	2021 (p)
Opening net asset value per share	206.39	259.64	170.43
Return before operating charges	(13.95)	(50.91)	91.75
Operating charges	(1.89)	(2.34)	(2.54)
Return after operating charges	(15.84)	(53.25)	89.21
Distributions	(2.03)	(1.89)	(1.66)
Retained distributions on accumulation shares	2.03	1.89	1.66
Closing net asset value per share	190.55	206.39	259.64
After direct transaction costs of <sup>1</sup>	(0.55)	(0.73)	(0.88)
Performance			
Return after operating charges	(7.67)%	(20.51)%	52.34%
Other information			
Closing net asset value (£'000)	32,616	40,004	32,530
Closing number of shares	17,117,386	19,382,146	12,528,847
Operating charges	0.95%	1.01%	1.08%
Direct transaction costs	0.28%	0.31%	0.37%
Prices			
Highest share price	217.62	263.48	293.36
Lowest share price	170.68	189.26	165.95

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.

Operating charges represents all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses including custodial transaction charges incurred by the subfund.

# Distribution Tables

## For the year ended 30 April 2023

### Interim Distribution in pence per share

Group 1	Shares purchased prior to 1 May 2022			Distribution paid 31/12/22 (p)	Distribution paid 31/12/21 (p)
Group 2	Shares purchased on or after 1 May 2022 to 31 October 2022				
		Net revenue (p)	Equalisation (p)		
<b>A Shares Accumulation</b>					
Group 1		10.2335	-	10.2335	5.6935
Group 2		4.3985	5.8350	10.2335	5.6935
<b>C Shares Income</b>					
Group 1		10.2335	-	10.2335	5.6148
Group 2		3.8693	6.3642	10.2335	5.6148
<b>C Shares Accumulation</b>					
Group 1		2.0292	-	2.0292	1.1005
Group 2		0.6877	1.3415	2.0292	1.1005

### Final Distribution in pence per share

Group 1	Shares purchased prior to November 2022			Distribution payable 30/06/23 (p)	Distribution paid 30/06/22 (p)
Group 2	Shares purchased on or after November 2022 to 30 April 2023				
		Net revenue (p)	Equalisation (p)		
<b>A Shares Accumulation</b>					
Group 1		43.6410	-	43.6410	4.3277
Group 2		5.2061	38.4349	43.6410	4.3277
<b>C Shares Income</b>					
Group 1		4.8394	-	4.8394	4.0961
Group 2		3.0044	1.8350	4.8394	4.0961
<b>C Shares Accumulation</b>					
Group 1		0.9520	-	0.9520	0.7861
Group 2		0.5680	0.3840	0.9520	0.7861

Investors are reminded that distribution is not guaranteed.



# Investment Review

## Performance Summary

Over the 12-month period under review, 1 May 2022 to 30 April 2023, the Fund's A class shares produced a total return of -7.9%. In comparison, the Fund's benchmark, the MSCI AC Asia ex Japan Total Return Index, returned -6.0% over the period.

A key driver of relative performance was stock selection. At a geography level, stock selection in China equities detracted from performance while holdings in India contributed positively. From a sector perspective, stock picks in the energy, industrials and real estate sectors weighed on returns, while there was positive selection in financials, consumer discretionary and communication services sectors.

## Market Background

Equity markets in the Asia ex Japan region declined over the one-year period to end-April 2023. Global macro-economic weakness weighed on sentiment across the region, especially in the first half of the period as major central banks raised rates aggressively to tackle rampant inflation. China equities were especially weak as strict zero-COVID policies depressed economic activity, extending supply chain disruptions and dampening demand in one of the world's largest commodity importers. Geopolitics also put pressure on market valuations. However, China equity markets started to recover in the fourth quarter, when more supportive domestic policies, including the removal of Covid restrictions and an easing of liquidity restrictions for the embattled property sector, restored some confidence in the economic outlook.

Elsewhere in the region, the tech-heavy North Asian markets of Taiwan and South Korea were also weak as the semiconductor supply chain came under pressure from excess supply and weakening demand, especially in end consumer markets such as smartphones and personal computers. There was some recovery in the first months of 2023 on expectations of a stabilisation in demand and supply dynamics. South Asian markets delivered a mixed set of results. Indonesia and Singapore were top performers, whereas India, Thailand and Malaysia ended the period in negative territory.

## Portfolio Review

The portfolio manager maintained a relatively concentrated approach with a range of 35 to 45 holdings in the portfolio. The Fund continues to focus on companies with robust business models, proven management teams and sound financial positions, forming the basis for long-term growth prospects.

At a stock level, a top contributor over the period was HDFC Bank, India's leading private sector bank. With a strong balance sheet and positive underlying profitability, we view this as an exceptionally well managed bank.

In contrast, a top detractor was Chinese health care business Wuxi AppTec, which manufactures pharmaceutical and medical devices. Geopolitical factors weighed heavily on this sector, especially news flow around reshoring of the US pharmaceutical supply chains amid souring China-US relations. We see the valuation of the company as increasingly attractive but will continue to monitor our exposure amid regulatory developments.

## Outlook

Looking ahead, we expect a recovery in Asian markets with a number of macro headwinds appearing to have eased. So far, the Asian market recovery from the low point last year has primarily been a function of an improvement in valuations. Nevertheless, these remain below longer-term average levels and should continue to provide support until there is more evidence of a pick-up in corporate earnings.

Although there have been concerns recently about the pace of the economic rebound in China, we expect a more broad-based recovery to unfold in coming months as the benefits of a more pro-growth policy setting filter down into the real economy. That said, our preference leans more towards Southeast Asia given geopolitical risks and associated weak sentiment among foreign investors. We are finding distinct structural growth stories in Southeast Asia given the superior fundamentals of select businesses in this region.

The portfolio continues to be focused on stocks which can demonstrate the potential for sustainable earnings growth. Compared to the benchmark, the Fund has an overweight position to Singapore and India and conversely is underweight Taiwan.

