

Allianz Global Investors Asia Fund

Annual Report

For the year ended 30 June 2021

Content

	Page(s)
Management and administration	1
Manager's report	3
Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend)	
Trustee's report	6
Independent auditor's report to the unitholders	7
Statement of net assets	11
Statement of comprehensive income	12
Statement of changes in net assets attributable to unitholders	13
Cash flow statement	14
Notes to the financial statements	15
Portfolio statement (Unaudited)	42
Statement of movement in portfolio holdings (Unaudited)	59
Performance record (Unaudited)	62
Information on exposure arising from financial derivative instruments (Unaudited)	64
Allianz Selection Income and Growth	
Trustee's report	65
Independent auditor's report to the unitholders	66
Statement of net assets	70
Statement of comprehensive income	71
Statement of changes in net assets attributable to unitholders	72
Cash flow statement	73
Notes to the financial statements	75
Portfolio statement (Unaudited)	120
Statement of movement in portfolio holdings (Unaudited)	134
Performance record (Unaudited)	136
Information on exposure arising from financial derivative instruments (Unaudited)	138
Allianz Preferred Securities and Income	
Trustee's report	139
Independent auditor's report to the unitholders	140
Statement of net assets	144
Statement of comprehensive income	145
Statement of changes in net assets attributable to unitholders	146
Cash flow statement	147
Notes to the financial statements	148
Portfolio statement (Unaudited)	188
Statement of movement in portfolio holdings (Unaudited)	192
Performance record (Unaudited)	194
Information on exposure arising from financial derivative instruments (Unaudited)	198

Management and administration

Manager

Allianz Global Investors Asia Pacific Limited (the “Manager”)
27/F, ICBC Tower
3 Garden Road
Central
Hong Kong

Investment Manager of Allianz Selection Income and Growth and Allianz Preferred Securities and Income

Allianz Global Investors US LLC
600 West Broadway
31st Floor, San Diego
CA 92101
United States

Directors of the Manager

Mr. Raymond C.K. Chan
Mr. Khee Chen Alex Jong (Appointed on 22 January 2021)
Mr. Kam Wah Ip (Resigned on 21 September 2020)
Mr. Ka Yiu Desmond Ng
Mr. Daniel Lehmann (Resigned on 22 January 2021)
Ms. Tze Ling Yu
Ms. Wun Wun Lung (Appointed on 21 September 2020)

Trustee and Custodian

HSBC Institutional Trust Services (Asia) Limited (the “Trustee”)
滙豐機構信託服務(亞洲)有限公司
1 Queen’s Road Central
Hong Kong

Management and administration (continued)

Registrar

Allianz Global Investors Asia Pacific Limited (the “Registrar”)
27/F, ICBC Tower
3 Garden Road
Central
Hong Kong

Legal Adviser

as to matters of Hong Kong and United States law
Baker & McKenzie
14/F, Taikoo Place
979 King’s Road, Quarry Bay
Hong Kong

Auditor

PricewaterhouseCoopers
22nd Floor
Prince’s Building
Central
Hong Kong

Manager's report

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend)

Global equities delivered strong gains over the second quarter as sentiment was boosted by optimism over the strength of the economic recovery. In general, Western markets were among the strongest performers with economies recovering swiftly as COVID-19 infection levels eased. In contrast, Asian markets generally lagged as several countries were forced to re-impose/tighten restrictions to control fresh outbreaks. Global bonds were mixed. In the US, bond yields fell, with the yield on the 10-year US Treasury bond moving back below 1.5%, a level last seen at the start of the year. In contrast, European bond yields rose modestly. Corporate bonds outperformed sovereign debt in a sign that the recent rise in inflation was not expected to derail the economic recovery. Emerging market bonds appreciated over the quarter. Both hard currency and local currency bonds posted gains, with currency movements further adding to the US dollar returns of local currency bonds, despite some renewed strength in the greenback in June after US policymakers took a more hawkish stance.

The equity strategy outperformed global equity markets from 30 April 2021 to 30 June 2021. On theme level, the strongest positive contributor to performance during the period was the Clean Water and Land theme. On the negative side, the main detractor from performance was the Next Generation Energy theme. It is reassuring to see some normalization after the cyclical headwinds earlier this year. From our point of view, the news flow around the economic recovery that has caused market participants to sell previous winners and rotate into the previously neglected areas will by definition run out of steam at some stage. The focus will then likely pivot back to the areas of longer-term structural change that we target. At the same time, many of the companies we are invested in are not only longer-term structural winners but should similarly benefit from the cyclical recovery.

For the fixed income portfolio, it has contributed positively to the overall fund return during the period. Both developed and emerging market credits had a solid performance as a result of lower US Treasury yields and tighter credit spreads. Security selection was additive in performance. In terms of sector, the major return contributors were Consumer Non-cyclical, Energy and Financial which are the beneficiaries of global economic recovery. Utilities and Industrial lagged in performance but still provide a positive contribution to the fund.

The environment for equity investments remains favourable overall. While US growth momentum seems to be approaching its peak, the euro area is probably still some months away from this turning point. Data from Asia are mixed, as many countries are making slower progress with vaccinations than the western developed economies. Against this background, most companies are likely to continue to register strong earnings growth. Nevertheless, a slowdown in US growth and increasing concerns among market participants about the future path of monetary policy could raise the probability of an equity market correction. Central banks' extremely generous monetary policies will be increasingly questioned as the recovery continues and inflation remains high. The Fed's monetary policy decisions may cause bond price volatility in the coming months. The ECB is likely to remain very cautious in order to keep the upswing intact. High-yield and emerging markets bonds should benefit from their spread over prime bonds and a continued pick-up in growth, but remain vulnerable to downside surprises.

Manager's report (continued)

Allianz Selection Income and Growth

For the year ended 30 June 2021, the Allianz Selection Income and Growth returned +23.96%. For comparison purposes, the S&P 500 Index gained +40.77% and the overall U.S. bond market, as measured by the Bloomberg Barclays U.S. Aggregate Bond Index lost -0.33%. Several factors influenced the three asset classes in the reporting period, stronger-than-expected corporate earnings, a robust economic recovery, Fed accommodation, additional US fiscal stimulus, falling virus infections, and vaccine rollout momentum.

The fund provided consistent income and generated a positive total return that was similar to the combined performance of the underlying asset classes. On average, all three underlying assets classes contributed positively to return with convertible holdings outperformed equity holdings, which outperformed corporate bond holdings.

Please refer to the simplified and full sales prospectuses for additional information on the fund. The performance in the period under review can be found in the table "Performance record" at the end of the financial statements.

US economy rapidly recovered over the trailing 12 months. Unemployment declined, consumer confidence and surveys of manufacturing and service sector activity rebounded, S&P 500 companies delivered strong earnings, and housing industry statistics strengthened, while inflation measures accelerated over the second quarter of 2021.

The Fed left its benchmark rate and monthly asset purchases unchanged. Into period-end Fed Chair Jerome Powell acknowledged that taper discussions had begun but reinforced the message that the rise in inflation is transitory. The Fed's new dot plot forecast incorporated 50 bps of tightening in 2023, reflecting a faster recovery in economic activity and higher inflation expectations.

Following the distribution of \$2.2 trillion in US government aid earlier in 2020, new legislation was signed into law in the fourth quarter providing an additional \$900 billion in fiscal stimulus and relief.

Lastly, falling virus cases and vaccine rollout momentum had a positive impact on investor sentiment.

Allianz Preferred Securities and Income

For the year ended 30 June 2021, the Allianz Preferred Securities and Income returned +13.69%. For comparison purposes, the Ice BofAML Fixed Rate Preferred Securities Index returned +11.86% over the same period. Similar to other risk assets, preferred markets rebounded during the twelve-month period supported by the extraordinary fiscal and monetary response to Covid-19 provided by the US government and the US Federal Reserve, the rapid development and deployment of vaccines, and the subsequent reopening and recovery of the US economy.

Within the preferred market, the retail \$25 preferred market and the institutional \$1000 preferred market rebounded during the period. The investment-grade retail \$25 market, as measured by the Ice BofAML Investment-grade Preferred & Hybrid Securities Index (PHGS), returned 12.49% for twelve-month period and the investment-grade \$1000 institutional market, as measured by the Ice BofAML Investment Grade Institutional Capital Securities Index (CIPS), returned 11.31% over the same horizon. Consistent with the rebound and recovery theme, lower-rated preferreds outperformed. This segment, as measured by the Ice BofAML US High Yield Institutional Capital Securities Index (HIPS), returned 18.52% for the one-year period, helping the blended Ice BofAML Core Plus Fixed Rate Preferred Securities Index return 14.46%. Fund flows remained supportive of the market. While 1Q21 saw roughly \$900m of net outflows, 3Q20, 4Q20 and 2Q21 all saw positive net flows in excess of \$1.5bn/quarter. With 3-month LIBOR slated to end publication on June 30, 2023, and the FED asking banks to cease entering new contracts referencing LIBOR by year-end 2021, the market began issuing preferreds using 5 and 10-year Treasuries as a reference for floating resets. These securities outperformed as low front end rates kept Yield-to-Perpetuity for securities referencing 3-month LIBOR low.

For the year ended June 30, 2021, the fund performance benefited from a strong rebound in lower-rated securities, and exposure to growth impacted sectors, such as Pipelines, Miscellaneous Manufacturing, and Diversified Financials. Positive security selection in Pipelines, Insurance, Diversified Financial Services and Miscellaneous Manufacturing also helped relative performance. Additionally, an increase in exposure to \$25 retail market securities following their sell off in January and February with Treasury rates, also contributed positively, as rates peaked in March. Fund performance also benefited from an out of benchmark allocation to Floating Rate Notes as rebound expectations drove inflation expectations and rates higher.

Despite the longer-term trend of yield compression, preferred market valuations still look attractive on a relative basis, because spreads on senior securities for like credits have rallied even further, providing room for subordination spreads to come down. Net zero issuance trends combined with yield demand has also created a supportive technical environment. Net issuance could turn positive in 2H21 if the economic recovery drives loan growth and increased earnings payout flexibility drives the need for further Tier 1 capital for banks. Expectations are for manageable supply in light of demand. We are currently positioned with room in the banks in general, and at the company level at the largest institutions, where Supplementary Leverage Ratio constraints could add additional impetus for net supply.

Trustee's report

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) ("the Sub-Fund")

We hereby confirm that, to the best of our knowledge, the Manager of the Sub-Fund has, in all material respects, managed the Sub-Fund in accordance with the provisions of the trust deed dated 10 September 2014, as amended, for the year ended 30 June 2021.

)
) For and on behalf of
) HSBC Institutional Trust Services (Asia) Limited
) 滙豐機構信託服務(亞洲)有限公司
)

Independent auditor's report to the Unitholders of Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend)

Report on the Audit of the Financial Statements

Opinion

What we have audited

The financial statements of Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (the "Sub-Fund"), a sub-fund of the Allianz Global Investors Asia Fund, set out on pages 11 to 41, which comprise:

- the statement of net assets as at 30 June 2021;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to unitholders for the year then ended;
- the cash flow statement for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Fund as at 30 June 2021, and of its financial transactions and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's 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 are independent of the Sub-Fund in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

Independent auditor's report to the Unitholders of Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Other Information

The Trustee and the Manager (the "Management") of the Sub-Fund are responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion 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, 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 in this regard.

Responsibilities of the Management for the Financial Statements

The Management of the Sub-Fund is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA, and for such internal control as the Management determines 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 Management of the Sub-Fund is responsible for assessing the Sub-Fund's 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 Management either intends to liquidate the Sub-Fund or to cease operations, or has no realistic alternative but to do so.

In addition, the Management of the Sub-Fund is required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 10 September 2014, as amended (the "Trust Deed") and Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (the "SFC Code").

Independent auditor's report to the Unitholders of Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Auditor's 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 auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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. In addition, we are required to assess whether the financial statements of the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent auditor's report to the Unitholders of Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Report on Matters under the Relevant Disclosure Provisions of the Trust Deed and Appendix E of the SFC Code

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 28 October 2021

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend)

Statement of Net Assets

as at 30 June 2021

	Note	30 June 2021 US\$	30 June 2020 US\$ (Restated)	1 July 2019 US\$ (Restated)
Assets				
Current assets				
Financial assets at fair value				
through profit or loss	10(a)	31,943,904	36,776,995	45,084,004
Dividend receivable		11,836	86,816	116,309
Amounts receivable on subscription		6,236	235,772	93,890
Amounts due from brokers		80,813	187,491	52,280
Other receivables		3,422	–	10
Cash and cash equivalents	6(d)	2,672,021	816,332	1,355,175
Total assets		<u>34,718,232</u>	<u>38,103,406</u>	<u>46,701,668</u>
Liabilities				
Current liabilities				
Financial liabilities at fair value				
through profit or loss	10(a)	5,470	1,134,296	1,384,660
Amounts payable on redemption		124,674	13,641	11,810
Amounts due to brokers		1,646,732	57,775	19,291
Other payables	6	124,492	87,279	104,101
Total liabilities (excluding net assets attributable to unitholders) / Total liabilities		<u>1,901,368</u>	<u>1,292,991</u>	<u>1,519,862</u>
Net assets attributable to unitholders*		<u>32,816,864</u>	<u>36,810,415</u>	<u>45,181,806</u>

Approved by the Trustee and the Manager on 28 October 2021

)
) For and on behalf of
) HSBC Institutional Trust Services (Asia) Limited
) 滙豐機構信託服務(亞洲)有限公司
)
)
) For and on behalf of
) Allianz Global Investors Asia Pacific Limited
)

* Net assets attributable to unitholders were classified as financial liabilities as at 30 June 2021 and as equity as at 30 June 2020 and 1 July 2019.

The accompanying notes form an integral part of these financial statements.

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Statement of Comprehensive Income for the year ended 30 June 2021

	Note	2021 US\$	2020 US\$ (Restated)
Income			
Dividend income		1,006,202	1,917,155
Interest income on deposits	6(d)	1	–
Net gains/(losses) on financial assets and liabilities at fair value through profit or loss	4	7,558,960	(6,508,414)
Net foreign exchange losses		(842,643)	(45,123)
Other income		–	396
Total net income/(loss)		<u>7,722,520</u>	<u>(4,635,986)</u>
Expenses			
Audit fee		(9,041)	(11,464)
Trustee's fee	6(b)	(26,322)	(33,147)
Management fee	6(a)	(558,216)	(657,726)
Administrative fees		(7,819)	(26,963)
Transaction costs		(57,181)	(69,182)
Registrar's and transfer agent's fees	6(c)	(6,433)	(7,077)
Legal and professional fees		(12,763)	(4,448)
Safe custody fees, bank charges and miscellaneous expenses	6	<u>(103,708)</u>	<u>(95,357)</u>
Total operating expenses		<u>(781,483)</u>	<u>(905,364)</u>
Net profits/(losses) before taxation		6,941,037	(5,541,350)
Withholding tax	5	<u>(172,073)</u>	<u>(291,968)</u>
Net profits/(losses) before distributions		6,768,964	(5,833,318)
Distribution to unitholders	9	<u>(346,642)</u>	<u>–</u>
Net profits/(losses) before distributions		6,422,322	(5,833,318)
Other comprehensive income/(loss) for the year			
Items that may be reclassified subsequently to profit or loss:			
Net movement in the foreign currency translation reserve	3	<u>3,124,410</u>	<u>(775,198)</u>
Increase in net assets attributable to unitholders from operations/Total comprehensive loss		<u>9,546,732</u>	<u>(6,608,516)</u>

The accompanying notes form an integral part of these financial statements.

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Statement of Changes in Net Assets Attributable to Unitholders for the year ended 30 June 2021

	Note	2021 US\$	2020 US\$ (Restated)
Net assets attributable to unitholders at the beginning of the year*	8	36,810,415	45,181,806
Subscription of units	8	12,343,758	25,256,257
Redemption of units	8	(23,314,749)	(22,771,977)
Distributions to unitholders	9	(2,569,292)	(4,247,155)
Net decrease from transactions with unitholders		(13,540,283)	(1,762,875)
Increase in net assets attributable to unitholders from operations/Total comprehensive loss		9,546,732	(6,608,516)
Net assets attributable to unitholders at the end of the year*	8	32,816,864	36,810,415

* During the year ended 30 June 2020 and the period from 1 July 2020 to 29 April 2021, net assets attributable to unitholders were classified as equity. During the period from 30 April 2021 to 30 June 2021, net assets attributable to unitholders were classified as financial liabilities.

The accompanying notes form an integral part of these financial statements.

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Cash Flow Statement for the year ended 30 June 2021

	Note	2021 US\$	2020 US\$ (Restated)
Cash flows from operating activities			
Increase in net assets attributable to unitholders from operations/Total comprehensive loss		9,546,732	(6,608,516)
Adjustments for:			
Dividend income		(1,006,202)	(1,917,155)
Distribution to unitholders	9	346,642	–
Interest income on deposits		1	–
Withholding tax	5	172,073	291,968
Operating gains/(losses) before working capital changes		9,059,244	(8,233,703)
Net change in financial assets and financial liabilities			
at fair value through profit or loss		3,704,265	8,056,645
Net change in amounts due from brokers		106,678	(135,211)
Net change in amounts due to brokers		1,588,957	38,484
Net change in other receivables		(3,422)	10
Net change in other payables		37,213	(16,822)
Cash generated from/(used in) operations		14,492,935	(290,597)
Dividends received		1,081,182	1,946,648
Interest income on deposits received		1	–
Tax paid	5	(172,073)	(291,968)
Net cash generated from operating activities		15,402,045	1,364,083
Cash flows from financing activities			
Proceeds from subscription of units		12,573,294	25,114,375
Payments on redemption of units		(23,203,716)	(22,770,146)
Distributions paid	9	(2,915,934)	(4,247,155)
Net cash used in financing activities		(13,546,356)	(1,902,926)
Net increase/(decrease) in cash and cash equivalents		1,855,689	(538,843)
Cash and cash equivalents at the beginning of the year		816,332	1,355,175
Cash and cash equivalents at the end of the year		2,672,021	816,332

The accompanying notes form an integral part of these financial statements.

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Notes to the Financial Statements

1 The Sub-Fund

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (the “Sub-Fund”) is a sub-fund of Allianz Global Investors Asia Fund (the “Trust”). The Trust is an open-ended unit trust established under a trust deed dated 10 September 2014, as amended (the “Trust Deed”), and governed by the laws of Hong Kong.

With effect from 30 April 2021, the name, the investment objective, investment strategy and restrictions of Allianz Selection European Equity Dividend were changed as part of a re-positioning and modification exercise of Allianz Thematic Income.

The objective of the Sub-Fund before 30 April 2021 is to achieve long-term capital growth primarily through equity-based investments in European markets that are expected to achieve high dividend returns. The objective of the Sub-Fund starting from 30 April 2021 is to achieve income and long-term capital appreciation by investing in global interest bearing securities and global equities with a focus on theme and stock selection. The Sub-Fund is authorised by the Hong Kong Securities and Futures Commission (“SFC”) under section 104 of the Hong Kong Securities and Futures Ordinance (“HKSF”) and is governed by the Code on Unit Trusts and Mutual Funds issued by the SFC.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of the financial statements of the Sub-Fund are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRSs requires the use of certain accounting estimates. It also requires the Trustee and the Manager (the “Management”) to exercise their judgement in the process of applying the Sub-Fund’s accounting policies.

Standards and amendments to existing standards effective 1 July 2020

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 July 2020 that have a material effect on the financial statements of the Sub-Fund.

New standards, amendments and interpretations effective after 1 July 2020 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2020, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Sub-Fund.

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Notes to the Financial Statements (continued)

2 Summary of significant accounting policies (continued)

(b) Financial assets and financial liabilities at fair value through profit or loss

(i) Classification

The Sub-Fund classifies its investments based on both the Sub-Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Sub-Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Sub-Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. Consequently, all investments are measured at fair value through profit or loss.

All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

As such, the Sub-Fund classifies all of its investment portfolio as financial assets or liabilities as fair value through profit or loss.

The Sub-Fund's policy requires the Management to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

(ii) Recognition, derecognition and measurement

Regular purchases and sales of investments are recognised on the trade date – the date on which the Sub-Fund commits to purchase or sell the investments. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

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

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the "financial assets or financial liabilities at fair value through profit or loss" category are presented in the statement of comprehensive income within net gains/(losses) on financial assets and liabilities at fair value through profit or loss in the period in which they arise.

The Sub-Fund uses the weighted average cost method to determine realised gains and losses on derecognition.

2 Summary of significant accounting policies (continued)

(b) Financial assets and financial liabilities at fair value through profit or loss (continued)

(iii) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Sub-Fund utilises the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, Management will determine the point within the bid-ask spread that is more representative of fair value.

Securities which are not listed on an exchange or are thinly traded are valued by using quotes from brokers.

In the absence of quoted values or brokers' representative prices, securities are valued using appropriate valuation techniques as reasonably determined by the Management. Debt securities are fair valued inclusive of accrued interest.

(iv) Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting year.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of net assets where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise an asset and settle a liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Sub-Fund or the counterparty.

(d) Income

Interest income is recognised on a time proportionate basis, using the effective interest method. Interest income on deposits is disclosed separately in the statement of comprehensive income. Interest income on debt securities is included in "net gains/(losses) on financial assets and liabilities at fair value through profit or loss".

Dividend income is recognised when the right to receive payment is established, with the corresponding foreign withholding taxes recorded as an expense.

Other income is accounted for on an accrual basis.

(e) Expenses

Expenses are accounted for on an accrual basis.

(f) Subscriptions and redemptions

The Sub-Fund recognises unitholders' subscriptions and allots units upon receipt of a valid subscription application and derecognises them upon receipt of a valid redemption application.

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Notes to the Financial Statements (continued)

2 Summary of significant accounting policies (continued)

(g) Units in issue

The Sub-Fund issues redeemable units, which are redeemable at the holder's option, represent puttable financial instruments of the Sub-Fund. The puttable financial instruments are classified as equity if they meet all the following criteria:

- the puttable instruments entitle the holder to a pro-rata share of net assets;
- the puttable instruments are the most subordinated unit in issue and unit features are identical;
- there are no contractual obligations to deliver cash or another financial asset; and
- the total expected cash flows from the puttable instrument over its life are based substantially on the profit or loss of the Sub-Fund.

Prior to 30 April 2021, the Sub-Fund had only one class of redeemable units in issue and its redeemable units met all of the above conditions and were classified as equity. On 30 April 2021, the Sub-Fund issued different classes of redeemable units in different currencies and its redeemable units did not have identical features. Therefore, the above conditions were not met and the Sub-Fund has reclassified its redeemable units from equity to financial liabilities.

As a result of the reclassification of redeemable units from equity to financial liabilities, the Sub-Fund's distributions are no longer classified as distribution to unitholders in the statement of changes in net assets attributable to unitholders, but rather as a finance cost in the statement of comprehensive income.

(h) Foreign currency translation

(i) Functional and presentation currency

With effect from 30 April 2021, the Management considers the United States Dollars ("US\$") to be the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The US\$ is the currency in which the Sub-Fund measures its performance and reports its results.

The financial statements of the Sub-Fund are presented in US\$, which is the Sub-Fund's functional and presentation currency.

Prior to 30 April 2021, the financial statements were presented in Euro ("EUR") which was the Sub-Fund's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year end date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within "net foreign exchange gains/(losses)".

Foreign exchange gains and losses relating to financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within "net gains/(losses) on financial assets and liabilities at fair value through profit or loss".

2 Summary of significant accounting policies (continued)

(i) Amounts due from or due to brokers

Amounts due from and to brokers represent receivables for investments sold and payables for investments purchased that have been contracted for but not yet settled or delivered on the statement of net assets date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Sub-Fund shall measure the loss allowance on amounts due from brokers at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Sub-Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by Management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

(j) Cash and cash equivalents

Cash and cash equivalents include cash at bank, bank deposits with original maturities of 3 months or less from the date of placement net of bank overdrafts, if any.

(k) Distributions to unitholders

Proposed distributions to unitholders of the Sub-Fund are recognised in the statement of changes in net assets attributable to unitholders when they are appropriately authorised.

The Manager may at its discretion determine to pay out of income or capital in respect of the distributions of the Sub-Fund.

(l) Transaction costs

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and security exchanges, and transfer taxes and duties. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as an expense.

3 Change in accounting policy and transition

The Sub-Fund has changed its base currency from EUR to US\$, effective 30 April 2021. This change has been made to align the base currency of the Sub-Fund with the currency of the Sub-Fund's performance measurement. Accordingly, the Sub-Fund has changed its functional and presentation currency from EUR to US\$, effective 30 April 2021.

Within net assets attributable to unitholders of US\$45,181,806 (restated) as at 1 July 2019 is the original balance of US\$45,520,675 and a foreign currency translation reserve amounting to US\$(338,869), which was created due to the change in accounting policy of the Sub-Fund's functional and presentation currency. Currency translation difference amounting to US\$2,010,343 was transferred from the foreign currency translation reserve to net income as at 30 April 2021 due to the change in accounting policy of the Sub-Fund's functional and presentation currency.

4 Net gains/(losses) on financial assets and liabilities at fair value through profit or loss

	2021 US\$	2020 US\$ (Restated)
Movement of unrealised gains/losses	3,712,297	1,616,033
Realised gains/(losses)	3,846,663	(8,124,447)
	<u>7,558,960</u>	<u>(6,508,414)</u>

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Notes to the Financial Statements (continued)

5 Taxation

No provision for Hong Kong profits tax has been made in the financial statements as the Sub-Fund is authorised as a collective investment scheme under section 104 of the HKSFIO and is therefore exempt from profits tax under section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

Dividend income received by the Sub-Fund is subject to withholding tax imposed in certain countries of origin. Dividend income is recognised gross of taxes and the corresponding withholding tax is recognised as tax expense.

6 Related party transactions/Transactions with the Manager, the Trustee and their connected persons

The following is a summary of significant related party transactions or transactions entered into during the year between the Sub-Fund and the Manager, the Trustee and their connected persons. Connected persons are those as defined in the Code on Unit Trusts and Mutual Funds issued by the SFC. All transactions during the year between the Sub-Fund and the Manager, the Trustee and their connected persons were entered into in the ordinary course of business and on normal commercial terms. To the best of the knowledge of the Manager and the Trustee, the Sub-Fund did not have any other transactions with connected persons except for those disclosed below.

- (a) The Sub-Fund is managed by Allianz Global Investors Asia Pacific Limited, the Manager, which receives a management fee, payable monthly in arrears, equivalent to a percentage per annum of the net asset value as follows:

	% charged 2021	% charged 2020
For Class AM Distribution H2-RMB	1.40% p.a.*	1.50% p.a
For Class AM Distribution HKD	1.40% p.a	–
For Class AM Distribution USD	1.40% p.a	–
For Class AM Distribution H2-AUD	1.40% p.a	–
For Class AM Distribution H2-GBP	1.40% p.a	–
For Class AMg Distribution H2-RMB	1.40% p.a	–
For Class AMg Distribution HKD	1.40% p.a	–
For Class AMg Distribution USD	1.40% p.a	–
For Class AMg Distribution H2-AUD	1.40% p.a	–
For Class AMg Distribution H2-GBP	1.40% p.a	–

* The management fee was changed from 1.5% p.a. to 1.4% p.a. with effect from 30 April 2021.

	2021 US\$	2020 US\$ (Restated)
(i) Management fee for the year	558,216	657,726
(ii) Management fee payable at year end	80,547	45,401

6 Related party transactions/Transactions with the Manager, the Trustee and their connected persons (continued)

- (b) The Trustee, HSBC Institutional Trust Services (Asia) Limited, a subsidiary within the HSBC Group, receives a trustee's fee, payable monthly, equivalent to 0.07% per annum of the net asset value of the Sub-Fund, subject to a minimum annual fee of US\$8,000. In addition, the Trustee provides valuation services to the Sub-Fund in return for a valuation fee.

	2021 US\$	2020 US\$ (Restated)
(i) Trustee's fee for the year	26,322	33,147
(ii) Trustee's fee payable at year end	1,923	2,118
(iii) Valuation fee for the year	17,392	14,581
(iv) Valuation fee payable at year end	2,520	1,140

- (c) The registrar of the Trust is Allianz Global Investors Asia Pacific Limited which receives registrar's and transfer agent's fees from the Sub-Fund.

	2021 US\$	2020 US\$ (Restated)
(i) Registrar's and transfer agent's fees for the year	6,433	7,077
(ii) Registrar's and transfer agent's fees payable at year end	4,063	3,812

- (d) Bank accounts are maintained with The Hongkong and Shanghai Banking Corporation Limited, a subsidiary within the HSBC Group. The balances of the accounts and bank charges are set out below:

	2021 US\$	2020 US\$ (Restated)
Cash at bank at year end	2,672,021	816,332
Interest income on deposits for the year	1	–
Bank charges for the year	10,253	12,630

In addition, it provides safe custody services and services in connection with purchases and sales transactions to the Sub-Fund in return for a safe custody fee and a transaction handling fee respectively.

	2021 US\$	2020 US\$ (Restated)
(i) Safe custody fee for the year	7,266	9,370
(ii) Transaction handling fee for the year	50,540	41,426
(iii) Transaction handling fee payable at year end	5,335	3,340

- (e) The counterparty of all forward contracts held by the Sub-Fund during the year is The Hongkong and Shanghai Banking Corporation Limited. All outstanding forward contracts as at 30 June 2021 and 2020 are set out in note 10(f).

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Notes to the Financial Statements (continued)

6 Related party transactions/Transactions with the Manager, the Trustee and their connected persons (continued)

- (f) In its purchases and sales of investments, the Sub-Fund utilises the brokerage services of HSBC Investment Banking Group Limited and HSBC Trinkaus & Burkhardt AG, which are members of the HSBC Group. Details of transactions effected through these brokers are as follows:

	HSBC Investment Banking Group Limited	
	2021	2020 (Restated)
Commission paid for the year	US\$25	US\$175
Average rate of commission	0.06%	0.06%
Total aggregate value of such transactions for the year	US\$40,964	US\$293,274
Percentage of such transactions in value to total transactions for the year	<u>0.03%</u>	<u>0.44%</u>

	HSBC Trinkaus & Burkhardt AG	
	2021	2020 (Restated)
Commission paid for the year	US\$76	–
Average rate of commission	0.06%	–
Total aggregate value of such transactions for the year	US\$127,591	–
Percentage of such transactions in value to total transactions for the year	<u>0.09%</u>	<u>–</u>

- (g) The Sub-Fund held investments in Allianz SE as at 30 June 2021 and 2020 and during the years, which is the ultimate holding company of the Manager. The details of the market value of these investments as at year ends and total purchases, total sales and dividend income received for the years are as follows:

	2021 US\$	2020 US\$ (Restated)
Allianz SE		
(i) Market value at year end	–	1,806,203
(ii) Total purchases for the year	–	1,070,290
(iii) Total sales for the year	2,904,441	306,485
(iv) Dividend income received for the year	<u>–</u>	<u>99,620</u>

7 Soft commission arrangements

The Manager confirms that there have been no soft commission arrangements existed during the years ended 30 June 2021 and 2020 in relation to directing transactions of the Sub-Fund through a broker or dealer.

8 Units issued and redeemed

Capital movement

	2021	2020
(i) Class AM Distribution H2-RMB		
Number of units in issue brought forward	34,099,876.686	33,310,058.440
Units issued during the year	9,727,648.871	19,422,852.520
Units redeemed during the year	<u>(19,265,419.288)</u>	<u>(18,633,034.274)</u>
Number of units in issue carried forward	<u>24,562,106.269</u>	<u>34,099,876.686</u>
Net assets per unit as at year end	<u>US\$ 1.34</u>	<u>US\$ 1.08</u>
Net assets per unit as at year end	<u>RMB 8.63</u>	<u>RMB 7.63</u>
(ii) Class AMg Distribution USD		
Number of units in issue brought forward	–	–
Units issued during the year	129.559	–
Units redeemed during the year	<u>–</u>	<u>–</u>
Number of units in issue carried forward	<u>129.559</u>	<u>–</u>
Net assets per unit as at year end	<u>US\$ 10.20</u>	<u>–</u>
(iii) Class AMg Distribution HKD		
Number of units in issue brought forward	–	–
Units issued during the year	1,006.176	–
Units redeemed during the year	<u>–</u>	<u>–</u>
Number of units in issue carried forward	<u>1,006.176</u>	<u>–</u>
Net assets per unit as at year end	<u>US\$ 1.31</u>	<u>–</u>
Net assets per unit as at year end	<u>HKD 10.20</u>	<u>–</u>

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Notes to the Financial Statements (continued)

8 Units issued and redeemed (continued)

Capital movement (continued)

	2021	2020
(iv) Class AMg Distribution H2-AUD		
Number of units in issue brought forward	–	–
Units issued during the year	166,891	–
Units redeemed during the year	–	–
	<hr/>	<hr/>
Number of units in issue carried forward	166,891	–
	<hr/>	<hr/>
Net assets per unit as at year end	US\$ 7.65	–
	<hr/>	<hr/>
Net assets per unit as at year end	AUD 10.19	–
	<hr/>	<hr/>
(v) Class AMg Distribution H2-RMB		
Number of units in issue brought forward	–	–
Units issued during the year	835,667	–
Units redeemed during the year	–	–
	<hr/>	<hr/>
Number of units in issue carried forward	835,667	–
	<hr/>	<hr/>
Net assets per unit as at year end	US\$ 1.58	–
	<hr/>	<hr/>
Net assets per unit as at year end	RMB 10.21	–
	<hr/>	<hr/>
(vi) Class AMg Distribution H2-GBP		
Number of units in issue brought forward	–	–
Units issued during the year	93,119	–
Units redeemed during the year	–	–
	<hr/>	<hr/>
Number of units in issue carried forward	93,119	–
	<hr/>	<hr/>
Net assets per unit as at year end	US\$ 14.09	–
	<hr/>	<hr/>
Net assets per unit as at year end	GBP 10.20	–
	<hr/>	<hr/>

8 Units issued and redeemed (continued)

Capital movement (continued)

	2021	2020
(vii) Class AM Distribution USD		
Number of units in issue brought forward	–	–
Units issued during the year	129.324	–
Units redeemed during the year	–	–
	<hr/>	<hr/>
Number of units in issue carried forward	129.324	–
	<hr/>	<hr/>
Net assets per unit as at year end	US\$ 10.22	–
	<hr/>	<hr/>
(viii) Class AM Distribution HKD		
Number of units in issue brought forward	–	–
Units issued during the year	1,004.349	–
Units redeemed during the year	–	–
	<hr/>	<hr/>
Number of units in issue carried forward	1,004.349	–
	<hr/>	<hr/>
Net assets per unit as at year end	US\$ 1.31	–
	<hr/>	<hr/>
Net assets per unit as at year end	HKD 10.22	–
	<hr/>	<hr/>
(ix) Class AM Distribution H2-AUD		
Number of units in issue brought forward	–	–
Units issued during the year	166.588	–
Units redeemed during the year	–	–
	<hr/>	<hr/>
Number of units in issue carried forward	166.588	–
	<hr/>	<hr/>
Net assets per unit as at year end	US\$ 7.66	–
	<hr/>	<hr/>
Net assets per unit as at year end	AUD 10.21	–
	<hr/>	<hr/>

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Notes to the Financial Statements (continued)

8 Units issued and redeemed (continued)

Capital movement (continued)

	2021	2020
(x) Class AM Distribution H2-GBP		
Number of units in issue brought forward	–	–
Units issued during the year	92,951	–
Units redeemed during the year	–	–
	<hr/>	<hr/>
Number of units in issue carried forward	92,951	–
	<hr/>	<hr/>
Net assets per unit as at year end	US\$ 14.12	–
	<hr/>	<hr/>
Net assets per unit as at year end	GBP 10.22	–
	<hr/>	<hr/>

The Sub-Fund is not subject to any externally imposed capital requirements.