# Portfolio Statement

As at 30 April 2023

Holding		Market Value £'000	% of Net Assets
	<b>China Equities - 35.26% (2022 - 30.15%)</b>		
32,536	Alibaba ADR	2,192	5.25
24,000	BYD	574	1.37
382,000	China Merchants Bank	1,458	3.49
37,618	China Tourism Group Duty Free	695	1.66
496,198	East Money Information	917	2.19
9,459	Kweichow Moutai	1,912	4.58
97,520	Meituan	1,314	3.14
48,000	Silergy	596	1.43
75,900	Tencent	2,648	6.34
18,900	Trip.com	526	1.26
168,400	WuXi AppTec	1,172	2.80
186,000	Yihai	390	0.93
256,000	Zijin Mining	342	0.82
		<b>14,736</b>	<b>35.26</b>
	<b>Hong Kong Equities - 3.43% (2022 - 8.63%)</b>		
77,600	AIA	668	1.60
12,400	Hong Kong Exchanges & Clearing	407	0.97
42,000	Techtronic Industries	359	0.86
		<b>1,434</b>	<b>3.43</b>
	<b>India Equities - 17.84% (2022 - 14.03%)</b>		
154,001	Bharti Airtel	1,195	2.86
48,774	Godrej Consumer Products	432	1.03
65,045	HDFC Bank ADR	3,609	8.64
76,677	Reliance Industries	1,803	4.31
16,289	Titan	417	1.00
		<b>7,456</b>	<b>17.84</b>
	<b>Indonesia Equities - 2.63% (2022 - 3.52%)</b>		
7,270,200	Avia Avian	235	0.56
3,127,436	Bank Rakyat Indonesia	865	2.07
		<b>1,100</b>	<b>2.63</b>
	<b>Luxembourg Collective Investment Schemes - 1.07% (2022 - 0.99%)</b>		
334	Allianz Asian Small Cap Equity Fund	448	1.07
		<b>448</b>	<b>1.07</b>
	<b>Malaysian Equities - 1.81% (2022 - 0.50%)</b>		
902,500	Genting	755	1.81
		<b>755</b>	<b>1.81</b>
	<b>Philippines Equities - 2.69% (2022 - 2.01%)</b>		
728,034	Bank of the Philippine Islands	1,125	2.69
		<b>1,125</b>	<b>2.69</b>
	<b>Singapore Equities - 7.30% (2022 - 9.19%)</b>		
14,868	CapitaLand Ascott Trust	10	0.03
260,800	CapitaLand Investment	579	1.39
8,914	Sea ADR	540	1.29
870,100	Singapore Telecommunications	1,318	3.15
35,800	United Overseas Bank	602	1.44
		<b>3,049</b>	<b>7.30</b>
	<b>South Korea Equities - 10.94% (2022 - 10.30%)</b>		
5,762	Kakao	199	0.48
101,513	Samsung Electronics	3,947	9.44
4,125	SK Innovation	424	1.02
		<b>4,570</b>	<b>10.94</b>
	<b>Taiwan Equities - 9.58% (2022 - 13.85%)</b>		
40,000	Accton Technology	309	0.74
7,000	ASMedia Technology	206	0.49
18,000	MediaTek	310	0.74
47,447	Taiwan Semiconductor Manufacturing ADR	3,180	7.61
		<b>4,005</b>	<b>9.58</b>

# Portfolio Statement continued

As at 30 April 2023

Holding		Market Value	% of
		£'000	Net Assets
1,262,200	Thailand Equities - 4.54% (2022 - 3.48%) CP ALL	1,897	4.54
		<u>1,897</u>	<u>4.54</u>
	Investment assets	40,575	97.09
	Net other assets	1,217	2.91
	Net assets	<u>41,792</u>	<u>100.00</u>

Stock shown as ADRs represent American Depositary Receipts.

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Any Collective Investment Scheme prefixed with Allianz in the name is a related party.

Note: Comparative figures show percentages for each category of holding at 30 April 2022.

# Statement of Total Return

For the year ended 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Income:					
Net capital losses	2		(4,084)		(14,980)
Revenue	3	886		699	
Expenses	4	(424)		(695)	
Net revenue before taxation		462		4	
Taxation	5	(96)		(84)	
Net revenue/(expense) after taxation			366		(80)
Total return before distributions			(3,718)		(15,060)
Distributions	6		(717)		(538)
Change in net assets attributable to shareholders from investment activities			(4,435)		(15,598)

# Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 April 2023

	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Opening net assets attributable to shareholders		51,380		78,744
Amounts receivable on issue of shares	700		3,959	
Amounts payable on cancellation of shares	(6,391)		(16,114)	
		(5,691)		(12,155)
Change in net assets attributable to shareholders from investment activities (see above)		(4,435)		(15,598)
Retained distributions on accumulation shares		538		389
Closing net assets attributable to shareholders		41,792		51,380

Notes to the final report and Financial Statements are from page 214 to 222.

# Balance Sheet

As at 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
<b>Assets:</b>					
<b>Fixed assets:</b>					
Investments			40,575		49,657
<b>Current assets:</b>					
Debtors	7	821		281	
Cash and bank balances	8	1,830		2,277	
<b>Total assets</b>			<b>43,226</b>		<b>52,215</b>
<b>Liabilities:</b>					
<b>Creditors:</b>					
Distribution payable		(48)		(46)	
Other creditors	9	(1,386)		(624)	
Bank overdrafts	10	-		(165)	
<b>Total liabilities</b>			<b>(1,434)</b>		<b>(835)</b>
<b>Net assets attributable to shareholders</b>			<b>41,792</b>		<b>51,380</b>

Notes to the Final Report and Financial Statements are from page 214 to 222.

# Notes to the Final Report and Financial Statements

## 1. Accounting Basis and Policies

The applicable accounting policies adopted by the Allianz Total Return Asian Equity Fund are included on pages 8 and 9 of the Collective Notes to the Final Report and Financial Statements.

## 2. Net capital losses

	2023 £000s	2022 £000s
Losses on non-derivative securities	(4,000)	(14,976)
Gains on derivative securities	2	-
(Losses)/gains on currency	(71)	17
Gains on forward currency contracts	-	1
Handling charges	(15)	(22)
Net capital losses	(4,084)	(14,980)

## 3. Revenue

	2023 £000s	2022 £000s
ACD's fee rebates from underlying investments	2	6
Bank interest	1	-
Overseas dividends - non-taxable	884	693
Overseas dividends - taxable	(1)	-
Total revenue	886	699

# Notes to the Final Report and Financial Statements continued

## 4. Expenses

	2023	2022
	£000s	£000s
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
ACD's annual fee <sup>1</sup>	351	615
Company secretarial costs	-	(1)
	351	614
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	8	12
Safe custody fees	10	14
	18	26
Other expenses:		
Audit fees	13	14
Distribution costs	4	4
Printing costs	5	3
Professional fees	(2)	-
Registration fees	17	19
Other expenses	18	15
	55	55
<b>Total expenses</b>	<b>424</b>	<b>695</b>

<sup>1</sup>For the purpose of the distribution, the ACD's annual fee is borne by the capital account (see Note 7).