9 Distributions

The Sub-Fund pays distributions out of income and/or capital to unitholders of all classes. The following table summarises the income that could be used for distributions by the Sub-Fund:

	2021 US\$	2020 US\$
Net income available for distributions during the year	3,899,310	–
Undistributed income at the beginning of the year	–	–
Undistributed income at the end of the year	983,376	–

Class AM Distribution H2-RMB

	2021 in RMB	in US\$	Date of distribution
Distributions declared and paid during the year			
– RMB 0.04767 per unit on 34,695,137.809 units	1,653,917	236,718	20 July 2020
– RMB 0.04767 per unit on 34,179,171.501 units	1,629,321	235,053	20 August 2020
– RMB 0.04767 per unit on 33,185,396.931 units	1,581,948	233,336	18 September 2020
– RMB 0.04767 per unit on 31,819,643.139 units	1,516,842	225,716	20 October 2020
– RMB 0.05600 per unit on 30,384,845.090 units	1,701,551	258,856	19 November 2020
– RMB 0.05600 per unit on 29,406,104.278 units	1,646,742	252,287	18 December 2020
– RMB 0.07083 per unit on 29,707,458.914 units	2,104,179	324,571	20 January 2021
– RMB 0.05600 per unit on 31,237,223.312 units	1,749,285	272,345	19 February 2021
– RMB 0.05600 per unit on 31,310,553.620 units	1,753,391	269,732	18 March 2021
– RMB 0.05600 per unit on 30,376,171.776 units	1,701,066	260,678	20 April 2021
– RMB 0.04250 per unit on 27,152,025.745 units	1,153,961	179,091	21 May 2021
– RMB 0.04250 per unit on 25,253,482.602 units	1,073,273	167,488	18 June 2021
	<u>19,265,476</u>	<u>2,915,871</u>	
	2020 in RMB	in US\$ (Restated)	Date of distribution
Distributions declared and paid during the year			
– RMB 0.07083 per unit on 34,663,402.641 units	2,455,209	357,220	18 July 2019
– RMB 0.07083 per unit on 36,417,293.282 units	2,579,437	365,968	20 August 2019
– RMB 0.07083 per unit on 36,095,578.637 units	2,556,650	362,037	19 September 2019
– RMB 0.07083 per unit on 35,770,178.003 units	2,533,602	357,735	18 October 2019
– RMB 0.07083 per unit on 34,653,595.046 units	2,454,514	350,502	20 November 2019
– RMB 0.07083 per unit on 35,542,742.636 units	2,517,492	360,102	19 December 2019
– RMB 0.07083 per unit on 35,989,077.018 units	2,549,106	369,953	21 January 2020
– RMB 0.07083 per unit on 37,582,530.967 units	2,661,971	412,990	20 February 2020
– RMB 0.07083 per unit on 36,010,424.915 units	2,550,618	364,413	19 March 2020
– RMB 0.07083 per unit on 34,201,284.397 units	2,422,477	342,697	20 April 2020
– RMB 0.06250 per unit on 34,882,609.171 units	2,180,163	305,705	20 May 2020
– RMB 0.06250 per unit on 33,748,943.308 units	2,109,309	297,833	18 June 2020
	<u>29,570,548</u>	<u>4,247,155</u>	

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Notes to the Financial Statements (continued)

9 Distributions (continued)

Class AMg Distribution USD

	2021 in US\$	Date of distribution
Distributions declared and paid during the year – USD 0.06250 per unit on 128.764 units	8	18 June 2021

Class AMg Distribution HKD

	2021 in HKD	2021 in US\$	Date of distribution
Distributions declared and paid during the year – HKD 0.06250 per unit on 1,000.000 units	63	8	18 June 2021

Class AMg Distribution H2-AUD

	2021 in AUD	2021 in US\$	Date of distribution
Distributions declared and paid during the year – AUD 0.06250 per unit on 165.866 units	10	8	18 June 2021

Class AMg Distribution H2-RMB

	2021 in RMB	2021 in US\$	Date of distribution
Distributions declared and paid during the year – RMB 0.09380 per unit on 828.000 units	78	11	18 June 2021

Class AMg Distribution H2-GBP

	2021 in GBP	2021 in US\$	Date of distribution
Distributions declared and paid during the year – GBP 0.03790 per unit on 92.605 units	4	5	18 June 2021

9 Distributions (continued)

Class AM Distribution USD

	2021 in US\$	Date of distribution
Distributions declared and paid during the year		
– USD 0.04410 per unit on 128.764 units	<u>4</u>	18 June 2021

Class AM Distribution HKD

	2021 in HKD	2021 in US\$	Date of distribution
Distributions declared and paid during the year			
– HKD 0.04410 per unit on 1,000.000 units	<u>44</u>	<u>6</u>	18 June 2021

Class AM Distribution H2-AUD

	2021 in AUD	2021 in US\$	Date of distribution
Distributions declared and paid during the year			
– AUD 0.04410 per unit on 165.866 units	<u>7</u>	<u>6</u>	18 June 2021

Class AM Distribution H2-GBP

	2021 in GBP	2021 in US\$	Date of distribution
Distributions declared and paid during the year			
– GBP 0.05630 per unit on 92.605 units	<u>5</u>	<u>7</u>	18 June 2021

10 Financial risk management

The Sub-Fund maintains an investment portfolio in a variety of listed financial instruments as dictated by its investment management strategy. The objective of the Sub-Fund before 30 April 2021 is to achieve long-term capital growth primarily through equity-based investments in European markets that are expected to achieve high dividend returns. The objective of the Sub-Fund starting from 30 April 2021 is to achieve income and long-term capital appreciation by investing in global interest bearing securities and global equities with a focus on theme and stock selection.

The Sub-Fund's investing activities expose it to various types of risks that are associated with the financial instruments and markets in which it invests. The Management has set out below the most important types of financial risks inherent in each type of financial instruments. The Management would like to highlight that the following list of associated risks only sets out some of the risks but does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Sub-Fund.

The nature and extent of the financial instruments outstanding at the date of the statement of net assets and the risk management policies employed by the Sub-Fund are discussed below.

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(a) Market price risk

Market price risk is the risk that value of the Sub-Fund's investment portfolio will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The Sub-Fund is exposed to price risk arising from changes in market prices. Price risk is managed by investing in a portfolio of different investments in accordance with the investment objectives of the Sub-Fund.

The following table discloses the financial assets and liabilities at fair value through profit or loss of the Sub-Fund by product type:

	2021 US\$	2020 US\$ (Restated)
Financial assets at fair value through profit or loss		
Equities	17,486,873	36,710,817
Bonds	14,251,719	–
Forward contracts (note 10(f))	205,312	66,178
	<u>31,943,904</u>	<u>36,776,995</u>
Financial liabilities at fair value through profit or loss		
Forward contracts (note 10(f))	5,470	1,134,296

The impact on a 5% (2020: 5%) increase in value of the investments as at 30 June 2021, with all other variables held constant, is shown below. An equal change in the opposite direction would have reduced the net assets attributable to unitholders by an equal but opposite amount.

	Market exposures US\$	Change in net assets if investment value increased by 5% US\$
Price sensitivity		
As at 30 June 2021		
Equities	<u>17,486,873</u>	<u>874,344</u>
As at 30 June 2020		
Equities (restated)	<u>36,710,817</u>	<u>1,835,541</u>

10 Financial risk management (continued)

(b) Interest rate risk

Interest rate risk arises from changes in interest rates which may inversely affect the value of debt instruments and therefore result in potential gain or loss to the Sub-Fund. The Sub-Fund's interest rate risk is managed on an ongoing basis by the Manager.

The following table details the exposure of the Sub-Fund to interest rate risk. It includes the Sub-Fund's interest-bearing assets and liabilities, categorised by the earlier of contractual re-pricing or maturity date measured by the carrying value of the assets and liabilities.

	2021 US\$	2020 US\$
Assets		
Cash and cash equivalents		
– 1 year or less	2,672,021	816,332
Financial assets at fair value through profit or loss		
– 1 year or less	2,637,456	–
– over 1 year to 5 years	2,443,025	–
– over 5 years	9,171,238	–
	<hr/>	<hr/>
Total interest-bearing assets	<hr/> 16,923,740	<hr/> 816,332

Interest rate sensitivity

At 30 June 2021, assuming all other factors unchanged, it is estimated that an increase in interest rates of 50 basis points would result in a decrease in the net assets attributable to the unitholders and the total comprehensive income by US\$ 2,072,591; an equal change in the opposite direction would have changed the net assets attributable to unitholders and the total comprehensive income by an equal but opposite amount.

At 30 June 2020, the majority of the Sub-Fund's financial assets are non-interest bearing. As a result, the Sub-Fund is not subject to significant interest rate risk due to fluctuations in the prevailing levels of market interest rates. Changes in interest rates will not significantly change the net assets attributable to unitholders.

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(c) Currency risk

The Sub-Fund may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency. Consequently, the Sub Fund is exposed to risk that the exchange rate of its functional currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Sub-Fund's assets or liabilities denominated in other currencies.

The fluctuations in the rate of exchange between the currency in which the asset or liability is denominated and the functional currency could result in an appreciation or depreciation in the fair value of that asset or liability. The Manager may mitigate this risk by using financial derivative instruments. The Manager monitors the Sub-Fund's currency exposures on an ongoing basis.

As at 30 June 2021, had the USD weakened by 5% (2020: 5%) in relation to respective currencies, with all other variables held constant, net assets attributable to unitholders would have increased/(decreased) by the amounts shown below.

	Net monetary and non-monetary exposure US\$	Change in net assets if US\$ weakened by 5% US\$
<i>As at 30 June 2021</i>		
Australian Dollar	3,758	3,605
British Pound	3,299	(1,192)
Euro	14,710	(33,125)
Renminbi	(118,387)	10,644,909
Hong Kong Dollar	(26,704)	(1,335)
Japanese Yen	80,837	(180,229)
	<u>(42,487)</u>	<u>10,432,633</u>
<i>As at 30 June 2020 (restated)</i>		
British Pound	5,922,446	296,122
Norwegian Kroner	2,045,613	92,904
Renminbi	(846,000)	14,354,660
Swedish Krona	452,300	22,615
Swiss Franc	4,975,853	245,357
	<u>12,550,212</u>	<u>15,011,658</u>

10 Financial risk management (continued)

(d) Credit risk

The Sub-Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Sub-Fund is also exposed to counterparty credit risk on trading derivative products, cash and cash equivalents, dividend receivable, amounts receivable on subscription, amounts due from brokers and other receivables balances.

Credit risk arising from investments in fixed income instruments is managed by reviewing and monitoring the credit quality and publicly available information of fixed income instruments or the relevant issuers on an ongoing basis.

As at 30 June 2021 and 2020, the credit ratings of the fixed income instruments or the relevant issuers as determined by S&P's are shown in the following table:

	2021	2020
AA	1%	–
A	14%	–
BBB	32%	–
BB	9%	–
B	1%	–
Not rated	43%	–
	<hr/>	<hr/>
	100%	–
	<hr/>	<hr/>

Credit risk arising from derivatives transactions with counterparties relates to transactions awaiting settlement. This credit risk is managed by monitoring the credit quality of the derivative instruments held by the Sub-Fund and the financial position of the derivative instrument counterparties.

Credit risk arising from transactions with brokers relates to transactions awaiting settlement. Risk relating to unsettled transactions is considered low due to the short settlement period involved and the high credit quality of the brokers used.

All of the cash held by the Sub-Fund is deposited with the HSBC Group. Bankruptcy or insolvency of the bank may cause the Sub-Fund's rights with respect to the cash held by the bank to be delayed or limited. The bank is a group company of the HSBC Group with a credit rating of A- (2020: A-) by S&P's, for which credit risk is considered insignificant. The Manager monitors the credit rating and financial position of the bank on an ongoing basis.

The Sub-Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. At 30 June 2021 and 30 June 2020, all cash and cash equivalents, dividend receivable, amounts receivable on subscription, amounts due from brokers and other receivables are held with counterparties with a credit rating of Baa (2020: Baa) or higher and are due to be settled within 1 week. Management considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Sub-Fund.

The maximum exposure to credit risk at year end is the carrying amount of the financial assets as shown on the statement of net assets. As at 30 June 2021 and 2020, there were no other significant concentrations of credit risk to counter parties.

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(e) *Liquidity risk*

Liquidity risk is the risk that the Sub-Fund will encounter difficulty in meeting obligations associated with financial liabilities.

The Sub-Fund's constitution provides for the daily creation and cancellation of units and it is therefore exposed to the liquidity risk of meeting unitholder redemptions at any time. The listed investments of the Sub-Fund are considered to be readily realisable under normal market conditions.

The policy of the Sub-Fund is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities to meet its liquidity requirements in the short and long term.

As at 30 June 2021 and 2020, the financial liabilities of the Sub-Fund are due within three months.

Redeemable units are redeemed on demand at the holder's option. However, the Manager does not envisage that the contractual maturity will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

At 30 June 2021 and 2020, no individual investor held more than 10% of the Sub-Fund's redeemable units.

(f) *Forward contracts*

Forward contracts are commitments either to purchase or sell a designated financial instrument, currency, commodity or an index at a specified future date for a specified price and may be settled in cash or the underlying financial asset. Forwards are customised over-the-counter contracts and result in credit exposure to the counterparty.

Forward contracts result in exposure to market risk based on changes in market prices relative to contracted prices. Market risks arise due to the possible movement in foreign currency exchange rates, indices, and securities' values underlying these instruments. In addition, forward contracts are generally subject to liquidity risk.

As at 30 June 2021 and 2020, the details of the Sub-Fund's holdings in net settled foreign currency forward contracts are specified in the tables below:

10 Financial risk management (continued)

(f) Forward contracts (continued)

Foreign currency forward contracts

As at 30 June 2021

Buy		Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
AUD	1,659	USD	1,282	15 July 2021	–	(37)
AUD	1,659	USD	1,282	15 July 2021	–	(37)
AUD	50,000	USD	38,634	19 August 2021	–	(1,097)
AUD	15,000	USD	11,705	19 August 2021	–	(444)
AUD	7	USD	6	15 July 2021	–	(0)
AUD	10	USD	8	15 July 2021	–	(0)
CAD	157,000	USD	127,831	19 August 2021	–	(1,025)
CAD	36,000	USD	29,720	19 August 2021	–	(643)
CNH	1,534,280	USD	236,152	15 July 2021	1,115	–
CNH	235,139,902	USD	36,200,231	15 July 2021	162,829	–
CNH	8,280	USD	1,274	15 July 2021	7	–
CNH	217,036	USD	33,387	15 July 2021	176	–
CNH	19,704	USD	3,024	15 July 2021	24	–
CNH	1,951	USD	303	15 July 2021	–	(1)
CNH	78	USD	12	15 July 2021	–	(0)
CNH	99,043	USD	15,431	15 July 2021	–	(114)
CNH	40,289	USD	6,228	15 July 2021	2	–
GBP	926	USD	1,283	15 July 2021	–	(4)
GBP	926	USD	1,283	15 July 2021	–	(4)
GBP	4	USD	5	15 July 2021	–	(0)
GBP	5	USD	7	15 July 2021	–	(0)
JPY	3,976,000	USD	36,366	19 August 2021	–	(522)
JPY	1,308,000	USD	12,030	19 August 2021	–	(238)
USD	626,670	EUR	520,000	19 August 2021	9,347	–
USD	20,688	CNH	134,532	15 July 2021	–	(113)
USD	63,251	CNH	411,972	15 July 2021	–	(446)
USD	164,811	CNH	1,063,936	15 July 2021	311	–
USD	34,248	CNH	220,595	15 July 2021	141	–
USD	88,961	CNH	576,410	15 July 2021	–	(161)
USD	189,400	EUR	157,200	19 August 2021	2,778	–
USD	40,982	GBP	29,000	19 August 2021	908	–
USD	34,275	CNH	221,990	15 July 2021	–	(48)
USD	41,625	CNH	269,246	15 July 2021	–	(5)
USD	6,231	CNH	40,220	15 July 2021	12	–
USD	40,714	CNH	262,892	15 July 2021	67	–
USD	24,018	CNH	154,534	15 July 2021	125	–
USD	24,463	CNH	157,151	15 July 2021	166	–

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(f) Forward contracts (continued)

Foreign currency forward contracts (continued)

As at 30 June 2021 (continued)

Buy		Sell		Settlement date		Fair value assets US\$	Fair value (liabilities) US\$
USD	750,471	CNH	4,804,089	15 July 2021		7,687	–
USD	1,089,815	CNH	6,967,525	15 July 2021		12,530	–
USD	135,101	CNH	862,917	15 July 2021		1,680	–
USD	240,346	CNH	1,535,578	15 July 2021		2,922	–
USD	39,664	CNH	253,681	15 July 2021		441	–
USD	9,911	CNH	63,372	15 July 2021		113	–
USD	14,710	CNH	94,322	15 July 2021		126	–
USD	16,031	CNH	102,641	15 July 2021		161	–
USD	10,123	CNH	64,867	15 July 2021		94	–
USD	13,142	CNH	84,291	15 July 2021		109	–
USD	29,474	CNH	188,643	15 July 2021		307	–
USD	34,853	CNH	223,238	15 July 2021		337	–
USD	36,411	CNH	233,273	15 July 2021		343	–
USD	408,376	CNH	2,638,512	15 July 2021		423	–
USD	71,439	CNH	462,201	15 July 2021		–	(25)
USD	83,072	CNH	539,505	15 July 2021		–	(343)
USD	57,874	CNH	375,354	15 July 2021		–	(160)
USD	154,063	CNH	996,230	15 July 2021		31	–
USD	121,204	CNH	783,928	15 July 2021		–	(3)
						<u>205,312</u>	<u>(5,470)</u>

10 Financial risk management (continued)

(f) Forward contracts (continued)

Foreign currency forward contracts (continued)

As at 30 June 2020

Buy		Sell		Settlement date	Fair value assets US\$ (Restated)	Fair value (liabilities) US\$ (Restated)
EUR	58,951	CNH	454,400	15 July 2020	1,980	–
EUR	292,957	CNH	2,258,411	15 July 2020	9,799	–
EUR	24,104	CNH	186,430	15 July 2020	720	–
EUR	33,849	CNH	261,908	15 July 2020	996	–
EUR	11,187	CNH	86,632	15 July 2020	319	–
EUR	2,892	CNH	22,262	15 July 2020	101	–
EUR	9,841	CNH	75,997	15 July 2020	310	–
EUR	126,764	CNH	974,781	15 July 2020	4,586	–
EUR	48,663	CNH	376,917	15 July 2020	1,377	–
EUR	101,225	CNH	782,565	15 July 2020	3,072	–
EUR	17,838	CNH	137,760	15 July 2020	562	–
EUR	110,155	CNH	855,070	15 July 2020	2,853	–
EUR	203,785	CNH	1,592,609	15 July 2020	3,759	–
EUR	14,373	CNH	112,296	15 July 2020	270	–
EUR	121,704	CNH	963,485	15 July 2020	500	–
EUR	151,596	CNH	1,208,341	15 July 2020	–	(538)
EUR	44,469	CNH	356,538	15 July 2020	–	(453)
EUR	92,183	CNH	745,660	15 July 2020	–	(1,867)
EUR	67,212	CNH	539,636	15 July 2020	–	(791)
EUR	678,018	CNH	5,413,518	15 July 2020	–	(3,706)
EUR	1,820,863	CNH	14,558,550	15 July 2020	–	(12,804)
EUR	5,197	CNH	41,593	15 July 2020	–	(43)
EUR	109,849	CNH	874,372	15 July 2020	–	(219)
EUR	93,833	CNH	751,087	15 July 2020	–	(781)
EUR	11,244	CNH	89,579	15 July 2020	–	(34)
CNH	245,675,948	EUR	31,876,012	15 July 2020	–	(1,077,443)
CNH	1,129	EUR	146	15 July 2020	–	(4)
CNH	596,011	EUR	77,273	15 July 2020	–	(2,548)
CNH	38,422	EUR	4,971	15 July 2020	–	(152)
CNH	16,475	EUR	2,135	15 July 2020	–	(70)
CNH	4,885,471	EUR	634,733	15 July 2020	–	(22,383)
CNH	86,938	EUR	11,271	15 July 2020	–	(371)
CNH	642,229	EUR	83,412	15 July 2020	–	(2,910)
CNH	247,525	EUR	32,114	15 July 2020	–	(1,084)
CNH	19,434	EUR	2,489	15 July 2020	–	(49)
CNH	1,239,245	EUR	160,026	15 July 2020	–	(4,576)
CNH	89,822	EUR	11,603	15 July 2020	–	(337)
CNH	58,708	EUR	7,519	15 July 2020	–	(146)

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(f) Forward contracts (continued)

Foreign currency forward contracts (continued)

As at 30 June 2020 (continued)

Buy		Sell		Settlement date	Fair value assets US\$ (Restated)	Fair value (liabilities) US\$ (Restated)
CNH	184,402	EUR	23,543	15 July 2020	–	(377)
CNH	172,780	EUR	21,949	15 July 2020	–	(230)
CNH	549,020	EUR	69,139	15 July 2020	–	(52)
CNH	29,412	EUR	3,679	15 July 2020	25	–
CNH	15,635,331	EUR	1,953,899	15 July 2020	15,477	–
CNH	13,771,753	EUR	1,719,135	15 July 2020	15,744	–
CNH	359,242	EUR	44,925	15 July 2020	320	–
CNH	314,449	EUR	39,057	15 July 2020	580	–
CNH	1,650,229	EUR	205,523	15 July 2020	2,422	–
CNH	1,951	EUR	244	15 July 2020	1	–
CNH	1,209,881	EUR	152,036	15 July 2020	252	–
CNH	796,079	EUR	100,072	15 July 2020	126	–
CNH	775,461	EUR	97,881	15 July 2020	–	(328)
CNH	953,656	EUR	119,991	15 July 2020	27	–
					<u>66,178</u>	<u>(1,134,296)</u>

(g) Fair value information

The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the year end date. The Sub-Fund utilises the last traded market price for both financial assets and financial liabilities.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Sub-Fund for similar financial instruments.

10 Financial risk management (continued)

(g) Fair value information (continued)

HKFRS 13 requires the Sub-Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgement by the Sub-Fund. The 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.

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(g) Fair value information (continued)

The table below analyses financial instruments measured at fair value at the date of the statement of net assets by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
As at 30 June 2021				
Assets				
Financial assets at fair value through profit or loss				
– Equities	17,486,873	–	–	17,486,873
– Bonds	–	14,251,719	–	14,251,719
– Forward contracts	–	205,312	–	205,312
Liabilities				
Financial liabilities at fair value through profit or loss				
– Forward contracts	–	5,470	–	5,470

As at 30 June 2020 (restated)

Assets

Financial assets at fair value through profit or loss				
– Equities	36,710,817	–	–	36,710,817
– Forward contracts	–	66,178	–	66,178

Liabilities

Financial liabilities at fair value through profit or loss				
– Forward contracts	–	1,134,296	–	1,134,296

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1. The Sub-Fund does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2.

There were no transfers of financial assets and financial liabilities between the fair value hierarchy levels during the years ended 30 June 2021 and 2020.

10 Financial risk management (continued)

(g) Fair value information (continued)

The assets and liabilities included in the statement of net assets, other than financial assets and liabilities at fair value through profit or loss, are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

(h) Capital risk management

The capital of the Sub-Fund is represented by the net assets attributable to unitholders. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Sub-Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. The Sub-Fund's objective when managing capital is to safeguard the Sub-Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Sub-Fund.

In order to maintain or adjust the capital structure, the Sub-Fund's policy is to perform the following:

- monitor the level of daily subscriptions and redemptions relative to the liquid assets; and
- redeem and issue units in accordance with the Trust Deed of the Sub-Fund.

The Management monitors capital on the basis of the value of net assets attributable to unitholders.

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Supplementary information

Portfolio statement
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.71%</i>			
Listed equities 53.29%			
Australia 1.02%			
AUSTRALIA AND NEW ZEALAND BANKIN ORD NPV	2,699	57,040	0.17
CSR LTD ORD NPV	10,593	45,808	0.14
ILUKA RESOURCES LTD ORD NPV	11,403	78,331	0.24
LYNAS CORPORATION LIMITED ORD NPV	13,411	57,490	0.18
OESTERREICHISCHE ELEKTRIZITAETSWIRTSCHAFTS AG A ORD NPV	1,028	94,664	0.29
Belgium 0.63%			
KBC GROEP ORD NPV	1,666	127,038	0.39
UMICORE SA ORD NPV	1,301	79,457	0.24
Canada 0.73%			
FIRST QUANTUM MINERALS LTD COM NPV	4,333	99,971	0.31
SHOPIFY INC COM NPV	37	54,056	0.16
TECK RESOURCES LTD COM NPV	3,733	86,008	0.26
Cayman Islands 1.80%			
JD HEALTH INTERNATIONAL INC ORD USD.0000005	5,850	83,842	0.26
China 1.54%			
ENN ENERGY HOLDINGS LTD ORD HKD0.1	8,000	152,256	0.46
GEELY AUTOMOBILE HOLDINGS LTD ORD HKD0.02	34,000	107,046	0.33
NIO INC ADR (1 ADR REPS 1 ORD SHRS)	1,755	93,366	0.28
XPENG INC ADR (1 ADR REPS 2 ORD SHR S)	1,473	65,431	0.20
ZAI LAB LTD ADR (1 ADR REPS 1 ORD SHRS)	499	88,318	0.27

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.71% (continued)</i>			
Listed equities 53.29% (continued)			
Denmark 0.49%			
NOVO NORDISK A/S ORD DKK0.2	1,218	102,054	0.31
ORSTED A/S ORD DKK10	407	57,118	0.17
Finland 0.61%			
METSO OUTOTEC OYJ ORD NPV	5,358	62,244	0.19
NORDEA BANK ABP ORD NPV	12,502	139,256	0.42
France 0.94%			
CRITEO SA ADR (1 ADR REP 1 SH)	1,601	72,413	0.22
EDENRED ORD EUR2	1,297	73,906	0.23
VINCI ORD EUR2.5	651	69,474	0.21
WORLDLINE W/I ORD NPV	985	92,211	0.28
Germany 0.86%			
HEIDELBERGCEMENT ORD NPV	1,103	94,624	0.30
HYPOPORT SE ORD NPV	3	1,551	0.00
NORMA GROUP SE ORD NPV	2,016	102,469	0.31
VARTA AG ORD NPV	535	82,479	0.25
Great Britain 2.80%			
ANGLO AMERICAN PLC COM USD0.54945	2,183	86,626	0.26
ATLASSIAN CORP PLC CLASS A COM USD0.1	536	137,677	0.42
FERGUSON PLC ORD GBP10	567	78,720	0.24
HALMA PLC ORD GBP0.1	3,366	125,177	0.38
HELIOS TOWERS PLC ORD GBP1	16,954	38,176	0.12
PETS AT HOME GROUP PLC ORD GBP1	14,155	89,168	0.27
ROTORK PLC GBP0.5	19,335	90,922	0.28

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Supplementary information (continued)

Portfolio statement (continued)
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.71% (continued)</i>			
Listed equities 53.29% (continued)			
Great Britain 2.80% (continued)			
SCOTTISH & SOUTHERN ENERGY ORD GBP50	5,344	110,774	0.34
SPIRAX-SARCO ENGINEERING PLC ORD GBP26.9231	621	116,800	0.35
SUBSEA 7 ORD USD2	4,632	44,494	0.14
Hong Kong 0.23%			
BYD CO LTD H SHRS ORD CNY1	2,500	74,750	0.23
Ireland 0.52%			
CRH PLC ORD EURO0.32	1,895	95,735	0.29
KINGSPAN GROUP PLC ORD EURO0.13	818	76,519	0.23
Italy 0.61%			
FINECOBANK BANCA FINECO ORD NPV	3,274	57,075	0.18
NEXI SPA ORD NPV	4,045	88,792	0.27
POSTE ITALIANE SPA ORD NPV	4,057	53,645	0.16
Japan 2.29%			
DENSO CORP ORD NPV	1,000	68,285	0.20
KEYENCE CORP ORD JPY50	200	101,036	0.31
KOEI TECMO HOLDINGS CO LTD ORD NPV	1,300	63,483	0.19
NIDEC CORP ORD JPY50	1,100	127,602	0.39
NINTENDO CO LTD ORD NPV	100	58,221	0.18
NOVOCURE LTD ORD NPV	513	113,794	0.35
PANASONIC CORPORATION ORD NPV	7,000	81,075	0.25
SONY GROUP CORP ORD NPV	1,400	136,418	0.42

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.71% (continued)</i>			
Listed equities 53.29% (continued)			
Jersey 0.67%			
APTIV PLC COM USD0.01	919	144,586	0.45
GLENCORE PLC ORD USD0.01	17,253	73,755	0.22
Luxembourg 0.29%			
ARCELORMITTAL (NET) ORD NPV	3,113	95,431	0.29
Netherlands 1.42%			
ARCADIS N.V. ORD EUR0.02	2,313	94,688	0.29
CNH INDUSTRIAL ORD EUR0.01	11,463	189,296	0.58
ING GROEP NV ORD EUR0.24	7,217	95,343	0.29
NXP SEMICONDUCTORS COM NPV	427	87,842	0.27
Norway 0.57%			
DNB ASA ORD NOK10	4,109	89,579	0.27
NORSK HYDRO ASA ORD NOK3.66	15,436	98,551	0.30
Poland 0.33%			
CD PROJEKT SA ORD PLN1	637	30,958	0.09
KGHM POLSKA MIEDZ ORD PLN10	1,553	76,549	0.23
South Africa 0.00%			
THUNGELA RESOURCES LTD ORD NPV	250	687	0.00
South Korea 0.67%			
SAMSUNG SDI CO LTD GDR (1 GDR REPS. 25 ORD SHRS)	1,438	219,987	0.67
Spain 0.58%			
BANCO BILBAO VIZCAYA ARGENTARIA ORD EUR0.49	13,095	81,188	0.24
EDP RENOVAVEIS SA ORD EUR5	4,763	110,371	0.34
Sweden 1.29%			
ALFA LAVAL ORD SEK10	3,180	112,406	0.34
BOLIDEN AB ORD NPV (STOCKHOLM)	2,303	88,596	0.27
EPIROC AB-A ORD NPV	2,680	61,107	0.19
SKANDINAVISKA ENSKILDA BANKEN A SEK10 (SEB A)	7,183	92,852	0.28
SKANSKA AB-SER B	2,542	67,472	0.21

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Supplementary information (continued)

Portfolio statement (continued)
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.71% (continued)</i>			
Listed equities 53.29% (continued)			
Switzerland 2.62%			
FISCHER (GEORG) REG ORD CHF100	91	135,169	0.41
GEBERIT REG ORD CHF0.10	190	142,652	0.43
HOLCIM LTD ORD CHF2	586	35,185	0.11
LOGITECT INTL ORD CHF0.25 (REG)	1,115	135,221	0.41
SIKA AG-REG ORD CHF0.01	425	139,084	0.42
STMICROELECTRONICS ORD EUR1.04 (EN PARIS)	2,057	74,658	0.23
STRAUMANN HOLDING AG (REG) CHF0.1	89	142,019	0.43
ZUR ROSE GROUP AG ORD CHF5.75	145	55,609	0.18
United States 31.32%			
10X GENOMICS INC COM .00001	393	76,957	0.23
ACCOLADE INC COM NPV	370	20,095	0.06
AGCO CORP COM USD0.01	377	49,153	0.15
ALBEMARLE CORP COM USD0.1	993	167,281	0.51
ALIGN TECHNOLOGY INC COM USD0.0001	242	147,862	0.45
ALPHABET INC CL A USD0.001	65	158,716	0.48
AMAZON.COM INC COM USD0.01	44	151,367	0.46
AMERICAN TOWER CORP REIT COM USD0.01	302	81,582	0.25
AMERICAN WATER WORKS CO INC COM USD0.01	634	97,718	0.30
AMETEK INC COM USD0.01	1,130	150,855	0.46
ANTHEM INC COM USD0.01	169	64,524	0.20
APPLE INC COM NPV	1,224	167,639	0.51
AVANTOR INC COM USD.01	2,994	106,317	0.32
AXONICS INC COM USD.0001	2,212	140,263	0.43
BADGER METER INC COM USD1	1,082	106,166	0.32
BAKER HUGHES COMPANY COM USD0.0001	3,200	73,184	0.22
BALCHEM CORPORATION COM USD0.0667	471	61,823	0.19
CATALENT INC COM USD.01	753	81,414	0.25
CATERPILLAR INC COM USD1	282	61,372	0.19
CENTRAL GARDEN & PET CO COM USD.01	554	29,323	0.09
CHEWY INC - CLASS A COM USD.0100000	550	43,841	0.13
CLIFFS NATURAL RESOURCES INC COM USD0.25	4,352	93,829	0.29
CONSTRUCTION PARTNERS INC A SHRS COM USD0.001	607	19,060	0.06
COVETRUS INC COM NPV	1,695	45,765	0.14

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.71% (continued)</i>			
Listed equities 53.29% (continued)			
United States 31.32% (continued)			
CROWDSTRIKE HOLDINGS INC COM NPV	282	70,869	0.22
DANAHER CORP COM USD0.01	564	151,355	0.46
DOCUSIGN INC COM USD0.0001	408	114,065	0.35
ENERSYS COM USD0.01	942	92,062	0.28
ENTEGRIS INC COM USD0.01	1,371	168,592	0.51
EXACT SCIENCES CORP COM USD0.010	527	65,511	0.20
FIDELITY NATIONAL INFORMATION SERVICES INC COM USD0.01	641	90,810	0.28
FIVE9 INC COM USD0.001	909	166,702	0.51
FORTINET INC COM USD0.001	495	117,904	0.36
FRANKLIN ELECTRIC CO INC COM USD0.1	1,430	115,287	0.35
FREEPORT-MCMORAN INC COM USD0.1	2,187	81,160	0.25
GENERAL ELECTRIC CO COM USD0.06	8,129	109,416	0.33
GENERAL MILLS INC COM USD0.1	820	49,963	0.15
HESKA CORP COM USD.001	282	64,784	0.20
HUBSPOT INC COM USD0.001	377	219,685	0.67
IDEX CORPORATION COM USD0.01	712	156,676	0.48
IDEXX LABORATORIES INC COM USD0.1	208	131,362	0.40
ILLUMINA INC COM USD0.01	336	158,999	0.48
INTERCONTINENTAL EXCHANGE INC COM USD0.01	800	94,960	0.29
INTUIT INC COM USD0.01	471	230,870	0.70
INTUITIVE SURGICAL INC COM USD0.001	195	179,330	0.55
ITRON INC COM NPV	1,320	131,974	0.40
J.M.SMUCKER COMPANY COM NPV	376	48,718	0.15
JP MORGAN CHASE & CO COM USD1	1,130	175,760	0.54
LIVENT CORP COM USD.001	7,796	150,931	0.46
MARTIN MARIETTA MATERIALS INC COM USD0.01	258	90,767	0.28
MASTERCARD INC A COM USD0.0001	161	58,779	0.18
MERCK & CO INC COM USD0.5	793	61,672	0.19
MICROCHIP TECHNOLOGY INC COM USD0.001	524	78,464	0.24
MICROSOFT CORP COM USD0.00001	565	153,059	0.47
MODERNA INC COM USD.0001	462	108,561	0.33
MOTOROLA SOLUTIONS INC COM USD0.01	471	102,136	0.31
NEOGEN CORPORATION COM USD0.16	1,753	80,708	0.25
NEOGENOMICS INC COM USD.001	1,410	63,690	0.19
NEXTERA ENERGY INC COM USD0.01	1,124	82,367	0.25
NUCOR CORP COM USD0.4	991	95,067	0.29
NVIDIA CORP COM USD.001	188	150,419	0.46
OMNICELL INC COM USD0.001	1,036	156,902	0.48
ON SEMICONDUCTOR CORPORATION COM COM USD0.01	2,684	102,744	0.31
OVERSTOCK.COM INC COM USD0.0001	541	49,880	0.15
OWENS CORNING COM USD0.001	565	55,314	0.17

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Supplementary information (continued)

Portfolio statement (continued)
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.71% (continued)</i>			
Listed equities 53.29% (continued)			
United States 31.32% (continued)			
PAYPAL HOLDINGS INC COM USD0.0001 W/I	565	164,686	0.50
PERKINELMER INC COM USD1	1,144	176,645	0.54
PHREESIA INC COM USD.01	1,800	110,340	0.34
QUANTA SERVICES INC COM USD0.00001	1,528	138,391	0.42
RAPID7 INC COM USD0.01	668	63,213	0.19
REGENERON PHARMACEUTICALS INC COM USD0.001	189	105,564	0.32
RELIANCE WORLDWIDE CORP LTD ORD NPV	29,371	115,984	0.35
REXNORD CORP COM USD.01	2,219	111,039	0.34
ROKU INC COM USD.0001	240	110,220	0.34
ROPER TECHNOLOGIES INC COM USD0.01	252	118,490	0.36
SALESFORCE.COM INC COM USD0.001	322	78,655	0.24
SCHLUMBERGER LTD COM USD0.01	2,636	84,378	0.26
SENSATA TECHNOLOGIES HOLDING N.V. COM USD0.01	1,390	80,578	0.25
SERVICENOW INC COM USD0.001	301	165,415	0.50
SMARTSHEET INC COM NPV	1,060	76,659	0.23
SPLUNK INC COM COM USD0.001	607	87,760	0.27
SQUARE INC COM0.000001	389	94,838	0.29
STEEL DYNAMICS INC COM USD0.01	1,594	95,002	0.29
SUMMIT MATERIALS INC COM USD.01	2,636	91,865	0.28
TANDEM DIABETES CARE INC COM NPV	879	85,615	0.26
TELADOC HEALTH INC COM USD0.001	282	46,894	0.14
TETRA TECH INC COM USD.01	1,124	137,173	0.42
THERMO FISHER SCIENTIFIC INC COM USD1	203	102,407	0.30
TRADE DESK INC/THE COM .000001	940	72,718	0.22
TRIMBLE NAVIGATION LTD COM NPV	1,460	119,472	0.36
TRIPADVISOR INC COM USD0.001	1,318	53,115	0.16
TRUPANION INC COM USD.00001	956	110,036	0.34

Investments	Portfolio holdings	Market value USD	% of NAV
<i>Listed/unlisted but quoted investments 96.71% (continued)</i>			
Listed equities 53.29% (continued)			
United States 31.32% (continued)			
UNITED RENTALS INC COM USD0.01	217	69,225	0.20
VARONIS SYSTEMS INC COM USD0.001	932	53,702	0.16
VEEVA SYSTEMS INC CLASS A COM USD0.00001	333	103,546	0.32
VERTEX PHARMACEUTICALS INC COM USD0.01	208	41,939	0.13
WALT DISNEY CO COM USD0.01	565	99,310	0.30
XYLEM INC COM NPV	1,088	130,516	0.40
ZOETIS INC COM USD0.01	539	100,448	0.30
ZSCALER INC COM USD0.001	282	60,929	0.19
Total listed equities		<u>17,486,873</u>	<u>53.29</u>

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Supplementary information (continued)

Portfolio statement (continued)
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.71% (continued)</i>			
Listed bonds 24.44%			
Australia 0.73%			
SAPPI PAPIER HOLDNG GMBH (SER REGS) (REG S) (REG) 3.625% 15/03/2028	200,000	240,540	0.73
Bahamas 0.70%			
COMPET TEAM TECH LTD (REG S) (REG) 4.25% 12/03/2029	200,000	228,751	0.70
Belgium 0.09%			
ANHEUSER-BUSCH INBEV FIN 4% 17/01/2043	25,000	28,577	0.09
British Virgin 1.31%			
CHINALCO CAPITAL HOLDING (REG) (REG S) VAR PERP 31/12/2049	200,000	212,006	0.65
NWD FINANCE (BVI) LTD (REG) (REG S) VAR PERP 31/12/2049	200,000	216,513	0.66
Cayman Islands 0.62%			
AAC TECHNOLOGIES HOLDING (REG S) (REG) 3.75% 02/06/2031	200,000	203,951	0.62
Chile 0.68%			
CENCOSUD SA (SER REGS) (REG S) (REG) 4.375% 17/07/2027	200,000	223,876	0.68
Denmark 0.83%			
DANSKE BANK A/S (SER EMTN) (BR) (RE G S) VAR 21/06/2029	100,000	125,164	0.38
ORSTED A/S (SER EMTN) (REG S) (BR) 2.125% 17/05/2027	100,000	145,836	0.45

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.71% (continued)</i>			
Listed bonds 24.44% (continued)			
Finland 0.37%			
NORDEA BANK ABP (SER EMTN) (REG S) (BR) .375% 28/05/2026	100,000	121,307	0.37
France 0.47%			
ELECTRICITE DE FRANCE (144A) (REG) 5.6% 27/01/2040	25,000	34,012	0.10
UNIBAIL-RODAMCO SE (REG S) (BR) VAR PERP	100,000	119,559	0.37
Great Britain 2.00%			
BP CAPITAL MARKETS PLC (REG) 3.279% 19/09/2027	100,000	110,324	0.34
HAMMERSON PLC (BR) 6% 23/02/2026	40,000	65,342	0.20
KONDOR FINANCE PLC (NAK) (SER REGS) (REG S) 7.625% 08/11/2026	200,000	210,245	0.64
NATWEST GROUP PLC (SER EMTN) (BR) (REG S) VAR 02/03/2026	100,000	125,820	0.38
VIRGIN MONEY UK PLC (SER GMTN) (BR) (REG S) VAR 22/06/2025	100,000	145,178	0.44
Hong Kong 0.64%			
AIA GROUP LTD (REG) (SER REGS) 3.2% 16/09/2040	200,000	208,470	0.64
Indonesia 0.63%			
STAR ENERGY GEOTHERMAL SER REGS (REG) 6.75% 24/04/2033	200,000	205,998	0.63
Ireland 0.30%			
GE CAPITAL EURO FUNDING (SER EMTN) (BR) 6.025% 01/03/2038	50,000	99,019	0.30
Israel 0.32%			
ENERGEAN ISRAEL FINANCE (REG S) 4.875% 30/03/2026	100,000	104,189	0.32
Italy 0.38%			
ENEL SPA (BR) (REG S) VAR PERP 31/12/2049	100,000	125,108	0.38
Japan 0.37%			
MITSUBISHI UFJ FIN GRP (REG) 3.287% 25/07/2027	110,000	123,003	0.37

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Supplementary information (continued)

Portfolio statement (continued)
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.71% (continued)</i>			
Listed bonds 24.44% (continued)			
Jersey 0.38%			
HEATHROW FUNDING LTD (REG S) (REG) 1.5% 12/10/2025	100,000	125,138	0.38
Luxembourg 0.43%			
ARCELORMITTAL (REG) 7.75% 15/10/2039	15,000	21,527	0.07
TRATON FINANCE LUXEMBRG (SER EMTN) (REG S) (BR) .75% 24/03/2029	100,000	120,288	0.36
Mexico 1.28%			
BANCO MERCANTIL DE NORTE (SER REGS) (REG) (REG S) VAR PERP 31/12/2049	200,000	215,150	0.66
CORPORACION INMOBILIARIA (SER REGS) (REG S) (REG) 3.625% 13/05/2031	200,000	203,467	0.62
Netherlands 0.74%			
COOPERATIEVE RABOBANK UA (SER GMTN) (REG S) (BR) 1.125% 07/05/2031	100,000	126,851	0.39
PETROBRAS GLOBAL FINANCE (REG) 5.6% 03/01/2031	100,000	115,269	0.35
Philippines 0.58%			
GLOBE TELECOM INC (REG S) (REG) 3% 23/07/2035	200,000	189,420	0.58
Singapore 1.93%			
BOC AVIATION LTD (SER REGS) (REG S) (REG) 3.25% 29/04/2025	200,000	211,880	0.65
MEDCO PLATINUM ROAD PTE SER REGS (REG) 6.75% 30/01/2025	200,000	215,663	0.65
SINGAPORE AIRLINES LTD (SER EMTN) (REG S) (REG) 3% 20/07/2026	200,000	206,035	0.63

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.71% (continued)</i>			
Listed bonds 24.44% (continued)			
South Korea 1.36%			
KOOKMIN BANK (SER REGS) (REG) VAR PERP 31/12/2049	200,000	216,372	0.66
SHINHAN BANK SER GMTN (REG) (REG) 4.5% 26/03/2028	200,000	231,501	0.70
Spain 0.41%			
BANCO DE SABADELL SA (SER EMTN) (BR) (REG S) VAR 12/12/2028	100,000	133,633	0.41
Thailand 1.28%			
GC TREASURY CENTRE CO (SER REGS) 2.98% 18/03/2031	200,000	206,386	0.63
KASIKORNBANK PCL HK (SER EMTN) (REG S) VAR PERP 31/12/2049	200,000	215,245	0.65
Turkey 1.99%			
FIRST ABU DHABI BANK PJS (REG S) VAR PERP	200,000	217,056	0.66
MAF GLOBAL SECURITIES (REG S) (REG) VAR PERP 29/12/2049	200,000	210,483	0.64
TURK SISE VE CAM FABRIKA (SER REGS) (REG S) 6.95% 14/03/2026	200,000	227,131	0.69
United States 3.62%			
AMERICAN WATER CAPITAL C (REG) 4.15% 01/06/2049	40,000	48,455	0.15
ANHEUSER-BUSCH INBEV WOR (REG) 3.5% 01/06/2030	70,000	78,072	0.24
APPLE INC (REG) 4.45% 06/05/2044	10,000	12,978	0.04
AT&T INC (REG) 1.7% 25/03/2026	25,000	25,366	0.08
ATMOS ENERGY CORP (REG) 3% 15/06/2027	75,000	80,974	0.25
BANK OF AMERICA CORP 5.875% 07/02/2042	30,000	43,866	0.13
CHUBB INA HOLDINGS INC 1.55% 15/03/2028	100,000	128,201	0.39
CIGNA CORP (REG) 4.8% 15/08/2038	25,000	31,652	0.10
CITIGROUP INC (REG) 8.125% 15/07/2039	25,000	44,181	0.13
CVS HEALTH CORP (REG) 5.05% 25/03/2048	25,000	32,784	0.10
EDISON INTERNATIONAL (REG) 5.75% 15/06/2027	50,000	57,008	0.17
ENTERPRISE PRODUCTS OPER (REG) 4.8% 01/02/2049	25,000	31,324	0.10

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Supplementary information (continued)

Portfolio statement (continued)
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.71% (continued)</i>			
Listed bonds 24.44% (continued)			
United States 3.62% (continued)			
EVERSOURCE ENERGY (REG) 3.45% 15/01/2050	25,000	26,822	0.08
EXELON CORP (REG) 4.45% 15/04/2046	20,000	24,443	0.07
FLORIDA POWER & LIGHT CO (REG) 4.05% 01/06/2042	20,000	24,348	0.07
GENERAL MOTORS CORP (REG) 5.2% 01/04/2045	35,000	43,938	0.13
INTERPUBLIC GROUP COS (REG) 4.65% 01/10/2028	25,000	29,667	0.09
JP MORGAN CHASE & CO (REG) 6.4% 15/05/2038	30,000	44,364	0.14
KINDER MORGAN ENER PART (REG) 4.25% 01/09/2024	45,000	50,031	0.15
KINDER MORGAN INC (REG) 5.55% 01/06/2045	25,000	32,394	0.10
NESTLE HOLDINGS INC (SER EMTN) (REG S) (REG) .875% 18/07/2025	50,000	62,172	0.19
ONEOK INC (REG) 6.35% 15/01/2031	50,000	66,272	0.20
ORACLE CORP (REG) 3.6% 01/04/2040	65,000	69,180	0.21
PRUDENTIAL FINANCIAL INC (SER MTN) 4.6% 15/05/2044	30,000	38,200	0.12
VIRGINIA ELEC & POWER CO (SER C) (R EG) 4% 15/11/2046	25,000	29,428	0.09
WILLIAMS COMPANIES INC (REG) 5.1% 15/09/2045	25,000	31,465	0.10
Total listed bonds		<u>8,018,868</u>	<u>24.44</u>

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.71% (continued)</i>			
Unlisted but quoted bonds 18.98%			
Australia 0.66%			
MACQUARIE GROUP LTD (SER 144A) (REG) VAR 12/01/2027	110,000	109,735	0.33
SUZANO AUSTRIA GMBH 3.75% 15/01/2031	100,000	106,292	0.33
Colombia 0.62%			
BANCOLOMBIA SA (REG) VAR 18/12/2029	200,000	204,159	0.62
France 0.33%			
TOTAL CAPITAL INTL SA (REG) 2.986% 29/06/2041	60,000	61,088	0.19
TOTAL CAPITAL SA (REG) 3.883% 11/10/2028	40,000	46,195	0.14
Germany 0.19%			
DEUTSCHE BANK AG (SER EMTN) (BR) (REG S) VAR 10/06/2026	50,000	62,397	0.19
Great Britain 0.89%			
ANTOFAGASTA PLC (SER REGS) (REG S) (REG) 2.375% 14/10/2030	200,000	193,680	0.59
VODAFONE GROUP PLC (REG) 4.125% 30/05/2025	60,000	67,278	0.21
VODAFONE GROUP PLC 4.375% 19/02/2043	25,000	29,635	0.09
Ireland 0.36%			
JOHNSON CONTROLS/TYCO FI .375% 15/09/2027	100,000	119,370	0.36
Luxembourg 0.67%			
RUMO LUXEMBOURG SARL (SER REGS) (REG S) (REG) 5.25% 10/01/2028	200,000	219,902	0.67

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Supplementary information (continued)

Portfolio statement (continued)
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.71% (continued)</i>			
Unlisted but quoted bonds 18.98% (continued)			
Netherlands 0.39%			
SIEMENS FINANCIERINGSMAT (144 A) (REG) 6.125% 17/08/2026	100,000	126,530	0.39
Norway 0.49%			
AKER BP ASA (SER 144A) 2.875% 15/01/2026	150,000	159,651	0.49
Panama 0.65%			
CABLE ONDA SA (SER REGS) (REG) 4.5% 30/01/2030	200,000	214,775	0.65
Peru 0.68%			
TRANSMANTARO (SER REGS) (REG) (REG S) 4.7% 16/04/2034	200,000	223,458	0.68
Spain 0.38%			
IBERDROLA FINANZAS SAU (SER EMTN) (REG S) (BR) 1% 07/03/2025	100,000	123,703	0.38
United States 12.67%			
ABBVIE INC (REG) 4.25% 21/11/2049	50,000	60,451	0.18
AMAZON.COM INC (REG) 3.25% 12/05/2061	15,000	15,898	0.05
AMERICAN AIRLINES/AADVANC (SER 144A) (REG) 5.5% 20/04/2026	75,000	81,707	0.25
AT&T INC (SER REGS) (REG S) (REG) 3.5% 15/09/2053	45,000	45,697	0.14
AVNET INC (REG) 3% 15/05/2031	50,000	50,067	0.15
AVNET INC (REG) 4.625% 15/04/2026	25,000	28,424	0.09
BANK OF AMERICA CORP (REG) VAR 22/07/2027	50,000	50,523	0.15
BROADCOM INC (SER 144A) 3.5% 15/02/2041	40,000	41,583	0.13
CCO HLDGS LLC/CAP CORP (SER 144A) (REG) 4.5% 15/08/2030	60,000	63,870	0.19
CITIGROUP INC (REG) VAR 28/01/2027	50,000	49,548	0.15

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.71% (continued)</i>			
Unlisted but quoted bonds 18.98% (continued)			
United States 12.67% (continued)			
DELTA AIR LINES/SKYMILES (SER 144A) (REG) 4.5% 20/10/2025	100,000	108,894	0.33
DOW CHEMICAL CO (REG) 7.375% 01/11/2029	50,000	69,988	0.21
EQUITABLE FINANCIAL LIFE (SER 144A) (REG) 1% 09/01/2026	120,000	118,693	0.36
FORD MOTOR COMPANY (REG) 8.5% 21/04/2023	50,000	56,734	0.17
HASBRO INC (REG) 5.1% 15/05/2044	35,000	43,077	0.13
JPMORGAN CHASE & CO (REG) VAR 22/04/2027	70,000	70,436	0.21
MICROCHIP TECHNOLOGY INC (SER 144A) (REG) .972% 15/02/2024	50,000	50,179	0.15
MILEAGE PLUS HLDINGS LLC (SER 144A) (REG) 6.5% 20/06/2027	75,000	83,148	0.25
MORGAN STANLEY (REG) VAR 04/05/2027	75,000	75,563	0.23
NXP BV/NXP FDG/NXP USA (SER 144A) (REG) 2.7% 01/05/2025	100,000	106,147	0.32
PACIFIC GAS & ELECTRIC (REG) 4.55% 01/07/2030	50,000	54,637	0.17
UPJOHN INC (SER 144A) (REG) 4% 22/06/2050	25,000	26,480	0.08
US TREASURY BILL ZCP 19/08/2021	2,637,600	2,637,456	8.04
VERISIGN INC (REG) 2.7% 15/06/2031	30,000	30,502	0.09
VERIZON COMMUNICATIONS 3.4% 22/03/2041	50,000	53,326	0.17
VIATRIS INC (SER 144A) (REG) 2.3% 22/06/2027	90,000	91,975	0.28
Total unlisted but quoted bonds		<u>6,232,851</u>	<u>18.98</u>
Total listed/unlisted but quoted investments		31,738,592	96.71
Forward Contracts (0.61%)		<u>199,842</u>	<u>0.61</u>
Total investments		31,938,434	97.32
Other net assets/(liabilities)		<u>878,430</u>	<u>2.68</u>
Net assets attributable to unitholders as at 30 June 2021		<u>32,816,864</u>	<u>100.00</u>
Total investments, at cost		<u>30,563,469</u>	

Note: Investments are accounted for on a trade date basis.

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Supplementary information (continued)

Portfolio statement (continued)

as at 30 June 2021 (Unaudited)

Additional Details on Financial Derivative Instruments

Forward Foreign Exchange

Contracts/Underlying Assets	Counterparties	Fair Value US\$
Buy AUD Sell USD	Hongkong and Shanghai Banking Corporation Limited	(1,615)
Buy CAD Sell USD	Hongkong and Shanghai Banking Corporation Limited	(1,668)
Buy CNH Sell USD	Hongkong and Shanghai Banking Corporation Limited	164,038
Buy GBP Sell USD	Hongkong and Shanghai Banking Corporation Limited	(8)
Buy JPY Sell USD	Hongkong and Shanghai Banking Corporation Limited	(760)
Buy USD Sell CNH	Hongkong and Shanghai Banking Corporation Limited	12,125
Buy USD Sell EUR	Hongkong and Shanghai Banking Corporation Limited	26,822
Buy USD Sell GBP	Hongkong and Shanghai Banking Corporation Limited	908

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Supplementary information (continued)

Statement of movement in portfolio holdings
as at 30 June 2021 (Unaudited)

	% of Net Assets 2021	% of Net Assets 2020
<i>Listed/unlisted but quoted investments</i>		
Listed equities		
Australia	1.02	–
Belgium	0.63	1.87
Canada	0.73	–
Cayman Islands	0.26	–
China	1.54	–
Denmark	0.49	–
Finland	0.61	4.73
France	0.94	20.63
Germany	0.86	16.34
Great Britain	2.80	16.00
Hong Kong	0.23	–
Ireland	0.52	–
Italy	0.61	4.35
Japan	2.29	–
Jersey	0.67	–
Luxembourg	0.29	–
Netherlands	1.42	4.26
Norway	0.57	5.51
Poland	0.33	–
South Africa	0.00	–
South Korea	0.67	–
Spain	0.58	10.56
Sweden	1.29	1.23
Switzerland	2.62	13.34
USA	31.32	0.91
Total listed equities	<u>53.29</u>	<u>99.73</u>

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Supplementary information (continued)

Statement of movement in portfolio holdings (continued)
as at 30 June 2021 (Unaudited)

	% of Net Assets 2021	% of Net Assets 2020
<i>Listed/unlisted but quoted investments (continued)</i>		
Listed bonds		
Australia	0.73	—
Bahamas	0.70	—
Belgium	0.09	—
British Virgin	1.31	—
Cayman Islands	0.62	—
Chile	0.68	—
Denmark	0.83	—
Finland	0.37	—
France	0.47	—
Great Britain	2.00	—
Hong Kong	0.64	—
Indonesia	0.63	—
Ireland	0.30	—
Israel	0.32	—
Italy	0.38	—
Japan	0.37	—
Jersey	0.38	—
Luxembourg	0.43	—
Mexico	1.28	—
Netherlands	0.74	—
Philippines	0.58	—
Singapore	1.93	—
South Korea	1.36	—
Spain	0.41	—
Thailand	1.28	—
Turkey	1.99	—
United States	3.62	—
Total listed bonds	<u>24.44</u>	<u>—</u>

	% of Net Assets 2021	% of Net Assets 2020
<i>Listed/unlisted but quoted investments (continued)</i>		
Unlisted but quoted bonds		
Australia	0.66	–
Colombia	0.62	–
France	0.33	–
Germany	0.19	–
Great Britain	0.89	–
Ireland	0.36	–
Luxembourg	0.67	–
Netherlands	0.39	–
Norway	0.49	–
Panama	0.65	–
Peru	0.68	–
Spain	0.38	–
United States	12.67	–
	<hr/>	<hr/>
Total investmentsunlisted but quoted bonds	18.98	–
	<hr/>	<hr/>
Total listed/unlisted but quoted investments	96.71	99.73
Forward Contracts	0.61	(2.90)
	<hr/>	<hr/>
Total investments	97.32	96.83
Other net assets/(liabilities)	2.68	3.17
	<hr/>	<hr/>
Net assets attributable to unitholders as at year end	100.00	100.00
	<hr/>	<hr/>

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Supplementary information (continued)

Performance record (Unaudited)

(a) Price record (Dealing net asset value per unit) since inception

Year	Class AM Distribution H2-RMB			
	Lowest		Highest	
2021	RMB	6.72	RMB	8.66
2020	RMB	5.99	RMB	9.83
2019	RMB	9.08	RMB	10.48
2018	RMB	9.71	RMB	10.91
2017	RMB	9.32	RMB	10.08
2016	RMB	8.92	RMB	11.53
2015	RMB	9.71	RMB	12.12

Year	Class IT Accumulation EUR			
	Lowest		Highest	
2021	EUR	–	EUR	–
2020	EUR	–	EUR	–
2019	EUR	–	EUR	–
2018	EUR	–	EUR	–
2017	EUR	–	EUR	–
2016	EUR	10.18	EUR	12.09
2015	EUR	9.75	EUR	12.50

Year	Class AM Distribution USD			
	Lowest		Highest	
2021	US\$	9.78	US\$	10.25

Year	Class AM Distribution HKD			
	Lowest		Highest	
2021	EUR	9.78	HKD	10.24

Year	Class AM Distribution H2-AUD			
	Lowest		Highest	
2021	AUD	9.77	AUD	10.24

Year	Class AM Distribution H2-GBP			
	Lowest		Highest	
2021	GBP	9.77	GBP	10.25

(a) Price record (Dealing net asset value per unit) since inception (continued)

Year	Class AMg Distribution H2-RMB			
	Lowest		Highest	
2021	RMB	9.79	RMB	10.26
Year	Class AMg Distribution USD			
	Lowest		Highest	
2021	US\$	9.78	US\$	10.23
Year	Class AMg Distribution HKD			
	Lowest		Highest	
2021	HKD	9.78	HKD	10.23
Year	Class AMg Distribution H2-AUD			
	Lowest		Highest	
2021	AUD	9.77	AUD	10.22
Year	Class AMg Distribution H2-GBP			
	Lowest		Highest	
2021	GBP	9.77	GBP	10.23

(b) Total net asset value (calculated in accordance with HKFRS)

	2021 US\$	2020 US\$ (Restated)	2019 US\$ (Restated)
Total net asset value	<u>32,816,864</u>	<u>36,810,415</u>	<u>45,181,806</u>

Allianz Thematic Income (formerly known as Allianz Selection European Equity Dividend) (continued)

Supplementary information (continued)

Performance record (Unaudited)

(c) Net asset value per unit (calculated in accordance with HKFRS)

	2021		2020		2019	
Net asset value per unit						
– Class AM Distribution H2-RMB	RMB	8.63	RMB	7.63	RMB	9.32
– Class AM Distribution USD	US\$	10.22	US\$	–	US\$	–
– Class AM Distribution HKD	HKD	10.22	HKD	–	HKD	–
– Class AM Distribution H2-AUD	AUD	10.21	AUD	–	AUD	–
– Class AM Distribution H2-GBP	GBP	10.22	GBP	–	GBP	–
– Class AMg Distribution H2-RMB	RMB	10.21	RMB	–	RMB	–
– Class AMg Distribution USD	US\$	10.20	US\$	–	US\$	–
– Class AMg Distribution HKD	HKD	10.20	HKD	–	HKD	–
– Class AMg Distribution H2-AUD	AUD	10.19	AUD	–	AUD	–
– Class AMg Distribution H2-GBP	GBP	10.20	GBP	–	GBP	–

Information on exposure arising from financial derivative instruments (Unaudited)

The following table details the exposures arising from the use of financial derivative instruments as a percentage of net asset value of the Sub-Fund for the year ended 30 June 2021:

	Gross exposure	Net exposure
	%	%
– Highest	1.24 [#]	— [*]
– Lowest	— [#]	— [*]
– Average	0.19 [#]	— [*]

[#] There are some share classes with currency hedging features. For the avoidance of doubt, it is not included in the calculation of the gross exposure of the fund portfolio.

^{*} No financial derivative instruments that would generate incremental leverage were used for investment purpose.

Trustee's report

Allianz Selection Income and Growth ("the Sub-Fund")

We hereby confirm that, to the best of our knowledge, the Manager of the Sub-Fund has, in all material respects, managed the Sub-Fund in accordance with the provisions of the trust deed dated 10 September 2014, as amended, for the year ended 30 June 2021.

)
) For and on behalf of
) HSBC Institutional Trust Services (Asia) Limited
) 滙豐機構信託服務(亞洲)有限公司
)

Independent auditor's report to the Unitholders of Allianz Selection Income and Growth

Report on the Audit of the Financial Statements

Opinion

What we have audited

The financial statements of Allianz Selection Income and Growth (the “Sub-Fund”), a sub-fund of the Allianz Global Investors Asia Fund, set out on pages 70 to 119, which comprise:

- the statement of net assets as at 30 June 2021;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to unitholders for the year then ended;
- the cash flow statement for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Fund as at 30 June 2021, and of its financial transactions and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's 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 are independent of the Sub-Fund in accordance with the HKICPA's Code of Ethics for Professional Accountants (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code.

Independent auditor's report to the Unitholders of Allianz Selection Income and Growth (continued)

Other Information

The Trustee and the Manager (the “Management”) of the Sub-Fund are responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion 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, 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 in this regard.

Responsibilities of the Management for the Financial Statements

The Management of the Sub-Fund is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA, and for such internal control as the Management determines 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 Management of the Sub-Fund is responsible for assessing the Sub-Fund's 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 Management either intends to liquidate the Sub-Fund or to cease operations, or has no realistic alternative but to do so.

In addition, the Management of the Sub-Fund is required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 10 September 2014, as amended (the “Trust Deed”) and Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (the “SFC Code”).

Independent auditor's report to the Unitholders of Allianz Selection Income and Growth (continued)

Auditor's 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 auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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. In addition, we are required to assess whether the financial statements of the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent auditor's report to the Unitholders of Allianz Selection Income and Growth (continued)

Report on Matters under the Relevant Disclosure Provisions of the Trust Deed and Appendix E of the SFC Code

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 28 October 2021

Allianz Selection Income and Growth

Statement of Net Assets as at 30 June 2021

	Note	2021 US\$	2020 US\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	10(a)	343,798,208	242,036,259
Dividend receivable		48,674	64,561
Amounts receivable on subscription		1,085,186	68,590
Amounts due from brokers		361,084	4,192,909
Margin accounts		682,800	654,980
Other receivables		51,090	6,272
Cash and cash equivalents	6(d)	<u>7,891,333</u>	<u>9,006,492</u>
Total assets		<u>353,918,375</u>	<u>256,030,063</u>
Liabilities			
Current liabilities			
Financial liabilities at fair value through profit or loss	10(a)	672,583	456,340
Amounts payable on redemption		496,894	1,335,477
Amounts due to brokers		181,715	3,921,981
Other payables	6	<u>829,555</u>	<u>336,362</u>
Total liabilities (excluding net assets attributable to unitholders)		<u>2,180,747</u>	<u>6,050,160</u>
Net assets attributable to unitholders		<u>351,737,628</u>	<u>249,979,903</u>

Approved by the Trustee and the Manager on 28 October 2021

)
) For and on behalf of
) HSBC Institutional Trust Services (Asia) Limited
) 滙豐機構信託服務(亞洲)有限公司
)
)
) For and on behalf of
) Allianz Global Investors Asia Pacific Limited
)

The accompanying notes form an integral part of these financial statements.

Allianz Selection Income and Growth (continued)

Statement of Comprehensive Income for the year ended 30 June 2021

	Note	2021 US\$	2020 US\$
Income			
Dividend income		1,608,789	2,276,808
Interest income on deposits	6(d)	109	36,285
Net gains on financial assets and liabilities at fair value through profit or loss	4	90,091,327	22,454,393
Net foreign exchange (losses)/gains		(114,639)	26,830
Other income		50	149
Total net income		<u>91,585,636</u>	<u>24,794,465</u>
Expenses			
Audit fee		(9,954)	(14,649)
Trustee's fee	6(b)	(209,525)	(207,896)
Management fee	6(a)	(3,741,536)	(3,666,714)
Administrative fees		(41,157)	(113,121)
Transaction costs		(51,666)	(72,148)
Registrar's and transfer agent's fees	6(c)	(20,279)	(14,757)
Legal and professional fees		(70,176)	(25,477)
Safe custody fees, bank charges and miscellaneous expenses	6	<u>(135,512)</u>	<u>(206,820)</u>
Total operating expenses		<u>(4,279,805)</u>	<u>(4,321,582)</u>
Net profits before taxation and distributions		87,305,831	20,472,883
Withholding tax	5	<u>(437,335)</u>	<u>(643,675)</u>
Net profits before distributions		86,868,496	19,829,208
Distribution to unitholders	9	<u>(25,478,830)</u>	<u>(16,732,964)</u>
Increase in net assets attributable to unitholders from operations		<u>61,389,666</u>	<u>3,096,244</u>

The accompanying notes form an integral part of these financial statements.