All expenditure stated above is inclusive of VAT where applicable.

The Audit fee for the year, excluding VAT, was £10,600 (2022 - £10,600).

# Notes to the Final Report and Financial Statements continued

## 5. Taxation

	2023	2022
	£000s	£000s
a. Analysis of the taxation charge for the year:		
Overseas tax suffered	96	84
Total taxation for the year (see Note 5(b))	96	84
b. Factors affecting taxation charge for the year:		
The taxation assessed for the year is higher than the standard rate of corporation tax in the UK for a subfund of an Open-Ended Investment Company (20%) (2022 - 20%).		
The differences are explained below:		
Net revenue before taxation	462	4
Corporation tax at 20%	92	1
Effects of:		
Overseas dividends - non-taxable	(177)	(139)
Overseas tax suffered	96	84
Surplus allowable expenses utilised in the year	-	138
Movement in excess management expenses	85	-
Total taxation charge for the year (see Note 5(a))	96	84

OEICs are exempt from tax on capital gains in the UK, therefore capital returns are not included within the reconciliation.

### c. Provision for deferred tax

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

### d. Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £1,997,000 (2022 : £1,913,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

## 6. Distributions

The distributions take account of revenue received on the creation of Shares and revenue deducted on the cancellation of Shares and comprise:

	2023	2022
	£000s	£000s
Interim	480	306
Final	212	198
Add: Revenue deducted on cancellation of shares	27	41
Deduct: Revenue received on creation of shares	(2)	(7)
Net distributions for the year	717	538
Reconciliation of net revenue/(expense) after taxation to net distributions for the year		
Net revenue/(expense) after taxation	366	(80)
Add: Capitalised expenses	351	618
Net distributions for the year	717	538



# Notes to the Final Report and Financial Statements continued

## 7. Debtors

	2023	2022
	£000s	£000s
Accrued ACD's fee rebate	3	1
Accrued revenue	52	59
Amounts receivable on creation of shares	11	4
Sales awaiting settlement	755	217
	821	281

## 8. Cash and bank balances

	2023	2022
	£000s	£000s
Cash and bank balances	1,830	2,277
	1,830	2,277

## 9. Other creditors

	2023	2022
	£000s	£000s
a. Distribution payable		
Net distribution payable	48	46
b. Other creditors		
Accrued ACD's annual fee	25	31
Amounts payable on cancellation of shares	91	281
Other accrued expenses	60	46
Purchases awaiting settlement	1,210	266
	1,386	624

## 10. Bank overdrafts

	2023	2022
	£000s	£000s
Bank overdrafts	-	165
Total bank overdrafts	-	165

# Notes to the Final Report and Financial Statements continued

## 11. Related party transactions

Management fees paid to the ACD are disclosed in note 4 and amounts due at the year end are disclosed in note 9.

Monies received and paid by the ACD through the creation and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 7 and 9.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the year end.

### Significant Shareholdings

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 102, which requires the disclosure of details of material transactions between the subfund and any related party.

Details of any related party transactions occurring during the year including commissions paid and any balances due at the year end are disclosed in the Balance Sheet, the Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 7 and 9 to the financial statements. All creations and cancellations were transacted with the ACD.

In addition, assets managed by related parties of the ACD and held by the subfund as at the Balance Sheet date are detailed below:

	2023	2022
	£000s	£000s
The value of holdings at balance sheet date were:		
Allianz Asian Small Cap Equity Fund	448	511
The value of purchases during the year were:		
Allianz Asian Small Cap Equity Fund	25	-
The value of sales during the year were:		
Allianz Asian Small Cap Equity Fund	49	420

## 12. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the subfund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

## 13. Shareholders' funds

The subfund currently has two share classes: A and C. The ACD's annual fee on these share classes are as follows:

Class A :	1.50%
Class C :	0.75%

The net asset value per share and the number of shares in issue are given in the Comparative Tables on page 206 and 207.

# Notes to the Final Report and Financial Statements continued

The distribution per share is given in the Distribution Table on page 208.

Revenue available for allocation will be allocated between the share classes based on the respective proportionate interests represented by those share classes on a daily basis and taxation is computed by reference to the net revenue after expenses attributable to each class. All share classes have the same rights on winding up.

For the year ended 30 April 2023:

	Class A Shares Accumulation	Class C Shares Income	Class C Shares Accumulation
Opening shares	7,082	1,114,497	19,382,146
Shares created	845	42,381	133,862
Shares cancelled	(5,475)	(165,382)	(2,398,622)
Shares converted	-	-	-
Closing shares	2,452	991,496	17,117,386

## 14. Contingent liabilities and commitments

As at 30 April 2023 there were no contingent liabilities (2022: £Nil).

## 15. Derivatives and other financial instruments

### a. Currency exposure

The majority of the net assets and liabilities of the subfund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Monetary Exposure 30 April 2023 £000s	Non-Monetary Exposure 30 April 2023 £000s	Total Exposure 30 April 2023 £000s	Monetary Exposure 30 April 2022 £000s	Non-Monetary Exposure 30 April 2022 £000s	Total Exposure 30 April 2022 £000s	
	Chinese Yuan	102	3,524	3,626	-	2,482	2,482
	Hong Kong Dollar	1	9,858	9,859	24	13,877	13,901
Indian Rupee	(95)	3,847	3,752	-	4,115	4,115	
Indonesian Rupiah	(70)	1,101	1,031	-	1,807	1,807	
Malaysian Ringgit	(126)	755	629	(113)	258	145	
New Taiwan Dollar	648	1,421	2,069	61	3,447	3,508	
Philippine Peso	19	1,125	1,144	-	1,032	1,032	
Singapore Dollar	34	2,509	2,543	(37)	4,202	4,165	
South Korean Won	196	4,570	4,766	19	5,289	5,308	
Thailand Baht	-	1,897	1,897	(36)	1,788	1,752	
US Dollar	19	9,969	9,988	92	11,360	11,452	

### b. Interest rate risk profile

The subfund did not hold any interest bearing financial instruments other than its cash and bank balances as at the balance sheet date (2022 - same).