Allianz Selection Income and Growth (continued)

Statement of Changes in Net Assets Attributable to Unitholders for the year ended 30 June 2021

	Note	2021 US\$	2020 US\$
Net assets attributable to unitholders at the beginning of the year*	8	249,979,903	358,212,562
Subscription of units	8	222,773,110	76,085,133
Redemption of units	8	(182,405,051)	(177,969,612)
Distribution of unitholders	9	–	(9,444,424)
Net increase/(decrease) from transactions with unitholders		40,368,059	(111,328,903)
Increase in net assets attributable to unitholders from operations		61,389,666	3,096,244
Net assets attributable to unitholders at the end of the year*	8	351,737,628	249,979,903

* During the period from 1 July 2019 to 31 October 2019, net assets attributable to unitholders were classified as equity. During the period from 1 November 2019 to 30 June 2021, net assets attributable to unitholders were classified as financial liabilities.

The accompanying notes form an integral part of these financial statements.

Allianz Selection Income and Growth (continued)

Cash Flow Statement

for the year ended 30 June 2021

	Note	2021 US\$	2020 US\$
Cash flows from operating activities			
Increase in net assets attributable to unitholders from operations		61,389,666	3,096,244
Adjustments for:			
Dividend income		(1,608,789)	(2,276,808)
Interest income on deposits		(109)	(36,285)
Distribution to unitholders	9	25,478,830	16,732,964
Withholding tax	5	437,335	643,675
Operating gain before changes in working capital		85,696,933	18,159,790
Net change in financial assets and financial liabilities at fair value through profit or loss		(101,545,706)	110,383,262
Net change in amounts due from brokers		3,831,825	(30,142)
Net change in amounts due to brokers		(3,740,266)	2,161,655
Net change in margin accounts		(27,820)	43,876
Net change in other receivables		(44,818)	260,136
Net change in other payables		493,193	(104,394)
Cash (used in)/generated from operations		(15,336,659)	130,874,183
Dividends received		1,624,676	2,326,997
Interest income on deposits received		109	36,742
Tax paid	5	(437,335)	(643,675)
Net cash (used in)/generated from operating activities		(14,149,209)	132,594,247

The accompanying notes form an integral part of these financial statements.

Allianz Selection Income and Growth (continued)

Cash Flow Statement (continued) for the year ended 30 June 2021

	Note	2021 US\$	2020 US\$
Cash flows from financing activities			
Proceeds from subscription of units		221,756,514	76,637,994
Payments on redemption of units		(183,243,634)	(180,937,726)
Distributions paid	9	<u>(25,478,830)</u>	<u>(26,177,388)</u>
Net cash generated from/(used in) financing activities		<u>13,034,050</u>	<u>(130,477,120)</u>
Net (decrease)/increase in cash and cash equivalents		(1,115,159)	2,117,127
Cash and cash equivalents at the beginning of the year		<u>9,006,492</u>	<u>6,889,365</u>
Cash and cash equivalents at the end of the year		<u>7,891,333</u>	<u>9,006,492</u>

The accompanying notes form an integral part of these financial statements.

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements

1 The Sub-Fund

Allianz Selection Income and Growth (the “Sub-Fund”) is a sub-fund of Allianz Global Investors Asia Fund (the “Trust”). The Trust is an open-ended unit trust established under a trust deed dated 10 September 2014, as amended (the “Trust Deed”), and governed by the laws of Hong Kong.

The objective of the Sub-Fund is to achieve long-term capital appreciation and income by investing primarily in a combination of U.S. or Canadian equity securities, debt securities and convertible securities. The Sub-Fund is authorised by the Hong Kong Securities and Futures Commission (“SFC”) under section 104 of the Hong Kong Securities and Futures Ordinance (“HKSF”) and is governed by the Code on Unit Trusts and Mutual Funds issued by the SFC.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of the financial statements of the Sub-Fund are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires the Trustee and the Manager (the “Management”) to exercise their judgement in the process of applying the Sub-Fund’s accounting policies. The areas involving higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Standards and amendments to existing standards effective 1 July 2020

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 July 2020 that have a material effect on the financial statements of the Sub-Fund.

New standards, amendments and interpretations effective after 1 July 2020 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2020, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Sub-Fund.

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

2 Summary of significant accounting policies (continued)

(b) Financial assets and financial liabilities at fair value through profit or loss

(i) Classification

The Sub-Fund classifies its investments based on both the Sub-Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Sub-Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Sub-Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Sub-Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Sub-Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

As such, the Sub-Fund classifies all of its investment portfolio as financial assets or liabilities at fair value through profit or loss.

The Sub-Fund's policy requires the Management to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

(ii) Recognition, derecognition and measurement

Regular purchases and sales of investments are recognised on the trade date – the date on which the Sub-Fund commits to purchase or sell the investments. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

2 Summary of significant accounting policies (continued)

(b) Financial assets and financial liabilities at fair value through profit or loss (continued)

(ii) Recognition, derecognition and measurement (continued)

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

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the “financial assets or financial liabilities at fair value through profit or loss” category are presented in the statement of comprehensive income within net gains/(losses) on financial assets and liabilities at fair value through profit or loss in the period in which they arise.

The Sub-Fund uses the weighted average cost method to determine realised gains and losses on derecognition.

(iii) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Sub-Fund utilises the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, Management will determine the point within the bid-ask spread that is more representative of fair value.

Securities which are not listed on an exchange or are thinly traded are valued by using quotes from brokers.

In the absence of quoted values or brokers’ representative prices, securities are valued using appropriate valuation techniques as reasonably determined by the Management. Debt securities are fair valued inclusive of accrued interest.

(iv) Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting year.

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

2 Summary of significant accounting policies (continued)

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of net assets where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise an asset and settle a liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Sub-Fund or the counterparty.

(d) Income

Interest income is recognised on a time proportionate basis, using the effective interest method. Interest income on deposits is disclosed separately in the statement of comprehensive income. Interest income on debt securities is included in “net gains/(losses) on financial assets and liabilities at fair value through profit or loss”.

Dividend income is recognised when the right to receive payment is established, with the corresponding foreign withholding taxes recorded as an expense.

Other income is accounted for on an accrual basis.

(e) Expenses

Expenses are accounted for on an accrual basis.

(f) Subscriptions and redemptions

The Sub-Fund recognises unitholders’ subscriptions and allots units upon receipt of a valid subscription application and derecognises them upon receipt of a valid redemption application.

(g) Units in issue

The Sub-Fund issues redeemable units, which are redeemable at the holder’s option, represent puttable financial instruments of the Sub-Fund. The puttable financial instruments are classified as equity if they meet all the following criteria:

- the puttable instruments entitle the holder to a pro-rata share of net assets;
- the puttable instruments are the most subordinated unit in issue and unit features are identical;
- there are no contractual obligations to deliver cash or another financial asset; and
- the total expected cash flows from the puttable instrument over its life are based substantially on the profit or loss of the Sub-Fund.

2 Summary of significant accounting policies (continued)

(g) Units in issue (continued)

Prior to 1 November 2019, the Sub-Fund had only one class of redeemable units in issue and its redeemable units met all of the above conditions and were classified as equity. On 1 November 2019, the Sub-Fund issued different classes of redeemable units in different currencies and its redeemable units did not have identical features. Therefore, the above conditions were not met and the Sub-Fund has reclassified its redeemable units from equity to financial liabilities.

As a result of the reclassification of redeemable units from equity to financial liabilities, the Sub-Fund's distributions are no longer classified as distribution to unitholders in the statement of changes in net assets attributable to unitholders, but rather as a finance cost in the statement of comprehensive income.

(h) Foreign currency translation

(i) Functional and presentation currency

The Management considers the United States Dollars ("US\$") to be the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The US\$ is the currency in which the Sub-Fund measures its performance and reports its results.

The financial statements of the Sub-Fund are presented in US\$, which is the Sub-Fund's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year end date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within "net foreign exchange gains/(losses)".

Foreign exchange gains and losses relating to financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within "net gains/(losses) on financial assets and liabilities at fair value through profit or loss".

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

2 Summary of significant accounting policies (continued)

(i) Amounts due from or due to brokers

Amounts due from and to brokers represent receivables for investments sold and payables for investments purchased that have been contracted for but not yet settled or delivered on the statement of net assets date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Sub-Fund shall measure the loss allowance on amounts due from brokers at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Sub-Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

(j) Cash and cash equivalents

Cash and cash equivalents include cash at bank, bank deposits with original maturities of 3 months or less from the date of placement net of bank overdrafts, if any.

(k) Distributions to unitholders

Proposed distributions to unitholders of the Sub-Fund are recognised when they are appropriately approved. Prior to 1 November 2019, distributions to unitholders were recognised in the statement of changes in net assets attributable to unitholders. Effective from 1 November 2019, the Sub-Fund's distributions to unitholders were classified as a finance cost in the statement of comprehensive income.

The Manager may at its discretion determine to pay out of income or capital in respect of the distributions of the Sub-Fund.

(l) Transaction costs

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and security exchanges, and transfer taxes and duties. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as an expense.

3 Critical accounting estimates and judgements

The Manager makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Fair value of securities not quoted in an active market

The Sub-Fund holds a number of debt securities that are valued by reference to broker quotes. In determining the fair value of such investments, the Manager exercises judgements and estimates on the sources of brokers and the quantity and quality of quotes used. Such quotes may be indicative and not executable or legally binding. As such, broker quotes do not necessarily indicate the price at which the security could actually be traded as of the year end date. Actual transacted prices may differ from the quotes provided by the brokers. The Manager considers that in the absence of any other reliable market sources, the broker quotes available to them reflect the best estimate of fair value.

4 Net gains on financial assets and liabilities at fair value through profit or loss

	2021 US\$	2020 US\$
Movement of unrealised gains/losses	34,995,098	27,476,825
Realised gains/(losses)	55,096,229	(5,022,432)
	<u>90,091,327</u>	<u>22,454,393</u>

5 Taxation

No provision for Hong Kong profits tax has been made in the financial statements as the Sub-Fund is authorised as a collective investment scheme under section 104 of the HKSFPO and is therefore exempt from profits tax under section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

Dividend income and interest income received by the Sub-Fund are subject to withholding tax imposed in certain countries of origin. Dividend income and interest income are recognised gross of taxes and the corresponding withholding tax is recognised as tax expense.

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

6 Related party transactions/Transactions with the Manager, the Trustee and their connected persons

The following is a summary of significant related party transactions or transactions entered into during the year between the Sub-Fund and the Manager, the Trustee and their connected persons. Connected persons are those as defined in the Code on Unit Trusts and Mutual Funds issued by the SFC. All transactions during the year between the Sub-Fund and the Manager, the Trustee and their connected persons were entered into in the ordinary course of business and on normal commercial terms. To the best of the knowledge of the Manager and the Trustee, the Sub-Fund did not have any other transactions with connected persons except for those disclosed below.

- (a) The Sub-Fund is managed by Allianz Global Investors Asia Pacific Limited, the Manager, which receives a management fee, payable monthly in arrears, equivalent to a percentage per annum of the net asset value as follows:

	% charged 2021	% charged 2020
For Class AM Distribution H2-RMB	1.25% p.a.	1.25% p.a.
For Class AM Distribution H2-SGD	1.25% p.a.	1.25% p.a.
For Class AM Distribution H2-EUR	1.25% p.a.	1.25% p.a.
For Class AM Distribution USD	1.25% p.a.	1.25% p.a.
For Class AM Distribution HKD	1.25% p.a.	1.25% p.a.
For Class AM Distribution H2-AUD	1.25% p.a.	1.25% p.a.
For Class AM Distribution H2-CAD	1.25% p.a.	1.25% p.a.
For Class AM Distribution H2-GBP	1.25% p.a.	1.25% p.a.
For Class AM Distribution H2-NZD	1.25% p.a.	1.25% p.a.
For Class AT Distribution HKD	1.25% p.a.	–
For Class AT Distribution USD	1.25% p.a.	–
	2021	2020
	US\$	US\$
(i) Management fee for the year	3,741,536	3,666,714
(ii) Management fee payable at year end	741,817	265,826

- (b) The Trustee, HSBC Institutional Trust Services (Asia) Limited, a subsidiary within the HSBC Group, receives a trustee's fee, payable monthly, equivalent to 0.07% per annum of the net asset value of the Sub-Fund, subject to a minimum annual fee of US\$8,000. In addition, the Trustee provides valuation services to the Sub-Fund in return for a valuation fee.

	2021 US\$	2020 US\$
(i) Trustee's fee for the year	209,525	207,896
(ii) Trustee's fee payable at year end	20,157	14,886
(iii) Valuation fee for the year	49,600	39,580
(iv) Valuation fee payable at year end	2,940	4,620

6 Related party transactions/Transactions with the Manager, the Trustee and their connected persons (continued)

- (c) The registrar of the Trust is Allianz Global Investors Asia Pacific Limited which receives registrar's and transfer agent's fees from the Sub-Fund.

	2021	2020
	US\$	US\$
(i) Registrar's and transfer agent's fees for the year	20,279	14,757
(ii) Registrar's and transfer agent's fees payable at year end	7,003	16,402

- (d) Bank accounts are maintained with The Hongkong and Shanghai Banking Corporation Limited, a subsidiary within the HSBC Group. The balances of the accounts, interest income and bank charges are set out below:

	2021	2020
	US\$	US\$
Cash at bank at year end	7,891,333	9,006,492
Interest income on deposits for the year	109	36,285
Bank charges for the year	14,556	99,042

In addition, it provides safe custody services and services in connection with purchases and sales transactions to the Sub-Fund in return for a safe custody fee and a transaction handling fee respectively.

	2021	2020
	US\$	US\$
(i) Safe custody fee for the year	38,745	43,296
(ii) Transaction handling fee for the year	26,916	21,180
(iii) Transaction handling fee payable at year end	1,456	2,620

- (e) The counterparty of all forward contracts held by the Sub-Fund during the year is The Hongkong and Shanghai Banking Corporation Limited. All outstanding forward contracts as at 30 June 2021 and 2020 are set out in note 10(f).

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

7 Soft commission arrangements

Generally, brokers are selected on the basis of best execution in accordance with the Manager's broker selection policy by taking various factors into consideration. In line with market practice, these brokers will generally charge a full service brokerage rate for trading and as part of their services; they will also provide the Manager with advisory services including, for example, in-house generated research reports.

The Manager has entered into soft commission arrangements with some brokers which enables part of the commission paid to the executing broker to be accrued and credited to pay for goods and/or services provided by another third party service provider ("Credits"). Only accounts which the Manager is authorised in writing to enter into such arrangements are included in the Manager's soft commission arrangements and accrue Credits; for other accounts, the entire commission paid to brokers for the trades executed on behalf of the accounts are retained by the brokers. The Manager is authorised by the Trust Deed to enter into such arrangements on behalf of the Sub-Fund.

The Credits have only been utilised by the Manager to pay for goods and services which are permitted under the relevant codes of the SFC to be received by an investment manager and include the following: research and advisory services; economic and political analysis; portfolio analysis-including valuation and performance measurement; market analysis, data and quotation services; computer software incidental to the above goods and services; and investment related publications.

The following table details the amounts of transactions executed and their related commissions during the year under the soft commission arrangements.

	2021 US\$	2020 US\$
Amounts of transactions executed	217,809,127	282,390,209
Commissions	32,180	43,185

8 Units issued and redeemed

Capital movement

	2021	2020
(i) Class AM Distribution H2-RMB		
Number of units in issue brought forward	180,503,694.551	272,725,732.654
Units issued during the year	50,263,994.120	38,710,484.746
Units redeemed during the year	<u>(85,331,247.903)</u>	<u>(130,932,522.849)</u>
Number of units in issue carried forward	<u>145,436,440.768</u>	<u>180,503,694.551</u>
Net assets per unit as at year end	<u>US\$ 1.65</u>	<u>US\$ 1.30</u>
Net assets per unit as at year end	<u>RMB 10.67</u>	<u>RMB 9.20</u>
(ii) Class AM Distribution H2-SGD		
Number of units in issue brought forward	179.538	–
Units issued during the year	100,902.544	179.538
Units redeemed during the year	<u>–</u>	<u>–</u>
Number of units in issue carried forward	<u>101,082.082</u>	<u>179.538</u>
Net assets per unit as at year end	<u>US\$ 9.07</u>	<u>US\$ 7.48</u>
Net assets per unit as at year end	<u>SGD 12.20</u>	<u>SGD 10.43</u>
(iii) Class AM Distribution H2-EUR		
Number of units in issue brought forward	2,356.514	–
Units issued during the year	246,792.396	2,356.514
Units redeemed during the year	<u>(31,960.068)</u>	<u>–</u>
Number of units in issue carried forward	<u>217,188.842</u>	<u>2,356.514</u>
Net assets per unit as at year end	<u>US\$ 14.49</u>	<u>US\$ 11.74</u>
Net assets per unit as at year end	<u>EUR 12.22</u>	<u>EUR 10.46</u>

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

8 Units issued and redeemed (continued)

Capital movement (continued)

	2021	2020
(iv) Class AM Distribution USD		
Number of units in issue brought forward	723,620.532	–
Units issued during the year	5,916,637.808	919,708.570
Units redeemed during the year	<u>(1,809,741.736)</u>	<u>(196,088.038)</u>
Number of units in issue carried forward	<u>4,830,516.604</u>	<u>723,620.532</u>
Net assets per unit as at year end	<u>US\$ 12.27</u>	<u>US\$ 10.47</u>
(v) Class AM Distribution HKD		
Number of units in issue brought forward	2,737,960.496	–
Units issued during the year	21,925,521.180	6,616,290.651
Units redeemed during the year	<u>(9,157,715.020)</u>	<u>(3,878,330.155)</u>
Number of units in issue carried forward	<u>15,505,766.656</u>	<u>2,737,960.496</u>
Net assets per unit as at year end	<u>US\$ 1.56</u>	<u>US\$ 1.34</u>
Net assets per unit as at year end	<u>HKD 12.14</u>	<u>HKD 10.35</u>
(vi) Class AM Distribution H2-AUD		
Number of units in issue brought forward	285,143.432	–
Units issued during the year	1,893,909.952	391,959.785
Units redeemed during the year	<u>(825,712.402)</u>	<u>(106,816.353)</u>
Number of units in issue carried forward	<u>1,353,340.982</u>	<u>285,143.432</u>
Net assets per unit as at year end	<u>US\$ 9.01</u>	<u>US\$ 7.11</u>
Net assets per unit as at year end	<u>AUD 12.00</u>	<u>AUD 10.33</u>

8 Units issued and redeemed (continued)

Capital movement (continued)

	2021	2020
(vii) Class AM Distribution H2-CAD		
Number of units in issue brought forward	21,624.241	–
Units issued during the year	889,172.228	41,982.031
Units redeemed during the year	<u>(166,569.217)</u>	<u>(20,357.790)</u>
Number of units in issue carried forward	<u>744,227.252</u>	<u>21,624.241</u>
Net assets per unit as at year end	US\$ 9.81	US\$ 7.65
Net assets per unit as at year end	<u>CAD 12.14</u>	<u>CAD 10.42</u>
(viii) Class AM Distribution H2-GBP		
Number of units in issue brought forward	93,816.637	–
Units issued during the year	217,646.822	100,873.259
Units redeemed during the year	<u>(189,547.331)</u>	<u>(7,056.622)</u>
Number of units in issue carried forward	<u>121,916.128</u>	<u>93,816.637</u>
Net assets per unit as at year end	US\$ 16.80	US\$ 12.82
Net assets per unit as at year end	<u>GBP 12.16</u>	<u>GBP 10.38</u>
(ix) Class AM Distribution H2-NZD		
Number of units in issue brought forward	35,815.492	–
Units issued during the year	839,273.776	720,510.861
Units redeemed during the year	<u>(624,814.817)</u>	<u>(684,695.369)</u>
Number of units in issue carried forward	<u>250,274.451</u>	<u>35,815.492</u>
Net assets per unit as at year end	US\$ 9.44	US\$ 7.37
Net assets per unit as at year end	<u>NZD 13.51</u>	<u>NZD 11.45</u>
(x) Class AT Distribution HKD		
Number of units in issue brought forward	–	–
Units issued during the year	1,000.000	–
Units redeemed during the year	<u>–</u>	<u>–</u>
Number of units in issue carried forward	<u>1,000.000</u>	<u>–</u>
Net assets per unit as at year end	US\$ 1.32	–
Net assets per unit as at year end	<u>HKD 10.23</u>	<u>–</u>

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

8 Units issued and redeemed (continued)

Capital movement (continued)

	2021	2020
(xi) Class AT Distribution USD		
Number of units in issue brought forward	–	–
Units issued during the year	128,764	–
Units redeemed during the year	–	–
	<hr/>	<hr/>
Number of units in issue carried forward	128,764	–
	<hr/>	<hr/>
Net assets per unit as at year end	US\$ 10.23	–
	<hr/>	<hr/>

The Sub-Fund is not subject to any externally imposed capital requirements.

9 Distributions

The Sub-Fund pays distributions out of income and/or capital to unitholders of all classes. The following table summarises the income that could be used for distributions by the Sub-Fund:

	2021 US\$	2020 US\$
Net income available for distributions during the year	51,987,987	–
	<hr/>	<hr/>
Undistributed income at the beginning of the year	–	–
	<hr/>	<hr/>
Undistributed income at the end of the year	26,509,157	–
	<hr/>	<hr/>

9 Distributions (continued)

The following tables summarise the distributions paid by the Sub-Fund.

Class AM Distribution H2-RMB

	2021		
	in RMB	in US\$	Date of distribution
Distributions declared and paid during the year			
– RMB 0.06833 per unit on 179,754,729.102 units	12,282,641	1,751,261	20 July 2020
– RMB 0.07250 per unit on 166,612,927.419 units	12,079,437	1,740,114	20 August 2020
– RMB 0.07250 per unit on 155,608,665.410 units	11,281,628	1,657,077	18 September 2020
– RMB 0.07250 per unit on 152,290,599.931 units	11,041,068	1,646,311	20 October 2020
– RMB 0.08080 per unit on 145,160,364.266 units	11,728,957	1,774,024	19 November 2020
– RMB 0.08080 per unit on 151,194,791.832 units	12,216,539	1,869,988	18 December 2020
– RMB 0.08080 per unit on 150,416,844.052 units	12,153,681	1,877,814	21 January 2021
– RMB 0.08080 per unit on 151,871,035.612 units	12,271,180	1,911,950	19 February 2021
– RMB 0.08080 per unit on 151,193,251.164 units	12,216,415	1,878,914	18 March 2021
– RMB 0.08080 per unit on 153,265,797.886 units	12,383,876	1,896,706	20 April 2021
– RMB 0.08080 per unit on 153,632,468.100 units	12,413,503	1,927,443	21 May 2021
– RMB 0.08080 per unit on 144,872,272.922 units	11,705,680	1,829,670	18 June 2021
	<u>143,774,605</u>	<u>21,761,272</u>	
	2020		
	in RMB	in US\$	Date of distribution
Distributions declared and paid during the year			
– RMB 0.06417 per unit on 268,608,260.633 units	17,236,592	2,504,645	18 July 2019
– RMB 0.06417 per unit on 260,521,054.736 units	16,717,636	2,372,541	20 August 2019
– RMB 0.06417 per unit on 254,121,921.062 units	16,307,004	2,318,608	19 September 2019
– RMB 0.06417 per unit on 248,200,814.735 units	15,927,046	2,248,630	18 October 2019
– RMB 0.06417 per unit on 243,206,318.119 units	15,606,549	2,220,972	20 November 2019
– RMB 0.06417 per unit on 232,223,453.333 units	14,901,779	2,125,774	19 December 2019
– RMB 0.06417 per unit on 224,345,376.074 units	14,396,243	2,091,567	21 January 2020
– RMB 0.06833 per unit on 213,505,460.018 units	14,588,828	2,086,051	21 February 2020
– RMB 0.06833 per unit on 207,225,658.195 units	14,159,729	2,014,584	19 March 2020
– RMB 0.06833 per unit on 203,429,242.554 units	13,900,320	1,972,699	20 April 2020
– RMB 0.06833 per unit on 200,638,920.454 units	13,709,657	1,925,371	20 May 2020
– RMB 0.06833 per unit on 195,479,255.650 units	13,357,098	1,885,790	18 June 2020
	<u>180,808,481</u>	<u>25,767,232</u>	

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

9 Distributions (continued)

Class AM Distribution H2-SGD

	2021		
	in SGD	in US\$	Date of distribution
Distributions declared and paid during the year			
– SGD 0.05583 per unit on 179.538 units	10	7	20 July 2020
– SGD 0.06000 per unit on 180.474 units	11	8	20 August 2020
– SGD 0.06000 per unit on 181.455 units	11	8	18 September 2020
– SGD 0.06000 per unit on 182.434 units	11	8	20 October 2020
– SGD 0.06000 per unit on 183.395 units	11	8	19 November 2020
– SGD 0.06000 per unit on 184.357 units	11	8	18 December 2020
– SGD 0.06000 per unit on 226.346 units	14	10	21 January 2021
– SGD 0.06000 per unit on 21,652.770 units	1,299	981	19 February 2021
– SGD 0.06000 per unit on 55,886.967 units	3,353	2,493	18 March 2021
– SGD 0.06000 per unit on 96,964.582 units	5,818	4,355	20 April 2021
– SGD 0.06000 per unit on 96,965.513 units	5,818	4,365	21 May 2021
– SGD 0.06000 per unit on 96,982.769 units	5,819	4,388	18 June 2021
	<u>22,186</u>	<u>16,639</u>	
	2020		
	in SGD	in US\$	Date of distribution
Distributions declared and paid during the year			
– SGD 0.08375 per unit on 172.092 units	14	10	19 December 2019
– SGD 0.05583 per unit on 173.512 units	10	7	21 January 2020
– SGD 0.05583 per unit on 174.444 units	10	7	21 February 2020
– SGD 0.05583 per unit on 175.361 units	10	7	19 March 2020
– SGD 0.05583 per unit on 176.502 units	10	7	20 April 2020
– SGD 0.05583 per unit on 177.549 units	10	7	20 May 2020
– SGD 0.05583 per unit on 178.565 units	10	7	18 June 2020
	<u>74</u>	<u>52</u>	

9 Distributions (continued)

Class AM Distribution H2-EUR

	2021		
	in EUR	in US\$	Date of distribution
Distributions declared and paid during the year			
– EUR 0.04333 per unit on 2,356.514 units	102	117	20 July 2020
– EUR 0.05167 per unit on 2,769.833 units	143	169	20 August 2020
– EUR 0.05167 per unit on 11,171.674 units	577	685	18 September 2020
– EUR 0.05167 per unit on 13,795.507 units	713	838	20 October 2020
– EUR 0.05167 per unit on 11,557.384 units	597	706	19 November 2020
– EUR 0.05167 per unit on 28,175.673 units	1,456	1,765	18 December 2020
– EUR 0.05167 per unit on 33,037.614 units	1,707	2,072	21 January 2021
– EUR 0.05167 per unit on 209,774.570 units	10,839	13,150	19 February 2021
– EUR 0.05167 per unit on 208,341.953 units	10,765	12,851	18 March 2021
– EUR 0.05167 per unit on 214,163.352 units	11,066	9,960	20 April 2021
– EUR 0.05167 per unit on 211,534.037 units	10,930	13,262	21 May 2021
– EUR 0.05167 per unit on 212,444.969 units	10,977	13,294	18 June 2021
	<u>59,872</u>	<u>68,869</u>	
	2020		
	in EUR	in US\$	Date of distribution
Distributions declared and paid during the year			
– EUR 0.05250 per unit on 114.419 units	6	7	19 December 2019
– EUR 0.03500 per unit on 115.012 units	4	4	21 January 2020
– EUR 0.03917 per unit on 115.400 units	5	5	21 February 2020
– EUR 0.03917 per unit on 115.826 units	5	5	19 March 2020
– EUR 0.03917 per unit on 116.355 units	5	5	20 April 2020
– EUR 0.04333 per unit on 2,355.501 units	102	114	20 May 2020
– EUR 0.04333 per unit on 2,356.019 units	102	115	18 June 2020
	<u>229</u>	<u>255</u>	

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

9 Distributions (continued)

Class AM Distribution USD

	2021	
	in US\$	Date of distribution
Distributions declared and paid during the year		
– USD 0.06000 per unit on 725,563.126 units	43,534	20 July 2020
– USD 0.06000 per unit on 1,151,770.150 units	69,106	20 August 2020
– USD 0.06000 per unit on 902,535.119 units	54,152	18 September 2020
– USD 0.06000 per unit on 906,141.925 units	54,369	20 October 2020
– USD 0.06000 per unit on 1,282,431.578 units	76,946	19 November 2020
– USD 0.06000 per unit on 2,915,335.458 units	174,920	18 December 2020
– USD 0.06000 per unit on 3,367,648.409 units	202,059	21 January 2021
– USD 0.06000 per unit on 4,057,106.160 units	243,426	19 February 2021
– USD 0.06000 per unit on 3,913,106.634 units	234,786	18 March 2021
– USD 0.06000 per unit on 4,072,928.313 units	244,376	20 April 2021
– USD 0.06000 per unit on 4,817,567.315 units	289,054	21 May 2021
– USD 0.06000 per unit on 4,808,063.445 units	288,484	18 June 2021
	<u>1,975,212</u>	
	2020	
	in US\$	Date of distribution
Distributions declared and paid during the year		
– USD 0.09000 per unit on 127.565 units	11	19 December 2019
– USD 0.06000 per unit on 14,336.817 units	860	21 January 2020
– USD 0.06000 per unit on 113,926.751 units	6,836	21 February 2020
– USD 0.06000 per unit on 266,353.887 units	15,981	19 March 2020
– USD 0.06000 per unit on 264,753.575 units	15,885	20 April 2020
– USD 0.06000 per unit on 256,504.959 units	15,390	20 May 2020
– USD 0.06000 per unit on 721,328.733 units	43,280	18 June 2020
	<u>98,243</u>	

9 Distributions (continued)

Class AM Distribution HKD

	2021		
	in HKD	in US\$	Date of distribution
Distributions declared and paid during the year			
– HKD 0.06000 per unit on 2,610,020.570 units	156,601	20,205	20 July 2020
– HKD 0.06000 per unit on 2,862,637.639 units	171,758	22,161	20 August 2020
– HKD 0.06000 per unit on 4,990,944.854 units	299,457	38,639	18 September 2020
– HKD 0.06000 per unit on 4,072,926.037 units	244,376	31,532	20 October 2020
– HKD 0.06000 per unit on 6,009,622.866 units	360,577	46,505	19 November 2020
– HKD 0.06000 per unit on 6,367,470.411 units	382,048	49,282	18 December 2020
– HKD 0.06000 per unit on 8,082,986.187 units	484,979	62,549	21 January 2021
– HKD 0.06000 per unit on 10,722,655.384 units	643,359	82,983	19 February 2021
– HKD 0.06000 per unit on 12,357,455.213 units	741,507	95,479	18 March 2021
– HKD 0.06000 per unit on 13,977,355.928 units	838,641	107,963	20 April 2021
– HKD 0.06000 per unit on 15,824,573.631 units	949,474	122,255	21 May 2021
– HKD 0.06000 per unit on 16,562,622.731 units	993,757	128,055	18 June 2021
	<u>6,266,534</u>	<u>807,608</u>	
	2020		
	in HKD	in US\$	Date of distribution
Distributions declared and paid during the year			
– HKD 0.09000 per unit on 1,000.000 units	90	12	19 December 2019
– HKD 0.06000 per unit on 1,008.911 units	61	8	21 January 2020
– HKD 0.06000 per unit on 4,554,363.143 units	273,262	35,065	21 February 2020
– HKD 0.06000 per unit on 5,841,380.499 units	350,483	45,218	19 March 2020
– HKD 0.06000 per unit on 6,061,608.334 units	363,697	46,925	20 April 2020
– HKD 0.06000 per unit on 6,161,818.160 units	369,709	47,698	20 May 2020
– HKD 0.06000 per unit on 2,762,010.978 units	165,721	21,383	18 June 2020
	<u>1,523,023</u>	<u>196,309</u>	

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

9 Distributions (continued)

Class AM Distribution H2-AUD

	2021		
	in AUD	in US\$	Date of distribution
Distributions declared and paid during the year			
– AUD 0.05583 per unit on 212,017.016 units	11,837	8,246	20 July 2020
– AUD 0.06000 per unit on 378,113.178 units	22,687	16,272	20 August 2020
– AUD 0.06000 per unit on 291,222.196 units	17,473	12,746	18 September 2020
– AUD 0.06000 per unit on 394,905.869 units	23,694	17,021	20 October 2020
– AUD 0.06000 per unit on 426,740.933 units	25,604	18,554	19 November 2020
– AUD 0.06000 per unit on 470,348.806 units	28,221	21,269	18 December 2020
– AUD 0.06000 per unit on 488,956.456 units	29,337	22,797	21 January 2021
– AUD 0.06000 per unit on 987,692.836 units	59,261	45,996	19 February 2021
– AUD 0.06000 per unit on 1,421,219.505 units	85,273	66,082	18 March 2021
– AUD 0.06000 per unit on 1,464,825.269 units	87,890	67,855	20 April 2021
– AUD 0.06000 per unit on 1,419,126.966 units	85,148	66,147	21 May 2021
– AUD 0.06000 per unit on 1,362,143.902 units	81,729	62,943	18 June 2021
	<u>558,154</u>	<u>425,928</u>	
	2020		
	in AUD	in US\$	Date of distribution
Distributions declared and paid during the year			
– AUD 0.07750 per unit on 185.022 units	14	10	19 December 2019
– AUD 0.05167 per unit on 37,992.642 units	1,963	1,314	21 January 2020
– AUD 0.05167 per unit on 187,018.987 units	9,663	6,230	21 February 2020
– AUD 0.05167 per unit on 338,552.361 units	17,493	10,707	19 March 2020
– AUD 0.05167 per unit on 334,200.775 units	17,268	11,286	20 April 2020
– AUD 0.05583 per unit on 282,288.722 units	15,760	10,461	20 May 2020
– AUD 0.05583 per unit on 276,647.552 units	15,445	10,631	18 June 2020
	<u>77,606</u>	<u>50,639</u>	

9 Distributions (continued)

Class AM Distribution H2-CAD

	2021		
	in CAD	in US\$	Date of distribution
Distributions declared and paid during the year			
– CAD 0.06000 per unit on 27,798.860 units	1,668	1,225	20 July 2020
– CAD 0.06000 per unit on 131,252.414 units	7,875	5,944	20 August 2020
– CAD 0.06000 per unit on 144,268.235 units	8,656	6,571	18 September 2020
– CAD 0.06000 per unit on 80,056.594 units	4,803	3,657	20 October 2020
– CAD 0.06000 per unit on 128,936.918 units	7,736	5,877	19 November 2020
– CAD 0.06000 per unit on 178,112.301 units	10,687	8,367	18 December 2020
– CAD 0.06000 per unit on 186,106.677 units	11,166	8,824	21 January 2021
– CAD 0.06000 per unit on 418,601.430 units	25,116	19,801	19 February 2021
– CAD 0.06000 per unit on 631,650.324 units	37,899	30,331	18 March 2021
– CAD 0.06000 per unit on 650,853.105 units	39,051	31,146	20 April 2021
– CAD 0.06000 per unit on 719,208.826 units	43,153	35,665	21 May 2021
– CAD 0.06000 per unit on 744,324.173 units	44,659	36,770	18 June 2021
	<u>242,469</u>	<u>194,178</u>	
	2020		
	in CAD	in US\$	Date of distribution
Distributions declared and paid during the year			
– CAD 0.07750 per unit on 167.978 units	13	10	19 December 2019
– CAD 0.05167 per unit on 18,153.848 units	938	709	21 January 2020
– CAD 0.05583 per unit on 31,382.166 units	1,752	1,305	21 February 2020
– CAD 0.06000 per unit on 31,383.058 units	1,883	1,323	19 March 2020
– CAD 0.06000 per unit on 38,641.521 units	2,318	1,664	20 April 2020
– CAD 0.06000 per unit on 38,642.618 units	2,319	1,678	20 May 2020
– CAD 0.06000 per unit on 39,607.810 units	2,376	1,744	18 June 2020
	<u>11,599</u>	<u>8,433</u>	

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

9 Distributions (continued)

Class AM Distribution H2-GBP

	2021		
	in GBP	in US\$	Date of distribution
Distributions declared and paid during the year			
– GBP 0.05167 per unit on 95,371.836 units	4,928	6,174	20 July 2020
– GBP 0.05583 per unit on 93,655.914 units	5,229	6,854	20 August 2020
– GBP 0.05583 per unit on 98,116.342 units	5,478	7,057	18 September 2020
– GBP 0.05583 per unit on 75,877.367 units	4,236	4,705	20 October 2020
– GBP 0.05583 per unit on 75,624.638 units	4,222	5,467	19 November 2020
– GBP 0.05583 per unit on 111,029.118 units	6,199	8,255	18 December 2020
– GBP 0.05583 per unit on 114,434.727 units	6,389	8,739	21 January 2021
– GBP 0.05583 per unit on 123,365.212 units	6,887	9,519	19 February 2021
– GBP 0.05583 per unit on 132,834.240 units	7,416	10,305	18 March 2021
– GBP 0.05583 per unit on 129,470.960 units	7,228	13,243	20 April 2021
– GBP 0.05583 per unit on 129,092.043 units	7,207	10,154	21 May 2021
– GBP 0.05583 per unit on 122,399.607 units	6,834	4,838	18 June 2021
	<u>72,253</u>	<u>95,310</u>	
	2020		
	in GBP	in US\$	Date of distribution
Distributions declared and paid during the year			
– GBP 0.07125 per unit on 98.519 units	7	9	19 December 2019
– GBP 0.04750 per unit on 1,783.665 units	85	112	21 January 2020
– GBP 0.04750 per unit on 79,236.618 units	3,764	4,808	21 February 2020
– GBP 0.04750 per unit on 95,560.242 units	4,539	5,628	19 March 2020
– GBP 0.04750 per unit on 96,781.634 units	4,597	5,717	20 April 2020
– GBP 0.05167 per unit on 99,049.319 units	5,118	6,327	20 May 2020
– GBP 0.05167 per unit on 93,816.121 units	4,847	5,989	18 June 2020
	<u>22,957</u>	<u>28,590</u>	

9 Distributions (continued)

Class AM Distribution H2-NZD

	2021		
	in NZD	in US\$	Date of distribution
Distributions declared and paid during the year			
– NZD 0.06000 per unit on 35,815.492 units	2,149	1,404	20 July 2020
– NZD 0.06000 per unit on 40,416.750 units	2,425	1,590	20 August 2020
– NZD 0.06000 per unit on 66,305.614 units	3,978	2,670	18 September 2020
– NZD 0.06000 per unit on 117,414.517 units	7,045	5,524	20 October 2020
– NZD 0.06000 per unit on 133,297.948 units	7,998	5,557	19 November 2020
– NZD 0.06000 per unit on 160,289.640 units	9,617	6,812	18 December 2020
– NZD 0.06000 per unit on 230,337.471 units	13,820	9,955	21 January 2021
– NZD 0.06000 per unit on 231,557.776 units	13,893	10,053	19 February 2021
– NZD 0.06000 per unit on 739,347.936 units	44,361	31,805	18 March 2021
– NZD 0.06000 per unit on 741,516.464 units	44,491	31,773	20 April 2021
– NZD 0.06000 per unit on 308,813.678 units	18,529	13,414	21 May 2021
– NZD 0.06000 per unit on 309,944.849 units	18,596	13,257	18 June 2021
	<u>186,902</u>	<u>133,814</u>	
	2020		
	in NZD	in US\$	Date of distribution
Distributions declared and paid during the year			
– NZD 0.08375 per unit on 198.652 units	17	11	19 December 2019
– NZD 0.05583 per unit on 200.300 units	11	7	21 January 2020
– NZD 0.05583 per unit on 201.380 units	11	7	21 February 2020
– NZD 0.05583 per unit on 384,044.734 units	21,441	12,711	19 March 2020
– NZD 0.05583 per unit on 384,045.905 units	21,441	13,094	20 April 2020
– NZD 0.06000 per unit on 7,812.030 units	469	290	20 May 2020
– NZD 0.06000 per unit on 39,208.549 units	2,353	1,515	18 June 2020
	<u>45,743</u>	<u>27,635</u>	

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

10 Financial risk management

The Sub-Fund maintains an investment portfolio in a variety of listed or quoted financial instruments as dictated by its investment management strategy. The investment objective of the Sub-Fund is to achieve a long-term capital appreciation and income by investing primarily in a combination of U.S. or Canadian equity securities, debt securities and convertible securities. The Sub-Fund's investment portfolio comprises equities, bonds, investment fund, warrants, call options and forward contracts.

The Sub-Fund's investing activities expose it to various types of risks that are associated with the financial instruments and markets in which it invests. The Management has set out below the most important types of financial risks inherent in each type of financial instrument. The Management would like to highlight that the following list of associated risks only sets out some of the risks but does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Sub-Fund.

The nature and extent of the financial instruments outstanding at the date of the statement of net assets and the risk management policies employed by the Sub-Fund are discussed below.

(a) Market price risk

Market price risk is the risk that value of the Sub-Fund's investment portfolio will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The Sub-Fund is exposed to price risk arising from changes in market prices. Price risk is managed by investing in a portfolio of different investments in accordance with the investment objectives of the Sub-Fund.

The following table discloses the financial assets and liabilities at fair value through profit or loss of the Sub-Fund by product type:

	2021 US\$	2020 US\$
Financial assets at fair value through profit or loss		
Equities	137,753,400	98,181,422
Bonds	200,408,912	143,068,023
Forward contracts (note 10(f))	5,635,896	786,814
	<u>343,798,208</u>	<u>242,036,259</u>
Financial liabilities at fair value through profit or loss		
Call options (note 10(f))	237,000	63,598
Forward contracts (note 10(f))	435,583	392,742
	<u>672,583</u>	<u>456,340</u>

10 Financial risk management (continued)

(a) Market price risk (continued)

The impact on a 5% (2020: 5%) increase in value of the investments as at 30 June 2021, with all other variables held constant, is shown below. An equal change in the opposite direction would have reduced the net assets attributable to unitholders by an equal but opposite amount.

Price sensitivity	Market exposures US\$	Change in net assets if investment value increased by 5% US\$
As at 30 June 2021		
Equities	137,753,400	6,887,670
Call options	<u>(237,000)</u>	<u>(11,850)</u>
As at 30 June 2020		
Equities	98,181,422	4,909,071
Call options	<u>(63,598)</u>	<u>(3,180)</u>

As at 30 June 2021 and 2020, the Sub-Fund invested in debt securities. The Manager considers that the price of debt investments is more sensitive to fluctuation in interest rates and credit ratings which are set out in notes 10(b) and 10(d) respectively.

(b) Interest rate risk

Interest rate risk arises from changes in interest rates which may inversely affect the value of debt instruments and therefore result in potential gain or loss to the Sub-Fund. The Sub-Fund's interest rate risk is managed on an ongoing basis by the Manager.

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(b) Interest rate risk (continued)

The following table details the exposure of the Sub-Fund to interest rate risk. It includes the Sub-Fund's interest-bearing assets and liabilities, categorised by the earlier of contractual re-pricing or maturity date measured by the carrying value of the assets and liabilities.

	2021 US\$	2020 US\$
Assets		
Cash and cash equivalents		
– 1 year or less	7,891,333	9,006,492
Financial assets at fair value through profit or loss		
– 1 year or less	–	3,591,644
– over 1 year to 5 years	43,093,671	43,582,639
– over 5 years	157,315,241	95,893,740
Margin accounts		
– 1 year or less	682,800	654,980
	<hr/>	<hr/>
Total interest-bearing assets	208,983,045	152,729,495
	<hr/>	<hr/>

Interest rate sensitivity

At 30 June 2021, assuming all other factors unchanged, it is estimated that an increase in interest rates of 50 basis points (2020: 50 basis points) would result in a decrease in the net assets attributable to the unitholders and the total comprehensive income by US\$2,704,168 (2020: US\$2,027,031); an equal change in the opposite direction would have changed the net assets attributable to unitholders and the total comprehensive income by an equal but opposite amount.

(c) Currency risk

The Sub-Fund may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency. Consequently, the SubFund is exposed to risk that the exchange rate of its functional currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Sub-Fund's assets or liabilities denominated in other currencies.

The fluctuations in the rate of exchange between the currency in which the asset or liability is denominated and the functional currency could result in an appreciation or depreciation in the fair value of that asset or liability. The Manager may mitigate this risk by using financial derivative instruments. The Manager monitors the Sub-Fund's currency exposures on an ongoing basis.

10 Financial risk management (continued)

(c) Currency risk (continued)

As at 30 June 2021, had the US\$ weakened by 5% (2020: 5%) in relation to respective major currencies, with all other variables held constant, net assets attributable to unitholders would have increased/(decreased) by the amounts shown below.

	Net monetary and non-monetary exposure US\$	Change in net assets if US\$ weakened by 5% US\$
<i>As at 30 June 2021</i>		
Australian dollar	(165,257)	793,218
Renminbi	5,837,825	75,827,397
Canadian Dollar	76,982	441,573
Euro	(11,111)	132,882
British Pound	90,378	75,224
New Zealand Dollar	(115,587)	172,940
Singapore Dollar	35,864	59,667
	<u>5,749,094</u>	<u>77,502,901</u>
<i>As at 30 June 2020</i>		
Australian dollar	224,652	147,453
Renminbi	(1,124,641)	83,848,520
Canadian Dollar	8,117	11,305
Euro	971	1,214
British Pound	2,718	48,828
New Zealand Dollar	2,849	20,518
Singapore Dollar	28	94
	<u>(885,306)</u>	<u>84,077,932</u>

(d) Credit risk

The Sub-Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The main concentration to which the Sub-Fund is exposed arises from the Sub-Fund's investments in debt securities. The Sub-Fund is also exposed to counterparty credit risk on trading derivative products, cash and cash equivalents, margin accounts, interest receivable, dividend receivable, amounts receivable on subscription, amounts due from brokers and other receivables balances.

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(d) Credit risk (continued)

Credit risk arising from investments in fixed income instruments is managed by reviewing and monitoring the credit quality and publicly available information of fixed income instruments or the relevant issuers on an ongoing basis.

As at 30 June 2021 and 2020, the credit ratings of the fixed income instruments or the relevant issuers as determined by S&P's are shown in the following table:

	2021	2020
AA	4%	2%
A	20%	23%
BBB	35%	29%
BB	3%	2%
B	1%	8%
CCC	0%	0%
Not rated	37%	36%
	<hr/>	<hr/>
	100%	100%

Credit risk arising from derivative transactions with counterparties relates to transactions awaiting settlement. This credit risk is managed by monitoring the credit quality of the derivative instruments held by the Sub-Fund and the financial position of the derivative instrument counterparties.

Credit risk arising from transactions with brokers relates to transactions awaiting settlement. Risk relating to unsettled transactions is considered low due to the short settlement period involved and the high credit quality of the brokers used.

All of the cash held by the Sub-Fund is deposited with the HSBC Group. Bankruptcy or insolvency of the bank may cause Sub-Fund's rights with respect to the cash held by the bank to be delayed or limited. The bank is a group company of the HSBC Group with a credit rating of A- (2020: A-) by S&P's, for which credit risk is considered insignificant. The Manager monitors the credit rating and financial position of the bank on an ongoing basis.

The Sub-Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. At 30 June 2021 and 30 June 2020, all cash and cash equivalents, margin accounts, interest receivable, dividend receivable, amounts receivable on subscription, amounts due from brokers and other receivables are held with counterparties with a high credit rating of Baa (2020: Baa) or higher and are due to be settled within 1 week. Management considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Sub-Fund.

10 Financial risk management (continued)

(d) Credit risk (continued)

The maximum exposure to credit risk at year end is the carrying amount of the financial assets as shown on the statement of net assets. As at 30 June 2021 and 2020, there were no significant concentrations of credit risk to counterparties.

(e) Liquidity risk

Liquidity risk is the risk that the Sub-Fund will encounter difficulty in meeting obligations associated with financial liabilities.

The Sub-Fund's constitution provides for the daily creation and cancellation of units and it is therefore exposed to the liquidity risk of meeting unitholder redemptions at any time. The listed investments of the Sub-Fund are considered to be readily realisable under normal market conditions. The Sub-Fund, however, also invests in quoted fixed income securities which may not be publicly traded on exchanges and may be illiquid.

The policy of the Sub-Fund is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities to meet its liquidity requirements in the short and long term.

As at 30 June 2021 and 2020, the financial liabilities of the Sub-Fund are due within three months.

Redeemable units are redeemed on demand at the holder's option. However, the Manager does not envisage that the contractual maturity will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

At 30 June 2021 and 2020, no individual investor held more than 10% of the Sub-Fund's redeemable units.

(f) Specific instruments

Forward contracts are commitments either to purchase or sell a designated financial instrument, currency, commodity or an index at a specified future date for a specified price and may be settled in cash or the underlying financial asset. Forwards are customised over-the-counter contracts and result in credit exposure to the counterparty.

Options grant holders the rights either to purchase from or sell to the writer of the option a designated financial instrument, currency, commodity or an index at a specified future for a specified price and may be settled in cash or the underlying financial asset. Options are customised over-the-counter contracts and result in credit exposure to the counterparty.

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(f) Specific instruments (continued)

Forward contracts and options result in exposure to market risk based on changes in market prices relative to contracted prices. Market risks arise due to the possible movement in foreign currency exchange rates, indices, and securities' values underlying these instruments. In addition, forward contracts and options are generally subject to liquidity risk.

As at 30 June 2021 and 2020, the details of the Sub-Fund's holdings in net settled foreign currency forward contracts are specified in the tables below:

Foreign currency forward contracts

As at 30 June 2021

Buy		Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
USD	444,717	CNH	2,912,718	15 July 2021	–	(5,633)
USD	57,081	CNH	371,620	15 July 2021	–	(377)
USD	138,185	CNH	897,997	15 July 2021	–	(659)
USD	162,293	CNH	1,055,371	15 July 2021	–	(883)
USD	198,598	CNH	1,290,660	15 July 2021	–	(958)
USD	3,058,508	CNH	19,744,176	15 July 2021	5,761	–
USD	9,273,182	CNH	60,117,044	15 July 2021	–	(21,819)
USD	114,671	CNH	741,737	15 July 2021	–	(13)
USD	80,567	CNH	519,357	15 July 2021	267	–
USD	45,091	CNH	290,125	15 July 2021	234	–
USD	156,701	CNH	1,001,780	15 July 2021	1,810	–
USD	167,964	CNH	1,073,999	15 July 2021	1,907	–
USD	16,555,450	CNH	106,158,941	15 July 2021	141,678	–
USD	66,076	CNH	423,063	15 July 2021	664	–
USD	27,619	CNH	176,981	15 July 2021	255	–
USD	25,579	CNH	163,837	15 July 2021	247	–
USD	31,481	CNH	201,764	15 July 2021	285	–
USD	248,414	CNH	1,591,517	15 July 2021	2,342	–
USD	76,227	CNH	492,503	15 July 2021	79	–
USD	48,136	CNH	312,618	15 July 2021	–	(199)
USD	124,711	CNH	806,430	15 July 2021	25	–
USD	32,471	CNH	210,111	15 July 2021	–	(15)
CNH	1,825,001	USD	276,441	15 July 2021	5,789	–
CNH	1,603,439,493	USD	242,931,280	15 July 2021	5,035,010	–
CNH	1,748,547	USD	265,150	15 July 2021	5,256	–
CNH	5,833,402	USD	885,369	15 July 2021	16,745	–

10 Financial risk management (continued)

(f) Specific instruments (continued)

Foreign currency forward contracts (continued)

As at 30 June 2021 (continued)

Buy		Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
CNH	8,938,798	USD	1,360,434	15 July 2021	21,914	–
CNH	942,400	USD	143,495	15 July 2021	2,243	–
CNH	652,864	USD	99,477	15 July 2021	1,486	–
CNH	140,191	USD	21,448	15 July 2021	232	–
CNH	7,176,280	USD	1,099,627	15 July 2021	10,149	–
CNH	1,673,665	USD	256,656	15 July 2021	2,167	–
CNH	1,724,589	USD	264,171	15 July 2021	2,528	–
CNH	166,058	USD	25,497	15 July 2021	183	–
CNH	1,889,482	USD	290,250	15 July 2021	1,949	–
CNH	511,648	USD	78,709	15 July 2021	415	–
CNH	41,628	USD	6,388	15 July 2021	50	–
CNH	190,987	USD	29,330	15 July 2021	205	–
CNH	803,392	USD	124,761	15 July 2021	–	(522)
CNH	4,970,725	USD	770,089	15 July 2021	–	(1,399)
CNH	540,159	USD	83,386	15 July 2021	146	–
CNH	5,536,862	USD	855,098	15 July 2021	1,144	–
CNH	2,973,267	USD	459,954	15 July 2021	–	(157)
CNH	9,717,569	USD	1,505,863	15 July 2021	–	(3,105)
CNH	265,737	USD	41,165	15 July 2021	–	(70)
CNH	1,119,661	USD	174,342	15 July 2021	–	(1,195)
CNH	370,232	USD	57,850	15 July 2021	–	(597)
CNH	1,163,477	USD	182,218	15 July 2021	–	(2,296)
CNH	4,757,332	USD	744,000	15 July 2021	–	(8,316)
CNH	39,927,508	USD	6,236,129	15 July 2021	–	(61,643)
CNH	565,256	USD	88,150	15 July 2021	–	(737)
CNH	1,840,686	USD	287,665	15 July 2021	–	(3,017)
CNH	209,199	USD	32,593	15 July 2021	–	(242)
CNH	1,607,674	USD	248,550	15 July 2021	66	–
CNH	1,727,495	USD	266,426	15 July 2021	721	–
CNH	1,173,443	USD	180,981	15 July 2021	485	–
CNH	40,264	USD	6,212	15 July 2021	15	–
CNH	1,306,334	USD	202,029	15 July 2021	–	(12)
USD	128,246	AUD	168,209	15 July 2021	1,928	–
USD	338,594	AUD	438,135	15 July 2021	9,575	–
USD	132,136	AUD	170,102	15 July 2021	4,397	–
USD	320,354	AUD	414,700	15 July 2021	8,935	–
USD	487,999	AUD	633,115	15 July 2021	12,560	–
USD	504,778	AUD	650,304	15 July 2021	16,431	–

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(f) Specific instruments (continued)

Foreign currency forward contracts (continued)

As at 30 June 2021 (continued)

Buy		Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
USD	15,296	AUD	19,717	15 July 2021	490	–
USD	6,386	AUD	8,313	15 July 2021	143	–
USD	32,095	AUD	42,372	15 July 2021	275	–
USD	49,014	AUD	64,463	15 July 2021	605	–
AUD	17,496,409	USD	13,331,144	15 July 2021	–	(197,640)
AUD	64,356	USD	49,710	15 July 2021	–	(1,402)
AUD	124,259	USD	96,402	15 July 2021	–	(3,129)
AUD	7,843	USD	6,071	15 July 2021	–	(183)
AUD	49,505	USD	38,465	15 July 2021	–	(1,305)
AUD	286,604	USD	222,229	15 July 2021	–	(7,093)
AUD	4,950	USD	3,879	15 July 2021	–	(163)
AUD	3,465	USD	2,686	15 July 2021	–	(85)
AUD	122	USD	94	15 July 2021	–	(3)
AUD	424,375	USD	328,041	15 July 2021	–	(9,488)
AUD	2,006	USD	1,547	15 July 2021	–	(41)
AUD	9,901	USD	7,496	15 July 2021	–	(64)
USD	37,936	CAD	47,536	15 July 2021	–	(445)
USD	259,459	CAD	315,174	15 July 2021	4,983	–
USD	98,294	CAD	118,609	15 July 2021	2,527	–
USD	48,195	CAD	58,185	15 July 2021	1,216	–
USD	41,924	CAD	50,687	15 July 2021	999	–
CAD	7,638,204	USD	6,082,555	15 July 2021	86,715	–
CAD	178,042	USD	141,811	15 July 2021	1,991	–
CAD	98,039	USD	78,432	15 July 2021	753	–
CAD	108,911	USD	87,806	15 July 2021	160	–
CAD	62,784	USD	51,081	15 July 2021	–	(371)
CAD	94,581	USD	77,103	15 July 2021	–	(710)
CAD	414,277	USD	338,080	15 July 2021	–	(3,473)
CAD	77,586	USD	63,659	15 July 2021	–	(993)
CAD	5,299	USD	4,361	15 July 2021	–	(81)
CAD	36	USD	30	15 July 2021	–	(1)
CAD	196,078	USD	161,865	15 July 2021	–	(3,495)
CAD	216,897	USD	179,572	15 July 2021	–	(4,386)
CAD	2,367	USD	1,959	15 July 2021	–	(48)
CAD	212,248	USD	176,610	15 July 2021	–	(5,179)
CAD	397	USD	329	15 July 2021	–	(8)
CAD	10,784	USD	8,921	15 July 2021	–	(210)
CAD	106,059	USD	87,643	15 July 2021	–	(1,980)
CAD	37	USD	30	15 July 2021	–	–

10 Financial risk management (continued)

(f) Specific instruments (continued)

Foreign currency forward contracts (continued)

As at 30 June 2021 (continued)

Buy		Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
USD	121,461	EUR	100,398	15 July 2021	2,357	–
USD	270,053	EUR	222,348	15 July 2021	6,277	–
EUR	2,517,411	USD	2,996,006	15 July 2021	–	(10,066)
EUR	69,307	USD	82,694	15 July 2021	–	(488)
EUR	6	USD	8	15 July 2021	–	–
EUR	9,804	USD	11,806	15 July 2021	–	(177)
EUR	4,926	USD	5,946	15 July 2021	–	(103)
EUR	9,804	USD	11,872	15 July 2021	–	(243)
EUR	1,000	USD	1,209	15 July 2021	–	(23)
EUR	166,667	USD	202,961	15 July 2021	–	(5,274)
EUR	6	USD	8	15 July 2021	–	–
EUR	65,300	USD	79,792	15 July 2021	–	(2,338)
EUR	1,000	USD	1,222	15 July 2021	–	(36)
EUR	9,804	USD	11,909	15 July 2021	–	(280)
EUR	6	USD	8	15 July 2021	–	–
EUR	3,127	USD	3,736	15 July 2021	–	(27)
EUR	54,563	USD	65,104	15 July 2021	–	(385)
EUR	67,654	USD	80,549	15 July 2021	–	(304)
USD	164,285	GBP	119,089	15 July 2021	–	(267)
USD	19,448	GBP	13,944	15 July 2021	181	–
USD	79,424	GBP	56,534	15 July 2021	1,307	–
USD	45,497	GBP	32,129	15 July 2021	1,102	–
USD	66,410	GBP	47,017	15 July 2021	1,444	–
USD	86,162	GBP	61,684	15 July 2021	930	–
GBP	98,039	USD	134,660	15 July 2021	757	–
GBP	1,421,440	USD	1,953,055	15 July 2021	10,311	–
GBP	32,612	USD	44,954	15 July 2021	91	–
GBP	20,685	USD	28,943	15 July 2021	–	(372)
GBP	71,101	USD	98,903	15 July 2021	–	(695)
GBP	29,703	USD	41,327	15 July 2021	–	(300)
GBP	6,046	USD	8,552	15 July 2021	–	(201)
GBP	145	USD	204	15 July 2021	–	(4)
GBP	24	USD	34	15 July 2021	–	(1)
GBP	39,139	USD	55,550	15 July 2021	–	(1,489)
GBP	98	USD	139	15 July 2021	–	(4)
GBP	24	USD	34	15 July 2021	–	(1)
GBP	38,011	USD	52,696	15 July 2021	–	(193)
GBP	39,604	USD	55,007	15 July 2021	–	(304)
GBP	16,715	USD	23,126	15 July 2021	–	(38)

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(f) Specific instruments (continued)

Foreign currency forward contracts (continued)

As at 30 June 2021 (continued)

Buy		Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
USD	3,624	NZD	5,026	15 July 2021	111	–
USD	4,342,001	NZD	5,954,921	15 July 2021	179,451	–
USD	153,614	NZD	211,718	15 July 2021	5,620	–
USD	306,022	NZD	428,713	15 July 2021	6,348	–
USD	23,575	NZD	33,457	15 July 2021	189	–
USD	252,763	NZD	361,494	15 July 2021	75	–
NZD	9,892,786	USD	6,955,321	15 July 2021	–	(45,426)
NZD	102	USD	73	15 July 2021	–	(2)
NZD	32,353	USD	23,293	15 July 2021	–	(696)
NZD	49,020	NZD	35,143	15 July 2021	–	(904)
NZD	27,775	NZD	20,093	15 July 2021	–	(693)
NZD	83,126	NZD	60,157	15 July 2021	–	(2,096)
NZD	49,505	NZD	36,009	15 July 2021	–	(1,431)
NZD	72,072	NZD	52,569	15 July 2021	–	(2,230)
NZD	102	USD	74	15 July 2021	–	(2)
NZD	14,726	USD	10,618	15 July 2021	–	(332)
NZD	103	USD	73	15 July 2021	–	(1)
NZD	25,976	USD	18,232	15 July 2021	–	(88)
NZD	97,587	USD	68,849	15 July 2021	–	(687)
USD	32,706	SGD	43,692	15 July 2021	210	–
SGD	1,169,728	USD	871,573	15 July 2021	–	(1,194)
SGD	11	USD	8	15 July 2021	–	–
SGD	11	USD	8	15 July 2021	–	–
SGD	29,878	USD	22,579	15 July 2021	–	(346)
SGD	196	USD	148	15 July 2021	–	(2)
SGD	11	USD	9	15 July 2021	–	–
					<u>5,635,896</u>	<u>(435,583)</u>

10 Financial risk management (continued)

(f) Specific instruments (continued)

Foreign currency forward contracts (continued)

As at 30 June 2020

Buy		Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
USD	95,744	CNH	676,168	15 July 2020	152	–
USD	46,095	CNH	326,214	15 July 2020	–	(22)
USD	353,187	CNH	2,506,414	15 July 2020	–	(1,150)
USD	146,216	CNH	1,036,771	15 July 2020	–	(355)
USD	325,530	CNH	2,308,829	15 July 2020	–	(876)
USD	175,306	CNH	1,247,370	15 July 2020	–	(1,038)
USD	452,990	CNH	3,222,975	15 July 2020	–	(2,650)
USD	961,893	CNH	6,827,290	15 July 2020	–	(3,299)
USD	9,162	CNH	65,117	15 July 2020	–	(44)
USD	298,937	CNH	2,123,941	15 July 2020	–	(1,330)
USD	284,659	CNH	2,020,510	15 July 2020	–	(986)
USD	19,272	CNH	136,704	15 July 2020	–	(54)
USD	32,376	CNH	231,258	15 July 2020	–	(318)
USD	42,875	CNH	305,897	15 July 2020	–	(370)
USD	222,718	CNH	1,587,070	15 July 2020	–	(1,650)
USD	8,296	CNH	58,898	15 July 2020	–	(31)
USD	68,624	CNH	488,822	15 July 2020	–	(482)
USD	98,846	CNH	704,182	15 July 2020	–	(706)
USD	457,842	CNH	3,272,896	15 July 2020	–	(4,856)
USD	43,208	CNH	308,600	15 July 2020	–	(420)
USD	178,012	CNH	1,269,608	15 July 2020	–	(1,476)
USD	76,740	CNH	548,308	15 July 2020	–	(776)
USD	493,209	CNH	3,535,669	15 July 2020	–	(6,638)
USD	166,182	CNH	1,190,173	15 July 2020	–	(2,076)
USD	208,223	CNH	1,501,055	15 July 2020	–	(3,985)
USD	108,223	CNH	777,383	15 July 2020	–	(1,678)
USD	537,583	CNH	3,845,593	15 July 2020	–	(6,079)
USD	504,640	CNH	3,593,799	15 July 2020	–	(3,425)
USD	559,768	CNH	3,996,813	15 July 2020	–	(5,271)
USD	433,430	CNH	3,088,195	15 July 2020	–	(3,156)

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(f) Specific instruments (continued)

Foreign currency forward contracts (continued)

As at 30 June 2020 (continued)

Buy		Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
USD	331,902	CNH	2,353,533	15 July 2020	–	(823)
USD	256,717	CNH	1,815,428	15 July 2020	66	–
USD	369,553	CNH	2,619,311	15 July 2020	–	(746)
USD	616,926	CNH	4,361,647	15 July 2020	309	–
USD	350,219	CNH	2,478,542	15 July 2020	–	(178)
USD	7,854,585	CNH	55,654,363	15 July 2020	–	(13,415)
USD	923,624	CNH	6,552,855	15 July 2020	–	(2,770)
USD	15,816,286	CNH	112,210,002	15 July 2020	–	(47,130)
USD	546,850	CNH	3,883,021	15 July 2020	–	(2,103)
USD	379,387	CNH	2,689,219	15 July 2020	–	(795)
USD	315,197	CNH	2,234,029	15 July 2020	–	(634)
USD	1,081,140	CNH	7,656,006	15 July 2020	–	(1,209)
USD	203,447	CNH	1,438,895	15 July 2020	27	–
USD	185,467	CNH	1,309,403	15 July 2020	353	–
USD	291,022	CNH	2,064,389	15 July 2020	–	(826)
USD	878,535	CNH	6,221,226	15 July 2020	–	(976)
CNH	1,598,189,601	USD	225,833,695	15 July 2020	156,025	–
CNH	113,567	USD	16,051	15 July 2020	8	–
CNH	51,680,952	USD	7,320,072	15 July 2020	–	(12,211)
CNH	5,980,398	USD	847,504	15 July 2020	–	(1,855)
CNH	25,860,440	USD	3,666,776	15 July 2020	–	(10,025)
CNH	53,129,982	USD	7,481,552	15 July 2020	31,231	–
CNH	1,217,315	USD	170,466	15 July 2020	1,666	–
CNH	47,719,335	USD	6,705,149	15 July 2020	42,558	–
CNH	81,810	USD	11,502	15 July 2020	67	–
CNH	377,047	USD	52,867	15 July 2020	449	–
CNH	370,416	USD	52,036	15 July 2020	342	–
CNH	115,799	USD	16,135	15 July 2020	240	–
CNH	45,470,845	USD	6,363,524	15 July 2020	66,253	–
CNH	57,659,796	USD	8,132,863	15 July 2020	20,447	–
CNH	45,494,192	USD	6,434,970	15 July 2020	–	(1,933)
CNH	4,862,048	USD	687,257	15 July 2020	254	–

10 Financial risk management (continued)

(f) Specific instruments (continued)

Foreign currency forward contracts (continued)

As at 30 June 2020 (continued)

Buy		Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
USD	33,367	AUD	53,717	15 July 2020	–	(3,632)
USD	380,963	AUD	588,443	15 July 2020	–	(24,334)
USD	216,399	AUD	325,993	15 July 2020	–	(8,132)
USD	60,862	AUD	88,332	15 July 2020	23	–
AUD	3,044,102	USD	1,870,866	15 July 2020	224,587	–
AUD	97,589	USD	62,606	15 July 2020	4,570	–
AUD	10	USD	6	15 July 2020	1	–
AUD	80,641	USD	51,371	15 July 2020	4,139	–
AUD	54,321	USD	34,299	15 July 2020	3,094	–
AUD	31,683	USD	20,377	15 July 2020	1,432	–
AUD	105,716	USD	69,058	15 July 2020	3,712	–
AUD	11	USD	7	15 July 2020	1	–
AUD	198,255	USD	130,239	15 July 2020	6,231	–
AUD	11,589	USD	7,710	15 July 2020	268	–
AUD	87,434	USD	59,198	15 July 2020	987	–
AUD	83,572	USD	57,961	15 July 2020	–	(434)
AUD	54,145	USD	37,765	15 July 2020	–	(495)
AUD	11	USD	7	15 July 2020	0	–
AUD	68,966	USD	47,324	15 July 2020	148	–
AUD	74,608	USD	51,756	15 July 2020	–	(400)
USD	17,833	CAD	24,159	15 July 2020	98	–
USD	9,159	CAD	12,431	15 July 2020	33	–
USD	138,672	CAD	187,939	15 July 2020	705	–
CAD	283,522	USD	202,248	15 July 2020	5,960	–
CAD	9,234	USD	6,664	15 July 2020	117	–
CAD	69,307	USD	49,969	15 July 2020	927	–
CAD	10	USD	7	15 July 2020	0	–
CAD	10,574	USD	7,546	15 July 2020	219	–
CAD	10,363	USD	7,395	15 July 2020	216	–
CAD	10	USD	7	15 July 2020	0	–
CAD	10,912	USD	7,978	15 July 2020	35	–
CAD	12,073	USD	8,982	15 July 2020	–	(116)
CAD	34,174	USD	25,113	15 July 2020	–	(17)
CAD	10	USD	8	15 July 2020	0	–
CAD	10,431	USD	7,721	15 July 2020	–	(61)

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(f) Specific instruments (continued)

Foreign currency forward contracts (continued)

As at 30 June 2020 (continued)

Buy		Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
EUR	1,050	USD	1,143	15 July 2020	36	–
EUR	34	USD	37	15 July 2020	1	–
EUR	5	USD	5	15 July 2020	0	–
EUR	30	USD	33	15 July 2020	1	–
EUR	21,782	USD	23,552	15 July 2020	916	–
EUR	5	USD	5	15 July 2020	0	–
EUR	658	USD	722	15 July 2020	17	–
EUR	713	USD	801	15 July 2020	0	–
EUR	5	USD	6	15 July 2020	–	(0)
USD	14,330	GBP	11,610	15 July 2020	–	(19)
USD	39,949	GBP	31,454	15 July 2020	1,073	–
USD	9,662	GBP	7,593	15 July 2020	278	–
USD	26,881	GBP	21,258	15 July 2020	609	–
USD	38,941	GBP	30,842	15 July 2020	822	–
GBP	867,965	USD	1,070,079	15 July 2020	2,265	–
GBP	27,858	USD	35,020	15 July 2020	–	(602)
GBP	5	USD	6	15 July 2020	0	–
GBP	24,242	USD	30,232	15 July 2020	–	(282)
GBP	13,534	USD	16,772	15 July 2020	–	(52)
GBP	30,305	USD	37,541	15 July 2020	–	(99)
GBP	19,851	USD	24,276	15 July 2020	250	–
GBP	5	USD	6	15 July 2020	0	–
GBP	5,912	USD	7,210	15 July 2020	94	–
GBP	32,524	USD	40,416	15 July 2020	–	(233)
GBP	31,206	USD	39,566	15 July 2020	–	(1,012)
GBP	5	USD	7	15 July 2020	0	–
GBP	25,916	USD	32,389	15 July 2020	–	(371)
USD	2,487,430	NZD	4,164,531	15 July 2020	–	(194,673)
USD	26,720	NZD	44,579	15 July 2020	–	(1,991)
USD	1,320	NZD	2,216	15 July 2020	–	(108)
USD	30,788	NZD	47,946	15 July 2020	–	(91)
USD	25,215	NZD	38,931	15 July 2020	142	–

10 Financial risk management (continued)

(f) Specific instruments (continued)

Foreign currency forward contracts (continued)

As at 30 June 2020 (continued)

Buy		Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
NZD	3,882,337	USD	2,310,914	15 July 2020	187,541	–
NZD	132,597	USD	80,975	15 July 2020	4,356	–
NZD	11	USD	7	15 July 2020	0	–
NZD	108,503	USD	65,701	15 July 2020	4,125	–
NZD	36,453	USD	21,847	15 July 2020	1,612	–
NZD	135,528	USD	82,872	15 July 2020	4,345	–
NZD	12	USD	7	15 July 2020	1	–
NZD	2,237	USD	1,362	15 July 2020	78	–
NZD	10,936	USD	6,771	15 July 2020	267	–
NZD	2,738	USD	1,755	15 July 2020	7	–
NZD	395,141	USD	257,026	15 July 2020	–	(2,743)
NZD	2,069	USD	1,350	15 July 2020	–	(19)
NZD	12	USD	8	15 July 2020	–	(0)
USD	41	SGD	57	15 July 2020	0	–
SGD	1,592	USD	1,116	15 July 2020	25	–
SGD	52	USD	37	15 July 2020	1	–
SGD	10	USD	7	15 July 2020	0	–
SGD	43	USD	30	15 July 2020	1	–
SGD	56	USD	39	15 July 2020	1	–
SGD	10	USD	7	15 July 2020	0	–
SGD	58	USD	41	15 July 2020	0	–
SGD	56	USD	41	15 July 2020	–	(0)
SGD	10	USD	7	15 July 2020	0	–
SGD	49	USD	35	15 July 2020	–	(0)
					<u>786,814</u>	<u>(392,742)</u>

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(f) Specific instruments (continued)

Call options

As at 30 June 2021 and 2020, the Sub-Fund's short positions in derivatives translated into US\$ were specified in the following table.