### c. Sensitivity analysis

#### Market price sensitivity

The value of the subfund's listed investments, which were exposed to market price risk as at 30 April was as follows:

	2023 £000s	2022 £000s
Listed equity investments held at fair value through profit or loss	40,575	49,657

# Notes to the Final Report and Financial Statements continued

The following illustrates the sensitivity of the net return and the net assets to an increase or decrease of 20% (2022 - 20%) in the fair values of the subfund's investments. This level of change is considered to be reasonably possible based on observation of market conditions in the year. The sensitivity analysis is based on the impact of a change to the value of the subfund's investments at each balance sheet date.

	2023	2023	2022	2022
	20% Increase in fair value £000s	20% Decrease in fair value £000s	20% Increase in fair value £000s	20% Decrease in fair value £000s
<b>Capital Return</b>				
Net gains (losses) on investments at fair value	8,115	(8,115)	9,931	(9,931)

#### Foreign currency risk sensitivity

The following table details the subfund's sensitivity to a 20% increase and decrease in sterling against the relevant foreign currencies and the resultant impact that any such increase or decrease would have on the net return and net assets. The sensitivity analysis includes all foreign currency denominated items and adjusts their translation at the year end for a 20% change in foreign currency rates.

	2023	2023	2022	2022
	20% Increase in Sterling against foreign currencies £000s	20% Decrease in Sterling against foreign currencies £000s	20% Increase in Sterling against foreign currencies £000s	20% Decrease in Sterling against foreign currencies £000s
Chinese Yuan	(604)	906	(414)	620
Hong Kong Dollar	(1,643)	2,465	(2,317)	3,475
Indian Rupee	(625)	938	(686)	1,029
Indonesian Rupiah	(172)	258	(301)	452
Malaysian Ringgit	(105)	157	(24)	36
New Taiwan Dollar	(345)	517	(585)	877
Philippine Peso	(191)	286	(172)	258
Singapore Dollar	(424)	636	(694)	1,041
South Korean Won	(794)	1,191	(885)	1,327
Thailand Baht	(316)	474	(292)	438
US Dollar	(1,665)	2,497	(1,909)	2,863
Change in net return and net assets	(6,884)	10,325	(8,279)	12,416

#### d. Leverage

The subfund did not employ significant leverage during the year (2022 - same).

#### e. Fair value hierarchy

An analysis of the portfolio in accordance with the fair value hierarchy is shown below:

	Assets	Liabilities	Assets	Liabilities
	30 April 2023 £000s	30 April 2023 £000s	30 April 2022 £000s	30 April 2022 £000s
Level 1: Quoted	40,127	-	49,146	-
Level 2: Observable	448	-	511	-
Level 3: Unobservable	-	-	-	-
	40,575	-	49,657	-

The fair value as at the reporting date has been estimated using the following fair value hierarchy:

Level (1) Quoted prices for identical instruments in active markets

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level (2) Valuation techniques that use:

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

# Notes to the Final Report and Financial Statements continued

Level (3) Valuation techniques that use:

Inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

When the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate, the fair value is estimated by using an alternative valuation technique. Such valuation techniques will, where possible, maximise the use of observable market data inputs as opposed to non-observable entity determined data inputs. The Investment Manager considers observable data to be that market data that 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.

f. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2022 - same).

g. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair value.

## 16. Portfolio transaction costs

For the year ended 30 April 2023:

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2023	2023	2023	2023	2023
	£000s	£000s	%	£000s	%
<b>Purchases</b>					
Equity instruments (direct)	32,726	27	0.08	23	0.07
Collective investment schemes	25	-	-	-	-
Total purchases	32,751	27	0.08	23	0.07
Total purchases including transaction costs	32,801				
	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2023	2023	2023	2023	2023
	£000s	£000s	%	£000s	%
<b>Sales</b>					
Equity instruments (direct)	37,956	31	0.08	49	0.13
Collective investment schemes	49	-	-	-	-
Total sales	38,005	31	0.08	49	0.13
Total sales including transaction costs	37,925				
Total transaction costs as a % of average net assets		0.12%		0.16%	
	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Purchases</b>					
Equity instruments (direct)	47,065	55	0.12	25	0.05
Collective investment schemes	-	-	-	-	-
Total purchases	47,065	55	0.12	25	0.05
Total purchases including transaction costs	47,145				

# Notes to the Final Report and Financial Statements continued

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Sales</b>					
Equity instruments (direct)	58,873	46	0.08	80	0.14
Collective investment schemes	419	-	-	-	-
<b>Total sales</b>	<b>59,292</b>	<b>46</b>	<b>0.08</b>	<b>80</b>	<b>0.14</b>
Total sales including transaction costs	59,166				
<b>Total transaction costs as a % of average net assets</b>		<b>0.15%</b>		<b>0.16%</b>	

The above analysis covers any direct transaction costs suffered by the subfund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc) are attributable to the subfund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

For the subfund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs suffered in those underlying Funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

Dealing spread costs suffered by the subfund vary considerably for the different asset / instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.14% (2022 : 0.14%).

# Fund Information

## Investment Objective and Policy\*

The Allianz US Equity Fund aims to achieve capital growth through investment in leading US companies.

The ACD will invest at least 70% of the Fund's assets in the larger companies of the United States of America considered to have good prospects for increasing profits and selling on attractive price/earnings ratios. Investments may also be made in Canadian companies and, if particular opportunities are presented, investments may be made in medium and occasionally smaller sized US companies. The Fund's portfolio is based on the sector weightings of the US stock market and emphasis is placed on sectors expected to out perform relative to the market.

\* Allianz US Equity Fund was merged into the Allianz Thematica Fund on 30 September 2022. The Fund is currently in liquidation, following the approval for termination by FCA.

## Fund Details

Fund Manager	Yogesh Padmanabhan	
Benchmark	S&P 500 Index Total Return GBP	
Income allocation date	30 April	
Income pay date	31 August (normally by 30 June)	
Launch dates	Fund	20 June 2002
	A Shares	20 June 2002
	C Shares	26 October 2009
ISA status	Yes	
Share Classes and types of Shares	A (Accumulation Shares) C (Accumulation Shares)	
Minimum investment	A Shares	Lump sum £500 Monthly saving £50
	C Shares	Lump sum £500 Monthly saving £50
Initial charge	A Shares	Nil
	C Shares	Nil
Annual ACD fee	A Shares	1.50%
	C Shares	0.75%

All Share Classes were closed on 30 September 2022.