As at 30 June 2021

Type of contract	Expiration	Number of holding	Underlying	Notional amount US\$	Fair value (liabilities) US\$
Call option	16 July 2021	45	Activision Blizzard Inc	829,872	(720)
Call option	20 August 2021	58	Advanced Micro Devices Inc	1,089,588	(14,326)
Call option	16 July 2021	19	Aon Plc	920,420	(1,140)
Call option	16 July 2021	24	Caterpillar Inc	573,455	(912)
Call option	20 August 2021	60	Charles Schwab Corp	4,110	(4,320)
Call option	16 July 2021	19	CrowdStrike Holdings Inc	9,120	(9,215)
Call option	20 August 2021	10	Deere & Co	797,125	(3,070)
Call option	20 August 2021	18	Dow Inc	278,369	(1,134)
Call option	16 July 2021	37	Dr Horton Inc	1,327,535	(925)
Call option	16 July 2021	22	Fedex Corp	1,311,160	(440)
Call option	16 July 2021	40	Match Group Inc	1,106,175	(11,080)
Call option	20 August 2021	5	Netflix Inc	631,211	(3,020)
Call option	16 July 2021	75	Nike Inc	1,760,414	(73,500)
Call option	16 July 2021	20	Nvidia Corp	2,948,369	(59,100)
Call option	16 July 2021	90	Schlumberger Nv	1,788,008	(720)
Call option	16 July 2021	2	Servicenow Inc	340,721	(928)
Call option	20 August 2021	35	Starbucks Corp	1,246,122	(3,500)
Call option	16 July 2021	25	Tesla Inc	2,980,485	(32,000)
Call option	16 July 2021	10	Twilio Inc	910,510	(16,950)
					<u>(237,000)</u>

10 Financial risk management (continued)

(f) Specific instruments (continued)

Call options (continued)

As at 30 June 2020

Type of contract	Expiration	Number of options	Underlying	Notional amount US\$	Fair value (liabilities) US\$
Call option	17 July 2020	18	Activision Blizzard Inc	267,168	(594)
Call option	17 July 2020	20	Adobe Inc	1,734,040	(5,980)
Call option	17 July 2020	105	Advanced Micro Devices Inc	1,104,810	(4,515)
Call option	17 July 2020	17	Alibaba Group Holding Ltd	733,380	(238)
Call option	17 July 2020	7	American Tower Corp	361,956	(322)
Call option	17 July 2020	20	Atlassian Corp Plc	721,080	(740)
Call option	17 July 2020	18	Broadcom Inc	1,136,196	(2,160)
Call option	17 July 2020	4	Costco Wholesale Corp	242,568	(136)
Call option	17 July 2020	14	Deere & Co	497,223	(630)
Call option	17 July 2020	18	Dollar General Corp	685,836	(270)
Call option	17 July 2020	44	Dr Horton Inc	968,667	(1,980)
Call option	17 July 2020	36	Home Depot Inc	1,803,672	(2,448)
Call option	17 July 2020	6	Intuitive Surgical Inc	683,796	(2,166)
Call option	17 July 2020	29	Mastercard Inc	1,715,060	(2,117)
Call option	17 July 2020	120	Micron Technology Inc	1,236,480	(1,320)
Call option	17 July 2020	16	Netflix Inc	1,740,073	(4,512)
Call option	17 July 2020	50	Nike Inc	744,853	(4,050)
Call option	17 July 2020	43	Nvidia Corp	668,874	(3,852)
Call option	17 July 2020	34	Paypal Holdings Inc	1,184,764	(2,176)
Call option	17 July 2020	14	Pepsico Inc 140	370,328	(490)
Call option	17 July 2020	13	Progressive Corp	208,286	(780)
Call option	17 July 2020	50	Qualcomm Inc	912,100	(6,350)
Call option	17 July 2020	10	S&P Global Inc	658,960	(600)
Call option	17 July 2020	35	Salesforce.Com Inc	1,311,310	(1,225)
Call option	17 July 2020	17	Servicenow Inc	1,377,204	(5,168)
Call option	17 July 2020	40	Target Corp	959,440	(360)
Call option	17 July 2020	20	Union Pacific Corp	676,280	(1,700)
Call option	17 July 2020	20	Unitedhealth Group Inc	1,179,800	(2,700)
Call option	17 July 2020	10	Vertex Pharmaceuticals Inc	580,620	(750)
Call option	17 July 2020	35	Workday Inc	1,311,520	(2,100)
Call option	17 July 2020	10	Zoetis Inc	374,720	(350)
Call option	17 July 2020	7	Zoom Video Communications Inc	354,956	(819)
					<u>(63,598)</u>

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(f) Specific instruments (continued)

Warrants

As at 30 June 2021 and 2020, the details of the Sub-Fund's holdings in warrant contracts are specified in the table below:

As at 30 June 2021

Type of contract	Expiration	Underlying	Fair value assets
Warrants	6 October 2024	Genveo Inc	–

As at 30 June 2020

Type of contract	Expiration	Underlying	Fair value assets
Warrants	6 October 2024	Genveo Inc	–

(g) Fair value information

The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the year end date. The Sub-Fund utilises the last traded market price for both financial assets and financial liabilities.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Sub-Fund for similar financial instruments.

HKFRS 13 requires the Sub-Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

10 Financial risk management (continued)

(g) Fair value information (continued)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgement by the Sub-Fund. The 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.

The table below analyses financial instruments measured at fair value at the date of the statement of net assets by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
As at 30 June 2021				
Assets				
Financial assets at fair value through profit or loss				
– Equities	137,570,285	183,115	–	137,753,400
– Bonds	–	200,408,912	–	200,408,912
– Forward contracts	–	5,635,896	–	5,635,896
Liabilities				
Financial liabilities at fair value through profit or loss				
– Call options	–	237,000	–	237,000
– Forward contracts	–	435,583	–	435,583
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Allianz Selection Income and Growth (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(g) Fair value information (continued)

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
As at 30 June 2020				
Assets				
Financial assets at fair value through profit or loss				
– Equities	98,175,538	5,884	–	98,181,422
– Bonds	–	143,068,023	–	143,068,023
– Forward contracts	–	786,814	–	786,814
Liabilities				
Financial liabilities at fair value through profit or loss				
– Call options	–	63,598	–	63,598
– Forward contracts	–	392,742	–	392,742

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1. The Sub-Fund does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2.

There were no transfers of financial assets and financial liabilities between the fair value hierarchy levels during the years ended 30 June 2021 and 30 June 2020.

The assets and liabilities included in the statement of net assets, other than financial assets and liabilities at fair value through profit or loss, are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

10 Financial risk management (continued)

(h) Capital risk management

The capital of the Sub-Fund is represented by the net assets attributable to unitholders. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Sub-Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. The Sub-Fund's objective when managing capital is to safeguard the Sub-Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Sub-Fund.

In order to maintain or adjust the capital structure, the Sub-Fund's policy is to perform the following:

- monitor the level of daily subscriptions and redemptions relative to the liquid assets; and
- redeem and issue units in accordance with the Trust Deed of the Sub-Fund.

The Management monitors capital on the basis of the value of net assets attributable to unitholders.

Allianz Selection Income and Growth (continued)

Supplementary information

Portfolio statement
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.07%</i>			
Listed equities 39.11%			
Canada 0.31%			
GFL ENVIRONMENTAL INC PFD	9,510	710,873	0.20
SHOPIFY INC COM NPV	254	371,089	0.11
Great Britain 0.19%			
ATLASSIAN CORP PLC CLASS A COM USD0.1	2,655	681,963	0.19
Jersey 0.57%			
APTIV PLC PFD	5,935	1,061,297	0.30
CLARIVATE PLC PFD	8,880	929,736	0.27

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.07% (continued)</i>			
Listed equities 39.11% (continued)			
United States 38.04%			
ABBOTT LABORATORIES COM NPV	5,575	646,310	0.18
ABBVIE INC COM USD0.01	10,260	1,155,686	0.33
ACCENTURE PLC COM USD0.00002	4,470	1,317,711	0.37
ACTIVISION BLIZZARD INC COM USD0.000001	8,800	839,872	0.24
ADOBE INC COM USD0.0001	4,190	2,453,831	0.70
ADVANCED MICRO DEVICES INC COM USD0.01	11,600	1,089,588	0.31
AGILENT TECHNOLOGIES INC COM USD0.01	9,242	1,366,060	0.39
ALIGN TECHNOLOGY INC COM USD0.0001	2,075	1,267,825	0.36
ALPHABET INC CL A USD0.001	2,380	5,811,460	1.65
AMAZON.COM INC COM USD0.01	1,560	5,366,649	1.53
AON PLC COM USD0.01	3,855	920,420	0.26
APPLE INC COM NPV	41,390	5,668,774	1.61
AVANTOR INC PFD	8,590	941,120	0.27
BANK OF AMERICA CORP SERIES L PREFERRED SHS	675	955,800	0.27
BECTON DICKINSON AND CO PFD	9,580	1,111,855	0.32
BOOKING HOLDINGS INC COM USD0.008	805	1,761,412	0.50
BROADCOM INC COM NPV	1,677	799,660	0.23
BROADCOM INC PFD	1,795	2,728,166	0.78
CARVANA CO COM USD.001	1,065	321,438	0.09
CATERPILLAR INC COM USD1	2,635	573,455	0.16
CCF HOLDINGS LLC COM NPV	1,786	1,304	0.00
COSTCO WHOLESALE CORP COM USD0.005	3,450	1,365,061	0.39
CROWDSTRIKE HOLDINGS INC COM NPV	3,725	936,130	0.27
CROWN CASTLE INTERNATIONAL CORP REIT USD0.01	6,571	1,282,002	0.36
DANAHER CORP PFD	1,575	2,323,550	0.66
DARDEN RESTAURANTS INC COM NPV	6,575	959,884	0.27
DEERE & CO COM USD1	2,260	797,124	0.23
DEXCOM INC COM USD0.001	2,199	938,973	0.27
DOW INC COM USD.01	4,399	278,369	0.08
DR HORTON INC COM USD0.01	14,690	1,327,535	0.38
ELANCO ANIMAL HEALTH INC PFD	15,545	834,145	0.24
ELI LILLY & CO COM NPV	8,850	2,031,252	0.58
ENPHASE ENERGY INC COM USD0.00001	5,900	1,083,417	0.31
EXXON MOBIL CORP COM NPV	23,590	1,488,057	0.42
FACEBOOK INC CL A COM USD0.000006	17,554	6,103,701	1.74
FEDEX CORP COM USD0.1	4,395	1,311,160	0.37
FLUOR CORP PFD	200	213,180	0.06
FORD MOTOR CO COM USD0.01	69,130	1,027,272	0.29
FREEMPORT-MCMORAN INC COM USD0.1	15,916	590,643	0.17

Allianz Selection Income and Growth (continued)

Supplementary information (continued)

Portfolio statement (continued)
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.07% (continued)</i>			
Listed equities 39.11% (continued)			
United States 38.04% (continued)			
HOME DEPOT INC COM USD0.05	9,275	2,957,705	0.84
HONEYWELL INTERNATIONAL INC COM USD1	5,325	1,168,625	0.33
HORIZON PHARMA PLC COM USD0.0001	9,650	903,626	0.26
II VI INC PFD	1,105	332,771	0.09
ILLUMINA INC COM USD0.01	910	430,621	0.12
INTUIT INC COM USD0.01	4,010	1,965,582	0.56
INTUITIVE SURGICAL INC COM USD0.001	1,670	1,535,799	0.44
IQVIA HOLDINGS INC COM USD0.01	7,462	1,808,192	0.51
JP MORGAN CHASE & CO COM USD1	9,905	1,540,624	0.44
KKR & CO INC PFD	12,850	990,221	0.28
LAM RESEARCH CORP COM USD0.001	3,080	2,004,156	0.57
MARVELL TECHNOLOGY INC COM USD.002	22,100	1,289,093	0.37
MASTERCARD INC A COM USD0.0001 USD0.0001	7,452	2,720,651	0.77
MATCH GROUP INC COM NPV	6,860	1,106,175	0.31
MGM RESORTS INTERNATIONAL COM USD0.01	28,710	1,224,482	0.35
MICRON TECHNOLOGY INC COM USD0.1	15,675	1,332,062	0.38
MICROSOFT CORP COM USD0.00001	22,071	5,979,034	1.70
NETFLIX INC COM USD0.001	1,195	631,211	0.18
NEXTERA ENERGY INC PFD	14,805	724,853	0.21
NEXTERA ENERGY INC PFD	24,200	1,195,480	0.34
NIKE INC CL B COM NPV (USD)	11,395	1,760,414	0.50
NVIDIA CORP COM USD.001	3,685	2,948,369	0.84
OCCIDENTAL PETROLEUM CORP COM USD0.2	8,665	270,954	0.08
PAYPAL HOLDINGS INC COM USD0.0001 W/I	9,070	2,643,724	0.75
QUALCOMM INC COM USD 0.0001	6,525	932,618	0.27
ROKU INC COM USD.0001	3,285	1,508,636	0.43
S&P GLOBAL INC COM USD1	3,120	1,280,604	0.36
SALESFORCE.COM INC COM USD0.001	4,055	990,515	0.28
SCHLUMBERGER LTD COM USD0.01	36,770	1,177,008	0.33
SERVICENOW INC COM USD0.001	620	340,721	0.10
SQUARE INC COM0.000001	4,635	1,130,013	0.32
STANLEY BLACK & DECKER I-PFD	3,645	440,061	0.13
STARBUCKS CORP COM USD0.001	11,145	1,246,122	0.35

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.07% (continued)</i>			
Listed equities 39.11% (continued)			
United States 38.04% (continued)			
TARGET CORP COM USD0.0833	5,155	1,246,170	0.35
TESLA INC COM USD0.001	4,385	2,980,485	0.85
THE CHARLES SCHWAB CORP COM USD0.01	12,865	936,701	0.27
THE CHEMOURS COMPANY COM NPV	17,600	612,480	0.17
THERMO FISHER SCIENTIFIC INC COM USD1	1,980	998,851	0.28
TJX CO INC COM USD1	12,305	829,603	0.23
TWILIO INC A SHRS COM USD0.001	2,310	910,509	0.26
UNION PACIFIC CORP COM USD2.5	3,600	791,748	0.22
UNITEDHEALTH GROUP INC COM USD0.01	4,195	1,679,846	0.48
VALERO ENERGY CORP	13,075	1,020,896	0.29
VIACOMCBS INC PFD	8,985	666,058	0.19
VISA INC CL A SHS COM USD0.0001	12,650	2,957,823	0.84
WELLS FARGO & CO COM USD1.67	30,745	1,392,441	0.39
WELLS FARGO CO SER L PRE SHARE	1,150	1,755,141	0.50
ZOETIS INC COM USD0.01	5,430	1,011,935	0.29
ZOOM VIDEO COMMUNICATIONS INC COM USD.001	2,275	880,493	0.25
2020 CASH EXCH TRUST PFD	1,195	1,506,112	0.43
2020 MANDATORY EXCHANGEABLE TRUST PFD	630	1,137,462	0.32
Total listed equities		<u>137,570,285</u>	<u>39.11</u>
Unlisted but quoted equities 0.05%			
United States 0.05%			
CCF HLDGS LLC ORD NPV	163,757	119,543	0.03
CCF HOLDINGS LLC CLASS M	73,330	53,531	0.02
ERICKSON INC NEW COM NPV	349	10,040	0.00
Total unlisted but quoted equities		<u>183,115</u>	<u>0.05</u>
Listed bonds 17.02%			
Canada 0.42%			
BROOKFIELD FINANCE INC (REG) 4.85% 29/03/2029	1,250,000	1,486,337	0.42

Allianz Selection Income and Growth (continued)

Supplementary information (continued)

Portfolio statement (continued)
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.07% (continued)</i>			
Listed bonds 17.02% (continued)			
Great Britain 1.45%			
BARCLAYS PLC (REG) 5.2% 12/05/2026	1,250,000	1,439,611	0.41
BP CAPITAL MARKETS PLC VAR PERP 31/12/2049	800,000	862,933	0.25
HSBC HOLDINGS PLC (REG) 4.375% 23/11/2026	1,250,000	1,414,541	0.40
STANDARD CHARTERED PLC (SER 144A) (REG) 4.05% 12/04/2026	1,250,000	1,387,232	0.39
Ireland 0.60%			
AERCAP IRELAND CAP/GLOBA (REG) 4.625% 15/10/2027	1,250,000	1,410,644	0.40
APTIV PLC (REG) 4.25% 15/01/2026	600,000	689,679	0.20
Japan 0.38%			
SUMITOMO MITSUI FINL GRP (REG) 3.784% 09/03/2026	1,200,000	1,350,625	0.38
United States 14.17%			
AMERICAN TOWER CORP (REG) 4% 01/06/2025	1,000,000	1,104,622	0.31
ANHEUSER-BUSCH INBEV WOR (REG) 4% 13/04/2028	1,250,000	1,436,583	0.41
ANTHEM INC (REG) 4.101% 01/03/2028	1,250,000	1,450,171	0.41
AON CORP (REG) 3.75% 02/05/2029	1,250,000	1,413,378	0.40
AT&T INC (SER *) (REG) 4.1% 15/02/2028	1,250,000	1,442,879	0.41
BB&T CORPORATION (SER MTN) (REG) 3.875% 19/03/2029	1,250,000	1,435,748	0.41
BOEING CO (REG) 3.2% 01/03/2029	1,000,000	1,060,915	0.30
BOSTON SCIENTIFIC CORP (REG) 2.65% 01/06/2030	1,000,000	1,038,191	0.30
CHARLES SCHWAB CORP (REG) 4% 01/02/2029	1,000,000	1,169,816	0.33
CITIGROUP INC (REG) 4.45% 29/09/2027	1,250,000	1,439,704	0.41
COMERICA INC (REG) 4% 01/02/2029	200,000	232,987	0.07
CREE INC (REG) CONV .875% 01/09/2023	380,000	633,250	0.18
CROWN CASTLE INTL CORP (REG) 3.65% 01/09/2027	650,000	725,795	0.21
DUKE ENERGY CAROLINAS (REG) 3.95% 15/11/2028	600,000	689,835	0.20

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.07% (continued)</i>			
Listed bonds 17.02% (continued)			
United States 14.17% (continued)			
DUPONT DE NEMOURS INC (REG) 4.725% 15/11/2028	1,000,000	1,200,395	0.34
ENERGY TRANSFER OPERATNG 5.5% 01/06/2027	200,000	236,074	0.07
EXXON MOBIL CORP (REG) 3.043% 01/03/2026	1,000,000	1,096,840	0.31
FIREEYE INC (REG) CONV .875% 01/06/2024	535,000	613,201	0.17
GATX CORP (REG) 4.7% 01/04/2029	500,000	590,542	0.17
HP ENTERPRISE CO (REG) 4.9% 15/10/2025	1,250,000	1,436,434	0.41
HUNTSMAN INTERNATIONAL L (REG) 4.5% 01/05/2029	1,000,000	1,145,920	0.33
ILLUMINA INC (REG) 0% CONV 15/08/2023	290,000	370,507	0.11
JPMORGAN CHASE & CO (REG) 4.125% 15/12/2026	1,250,000	1,415,244	0.40
KINDER MORGAN INC (REG) 4.3% 01/03/2028	1,000,000	1,155,491	0.33
LEAR CORP (REG) 3.8% 15/09/2027	400,000	445,835	0.13
LOWE'S COS INC (REG) 3.65% 05/04/2029	1,000,000	1,129,447	0.32
MARATHON OIL CORP (REG) 4.4% 15/07/2027	1,000,000	1,151,082	0.33
MERCK & CO INC (REG) 3.4% 07/03/2029	800,000	906,433	0.26
MONGODDB INC (REG) CONV .25% 15/01/2026	540,000	979,043	0.28
ORACLE CORP (REG) 3.25% 15/11/2027	1,200,000	1,308,236	0.37
PHILLIPS 66 (REG) 3.9% 15/03/2028	1,250,000	1,420,863	0.40
PIONEER NATURAL RESOURCE (REG) 1.9% 15/08/2030	600,000	582,200	0.17
PULTEGROUP INC (REG) 5.5% 01/03/2026	277,000	329,621	0.09
REYNOLDS AMERICAN INC (REG) 4.45% 12/06/2025	850,000	943,587	0.27
ROPER TECHNOLOGIES INC (REG) 4.2% 15/09/2028	1,250,000	1,453,114	0.41
SHERWIN-WILLIAMS CO (REG) 3.45% 01/06/2027	1,250,000	1,379,244	0.39
SNAP INC CONV 0% 01/05/2027	1,500,000	1,605,240	0.46
SOUTHWEST AIRLINES CO (REG) 5.125% 15/06/2027	1,250,000	1,474,254	0.42
SPIRIT REALTY LP (REG) 4% 15/07/2029	200,000	225,917	0.06
SYNCHRONY FINANCIAL (REG) 5.15% 19/03/2029	1,050,000	1,258,842	0.36
TELADOC HEALTH INC (REG) CONV 1.25% 01/06/2027	925,000	1,043,550	0.30
THERMO FISHER SCIENTIFIC (REG) 4.497% 25/03/2030	1,000,000	1,203,582	0.34
TYSON FOODS INC (REG) 4.35% 01/03/2029	1,250,000	1,475,486	0.42
UNITED TECHNOLOGIES CORP (REG) 4.125% 16/11/2028	1,250,000	1,445,464	0.41
WALMART INC (REG) 3.7% 26/06/2028	1,000,000	1,138,869	0.32
WALT DISNEY COMPANY/THE (REG) 3.8% 22/03/2030	800,000	924,773	0.26
WELLS FARGO & CO SER GMTN (REG) 4.3% 22/07/2027	1,250,000	1,447,593	0.41
Total listed bonds		59,848,399	17.02

Allianz Selection Income and Growth (continued)

Supplementary information (continued)

Portfolio statement (continued)
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.07% (continued)</i>			
Unlisted but quoted bonds 39.96%			
Bermuda 0.64%			
JAZZ INVESTMENTS I LTD (REG) CONV 2% 15/06/2026	925,000	1,231,729	0.35
NCL CORPORATION LTD (REG) CONV 5.375% 01/08/2025	310,000	574,776	0.16
NCL CORPORATION LTD (REG) CONV 6% 15/05/2024	185,000	429,543	0.13
Canada 0.33%			
ROYAL BANK OF CANADA (SER GMTN) (REG) 4.65% 27/01/2026	1,000,000	1,164,213	0.33
Cayman Islands 0.33%			
21VIANET GROUP INC (REG) CONV 0% 01/02/2026	580,000	506,392	0.14
PINDUODUO INC CONV 0% 01/12/2025	470,000	483,790	0.14
TRANSOCEAN INC (SER *) (REG) CONV 4% 15/12/2025	155,000	185,614	0.05
China 0.23%			
NIO INC CONV .5% 01/02/2027	535,000	507,531	0.14
NIO INC CONV 0% 01/02/2026	335,000	318,702	0.09
Great Britain 0.39%			
ASTRAZENECA PLC (REG) 1.375% 06/08/2030	600,000	571,939	0.16
NATIONWIDE BLDG SOCIETY SER 144A 3.9% 21/07/2025	700,000	786,071	0.22
Israel 0.38%			
SOLAR EDGE TECHNOLOGIES (REG) CONV 0% 15/09/2025	415,000	516,098	0.15
WIX LTD (REG) CONV 0% 15/08/2025	780,000	814,008	0.23
Liberia 0.46%			
ROYAL CARIBBEAN CRUISES CONV 2.875% 15/11/2023	495,000	625,162	0.18
ROYAL CARIBBEAN CRUISES CONV 4.25% 15/06/2023	725,000	992,850	0.28
Switzerland 0.40%			
UBS GROUP AG (SER 144A) (REG) 4.125% 24/09/2025	1,250,000	1,409,707	0.40

Investments	Portfolio holdings	Market value US\$	of NAV
<i>Listed/unlisted but quoted investments 96.07% (continued)</i>			
Unlisted but quoted bonds 39.96% (continued)			
United States 36.80%			
ABBVIE INC (REG) 3.8% 15/03/2025	1,000,000	1,104,510	0.30
AIRBNB INC (REG) CONV 0% 15/03/2026	1,440,000	1,365,039	0.38
AKAMAI TECHNOLOGIES INC (REG) CONV 0.125% 01/05/2025	830,000	1,091,490	0.30
ALARM.COM HLDGS INC CONV 0% 15/01/2026	610,000	561,146	0.15
ALTERYX INC (REG) CONV .5% 01/08/2024	270,000	260,012	0.07
ALTERYX INC (REG) CONV 1% 01/08/2026	520,000	492,575	0.14
AMAZON.COM INC (REG) 5.2% 03/12/2025	1,200,000	1,413,311	0.40
AMGEN INC (REG) 3.2% 02/11/2027	1,000,000	1,095,619	0.31
APELLIS PHARMACEUTICALS (REG) CONV 3.5% 15/09/2026	170,000	319,198	0.09
APPLE INC (REG) 3.25% 23/02/2026	1,250,000	1,386,554	0.39
ASHTAD CAPITAL INC SER 144A 5.25% 01/08/2026	1,200,000	1,277,461	0.36
BANK OF AMERICA CORP (REG) VAR 23/07/2029	1,250,000	1,460,052	0.42
BENTLEY SYSTEMS INC CONV .125% 15/01/2026	715,000	856,504	0.24
BILL.COM HOLDINGS INC (REG) CONV 0% 01/12/2025	760,000	1,019,776	0.29
BOFA FINANCE LLC (SER MTN) (REG) CONV .125% 01/09/2022	460,000	553,323	0.16
BOOKING HOLDINGS INC (REG) CONV .75% 01/05/2025	260,000	368,563	0.10
BOOKING HOLDINGS INC 4.625% 13/04/2030	1,250,000	1,506,910	0.43
BRIDGEBIO PHARMA INC (REG) CONV 2.25% 01/02/2029	675,000	664,514	0.19
BRIGHTHOUSE FINANCIAL IN (REG) 3.7% 22/06/2027	600,000	655,607	0.19
BROADCOM INC (REG) 4.11% 15/09/2028	1,315,000	1,496,309	0.43
BURLINGTON STORES INC (REG) CONV 2.25% 15/04/2025	720,000	1,147,054	0.33
CAPITAL ONE FINANCIAL CORP (REG) 4.2% 29/10/2025	650,000	729,114	0.21
CARRIER GLOBAL CORP (REG) 2.722% 15/02/2030	1,000,000	1,047,772	0.30
CHEGG INC (REG) CONV .125% 15/03/2025	140,000	236,562	0.07
CHEGG INC CONV 0% 01/09/2026	1,090,000	1,137,786	0.32
CHENIERE ENERGY INC (REG) CONV 4.25% 15/03/2045	980,000	842,841	0.24
CLOUDFLARE INC (REG) CONV .75% 15/05/2025	265,000	752,899	0.21
COINBASE GLOBAL INC CONV .5% 01/06/2026	555,000	566,042	0.16
COMCAST CORP (REG) 4.15% 15/10/2028	1,000,000	1,166,030	0.33

Allianz Selection Income and Growth (continued)

Supplementary information (continued)

Portfolio statement (continued)
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	of NAV
<i>Listed/unlisted but quoted investments 96.07% (continued)</i>			
Unlisted but quoted bonds 39.96% (continued)			
United States 36.80% (continued)			
CONAGRA BRANDS INC (REG) 4.6% 01/11/2025	1,200,000	1,373,293	0.39
CONSTELLATION BRANDS INC (REG) 3.6% 15/02/2028	1,250,000	1,402,266	0.40
COUPA SOFTWARE INC (REG) CONV .375% 15/06/2026	1,125,000	1,308,045	0.37
CVS HEALTH CORP (REG) 4.3% 25/03/2028	1,205,000	1,401,112	0.40
DATADOG INC (REG) CONV .125% 15/06/2025	630,000	846,862	0.24
DELL INT LLC/EMC CORP (REG) 6.1% 15/07/2027	1,200,000	1,502,914	0.43
DELTA AIR LINES INC (SER 144A) 7% 01/05/2025	1,200,000	1,418,905	0.40
DEXCOM INC (REG) CONV .25% 15/11/2025	880,000	922,847	0.26
DEXCOM INC 0.75% CONV 01/12/2023	155,000	403,539	0.11
DIAMONDBACK ENERGY INC (REG) 5.375% 31/05/2025	1,000,000	1,034,003	0.29
DISCOVER BANK (SER BKNT) (REG) 4.65% 13/09/2028	1,250,000	1,483,885	0.42
DISCOVERY COMMUNICATIONS (REG) 4.125% 15/05/2029	1,250,000	1,408,227	0.40
DISH NETWORK CORP (REG) CONV 0% 15/12/2025	730,000	850,424	0.24
DISH NETWORK CORP CONV (SER 144A) 3.375% 15/08/2026	530,000	549,554	0.16
DOCUSIGN INC CONV 0% 15/01/2024	675,000	695,878	0.20
DRAFTKINGS INC (REG) CONV 0% 15/03/2028	1,125,000	1,022,960	0.29
ECOLAB INC (REG) 4.8% 24/03/2030	600,000	742,428	0.21
ENPHASE ENERGY INC CONV 0% 01/03/2026	500,000	490,835	0.14
ENPHASE ENERGY INC CONV 0% 01/03/2028	750,000	731,092	0.21
ENVISTA HOLDINGS CORP (REG) CONV 2.375% 01/06/2025	390,000	836,109	0.24
EQT CORP (REG) CONV 1.75% 01/05/2026	710,000	1,180,082	0.34
ETSY INC (REG) CONV .125% 01/09/2027	1,055,000	1,358,003	0.39
EXACT SCIENCES CORP (REG) CONV .375% 01/03/2028	185,000	230,236	0.07
EXACT SCIENCES CORP 0.375% (REG) 15/03/2027	795,000	1,058,713	0.30
EXPEDIA GROUP INC (REG) CONV 0% 15/02/2026	1,220,000	1,326,055	0.38
EXPEDIA GROUP INC (SER 144A) 6.25% 01/05/2025	600,000	704,756	0.20
FEDEX CORP (REG) 4.25% 15/05/2030	1,300,000	1,521,267	0.43
FIFTH THIRD BANK (SER BKNT) (REG) 3.85% 15/03/2026	600,000	671,207	0.19