# Comparative Tables

For the year ended 30 April 2023

	A Shares Accumulation			C Shares Accumulation		
	2023 (p)	2022 (p)	2021 (p)	2023 (p)	2022 (p)	2021 (p)
Opening net asset value per share	886.03	918.87	667.08	432.81	445.56	321.33
Return before operating charges	(7.77)	(17.75)	263.36	(3.80)	(8.77)	127.68
Operating charges	(5.79)	(15.09)	(11.57)	(1.50)	(3.98)	(3.45)
Return after operating charges	(13.56)	(32.84)	251.79	(5.30)	(12.75)	124.23
Distributions	-	-	-	-	-	(0.19)
Retained distributions on accumulation shares	-	-	-	-	-	0.19
Return to shareholder as a result of class closure	872.47	-	-	427.51	-	-
Closing net asset value per share	-	886.03	918.87	-	432.81	445.56
After direct transaction costs of <sup>1</sup>	(0.52)	(0.16)	(0.25)	(0.25)	(0.08)	(0.13)
Performance						
Return after operating charges	(1.53)%	(3.57)%	37.75%	(1.22)%	(2.86)%	38.66%
Other information						
Closing net asset value (£'000)	-	552	647	-	32,596	34,921
Closing number of shares	-	62,288	70,403	-	7,531,270	7,837,636
Operating charges	1.57%	1.60%	1.59%	0.83%	0.87%	0.90%
Direct transaction costs	0.06%	0.02%	0.03%	0.06%	0.02%	0.03%
Prices						
Highest share price	917.35	1,031.55	918.78	448.15	502.22	445.52
Lowest share price	841.39	852.23	645.82	411.11	415.75	311.11

Allianz US Equity Fund closed on 30th September 2022 with assets transferred to Allianz Thematica Fund, a subfund within this OEIC.

<sup>1</sup> Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as dealing spread and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the subfund and share class returns before operating charges.



# Investment Review

## Performance Summary

Over the 5 months under review, 1 May 2022 to 30 September 2022, the Fund's 'C' class produced a total return of -2.5% in GBP, net of fees. The Fund's benchmark, the S&P 500 Index, produced a total return of -1.7% in GBP over the period. The Fund results trailed the benchmark modestly over the period due to short-term stock selection. The Fund merged into the Allianz Thematica Fund effective from 30 September 2022 and will be terminated in the near future upon receipt of FCA approval.

## Market Background

US equities were volatile during the partial reporting period as markets were impacted by changing investor sentiment and rising interest rate expectations. Russia's invasion of the Ukraine hurt already stretched energy supplies and further eroded already existing supply chains issues, translating to expectations that the Federal Reserve (Fed) would need to be more aggressive in hiking interest rates. By mid-August, the S&P 500 Index had rallied around 15% from its June lows, while the Nasdaq Index had rebounded more than 20%. However, shares subsequently slumped as signs that US inflation may be easing proved premature and US policymakers issued a series of hawkish statements. US shares lost ground over the quarter, falling back into a bear market as they retreated back to levels last seen in mid-June. In late-August, the US passed the Inflation Reduction Act. The \$740 billion bill contained plans to invest nearly \$375 billion over the next decade in climate-fighting strategies.

Sector results were lower across the board, due in part to the impact from the US dollar. Value-tilted and defensive sectors were the top performers, with energy the leading relative gains followed by health care and utilities. Meanwhile, real estate, materials and communication services sectors were among the chief sector underperformers due to moderating sentiment and concerns of rising rates.

## Portfolio Review

The Allianz US Equity Fund seeks to invest in US equities benefiting from change not yet fully reflected in the market. The investment approach is predicated on the belief that equity markets are not perfectly efficient and the team

believes investor sentiment fluctuates more widely than underlying fundamentals, which creates mispriced opportunities.

The Fund trailed the benchmark during the reporting period due primarily to more conservative stock selection, which offset a positive allocation tailwind, focused increasingly on value-oriented segments of the market.

From a sector standpoint, bottom-up picks in information technology contributed to results, thanks to selections in technology hardware and semiconductor industries. Relative results in materials and industrials also outpaced the benchmark. This was offset by relative headwinds in communication services, consumer discretionary and health care, where select exposure to longer-duration earners offset performance given the more aggressive Fed rate hike expectations.

On an individual security basis, an above-benchmark position in iPhone and personal computer maker Apple contributed to results as the stock outpaced the broader market thanks to robust consumer-led demand. An active overweight allocation in health insurer Humana Inc. and a sizeable underweight in chip maker NVIDIA was also additive to results. This was offset by performance in cruise ship operator Carnival Corp, which was lower amid concerns of moderating demand as investors increasingly discounted the impact of potentially rising rates and moderating discretionary spending. Horizon Therapeutics, a developer of medicines for arthritis, pain, and inflammatory diseases, declined due to a lower-than-expected sales guidance, while Prologis Inc., a global industrial real estate owner and operator, fell after a proposed acquisition and impact from a more challenging macroeconomic environment.

# Investment Review continued

## Outlook

Our near-term outlook for US large cap equities continued to be predicated on macroeconomic factors and the path of US Federal Reserve rate hikes, with inflation being a key metric for policy decisions and corresponding investor sentiment. The significant decline in 2022 has been driven primarily by de-rating of earnings multiples, as corporate profits remain healthy, particularly those with higher US dollar exposure. We continue to believe that investors with a medium-to-longer-term time horizon will be rewarded in coming years with the expectation that equities will remain resilient, particularly once higher interest rates are discounted by the market. Our preference for more resilient, steadfast quality growth names remains intact and we continue to provide a balance of stocks with defensive-oriented exposure, which may allow us to outperform in a variety of market scenarios. We remain confident that the prevailing market environment is likely to favour stock selection, which bodes well for our investment process.

Through active management, we remain committed to mitigating downside risk while participating in upside opportunity. We continue to maintain secular growth exposure as we monitor potential equity market risks and seek out individual companies with attractive risk-reward profiles and strong fundamentals.

## Balance Sheet Event Note

Allianz US Equity Fund was merged into the Allianz Thematica Fund on 30 September 2022. The Fund is currently in liquidation, following the approval for termination by Financial Conduct Authority (FCA).