Investments	Portfolio holdings	Market value US\$	of NAV
<i>Listed/unlisted but quoted investments 96.07% (continued)</i>			
Unlisted but quoted bonds 39.96% (continued)			
United States 36.80% (continued)			
FISERV INC (REG) 4.2% 01/10/2028	600,000	696,158	0.20
FIVE9 INC (REG) CONV .5% 01/06/2025	455,000	678,595	0.19
FORD MOTOR COMPANY (REG) CONV 0% 15/03/2026	1,520,000	1,693,006	0.48
GENERAL MOTORS CO (REG) 6.125% 01/10/2025	1,250,000	1,497,509	0.43
GOLDMAN SACHS GROUP INC 3.75% 22/05/2025	1,250,000	1,369,484	0.39
GUARDANT HEALTH INC (REG) CONV 0% 15/11/2027	800,000	917,632	0.26
HALOZYME THERAPEUTICS IN (REG) CONV .25% 01/03/2027	845,000	793,657	0.23
HUBS US EQUITY (REG) CONV .375% 01/06/2025	395,000	842,955	0.24
HUBSPOT INC (REG) CONV .375% 01/06/2025	25,000	53,352	0.02
IAC FINANCECO 2 INC CONV .875% 15/06/2026	810,000	1,560,237	0.44
II-VI INC (REG) CONV 0.25% 01/09/2022	280,000	445,383	0.13
INSMED INC CONV .75% 01/06/2028	330,000	365,907	0.10
INSULET CORPORATION (REG) (CONV) 0.375% 01/09/2026	800,000	1,091,480	0.31
JETBLUE AIRWAYS CORP CONV .5% 01/04/2026	980,000	982,393	0.28
JOHN DEERE CAPITAL CORP (SER MTN) 3.45% 13/03/2025	1,000,000	1,107,270	0.31
JP MORGAN CHASE BANK NA (REG) CONV .125% 01/01/2023	450,000	503,296	0.14
LAS VEGAS SANDS CORP (REG) 3.5% 18/08/2026	1,000,000	1,075,480	0.31
LENDINGTREE INC 0.5% CONV 15/07/2025	590,000	535,391	0.15
LIBERTY BROADBAND CORP CONV 2.75% 30/09/2050	550,000	587,151	0.17
LIBERTY MEDIA CORP (REG) CONV 1% 30/01/2023	340,000	461,001	0.13
LIBERTY MEDIA CORP CONV .5% 01/12/2050	460,000	530,774	0.15
LIBERTY MEDIA CORP SER 144A (REG) CONV 1.375% 15/10/2023	640,000	861,679	0.24
LIBERTY MUTUAL GROUP INC (SER 144A) 4.569% 01/02/2029	850,000	1,009,798	0.29
LIVE NATION ENTERTAINMEN (REG) CONV 2% 15/02/2025	465,000	523,876	0.15
LUMENTUM HOLDINGS INC (REG) CONV .5% 15/12/2026	845,000	913,337	0.26
M/A-COM TECH SOLUTIONS CONV .25% 15/03/2026	260,000	273,753	0.08
MARRIOTT INTERNATIONAL (SER EE) (RE G) 5.75% 01/05/2025	600,000	697,534	0.20
MARVELL TECHNOLOGY INC (SER 144A) (REG) 2.95% 15/04/2031	400,000	418,427	0.12
MICROCHIP TECHNOLOGY INC (REG) CONV .125% 15/11/2024	2,137,000	2,415,151	0.69
MICRON TECHNOLOGY INC (REG) 4.663% 15/02/2030	1,250,000	1,481,395	0.42
MICROSTRATEGY INC CONV 0% 15/02/2027	645,000	484,568	0.14
MILEAGE PLUS HLDINGS LLC (SER 144A) (REG) 6.5% 20/06/2027	600,000	665,187	0.19
MORGAN STANLEY (SER GMTN) (REG) VAR 23/01/2030	1,250,000	1,486,644	0.42
MOSAIC CO (REG) 4.05% 15/11/2027	1,000,000	1,127,104	0.32
MP MATERIALS CORP CONV .25% 01/04/2026	450,000	480,301	0.14
MPT OPER PARTNERSP/FINL (REG) 3.5% 15/03/2031	1,200,000	1,222,669	0.35
NOVOCURE LTD (REG) CONV 0% 01/11/2025	580,000	874,408	0.25

Allianz Selection Income and Growth (continued)

Supplementary information (continued)

Portfolio statement (continued)
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	of NAV
<i>Listed/unlisted but quoted investments 96.07% (continued)</i>			
Unlisted but quoted bonds 39.96% (continued)			
United States 36.80% (continued)			
OAK STREET HEALTH INC (REG) CONV 0% 15/03/2026	905,000	928,955	0.26
OKTA INC (REG) CONV .375% 15/06/2026	870,000	1,081,877	0.31
OMNICELL INC (REG) CONV .25% 15/09/2025	360,000	581,215	0.17
ON SEMICONDUCTOR CORP CONV 0% 01/05/2027	1,080,000	1,125,133	0.32
O'REILLY AUTOMOTIVE INC (REG) 3.6% 01/09/2027	1,000,000	1,129,363	0.32
PACIFIC GAS & ELECTRIC (REG) 2.1% 01/08/2027	500,000	490,247	0.14
PALO ALTO NETWORKS (REG) CONV .375% 01/06/2025	1,050,000	1,421,860	0.40
PALO ALTO NETWORKS 0.75% CONV 01/07/2023	485,000	710,316	0.20
PEBBLEBROOK HOTEL TRUST (REG) CONV 1.75% 15/12/2026	650,000	737,924	0.21
PEPSICO INC (REG) 3% 15/10/2027	1,000,000	1,105,506	0.31
PIONEER NATURAL RESOURCE (REG) CONV .25% 15/05/2025	990,000	1,575,446	0.45
REDFIN CORP (REG) CONV 0% 15/10/2025	455,000	514,287	0.15
REPLIGEN CORP (REG) 0.375% 15/07/2024 (CONV)	525,000	946,884	0.27
RESTORATION HARDWARE (REG) CONV 0% 15/06/2023	215,000	757,477	0.22
RINGCENTRAL INC (REG) CONV 0% 01/03/2025	955,000	1,050,997	0.30
RINGCENTRAL INC (REG) CONV 0% 15/03/2026	195,000	198,377	0.06
SABINE PASS LIQUEFACTION LLC (REG) 5.75% 15/05/2024	750,000	847,817	0.24
SCHLUMBERGER HLDGS CORP (SER 144A) (REG) 4% 21/12/2025	1,250,000	1,389,908	0.40
SFX ENTERTAINMENT INC SER 144A (REG) 9.625% 01/02/2019	350,000	–	–
SHIFT4 PAYMENTS INC (REG) CONV 0% 15/12/2025	495,000	668,889	0.19
SHOPIFY INC (REG) CONV. 125% 01/11/2025	785,000	1,024,659	0.29

Investments	Portfolio holdings	Market value US\$	of NAV
<i>Listed/unlisted but quoted investments 96.07% (continued)</i>			
Unlisted but quoted bonds 39.96% (continued)			
United States 36.80% (continued)			
SOUTHWEST AIRLINES CO (REG) CONV 1.25% 01/05/2025	830,000	1,260,756	0.36
SPLUNK INC (REG) CONV 1.125% 15/06/2027	450,000	438,098	0.12
SPLUNK INC 0.5% 15/09/2023 (CONV)	200,000	233,724	0.07
SPOTIFY USA INC CONV 0% 15/03/2026	870,000	825,461	0.23
SQUARE INC (REG) CONV .125% 01/03/2025	155,000	319,422	0.09
SQUARE INC (REG) CONV 0% 01/05/2026	230,000	259,962	0.07
SQUARE INC CONV .25% 01/11/2027	1,085,000	1,261,687	0.36
STARBUCKS CORP (REG) 4% 15/11/2028	600,000	694,522	0.20
SUNNOVA ENERGY INTL INC CONV .25% 01/12/2026	390,000	484,985	0.14
SYNAPTICS INC (REG) CONV 0.5% 15/06/2022	300,000	632,504	0.18
SYSCO CORPORATION 5.95% 01/04/2030	600,000	779,946	0.22
TESLA INC (REG) CONV 2% 15/05/2024	175,000	1,921,746	0.55
TWITTER INC (REG) CONV 0% 15/03/2026	1,510,000	1,447,773	0.41
UBER TECHNOLOGIES INC (REG) CONV 0% 15/12/2025	1,200,000	1,224,408	0.35
UNION PACIFIC CORP (REG) 2.375% 20/05/2031	400,000	409,492	0.12
US BANCORP (REG) SER X 3.15% 27/04/2027	1,000,000	1,099,768	0.31
VAIL RESORTS INC (REG) CONV 0% 01/01/2026	610,000	633,900	0.18
VERIZON COMMUNICATIONS (REG) 4.125% 16/03/2027	1,250,000	1,435,831	0.41
VERIZON COMMUNICATIONS (SER WI) (REG) 4.016% 03/12/2029	400,000	458,939	0.13
VIAVI SOLUTIONS INC (REG) CONV 1.75% 01/06/2023	455,000	612,270	0.17
VIAVI SOLUTIONS INC CONV 1% 01/03/2024	295,000	417,585	0.12
WAYFAIR INC CONV .625% 01/10/2025	1,140,000	1,215,106	0.35
WELLPOINT INC (REG) CONV 2.75% 15/10/2042	150,000	813,485	0.23
WINDSTREAM SRVC / FIN SER 144A (REG) 6.375% 01/08/2023	796,000	21,144	0.01
WORKDAY INC 0.25% CONV 01/10/2022	330,000	546,399	0.16
ZENDESK INC (REG) CONV .625% 15/06/2025	695,000	22,147	0.01
ZENDESK INC (REG) CONV .625% 15/06/2025	15,000	1,017,028	0.29
ZILLOW GROUP INC (REG) CONV 2.75% 15/05/2025	415,000	821,029	0.23
ZSCALER INC CONV 0.125% 01/07/2025	590,000	925,967	0.26
ZYNGA INC (REG) CONV .25% 01/06/2024	600,000	830,357	0.24
ZYNGA INC (REG) CONV 0% 15/12/2026	295,000	315,798	0.09
Total unlisted but quoted bonds		<u>140,560,513</u>	<u>39.96</u>

Allianz Selection Income and Growth (continued)

Supplementary information (continued)

Portfolio statement (continued)
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 96.07% (continued)</i>			
Unlisted but quoted call options (0.07)%			
United States (0.07)%			
ACTIVISION BLIZZARD INC 105 CALL 16/07/2021	45	(720)	(0.00)
ADVANCED MICRO DEVICES INC 105 CALL 20/08/2021	58	(14,326)	(0.00)
AON PLC 260 CALL 16/07/2021	19	(1,140)	(0.00)
CATERPILLAR INC 240 CALL 16/07/2021	24	(912)	(0.00)
CHARLES SCHWAB CORP/THE 80 CALL 20/08/2021	60	(4,320)	(0.00)
CROWDSTRIKE HOLDINGS INC 260 CALL 16/07/2021	19	(9,215)	(0.00)
DEERE & CO 390 CALL 20/08/2021	10	(3,070)	(0.00)
DOW INC 70 CALL 20/08/2021	18	(1,134)	(0.00)
DR HORTON INC 98 CALL 16/07/2021	37	(925)	(0.00)
FEDEX CORP 350 CALL 16/07/2021	22	(440)	(0.00)
MATCH GROUP INC 165 CALL 16/07/2021	40	(11,080)	(0.00)
NETFLIX INC 600 CALL 20/08/2021	5	(3,020)	(0.00)
NIKE INC 145 CALL 16/07/2021	75	(73,500)	(0.03)
NVIDIA CORP 790 CALL 16/07/2021	20	(59,100)	(0.03)
SCHLUMBERGER NV 37.5 CALL 16/07/2021	90	(720)	(0.00)
SERVICENOW INC 570 CALL 16/07/2021	2	(928)	(0.00)
STARBUCKS CORP 120 CALL 20/08/2021	35	(3,500)	(0.00)
TESLA INC 725 CALL 16/07/2021	25	(32,000)	(0.01)
TWILIO INC 390 CALL 16/07/2021	10	(16,950)	(0.00)
Total unlisted but quoted call options		(237,000)	(0.07)
Total listed/unlisted but quoted investments		337,925,312	96.07
Forward Contracts (1.48%)		5,200,313	1.48
Total investments		343,125,625	97.55
Other net assets		8,612,003	2.45
Net assets attributable to unitholders as at 30 June 2021		351,737,628	100
Total investments, at cost		298,034,969	

Note: Investments are accounted for on a trade date basis.

Additional Details on Financial Derivative Instruments

Forward Foreign Exchange

Contracts/Underlying Assets	Counterparties	Fair Value US\$
Buy AUD Sell USD	Hongkong and Shanghai Banking Corporation Limited	(220,596)
Buy CAD Sell USD	Hongkong and Shanghai Banking Corporation Limited	68,684
Buy CNH Sell USD	Hongkong and Shanghai Banking Corporation Limited	5,025,589
Buy EUR Sell USD	Hongkong and Shanghai Banking Corporation Limited	(19,743)
Buy GBP Sell USD	Hongkong and Shanghai Banking Corporation Limited	7,557
Buy NZD Sell USD	Hongkong and Shanghai Banking Corporation Limited	(54,588)
Buy SGD Sell USD	Hongkong and Shanghai Banking Corporation Limited	(1,542)
Buy USD Sell AUD	Hongkong and Shanghai Banking Corporation Limited	55,339
Buy USD Sell CAD	Hongkong and Shanghai Banking Corporation Limited	9,280
Buy USD Sell CNH	Hongkong and Shanghai Banking Corporation Limited	4,697
Buy USD Sell EUR	Hongkong and Shanghai Banking Corporation Limited	124,998
Buy USD Sell GBP	Hongkong and Shanghai Banking Corporation Limited	181,794
Buy USD Sell NZD	Hongkong and Shanghai Banking Corporation Limited	8,634
Buy USD Sell SGD	Hongkong and Shanghai Banking Corporation Limited	210

Options	Underlying Assets	Counterparties	Fair Value US\$
Call option	Activision Blizzard Inc	Goldman Sachs International	(720)
Call option	Advanced Micro Devices Inc	Goldman Sachs International	(14,326)
Call option	Aon Plc	Goldman Sachs International	(1,140)
Call option	Caterpillar Inc	Goldman Sachs International	(912)
Call option	Charles Schwab Corp	Goldman Sachs International	(4,320)
Call option	Crowdstrike Holdings Inc	Goldman Sachs International	(9,215)
Call option	Deere & Co	Goldman Sachs International	(3,070)
Call option	Dow Inc	Goldman Sachs International	(1,134)
Call option	Dr Horton Inc	Goldman Sachs International	(925)
Call option	Fedex Corp	Goldman Sachs International	(440)
Call option	Match Group Inc	Goldman Sachs International	(11,080)
Call option	Netflix Inc	Goldman Sachs International	(3,020)
Call option	Nike Inc	Goldman Sachs International	(73,500)
Call option	Nvidia Corp	Goldman Sachs International	(59,100)
Call option	Schlumberger Nv	Goldman Sachs International	(720)
Call option	Servicenow Inc	Goldman Sachs International	(928)
Call option	Starbucks Corp	Goldman Sachs International	(3,500)
Call option	Tesla Inc	Goldman Sachs International	(32,000)
Call option	Twilio Inc	Goldman Sachs International	(16,950)

Warrants	Underlying Assets	Counterparties	Fair Value US\$
Warrants	Cenveo Inc	Cenveo Inc	–

Allianz Selection Income and Growth (continued)

Supplementary information (continued)

Statement of movement in portfolio holdings
for the year ended 30 June 2021 (Unaudited)

	% of Net Assets 2021	% of Net Assets 2020
<i>Listed/unlisted but quoted investments</i>		
Listed equities		
Bermuda	–	0.35
Canada	0.31	0.20
China	–	0.25
Great Britain	0.19	0.30
Jersey	0.57	0.35
United States	38.04	37.84
	<hr/>	<hr/>
Total listed equities	39.11	39.29
	<hr/>	<hr/>
Unlisted but quoted equities		
Bermuda	–	–
United States	0.05	0.00
	<hr/>	<hr/>
Total unlisted but quoted equities	0.05	0.00
	<hr/>	<hr/>
Listed bonds		
Canada	0.42	0.60
Great Britain	1.45	1.67
Ireland	0.60	–
Japan	0.38	–
United States	14.17	14.93
	<hr/>	<hr/>
Total listed bonds	17.02	17.20
	<hr/>	<hr/>

	% of Net Assets 2021	% of Net Assets 2020
<i>Listed/unlisted but quoted investments (continued)</i>		
Unlisted but quoted bonds		
Bermuda	0.64	0.23
Canada	0.33	0.47
Cayman Islands	0.33	0.36
China	0.23	–
Great Britain	0.39	0.57
Israel	0.38	–
Liberia	0.46	0.26
Singapore	–	0.19
Switzerland	0.40	0.57
United States	36.80	37.36
	<hr/>	<hr/>
Total unlisted but quoted bonds	39.96	40.01
	<hr/>	<hr/>
Unlisted but quoted warrants		
United States	0.00	0.00
	<hr/>	<hr/>
Total warrants	0.00	0.00
	<hr/>	<hr/>
Unlisted but quoted call options		
United States	(0.07)	(0.02)
	<hr/>	<hr/>
Total call options	(0.07)	(0.02)
	<hr/>	<hr/>
Total listed/unlisted but quoted investments	96.07	96.48
	<hr/>	<hr/>
Forward contracts	1.48	0.16
	<hr/>	<hr/>
Total investments	97.55	96.64
	<hr/>	<hr/>
Other net assets	2.45	3.36
	<hr/>	<hr/>
Net assets attributable to unitholders as at year end	100.00	100.00
	<hr/>	<hr/>

Allianz Selection Income and Growth (continued)

Supplementary information (continued)

Performance record (Unaudited)

(a) Price record (Dealing net asset value per unit) since inception

Year	Class AM Distribution H2-RMB			
	Lowest		Highest	
2021	RMB	9.31	RMB	10.98
2020	RMB	7.22	RMB	9.47
2019	RMB	8.04	RMB	9.63
2018	RMB	9.21	RMB	9.86
2017	RMB	8.93	RMB	9.52
2016	RMB	8.53	RMB	10.26
2015	RMB	9.90	RMB	10.56

Year	Class AM Distribution H2-SGD			
	Lowest		Highest	
2021	SGD	10.55	SGD	12.49
2020	SGD	8.14	SGD	10.67

Year	Class AM Distribution H2-EUR			
	Lowest		Highest	
2021	EUR	10.57	EUR	12.51
2020	EUR	8.15	EUR	10.66

Year	Class AM Distribution USD			
	Lowest		Highest	
2021	US\$	10.59	US\$	12.55
2020	US\$	8.15	US\$	10.67

Year	Class AM Distribution HKD			
	Lowest		Highest	
2021	HKD	10.46	HKD	12.41
2020	HKD	8.07	HKD	10.58

Year	Class AM Distribution H2-AUD			
	Lowest		Highest	
2021	AUD	10.44	AUD	12.32
2020	AUD	8.08	AUD	10.63

(a) Price record (Dealing net asset value per unit) since inception (continued)

		Class AM Distribution H2-CAD	
Year		Lowest	Highest
2021		CAD 10.53	CAD 12.44
2020		CAD 8.16	CAD 10.69
		Class AM Distribution H2-GBP	
Year		Lowest	Highest
2021		GBP 10.49	GBP 12.41
2020		GBP 8.11	GBP 10.64
		Class AM Distribution H2-NZD	
Year		Lowest	Highest
2021		NZD 11.56	NZD 13.82
2020		NZD 9.12	NZD 11.57
		Class AT Distribution HKD	
Year		Lowest	Highest
2021		HKD 9.64	HKD 10.24
		Class AT Distribution USD	
Year		Lowest	Highest
2021		US\$ 9.64	US\$ 10.25
		Class IT Accumulation EUR	
Year		Lowest	Highest
2021		EUR –	EUR –
2020		EUR –	EUR –
2019		EUR –	EUR –
2018		EUR –	EUR –
2017		EUR –	EUR –
2016		EUR 11.12	EUR 12.78
2015		EUR 9.89	EUR 13.07

Allianz Selection Income and Growth (continued)

Supplementary information (continued)

Performance record (Unaudited) (continued)

(b) Total net asset value (calculated in accordance with HKFRS)

	2021	2020	2019
Total net asset value	US\$ 351,737,628	US\$ 249,979,903	US\$ 358,212,562

(c) Net asset value per unit (calculated in accordance with HKFRS)

	2021	2020	2019
Net asset value per unit			
– Class AM Distribution H2-AUD	AUD 12.00	AUD 10.33	–
– Class AM Distribution H2-CAD	CAD 12.14	CAD 10.42	–
– Class AM Distribution H2-EUR	EUR 12.22	EUR 10.46	–
– Class AM Distribution H2-GBP	GBP 12.16	GBP 10.38	–
– Class AM Distribution H2-NZD	NZD 13.51	NZD 11.45	–
– Class AM Distribution H2-SGD	SGD 12.20	SGD 10.43	–
– Class AM Distribution H2-RMB	RMB 10.67	RMB 9.20	RMB 9.03
– Class AM Distribution HKD	HKD 12.14	HKD 10.35	–
– Class AM Distribution USD	US\$ 12.27	US\$ 10.47	–
– Class AT Distribution HKD	HKD 10.23	–	–
– Class AT Distribution USD	US\$ 10.23	–	–

Information on exposure arising from financial derivative instruments

The following table details the exposures arising from the use of financial derivative instruments as a percentage of net asset value of the Sub-Fund for the year ended 30 June 2021:

	Gross exposure %	Net exposure %
– Highest	20.46 [#]	19.73
– Lowest	3.63 [#]	3.30
– Average	11.14 [#]	10.64

[#] There are some share classes with currency hedging features. For the avoidance of doubt, it is not included in the calculation of the gross exposure of the fund portfolio.

Trustee's report

Allianz Preferred Securities and Income

("the Sub-Fund")

We hereby confirm that, to the best of our knowledge, the Manager of the Sub-Fund has, in all material respects, managed the Sub-Fund in accordance with the provisions of the trust deed dated 10 September 2014, as amended, for the year ended 30 June 2021.

)
) For and on behalf of
) HSBC Institutional Trust Services (Asia) Limited
) 滙豐機構信託服務(亞洲)有限公司
)

Independent auditor's report to the Unitholders of Allianz Preferred Securities and Income

Report on the Audit of the Financial Statements

Opinion

What we have audited

The financial statements of Allianz Preferred Securities and Income (the "Sub-Fund"), a sub-fund of the Allianz Global Investors Asia Fund, set out on pages 144 to 187, which comprise:

- the statement of net assets as at 30 June 2021;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to unitholders for the year then ended;
- the cash flow statement for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Fund as at 30 June 2021, and of its financial transactions and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's 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 are independent of the Sub-Fund in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code") and we have fulfilled our other ethical responsibilities in accordance with the Code.

Independent auditor's report to the Unitholders of Allianz Preferred Securities and Income (continued)

Other Information

The Trustee and the Manager (the "Management") of the Sub-Fund are responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion 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, 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 in this regard.

Responsibilities of the Management for the Financial Statements

The Management of the Sub-Fund is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA, and for such internal control as the Management determines 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 Management of the Sub-Fund is responsible for assessing the Sub-Fund's 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 Management either intends to liquidate the Sub-Fund or to cease operations, or has no realistic alternative but to do so.

In addition, the Management of the Sub-Fund is required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 10 September 2014, as amended (the "Trust Deed") and Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (the "SFC Code").

Independent auditor's report to the Unitholders of Allianz Preferred Securities and Income (continued)

Auditor's 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 auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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. In addition, we are required to assess whether the financial statements of the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent auditor's report to the Unitholders of Allianz Preferred Securities and Income (continued)

Report on Matters under the Relevant Disclosure Provisions of the Trust Deed and Appendix E of the SFC Code

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 28 October 2021

Allianz Preferred Securities and Income

Statement of Net Assets

as at 30 June 2021

	Note	2021 US\$	2020 US\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	10(a)	12,929,137	14,973,124
Dividend receivable		5,358	8,688
Amounts due from brokers		–	242,653
Other receivables		2,721	2,591
Cash and cash equivalents	6(d)	<u>193,896</u>	<u>31,872</u>
Total assets		<u>13,131,112</u>	<u>15,258,928</u>
Liabilities			
Current liabilities			
Financial liabilities at fair value through profit or loss	10(a)	17,226	25,258
Amounts payable on redemption		3,744	138,822
Amounts due to brokers		71,428	–
Other payables	6	<u>87,860</u>	<u>49,317</u>
Total liabilities (excluding net assets attributable to unitholders)		<u>180,258</u>	<u>213,397</u>
Net assets attributable to unitholders		<u>12,950,854</u>	<u>15,045,531</u>

Approved by the Trustee and the Manager on 28 October 2021

)
) For and on behalf of
) HSBC Institutional Trust Services (Asia) Limited
) 滙豐機構信託服務(亞洲)有限公司
)
)
)
) For and on behalf of
) Allianz Global Investors Asia Pacific Limited
)

The accompanying notes form an integral part of these financial statements.

Allianz Preferred Securities and Income (continued)

Statement of Comprehensive Income for the year ended 30 June 2021

	Note	2021 US\$	2020 US\$
Income			
Dividend income		249,178	101,081
Interest income on deposits	6(d)	3	8,377
Net gains/(losses) on financial assets and liabilities at fair value through profit or loss	4	3,775,774	(1,433,543)
Net foreign exchange (losses)/gains		(3,104)	1,644
Other income		–	538
Total net income/(loss)		<u>4,021,851</u>	<u>(1,321,903)</u>
Expenses			
Audit fee		(9,384)	(11,943)
Trustee's fee	6(b)	(12,468)	(24,006)
Management fee	6(a)	(173,985)	(324,114)
Administrative fees		(41,620)	(22,961)
Registrar's and transfer agent's fees	6(c)	(4,133)	(5,680)
Legal and professional fees		(5,679)	(12,561)
Transaction costs		(392)	–
Safe custody fees, bank charges and miscellaneous expenses	6	<u>(99,913)</u>	<u>(65,726)</u>
Total operating expenses		<u>(347,574)</u>	<u>(466,991)</u>
Net profits/(losses) before taxation and distributions		3,674,277	(1,788,894)
Withholding tax	5	<u>(112,830)</u>	<u>(49,703)</u>
Net profits/(losses) before distributions		3,561,447	(1,838,597)
Distributions to unitholders	9	<u>(911,150)</u>	<u>(1,846,192)</u>
Increase/(decrease) in net assets attributable to unitholders from operations		<u>2,650,297</u>	<u>(3,684,789)</u>

The accompanying notes form an integral part of these financial statements.

Allianz Preferred Securities and Income (continued)

Statement of Changes in Net Assets Attributable to Unitholders for the year ended 30 June 2021

		2021 US\$	2020 US\$
Net assets attributable to unitholders at the beginning of the year	8	15,045,531	35,042,922
Subscription of units	8	4,285,523	17,270,208
Redemption of units	8	(9,030,497)	(33,582,810)
Net decrease from transactions with unitholders		(4,744,974)	(16,312,602)
Increase/(decrease) in net assets attributable to unitholders from operations		2,650,297	(3,684,789)
Net assets attributable to unitholders at the end of the year	8	12,950,854	15,045,531

The accompanying notes form an integral part of these financial statements.

Allianz Preferred Securities and Income (continued)

Cash Flow Statement

for the year ended 30 June 2021

	Note	2021 US\$	2020 US\$
Cash flows from operating activities			
Increase/(decrease) in net assets attributable to unitholders from operations		2,650,297	(3,684,789)
Adjustment for:			
Dividend income		(249,178)	(101,081)
Interest income on deposits		(3)	(8,377)
Distributions to unitholders	9	911,150	1,846,192
Withholding tax	5	112,830	49,703
Operating gain/(loss) before changes in working capital		3,425,096	(1,898,352)
Net change in financial assets and financial liabilities at fair value through profit or loss		2,035,955	19,023,010
Net change in amounts due from brokers		242,653	(221,550)
Net change in amounts due to brokers		71,428	(712,767)
Net change in other receivables		(130)	40,768
Net change in other payables		38,543	(1,645)
Cash generated from operations		5,813,545	16,229,464
Dividend income received		252,508	92,393
Interest income on deposits received		3	8,495
Tax paid	5	(112,830)	(49,703)
Net cash generated from operating activities		5,953,226	16,280,649
Cash flows from financing activities			
Proceeds from subscription of units		4,285,523	17,316,645
Payments on redemption of units		(9,165,575)	(33,495,159)
Distributions paid	9	(911,150)	(1,846,192)
Net cash used in financing activities		(5,791,202)	(18,024,706)
Net increase/(decrease) in cash and cash equivalents		162,024	(1,744,057)
Cash and cash equivalents at the beginning of the year		31,872	1,775,929
Cash and cash equivalents at the end of the year		193,896	31,872

The accompanying notes form an integral part of these financial statements.

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements

1 The Sub-Fund

Allianz Preferred Securities and Income (the “Sub-Fund”) is a sub-fund of Allianz Global Investors Asia Fund (the “Trust”). The Trust is an open-ended unit trust established under a trust deed dated 10 September 2014, as amended (the “Trust Deed”), and governed by the laws of Hong Kong.

With effect from 27 April 2020, the name of the Sub-Fund has been changed from Allianz Selection US High Yield to Allianz Preferred Securities and Income.

The objective of the Sub-Fund before 27 April 2020 is to achieve long-term capital appreciation and income by investing primarily in U.S. corporate bonds rated below investment grade. The objective of the Sub-Fund starting from 27 April 2020 is to achieve income and long-term capital appreciation by investing primarily in preferred securities and interest bearing securities. The Sub-Fund is authorised by the Hong Kong Securities and Futures Commission (“SFC”) under section 104 of the Hong Kong Securities and Futures Ordinance (“HKSF”) and is governed by the Code on Unit Trusts and Mutual Funds issued by the SFC.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of the financial statements of the Sub-Fund are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires the Trustee and the Manager (the “Management”) to exercise their judgement in the process of applying the Sub-Fund’s accounting policies. The areas involving higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Standards and amendments to existing standards effective 1 July 2020

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 July 2020 that have a material effect on the financial statements of the Sub-Fund.

New standards, amendments and interpretations effective after 1 July 2020 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2020, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Sub-Fund.

2 Summary of significant accounting policies (continued)

(b) *Financial assets and financial liabilities at fair value through profit or loss*

(i) *Classification*

The Sub-Fund classifies its investments based on both the Sub-Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Sub-Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Sub-Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Sub-Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Sub-Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

As such, the Sub-Fund classifies all of its investment portfolio as financial assets or liabilities at fair value through profit or loss.

The Sub-Fund's policy requires the Management to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

(ii) *Recognition, derecognition and measurement*

Regular purchases and sales of investments are recognised on the trade date – the date on which the Sub-Fund commits to purchase or sell the investments. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

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

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the "financial assets or financial liabilities at fair value through profit or loss" category are presented in the statement of comprehensive income within net gains/(losses) on financial assets and liabilities at fair value through profit or loss in the period in which they arise.

The Sub-Fund uses the weighted average cost method to determine realised gains and losses on derecognition.

(iii) *Fair value estimation*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Sub-Fund utilises the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, Management will determine the point within the bid-ask spread that is more representative of fair value.

Securities which are not listed on an exchange or are thinly traded are valued by using quotes from brokers.

In the absence of quoted values or brokers' representative prices, securities are valued using appropriate valuation techniques as reasonably determined by the Management. Debt securities are fair valued inclusive of accrued interest.

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

2 Summary of significant accounting policies (continued)

(b) Financial assets and financial liabilities at fair value through profit or loss (continued)

(iv) Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting year.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of net assets where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise an asset and settle a liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Sub-Fund or the counterparty.

(d) Income

Interest income is recognised on a time proportionate basis, using the effective interest method. Interest income on deposits is disclosed separately in the statement of comprehensive income. Interest income on debt securities is included in net gains/(losses) on financial assets and liabilities at fair value through profit or loss.

Dividend income is recognised when the right to receive payment is established, with the corresponding foreign withholding taxes recorded as an expense.

Other income is accounted for on an accrual basis.

(e) Expenses

Expenses are accounted for on an accrual basis.

(f) Subscriptions and redemptions

The Sub-Fund recognises unitholders' subscriptions and allots units upon receipt of a valid subscription application and derecognises them upon receipt of a valid redemption application.

(g) Units in issue

The Sub-Fund issues redeemable units, which are redeemable at the holder's option, represent puttable financial instruments of the Sub-Fund. The puttable financial instruments are classified as equity if they meet all the following criteria:

- the puttable instruments entitle the holder to a pro-rata share of net assets;
- the puttable instruments are the most subordinated unit in issue and unit features are identical;
- there are no contractual obligations to deliver cash or another financial asset; and
- the total expected cash flows from the puttable instrument over its life are based substantially on the profit or loss of the Sub-Fund.

2 Summary of significant accounting policies (continued)

(g) Units in issue (continued)

The Sub-Fund issues two classes of redeemable units in issue and do not have identical rights. Therefore, they do not meet the criteria for equity classification and are classified as financial liabilities. They are measured at the redemption amount that is payable at the year end date if the holder exercises the right to put the units back to the Sub-Fund.

(h) Foreign currency translation

(i) Functional and presentation currency

The Management considers the United States Dollars (“US\$”) to be the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The US\$ is the currency in which the Sub-Fund measures its performance and reports its results.

The financial statements of the Sub-Fund are presented in US\$, which is the Sub-Fund’s functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year end date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within “net foreign exchange gains/(losses)”.

Foreign exchange gains and losses relating to financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within “net gains/(losses) on financial assets and liabilities at fair value through profit or loss”.