# Statement of Total Return

For the year ended 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Income:					
Net capital losses	2		(442)		(1,070)
Revenue	3	183		297	
Expenses	4	(109)		(298)	
Interest payable and similar charges		-		(1)	
Net revenue/(expense) before taxation		74		(2)	
Taxation	5	(26)		(44)	
Net revenue/(expense) after taxation			48		(46)
Total return before distributions			(394)		(1,116)
Distributions	6		(42)		-
Change in net assets attributable to shareholders from investment activities			(436)		(1,116)

# Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 April 2023

	2023 £000s	2023 £000s	2022 £000s	2022 £000s
Opening net assets attributable to shareholders		33,148		35,568
Inspecie transfer*		(27,257)		-
Amounts receivable on issue of shares	5,571		19,730	
Amounts payable on cancellation of shares	(11,026)		(21,034)	
		(5,455)		(1,304)
Change in net assets attributable to shareholders from investment activities (see above)		(436)		(1,116)
Closing net assets attributable to shareholders		-		33,148

\* Inspecie amounts transferred out to Allianz Thematica Fund on 30 September 2022.  
Fund closed on 30 September 2022.

Notes to the final report and Financial Statements are from page 229 to 236.

# Balance Sheet

As at 30 April 2023

	Notes	2023 £000s	2023 £000s	2022 £000s	2022 £000s
<b>Assets:</b>					
<b>Current assets:</b>					
Investments			-		31,676
Debtors	7	1		995	
Cash and bank balances	8	-		567	
<b>Total assets</b>			<b>1</b>		<b>33,238</b>
<b>Liabilities:</b>					
<b>Creditors:</b>					
Other creditors	9	(1)		(68)	
Bank overdrafts	10	-		(22)	
<b>Total liabilities</b>			<b>(1)</b>		<b>(90)</b>
<b>Net assets attributable to shareholders</b>			<b>-</b>		<b>33,148</b>

Allianz US Equity Fund was merged into the Allianz Thematica Fund on 30 September 2022. The Fund is currently in liquidation, following the approval for termination by FCA.

Notes to the final report and Financial Statements are from page 229 to 236.

# Notes to the Final Report and Financial Statements

## 1. Accounting Basis and Policies

The applicable accounting policies adopted by the Allianz US Equity Fund are included on pages 8 and 9 of the Collective Notes to the Final Report and Financial Statements.

## 2. Net capital losses

	2023 £000s	2022 £000s
Losses on non-derivative securities	(564)	(1,142)
Losses on derivative securities	(5)	-
Gains on currency	184	87
Losses on forward currency contracts	(53)	-
Handling charges	(4)	(15)
Net capital losses	(442)	(1,070)

## 3. Revenue

	2023 £000s	2022 £000s
Bank interest	2	-
Overseas dividends - non-taxable	171	286
Overseas dividends - taxable	10	11
Total revenue	183	297

# Notes to the Final Report and Financial Statements continued

## 4. Expenses

	2023	2022
	£000s	£000s
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
ACD's annual fee	102	271
Company secretarial costs	-	(1)
	102	270
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	2	6
Safe custody fees	1	1
	3	7
Other expenses:		
Audit fees	-	12
Distribution costs	1	2
Printing costs	-	1
Registration fees	3	6
	4	21
<b>Total expenses</b>	<b>109</b>	<b>298</b>

All expenditure stated above is inclusive of VAT where applicable.

The Audit fee for the year, excluding VAT, was £9,800 (2022 - £9,800).

Since the Fund closed, all potential remaining costs will be paid directly by the ACD.

# Notes to the Final Report and Financial Statements continued

## 5. Taxation

	2023	2022
	£000s	£000s
a. Analysis of the taxation charge for the year:		
Overseas tax suffered	26	44
Total taxation for the year (see Note 5(b))	26	44
b. Factors affecting taxation charge for the year:		
The taxation assessed for the year is higher than the standard rate of corporation tax in the UK for a subfund of an Open-Ended Investment Company (20%) (2022 - 20%).		
The differences are explained below:		
Net revenue/(expense) before taxation	74	(2)
Corporation tax at 20%	15	-
Effects of:		
Overseas dividends - non-taxable	(35)	(57)
Overseas tax suffered	26	44
Relief for overseas tax treated as an expense	-	(1)
Movement in surplus management expenses	20	58
Total taxation charge for the year (see Note 5(a))	26	44

OEICs are exempt from tax on capital gains in the UK, therefore capital returns are not included within the reconciliation.

### c. Deferred tax

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

### d. Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £2,586,000 (2022 : £2,567,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

## 6. Distributions

The distributions take account of revenue received on the creation of Shares and revenue deducted on the cancellation of Shares and comprise:

	2023	2022
	£000s	£000s
Add: Revenue deducted on cancellation of shares	46	-
Deduct: Revenue received on creation of shares	(4)	-
Net distributions for the year	42	-
Reconciliation of net revenue/(expense) after taxation to net distributions for the year		
Net revenue/(expense) after taxation	48	(46)
Net (expense)/revenue shortfall taken to capital	(6)	46
Net distributions for the year	42	-

# Notes to the Final Report and Financial Statements continued

## 7. Debtors

	2023	2022
	£000s	£000s
Accrued revenue	-	18
Amounts receivable on creation of shares	-	803
Overseas tax recoverable	1	1
Sales awaiting settlement	-	173
	1	995

## 8. Cash and bank balances

	2023	2022
	£000s	£000s
Cash and bank balances	-	567
	-	567

## 9. Other creditors

	2023	2022
	£000s	£000s
Accrued ACD's annual fee	-	21
Amounts payable on cancellation of shares	-	25
Other accrued expenses	1	22
	1	68

## 10. Bank overdrafts

	2023	2022
	£000s	£000s
Bank overdrafts	-	22
Total bank overdrafts	-	22

## 11. Related party transactions

Management fees paid to the ACD are disclosed in note 4 and amounts due at the year end are disclosed in note 9.

Monies received and paid by the ACD through the creation and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 7 and 9.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the year end.



# Notes to the Final Report and Financial Statements continued

## Significant Shareholdings

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 102, which requires the disclosure of details of material transactions between the subfund and any related party. There were no assets managed by related parties of the ACD held by the subfund during the year.

## 12. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the subfund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

## 13 Shareholders' funds

The subfund had two share classes: A and C. The ACD's annual fee on these share classes was as follows:

Class A :	1.50%
Class C :	0.75%

The net asset value per share and the number of shares in issue are given in the Comparative Tables on page 224.

Revenue available for allocation will be allocated between the share classes based on the respective proportionate interests represented by those share classes on a daily basis and taxation is computed by reference to the net revenue after expenses attributable to each class. All share classes have the same rights on winding up.

For the year ended 30 April 2023:

	Class A Shares	Class C Shares
Opening shares	62,288	7,531,270
Shares created	5,374	1,302,002
Shares cancelled	(67,662)	(8,833,272)
Closing shares	-	-

## 14. Contingent liabilities and commitments

As at 30 April 2023 there were no contingent liabilities (2022: £Nil).

## 15. Derivatives and other financial instruments

### a. Currency exposure

The majority of the net assets and liabilities of the subfund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

The table below shows the foreign currency risk profile at the balance sheet date:

	Monetary Exposure 30 April 2023 £000s	Non-Monetary Exposure 30 April 2023 £000s	Total Exposure 30 April 2023 £000s	Monetary Exposure 30 April 2022 £000s	Non-Monetary Exposure 30 April 2022 £000s	Total Exposure 30 April 2022 £000s
Currency						
US Dollar	1	-	1	174	31,675	31,849

### b. Interest rate risk profile

The subfund did not hold any interest bearing financial instruments other than its cash and bank balances as at the balance sheet date (2022 - same).

# Notes to the Final Report and Financial Statements continued

## c. Sensitivity analysis

### Market price sensitivity

The value of the subfund's listed investments, which were exposed to market price risk as at 30 April was as follows:

	2023	2022
	£000s	£000s
Listed equity investments held at fair value through profit or loss	-	31,676

The following illustrates the sensitivity of the net return and the net assets to an increase or decrease of 20% (2022 - 20%) in the fair values of the subfund's investments. This level of change is considered to be reasonably possible based on observation of market conditions in the year. The sensitivity analysis is based on the impact of a change to the value of the subfund's investments at each balance sheet date.

	2023	2023	2022	2022
	20% Increase in fair value £000s	20% Decrease in fair value £000s	20% Increase in fair value £000s	20% Decrease in fair value £000s
Capital Return				
Net gains on investments at fair value	-	-	6,335	(6,335)

### Foreign currency risk sensitivity

The following table details the subfund's sensitivity to a 20% increase and decrease in sterling against the relevant foreign currencies and the resultant impact that any such increase or decrease would have on the net return and net assets. The sensitivity analysis includes all foreign currency denominated items and adjusts their translation at the year end for a 20% change in foreign currency rates.

	2023	2023	2022	2022
	20% Increase in Sterling against foreign currencies £000s	20% Decrease in Sterling against foreign currencies £000s	20% Increase in Sterling against foreign currencies £000s	20% Decrease in Sterling against foreign currencies £000s
US Dollar	-	-	(5,308)	7,962
Change in net return and net assets	-	-	(5,308)	7,962

## d. Leverage

The subfund did not employ significant leverage during the year (2022 - same).

## e. Fair value hierarchy

An analysis of the portfolio in accordance with the fair value hierarchy is shown below:

	Assets	Liabilities	Assets	Liabilities
	30 April 2023 £000s	30 April 2023 £000s	30 April 2022 £000s	30 April 2022 £000s
Level 1: Quoted	-	-	31,676	-
Level 2: Observable	-	-	-	-
Level 3: Unobservable	-	-	-	-
	-	-	31,676	-

The fair value as at the reporting date has been estimated using the following fair value hierarchy:

### Level (1) Quoted prices for identical instruments in active markets

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

### Level (2) Valuation techniques that use:

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

### Level (3) Valuation techniques that use:

Inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

When the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate, the fair value is estimated by using an alternative valuation technique. Such valuation techniques will, where possible, maximise the use of observable market data inputs as opposed to non-observable entity determined data inputs.

# Notes to the Final Report and Financial Statements continued

The Investment Manager considers observable data to be that market data that 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.

## f. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2022 - same).

## g. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair value.

## 16. Portfolio transaction costs

For the year ended 30 April 2023:

	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2023	2023	2023	2023	2023
	£000s	£000s	%	£000s	%
<b>Purchases</b>					
Equity instruments (direct)	31,369	1	-	15	0.05
Total purchases	31,369	1	-	15	0.05
Total purchases including transaction costs	31,385				
	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2023	2023	2023	2023	2023
	£000s	£000s	%	£000s	%
<b>Sales</b>					
Equity instruments (direct)	62,491	1	-	1	-
Total sales	62,491	1	-	1	-
Total sales including transaction costs	62,489				
Derivative Transaction costs		-		-	
Total transaction costs as a % of average net assets		0.01%		0.05%	
	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Purchases</b>					
Equity instruments (direct)	28,257	3	0.01	-	-
Total purchases	28,257	3	0.01	-	-
Total purchases including transaction costs	28,260				
	Transaction Value	Commissions	Commissions	Taxes	Taxes
	2022	2022	2022	2022	2022
	£000s	£000s	%	£000s	%
<b>Sales</b>					
Equity instruments (direct)	30,677	3	0.01	1	-
Total sales	30,677	3	0.01	1	-
Total sales including transaction costs	30,673				
Derivative Transaction costs		-		-	
Total transaction costs as a % of average net assets		0.02%		0.00%	

# Notes to the Final Report and Financial Statements continued

The above analysis covers any direct transaction costs suffered by the subfund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc) are attributable to the subfund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the subfund vary considerably for the different asset / instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.00% (2022 : 0.04%).

# Authorised Corporate Director's Report to the Shareholders

REPORT OF THE AUTHORISED CORPORATE DIRECTOR TO THE SHAREHOLDERS OF THE Allianz International Investment Funds FOR THE YEAR ENDED 30 April 2023.

In accordance with the requirements of the Regulations, we hereby certify the report on behalf of Allianz Global Investors UK Limited.

**Signature:** Neil Brown  
Neil Brown (Aug 30, 2023 16:44 GMT+1)

**Email:** neil.brown@allianzgi.com

Authorised signatory

30 August 2023

**Signature:** Simon Gergel  
Simon Gergel (Aug 30, 2023 17:16 GMT+1)

**Email:** simon.gergel@allianzgi.com

Authorised signatory

# Depository's Report to the Shareholders

REPORT OF THE DEPOSITORY TO THE SHAREHOLDERS OF THE Allianz International Investment Funds ("the Company") for the year ended 30 April 2023.

The Depository must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depository must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depository is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depository must ensure that:

- the Company's cash flows are properly monitored<sup>1</sup> and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM") which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Depository also has a duty to take reasonable care to ensure that Company is managed in accordance with the Regulations and Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depository of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

State Street Trustees Limited

Depository

30 August 2023

# Independent Auditors' Report to Shareholders of Allianz International Investment Funds

## Report on the audit of the financial statements

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### Opinion

In our opinion, the financial statements of Allianz International Investment Funds (the "Company"):

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 30 April 2023 and of the net revenue and the net capital gains/losses on the scheme property of the Company and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Allianz International Investment Funds is an Open Ended Investment Company ("OEIC") with 11 sub-funds. The financial statements of the Company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Final Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheets as at 30 April 2023; the Statements of Total Return, the Statements of Change in Net assets Attributable to Shareholders for the year then ended; the Distribution Tables; the accounting policies (in the Collective Notes to the Final Report and Financial Statements) and the notes to the financial statements.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Emphasis of matter – financial statements of a sub-fund prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to Note 1 within the Collective Notes to the Financial Reporting and Financial statements which describes the Authorised Corporate Directors' reasons why the financial statements for the Allianz US Equity Fund (the "terminating sub-fund"), a sub-fund of Allianz International Investment Funds, have been prepared on a basis other than going concern. The financial statements of the remaining sub-funds of the Company (the "continuing sub-funds") have been prepared on a going concern basis.

### Conclusions relating to going concern

In respect of the Company as a whole and the continuing sub-funds, based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's or any of its continuing sub-funds' ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

With the exception of the terminating sub-fund, in auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's or any of its continuing sub-funds' ability to continue as a going concern.

Our responsibilities and the responsibilities of the Authorised Corporate Director with respect to going concern are described in the relevant sections of this report.

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Corporate Director is responsible for the other information. Our opinion on the

# Independent Auditors' Report to Shareholders of Allianz International Investment Funds

financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on our work undertaken in the course of the audit, the Collective Investment Schemes sourcebook requires us also to report certain opinions as described below.

## *Authorised Corporate Director's Report*

In our opinion, the information given in the Authorised Corporate Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Responsibilities for the financial statements and the audit**

### *Responsibilities of the Authorised Corporate Director for the financial statements*

As explained more fully in the Statement of the Authorised Corporate Director's Responsibilities, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's and each of the sub-funds ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to wind up or terminate the Company or individual sub-fund, or has no realistic alternative but to do so.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Company or the sub-funds and judgements and assumptions made by management in their significant accounting estimates. Audit procedures performed included:

- Discussions with the Authorised Corporate Director, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Authorised Corporate Director's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.



# Independent Auditors' Report to Shareholders of Allianz International Investment Funds

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

## *Use of this report*

This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Other required reporting**

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### **Opinion on matter required by the Collective Investment Schemes sourcebook**

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

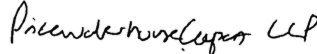
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### **Collective Investment Schemes sourcebook exception reporting**

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

  
PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Edinburgh  
31 August 2023

# Additional Information

## How will I be kept informed of my investment?

You will receive a full statement of your investments as at 5 April and 5 October sent to you at the end of April and end of October respectively. You can also request a valuation at any time by calling 0800 073 2001.

In addition, the share prices are published daily on our website at <https://uk.allianzgi.com>

Interim and audited annual long form reports as at 31 October and 30 April can be obtained from our website or by calling the number above.

## Taxation

### Capital gains tax

Investors are only liable to capital gains tax if their total chargeable gains (net of allowable losses) in the year exceed the annual exemption (£12,300 for 2024/2023 year, £12,000 2023/2022 year). If gains in excess of this exemption are realised the excess is taxable at the rate of UK capital gains tax applicable to the investor, being either 10% or (for higher & additional rate taxpayers) 20%.

### Income tax

Distributions, whether they are paid out or accumulated, are treated as income for tax purposes.

### Dividend distributions (Equity Funds)

An individual Shareholder who is resident for tax purposes in the United Kingdom will receive an annual Dividend Allowance which will exempt from tax his first £2,000 of dividend income, including dividend distributions received or deemed to be received from a Fund. Dividend income in excess of the Dividend Allowance is taxed at 7.5%, 32.5% or 38.1%, to the extent that income falls within the basic rate income tax band, the higher rate income tax band or the additional rate income tax band, respectively. Individual Shareholders should note that dividend income forms the top slice of an individual's income and that all dividend income (including that income exempted from tax by virtue of the Dividend Allowance) is counted when determining which income tax rate band is applicable.

### Interest distributions (Bond Funds)

From 6 April 2016, an interest tax-free allowance was introduced. The allowance is dependent on the Income Tax band of the investor, £1,000 (basic rate), £500 (higher rate) and £0 (additional rate).

## Risk warning

Investors are reminded that the value of shares of a subfund and the income from the shares may go down as well as up and is not guaranteed. An investor may not get back the amount he/she has invested. The past is no guide to future performance. Details of the risk factors are published in the full prospectus which may be accessed at [www.allianzglobalinvestors.co.uk](http://www.allianzglobalinvestors.co.uk). Alternatively, call our Investor Services team on 0800 317 573 to request a copy free of charge.

## Complaints

A copy of our leaflet, "Allianz Global Investors Complaints Process", is available on request. Any eligible complainant having any complaint in respect of the Fund should inform Allianz Global Investors GmbH, UK Branch, in writing of the details of the complaint. This will then be investigated and a reply provided as soon as possible and any appropriate remedial action taken. In addition, eligible complainants will have a right of complaint directly to the Financial Ombudsman Service if he/she is not satisfied with the outcome of the investigation into the complaint. Details of the Financial Services Compensation Scheme established under the Financial Services and Market Act 2000, under which an investor may be entitled to receive compensation if the ACD is unable to meet any of its liabilities to the investor are available on written request from the ACD.

## Telephones

For our mutual protection, calls are recorded and may be used for quality control and training purposes, however, Allianz Global Investors GmbH, UK Branch, reserves the right to use such recordings in the event of a dispute.

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