(i) Amounts due from or due to brokers

Amounts due from and to brokers represent receivables for investments sold and payables for investments purchased that have been contracted for but not yet settled or delivered on the statement of net assets date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Sub-Fund shall measure the loss allowance on amounts due from brokers at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Sub-Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

2 Summary of significant accounting policies (continued)

(j) *Cash and cash equivalents*

Cash and cash equivalents include cash at bank, bank deposits with original maturities of 3 months or less from the date of placement net of bank overdrafts, if any.

(k) *Distributions to unitholders*

Proposed distributions to unitholders of the Sub-Fund are recognised in the statement of comprehensive income when they are appropriately authorised.

The Manager may at its discretion determine to pay out of income or capital in respect of the distributions of the Sub-Fund.

(l) *Transaction costs*

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and security exchanges, and transfer taxes and duties. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as an expense.

3 Critical accounting estimates and judgements

The Manager makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Fair value of securities not quoted in an active market

The Sub-Fund holds a number of debt securities that are valued by reference to broker quotes. In determining the fair value of such investments, the Manager exercises judgements and estimates on the sources of brokers and the quantity and quality of quotes used. Such quotes may be indicative and not executable or legally binding. As such, broker quotes do not necessarily indicate the price at which the security could actually be traded as of the year end date. Actual transacted prices may differ from the quotes provided by the brokers. The Manager considers that in the absence of any other reliable market sources, the broker quotes available to them reflect the best estimate of fair value.

4 Net gains/(losses) on financial assets and liabilities at fair value through profit or loss

	2021 US\$	2020 US\$
Movement of unrealised gains/losses	958,382	325,903
Realised gains/(losses)	2,817,392	(1,759,446)
	<u>3,775,774</u>	<u>(1,433,543)</u>

5 Taxation

No provision for Hong Kong profits tax has been made in the financial statements as the Sub-Fund is authorised as a collective investment scheme under section 104 of the HKSF and is therefore exempt from profits tax under section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

Dividend income and Interest income received by the Sub-Fund is subject to withholding tax imposed in certain countries of origin. Dividend income and Interest income is recognised gross of taxes and the corresponding withholding tax is recognised as tax expense.

6 Related party transactions/Transactions with the Manager, the Trustee and their connected persons

The following is a summary of significant related party transactions or transactions entered into during the year between the Sub-Fund and the Manager, the Trustee and their connected persons. Connected persons are those as defined in the Code on Unit Trusts and Mutual Funds issued by the SFC. All transactions during the year between the Sub-Fund and the Manager, the Trustee and their connected persons were entered into in the ordinary course of business and on normal commercial terms. To the best of the knowledge of the Manager and the Trustee, the Sub-Fund did not have any other transactions with connected persons except for those disclosed below.

- (a) The Sub-Fund is managed by Allianz Global Investors Asia Pacific Limited, the Manager, which receives a management fee, payable monthly in arrears, equivalent to a percentage per annum of the net asset value as follows:

	% charged 2021	% charged 2020
For Class AM Distribution H2-RMB	1.20% p.a.	1.20% p.a.
For Class AM Distribution H2-AUD	1.20% p.a.	1.20% p.a.
For Class AM Distribution H2-CAD	1.20% p.a.	1.20% p.a.
For Class AM Distribution H2-EUR	1.20% p.a.	1.20% p.a.
For Class AM Distribution H2-GBP	1.20% p.a.	1.20% p.a.
For Class AM Distribution H2-SGD	1.20% p.a.	1.20% p.a.
For Class AM Distribution H2-NZD	1.20% p.a.	1.20% p.a.
For Class AM Distribution USD	1.20% p.a.	1.20% p.a.
For Class AM Distribution HKD	1.20% p.a.	1.20% p.a.
For Class AMg Distribution H2-RMB	1.20% p.a.	1.20% p.a.
For Class AMg Distribution H2-AUD	1.20% p.a.	1.20% p.a.
For Class AMg Distribution H2-CAD	1.20% p.a.	1.20% p.a.
For Class AMg Distribution H2-EUR	1.20% p.a.	1.20% p.a.
For Class AMg Distribution H2-GBP	1.20% p.a.	1.20% p.a.
For Class AMg Distribution H2-SGD	1.20% p.a.	1.20% p.a.
For Class AMg Distribution H2-NZD	1.20% p.a.	1.20% p.a.
For Class AMg Distribution USD	1.20% p.a.	1.20% p.a.
For Class AMg Distribution HKD	1.20% p.a.	1.20% p.a.
	2021	2020
	US\$	US\$
(i) Management fee for the year	173,985	324,114
(ii) Management fee payable at year end	25,923	15,229

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

6 Related party transactions/Transactions with the Manager, the Trustee and their connected persons (continued)

- (b) The Trustee, HSBC Institutional Trust Services (Asia) Limited, a subsidiary within the HSBC Group, receives a trustee's fee, payable monthly, equivalent to 0.07% per annum of the net asset value of the Sub-Fund, subject to a minimum annual fee of US\$8,000. In addition, the Trustee provides valuation services to the Sub-Fund in return for a valuation fee.

	2021 US\$	2020 US\$
(i) Trustee's fee for the year	12,468	24,006
(ii) Trustee's fee payable at year end	741	891
(iii) Valuation fee for the year	91,200	31,560
(iv) Valuation fee payable at year end	5,880	8,400

- (c) The registrar of the Trust is Allianz Global Investors Asia Pacific Limited which receives registrar's and transfer agent's fees from the Sub-Fund.

	2021 US\$	2020 US\$
(i) Registrar's and transfer agent's fees for the year	4,133	5,680
(ii) Registrar's and transfer agent's fees payable at year end	3,333	1,053

- (d) Bank accounts are maintained with The Hongkong and Shanghai Banking Corporation Limited, a subsidiary within the HSBC Group. The balances of the accounts, interest income and bank charges are set out below:

	2021 US\$	2020 US\$
Cash at bank at year end	193,896	31,872
Interest income on deposits for the year	3	8,377
Bank charges for the year	–	8,482

In addition, it provides safe custody services and services in connection with purchases and sales transactions to the Sub-Fund in return for a safe custody fee and a transaction handling fee respectively.

	2021 US\$	2020 US\$
(i) Safe custody fee for the year	2,345	7,776
(ii) Transaction handling fee for the year	1,370	7,540
(iii) Transaction handling fee payable at year end	84	230

6 Related party transactions/Transactions with the Manager, the Trustee and their connected persons (continued)

- (e) The counterparty of all forward contracts held by the Sub-Fund during the year is The Hongkong and Shanghai Banking Corporation Limited. All outstanding forward contracts as at 30 June 2021 and 2020 are set out in note 10(f).
- (f) During the years ended 30 June 2021 and 2020, the Sub-Fund's units were subscribed and redeemed by the Manager and its affiliates as follows:

	2021	2020
Allianz Selection Income and Growth		
Class IT Accumulation USD		
Number of units held brought forward	–	500,000.000
Units subscribed during the year	–	–
Units redeemed during the year	–	(500,000.000)
	<u>–</u>	<u>–</u>
Number of units held carried forward	–	–

7 Soft commission arrangements

The Manager confirms that there have been no soft commission arrangements existed during the years ended 30 June 2021 and 2020 in relation to directing transactions of the Sub-Fund through a broker or dealer.

8 Units issued and redeemed

Capital movement

	2021	2020
(i) Class AM Distribution H2-RMB		
Number of units in issue brought forward	15,221,425.251	25,278,210.050
Units issued during the year	803,728.727	15,152,764.043
Units redeemed during the year	(7,363,665.796)	(25,209,548.842)
	<u>8,661,488.182</u>	<u>15,221,425.251</u>
Number of units in issue carried forward		
Net assets per unit as at year end	US\$ 1.17	US\$ 0.98
Net assets per unit as at year end	RMB 7.58	RMB 6.94
(ii) Class AM Distribution H2-AUD		
Number of units in issue brought forward	200.846	–
Units issued during the year	8.972	200.846
Units redeemed during the year	–	–
	<u>209.818</u>	<u>200.846</u>
Number of units in issue carried forward		
Net assets per unit as at year end	US\$ 8.34	US\$ 7.00
Net assets per unit as at year end	AUD 11.10	AUD 10.17

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

8 Units issued and redeemed (continued)

Capital movement (continued)

	2021	2020
(iii) Class AM Distribution H2-CAD		
Number of units in issue brought forward	182.406	–
Units issued during the year	8.225	182.406
Units redeemed during the year	–	–
	<u>190.631</u>	<u>182.406</u>
Number of units in issue carried forward		
	<u>190.631</u>	<u>182.406</u>
Net assets per unit as at year end	US\$ 8.98	US\$ 7.46
	<u>US\$ 8.98</u>	<u>US\$ 7.46</u>
Net assets per unit as at year end	CAD 11.12	CAD 10.16
	<u>CAD 11.12</u>	<u>CAD 10.16</u>
(iv) Class AM Distribution H2-EUR		
Number of units in issue brought forward	119.275	–
Units issued during the year	4.110	119.275
Units redeemed during the year	–	–
	<u>123.385</u>	<u>119.275</u>
Number of units in issue carried forward		
	<u>123.385</u>	<u>119.275</u>
Net assets per unit as at year end	US\$ 13.24	US\$ 11.51
	<u>US\$ 13.24</u>	<u>US\$ 11.51</u>
Net assets per unit as at year end	EUR 11.17	EUR 10.25
	<u>EUR 11.17</u>	<u>EUR 10.25</u>
(v) Class AM Distribution H2-GBP		
Number of units in issue brought forward	104.285	–
Units issued during the year	4.143	104.285
Units redeemed during the year	–	–
	<u>108.428</u>	<u>104.285</u>
Number of units in issue carried forward		
	<u>108.428</u>	<u>104.285</u>
Net assets per unit as at year end	US\$ 15.45	US\$ 12.55
	<u>US\$ 15.45</u>	<u>US\$ 12.55</u>
Net assets per unit as at year end	GBP 11.19	GBP 10.16
	<u>GBP 11.19</u>	<u>GBP 10.16</u>

8 Units issued and redeemed (continued)

Capital movement (continued)

	2021	2020
(vi) Class AM Distribution H2-SGD		
Number of units in issue brought forward	182.705	–
Units issued during the year	8.144	182.705
Units redeemed during the year	–	–
	<u>190.849</u>	<u>182.705</u>
Number of units in issue carried forward		
Net assets per unit as at year end	US\$ 8.29	US\$ 7.33
Net assets per unit as at year end	SGD 11.15	SGD 10.22
(vii) Class AM Distribution H2-NZD		
Number of units in issue brought forward	214.073	–
Units issued during the year	9.652	214.073
Units redeemed during the year	–	–
	<u>223.725</u>	<u>214.073</u>
Number of units in issue carried forward		
Net assets per unit as at year end	US\$ 7.76	US\$ 6.55
Net assets per unit as at year end	NZD 11.11	NZD 10.17
(viii) Class AM Distribution USD		
Number of units in issue brought forward	3,414.306	–
Units issued during the year	50.330	3,414.306
Units redeemed during the year	(3,329.030)	–
	<u>135.606</u>	<u>3,414.306</u>
Number of units in issue carried forward		
Net assets per unit as at year end	US\$ 11.15	US\$ 10.23
(ix) Class AM Distribution HKD		
Number of units in issue brought forward	1,005.771	–
Units issued during the year	45.178	1,005.771
Units redeemed during the year	–	–
	<u>1,050.949</u>	<u>1,005.771</u>
Number of units in issue carried forward		
Net assets per unit as at year end	US\$ 1.44	US\$ 1.32
Net assets per unit as at year end	HKD 11.18	HKD 10.23

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

8 Units issued and redeemed (continued)

Capital movement (continued)

	2021	2020
(x) Class AMg Distribution H2-RMB		
Number of units in issue brought forward	920.976	–
Units issued during the year	204,463.664	920.976
Units redeemed during the year	–	–
	<u>205,384.640</u>	<u>920.976</u>
Number of units in issue carried forward		
	<u>205,384.640</u>	<u>920.976</u>
Net assets per unit as at year end	US\$ 1.70	US\$ 1.44
	<u>US\$ 1.70</u>	<u>US\$ 1.44</u>
Net assets per unit as at year end	RMB 11.01	RMB 10.20
	<u>RMB 11.01</u>	<u>RMB 10.20</u>
(xi) Class AMg Distribution H2-AUD		
Number of units in issue brought forward	3,125.585	–
Units issued during the year	107,975.410	3,125.585
Units redeemed during the year	(23,812.672)	–
	<u>87,288.323</u>	<u>3,125.585</u>
Number of units in issue carried forward		
	<u>87,288.323</u>	<u>3,125.585</u>
Net assets per unit as at year end	US\$ 8.20	US\$ 6.99
	<u>US\$ 8.20</u>	<u>US\$ 6.99</u>
Net assets per unit as at year end	AUD 10.93	AUD 10.15
	<u>AUD 10.93</u>	<u>AUD 10.15</u>
(xii) Class AMg Distribution H2-CAD		
Number of units in issue brought forward	182.690	–
Units issued during the year	10.595	182.690
Units redeemed during the year	–	–
	<u>193.285</u>	<u>182.690</u>
Number of units in issue carried forward		
	<u>193.285</u>	<u>182.690</u>
Net assets per unit as at year end	US\$ 8.85	US\$ 7.44
	<u>US\$ 8.85</u>	<u>US\$ 7.44</u>
Net assets per unit as at year end	CAD 10.96	CAD 10.14
	<u>CAD 10.96</u>	<u>CAD 10.14</u>

8 Units issued and redeemed (continued)

Capital movement (continued)

	2021	2020
(xiii) Class AMg Distribution H2-EUR		
Number of units in issue brought forward	119,460	–
Units issued during the year	7,994,046	119,460
Units redeemed during the year	–	–
Number of units in issue carried forward	8,113,506	119,460
Net assets per unit as at year end	US\$ 13.06	US\$ 11.49
Net assets per unit as at year end	EUR 11.01	EUR 10.23
(xiv) Class AMg Distribution H2-GBP		
Number of units in issue brought forward	104,447	–
Units issued during the year	5,473	104,447
Units redeemed during the year	–	–
Number of units in issue carried forward	109,920	104,447
Net assets per unit as at year end	US\$ 15.25	US\$ 12.53
Net assets per unit as at year end	GBP 11.04	GBP 10.14
(xv) Class AMg Distribution H2-SGD		
Number of units in issue brought forward	182,990	–
Units issued during the year	10,513	182,990
Units redeemed during the year	–	–
Number of units in issue carried forward	193,503	182,990
Net assets per unit as at year end	US\$ 8.18	US\$ 7.33
Net assets per unit as at year end	SGD 10.99	SGD 10.22
(xvi) Class AMg Distribution H2-NZD		
Number of units in issue brought forward	214,407	–
Units issued during the year	45,980,549	214,407
Units redeemed during the year	(35,768,344)	–
Number of units in issue carried forward	10,426,612	214,407
Net assets per unit as at year end	US\$ 7.66	US\$ 6.53
Net assets per unit as at year end	NZD 10.97	NZD 10.15

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

8 Units issued and redeemed (continued)

Capital movement (continued)

	2021	2020
(xvii) Class AMg Distribution USD		
Number of units in issue brought forward	2,996.729	–
Units issued during the year	135,971.945	2,996.729
Units redeemed during the year	(27,735.666)	–
	<u>111,233.008</u>	<u>2,996.729</u>
Number of units in issue carried forward		
	<u>111,233.008</u>	<u>2,996.729</u>
Net assets per unit as at year end	US\$ 11.00	US\$ 10.22
(xviii) Class AMg Distribution HKD		
Number of units in issue brought forward	1,007.339	–
Units issued during the year	208,716.901	1,007.339
Units redeemed during the year	–	–
	<u>209,724.240</u>	<u>1,007.339</u>
Number of units in issue carried forward		
	<u>209,724.240</u>	<u>1,007.339</u>
Net assets per unit as at year end	US\$ 1.42	US\$ 1.32
Net assets per unit as at year end	HKD 11.02	HKD 10.22
(xix) Class IT Accumulation USD		
Number of units in issue brought forward	–	500,000.000
Units issued during the year	–	–
Units redeemed during the year	–	(500,000.000)
	<u>–</u>	<u>–</u>
Number of units in issue carried forward		
	<u>–</u>	<u>–</u>
Net assets per unit as at year end	US\$ –	US\$ –

The Sub-Fund is not subject to any externally imposed capital requirements

9 Distributions

The Sub-Fund pays distributions out of income and/or capital to unitholders of all classes. The following table summarises the income that could be used for distributions by the Sub-Fund:

	2021	2020
Net income available for distributions during the year	2,606,169	–
Undistributed income at the beginning of the year	–	–
Undistributed income at the end of the year	1,695,019	–

The following tables summarise the distributions paid by the Sub-Fund.

Class AM Distribution H2-RMB

	2021		
	in RMB	in US\$	Date of distribution
Distributions declared and paid during the year			
– RMB 0.03250 per unit on 15,130,327.390 units	491,736	70,112	20 July 2020
– RMB 0.03540 per unit on 14,382,732.610 units	509,149	73,346	20 August 2020
– RMB 0.03540 per unit on 14,152,445.491 units	500,997	73,588	18 September 2020
– RMB 0.03540 per unit on 13,851,771.313 units	490,353	73,115	20 October 2020
– RMB 0.04100 per unit on 13,553,632.364 units	555,699	84,050	19 November 2020
– RMB 0.04100 per unit on 13,474,447.283 units	552,452	84,564	18 December 2020
– RMB 0.04100 per unit on 11,681,065.557 units	478,924	73,996	21 January 2021
– RMB 0.04100 per unit on 10,012,953.449 units	410,531	63,964	19 February 2021
– RMB 0.04100 per unit on 9,582,450.322 units	392,880	60,426	18 March 2021
– RMB 0.04100 per unit on 9,484,873.034 units	388,880	59,561	20 April 2021
– RMB 0.04100 per unit on 9,241,434.135 units	378,899	58,832	21 May 2021
– RMB 0.04100 per unit on 8,671,454.468 units	355,530	55,571	18 June 2021
	<u>5,506,030</u>	<u>831,125</u>	

	2020		
	in RMB	in US\$	Date of distribution
Distributions declared and paid during the year			
– RMB 0.04600 per unit on 29,892,718.875 units	1,375,065	199,810	18 July 2019
– RMB 0.04600 per unit on 28,977,647.119 units	1,332,972	189,173	20 August 2019
– RMB 0.04600 per unit on 28,654,958.551 units	1,318,128	187,418	19 September 2019
– RMB 0.04200 per unit on 28,861,908.414 units	1,212,200	171,142	18 October 2019
– RMB 0.04200 per unit on 28,636,098.725 units	1,202,716	171,159	20 November 2019
– RMB 0.04200 per unit on 27,538,814.975 units	1,156,630	164,996	19 December 2019
– RMB 0.04200 per unit on 28,857,590.249 units	1,212,019	176,085	21 January 2020
– RMB 0.04600 per unit on 23,706,445.873 units	1,090,497	155,893	21 February 2020
– RMB 0.04600 per unit on 23,480,524.955 units	1,080,104	153,656	19 March 2020
– RMB 0.04600 per unit on 19,740,727.596 units	908,073	128,882	20 April 2020
– RMB 0.03250 per unit on 16,807,690.726 units	546,250	76,733	20 May 2020
– RMB 0.03250 per unit on 15,463,480.473 units	502,563	70,954	18 June 2020
	<u>12,937,217</u>	<u>1,845,901</u>	

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

9 Distributions (continued)

Class AM Distribution H2-AUD

	2021		
	in AUD	in US\$	Date of distribution
Distributions declared and paid during the year			
– AUD 0.03530 per unit on 200.846 units	7	5	20 July 2020
– AUD 0.03940 per unit on 201.540 units	8	6	20 August 2020
– AUD 0.03940 per unit on 202.295 units	8	6	18 September 2020
– AUD 0.03940 per unit on 203.053 units	8	6	20 October 2020
– AUD 0.03940 per unit on 203.821 units	8	6	19 November 2020
– AUD 0.03940 per unit on 204.573 units	8	7	18 December 2020
– AUD 0.03940 per unit on 205.314 units	8	7	21 January 2021
– AUD 0.03940 per unit on 206.055 units	8	7	19 February 2021
– AUD 0.03940 per unit on 206.803 units	8	7	18 March 2021
– AUD 0.03940 per unit on 207.558 units	8	6	20 April 2021
– AUD 0.03940 per unit on 208.315 units	8	7	21 May 2021
– AUD 0.03940 per unit on 209.070 units	8	6	18 June 2021
	<u>95</u>	<u>76</u>	
	2020		
	in AUD	in US\$	Date of distribution
Distributions declared and paid during the year			
– AUD 0.05290 per unit on 199.812 units	<u>11</u>	<u>8</u>	18 June 2020

9 Distributions (continued)

Class AM Distribution H2-CAD

	2021		
	in CAD	in US\$	Date of distribution
Distributions declared and paid during the year			
– CAD 0.03940 per unit on 182.406 units	7	5	20 July 2020
– CAD 0.03940 per unit on 183.110 units	7	6	20 August 2020
– CAD 0.03940 per unit on 183.797 units	7	6	18 September 2020
– CAD 0.03940 per unit on 184.486 units	7	6	20 October 2020
– CAD 0.03940 per unit on 185.184 units	7	6	19 November 2020
– CAD 0.03940 per unit on 185.868 units	7	6	18 December 2020
– CAD 0.03940 per unit on 186.541 units	7	6	21 January 2021
– CAD 0.03940 per unit on 187.214 units	7	6	19 February 2021
– CAD 0.03940 per unit on 187.894 units	7	6	18 March 2021
– CAD 0.03940 per unit on 188.579 units	7	6	20 April 2021
– CAD 0.03940 per unit on 189.266 units	7	6	21 May 2021
– CAD 0.03940 per unit on 189.952 units	7	6	18 June 2021
	<u>84</u>	<u>71</u>	

	2020		
	in CAD	in US\$	Date of distribution
Distributions declared and paid during the year			
– CAD 0.05910 per unit on 181.358 units	<u>11</u>	<u>8</u>	18 June 2020

Class AM Distribution H2-EUR

	2021		
	in EUR	in US\$	Date of distribution
Distributions declared and paid during the year			
– EUR 0.02280 per unit on 119.275 units	3	3	20 July 2020
– EUR 0.03110 per unit on 119.541 units	4	5	20 August 2020
– EUR 0.03110 per unit on 119.894 units	4	5	18 September 2020
– EUR 0.03110 per unit on 120.248 units	4	5	20 October 2020
– EUR 0.03110 per unit on 120.606 units	4	5	19 November 2020
– EUR 0.03110 per unit on 120.956 units	4	5	18 December 2020
– EUR 0.03110 per unit on 121.301 units	4	5	21 January 2021
– EUR 0.03110 per unit on 121.645 units	4	5	19 February 2021
– EUR 0.03110 per unit on 121.991 units	4	5	18 March 2021
– EUR 0.03110 per unit on 122.340 units	4	5	20 April 2021
– EUR 0.03110 per unit on 122.690 units	4	5	21 May 2021
– EUR 0.03110 per unit on 123.039 units	<u>4</u>	<u>4</u>	18 June 2021
	<u>47</u>	<u>57</u>	

	2020		
	in EUR	in US\$	Date of distribution
Distributions declared and paid during the year			
– EUR 0.03410 per unit on 118.879 units	<u>4</u>	<u>4</u>	18 June 2020

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

9 Distributions (continued)

Class AM Distribution H2-GBP

	2021		
	in GBP	in US\$	Date of distribution
Distributions declared and paid during the year			
– GBP 0.03110 per unit on 104.285 units	3	4	20 July 2020
– GBP 0.03530 per unit on 104.602 units	4	4	20 August 2020
– GBP 0.03530 per unit on 104.952 units	4	4	18 September 2020
– GBP 0.03530 per unit on 105.303 units	4	4	20 October 2020
– GBP 0.03530 per unit on 105.660 units	4	4	19 November 2020
– GBP 0.03530 per unit on 106.008 units	4	5	18 December 2020
– GBP 0.03530 per unit on 106.351 units	4	5	21 January 2021
– GBP 0.03530 per unit on 106.693 units	4	5	19 February 2021
– GBP 0.03530 per unit on 107.039 units	4	5	18 March 2021
– GBP 0.03530 per unit on 107.387 units	4	5	20 April 2021
– GBP 0.03530 per unit on 107.736 units	4	5	21 May 2021
– GBP 0.03530 per unit on 108.084 units	4	3	18 June 2021
	<u>47</u>	<u>53</u>	
	2020		
	in GBP	in US\$	Date of distribution
Distributions declared and paid during the year			
– GBP 0.04660 per unit on 103.812 units	<u>5</u>	<u>6</u>	

9 Distributions (continued)

Class AM Distribution H2-NZD

	2021 in NZD	in US\$	Date of distribution
Distributions declared and paid during the year			
– NZD 0.03940 per unit on 214.073 units	8	6	20 July 2020
– NZD 0.03940 per unit on 214.899 units	8	6	20 August 2020
– NZD 0.03940 per unit on 215.705 units	9	6	18 September 2020
– NZD 0.03940 per unit on 216.514 units	9	6	20 October 2020
– NZD 0.03940 per unit on 217.333 units	9	6	19 November 2020
– NZD 0.03940 per unit on 218.134 units	9	6	18 December 2020
– NZD 0.03940 per unit on 218.924 units	9	6	21 January 2021
– NZD 0.03940 per unit on 219.714 units	9	6	19 February 2021
– NZD 0.03940 per unit on 220.511 units	9	6	18 March 2021
– NZD 0.03940 per unit on 221.316 units	9	7	20 April 2021
– NZD 0.03940 per unit on 222.123 units	9	6	21 May 2021
– NZD 0.03940 per unit on 222.928 units	9	6	18 June 2021
	<u>106</u>	<u>73</u>	

	2020 in NZD	in US\$	Date of distribution
Distributions declared and paid during the year			
– NZD 0.05910 per unit on 212.842 units	<u>13</u>	<u>8</u>	18 June 2020

Class AM Distribution H2-SGD

	2021 in SGD	in US\$	Date of distribution
Distributions declared and paid during the year			
– SGD 0.03530 per unit on 182.705 units	6	5	20 July 2020
– SGD 0.03940 per unit on 183.335 units	7	6	20 August 2020
– SGD 0.03940 per unit on 184.021 units	7	6	18 September 2020
– SGD 0.03940 per unit on 184.710 units	7	6	20 October 2020
– SGD 0.03940 per unit on 185.408 units	7	6	19 November 2020
– SGD 0.03940 per unit on 186.091 units	7	6	18 December 2020
– SGD 0.03940 per unit on 186.764 units	7	6	21 January 2021
– SGD 0.03940 per unit on 187.437 units	7	6	19 February 2021
– SGD 0.03940 per unit on 188.116 units	7	6	18 March 2021
– SGD 0.03940 per unit on 188.800 units	7	6	20 April 2021
– SGD 0.03940 per unit on 189.486 units	7	6	21 May 2021
– SGD 0.03940 per unit on 190.171 units	<u>7</u>	<u>6</u>	18 June 2021
	<u>83</u>	<u>71</u>	

	2020 in SGD	in US\$	Date of distribution
Distributions declared and paid during the year			
– SGD 0.05290 per unit on 181.766 units	<u>10</u>	<u>7</u>	18 June 2020

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

9 Distributions (continued)

Class AM Distribution HKD

	2021		
	in HKD	in US\$	Date of distribution
Distributions declared and paid during the year			
– HKD 0.03940 per unit on 1,005.771 units	40	5	20 July 2020
– HKD 0.03940 per unit on 1,009.645 units	40	5	20 August 2020
– HKD 0.03940 per unit on 1,013.423 units	40	6	18 September 2020
– HKD 0.03940 per unit on 1,017.215 units	40	6	20 October 2020
– HKD 0.03940 per unit on 1,021.058 units	40	5	19 November 2020
– HKD 0.03940 per unit on 1,024.814 units	40	5	18 December 2020
– HKD 0.03940 per unit on 1,028.519 units	41	6	21 January 2021
– HKD 0.03940 per unit on 1,032.216 units	41	6	19 February 2021
– HKD 0.03940 per unit on 1,035.947 units	41	6	18 March 2021
– HKD 0.03940 per unit on 1,039.706 units	41	6	20 April 2021
– HKD 0.03940 per unit on 1,043.471 units	41	5	21 May 2021
– HKD 0.03940 per unit on 1,047.225 units	41	5	18 June 2021
	<u>486</u>	<u>66</u>	
	2020		
	in HKD	in US\$	Date of distribution
Distributions declared and paid during the year			
– HKD 0.05910 per unit on 1,000.000 units	<u>59</u>	<u>8</u>	18 June 2020

9 Distributions (continued)

Class AM Distribution USD

	2021	
	in US\$	Date of distribution
Distributions declared and paid during the year		
– USD 0.03940 per unit on 3,414.306 units	135	20 July 2020
– USD 0.03940 per unit on 3,427.469 units	135	20 August 2020
– USD 0.03940 per unit on 2,717.711 units	107	18 September 2020
– USD 0.03940 per unit on 2,721.857 units	107	20 October 2020
– USD 0.03940 per unit on 134.474 units	6	19 November 2020
– USD 0.03940 per unit on 134.969 units	6	18 December 2020
– USD 0.03940 per unit on 135.457 units	6	21 January 2021
– USD 0.03940 per unit on 135.945 units	6	19 February 2021
– USD 0.03940 per unit on 133.668 units	6	18 March 2021
– USD 0.03940 per unit on 134.153 units	6	20 April 2021
– USD 0.03940 per unit on 134.640 units	6	21 May 2021
– USD 0.03940 per unit on 135.125 units	5	18 June 2021
	<hr/>	
	531	

	2020	
	in US\$	Date of distribution
Distributions declared and paid during the year		
– USD0.05910 per unit on 2,673.063 units	158	18 June 2020
	<hr/>	

Class AMg Distribution H2-AUD

	2021		
	in AUD	in US\$	Date of distribution
Distributions declared and paid during the year			
– AUD 0.04580 per unit on 3,125.585 units	143	100	20 July 2020
– AUD 0.05000 per unit on 5,055.342 units	253	181	20 August 2020
– AUD 0.05000 per unit on 5,079.484 units	254	185	18 September 2020
– AUD 0.05000 per unit on 28,916.436 units	1,446	1,039	20 October 2020
– AUD 0.05000 per unit on 28,941.115 units	1,447	1,049	19 November 2020
– AUD 0.05000 per unit on 5,152.634 units	258	194	18 December 2020
– AUD 0.05000 per unit on 61,246.567 units	3,062	2,380	21 January 2021
– AUD 0.05000 per unit on 81,518.846 units	4,076	3,164	19 February 2021
– AUD 0.05000 per unit on 81,587.743 units	4,079	3,161	18 March 2021
– AUD 0.05000 per unit on 81,657.415 units	4,083	3,152	20 April 2021
– AUD 0.05000 per unit on 81,727.414 units	4,086	3,175	21 May 2021
– AUD 0.05000 per unit on 83,582.048 units	4,179	3,219	18 June 2021
	<hr/>	<hr/>	
	27,366	20,999	

	2020	
	in AUD	in US\$
Distributions declared and paid during the year		
– AUD 0.06880 per unit on 199.821 units	14	10
	<hr/>	<hr/>

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

9 Distributions (continued)

Class AMg Distribution H2-CAD

	2021		
	in CAD	in US\$	Date of distribution
Distributions declared and paid during the year			
– CAD 0.05000 per unit on 182.690 units	9	8	20 July 2020
– CAD 0.05000 per unit on 183.586 units	9	7	20 August 2020
– CAD 0.05000 per unit on 184.463 units	9	7	18 September 2020
– CAD 0.05000 per unit on 185.344 units	9	7	20 October 2020
– CAD 0.05000 per unit on 186.240 units	9	7	19 November 2020
– CAD 0.05000 per unit on 187.117 units	9	7	18 December 2020
– CAD 0.05000 per unit on 187.984 units	9	7	21 January 2021
– CAD 0.05000 per unit on 188.852 units	9	7	19 February 2021
– CAD 0.05000 per unit on 189.729 units	9	8	18 March 2021
– CAD 0.05000 per unit on 190.617 units	10	8	20 April 2021
– CAD 0.05000 per unit on 191.508 units	10	8	21 May 2021
– CAD 0.05000 per unit on 192.400 units	10	8	18 June 2021
	<u>111</u>	<u>89</u>	
	2020		
	in CAD	in US\$	Date of distribution
Distributions declared and paid during the year			
– CAD 0.07500 per unit on 181.358 units	<u>14</u>	<u>10</u>	18 June 2020

9 Distributions (continued)

Class AMg Distribution H2-EUR

	2021		
	in EUR	in US\$	Date of distribution
Distributions declared and paid during the year			
– EUR 0.03330 per unit on 119,460 units	4	5	20 July 2020
– EUR 0.04170 per unit on 119,850 units	5	5	20 August 2020
– EUR 0.04170 per unit on 120,326 units	5	5	18 September 2020
– EUR 0.04170 per unit on 120,805 units	5	5	20 October 2020
– EUR 0.04170 per unit on 121,291 units	5	5	19 November 2020
– EUR 0.04170 per unit on 121,767 units	5	5	18 December 2020
– EUR 0.04170 per unit on 122,236 units	5	5	21 January 2021
– EUR 0.04170 per unit on 122,705 units	5	5	19 February 2021
– EUR 0.04170 per unit on 123,179 units	5	5	18 March 2021
– EUR 0.04170 per unit on 123,658 units	5	5	20 April 2021
– EUR 0.04170 per unit on 8,051,524 units	336	407	21 May 2021
– EUR 0.04170 per unit on 8,082,641 units	337	372	18 June 2021
	<u>722</u>	<u>829</u>	

	2020		
	in EUR	in US\$	Date of distribution
Distributions declared and paid during the year			
– EUR 0.05000 per unit on 118,879 units	6	7	18 June 2020
	<u>6</u>	<u>7</u>	

Class AMg Distribution H2-GBP

	2021		
	in GBP	in US\$	Date of distribution
Distributions declared and paid during the year			
– GBP 0.04170 per unit on 104,447 units	4	5	20 July 2020
– GBP 0.04580 per unit on 104,874 units	5	5	20 August 2020
– GBP 0.04580 per unit on 105,332 units	5	5	18 September 2020
– GBP 0.04580 per unit on 105,791 units	5	5	20 October 2020
– GBP 0.04580 per unit on 106,258 units	5	5	19 November 2020
– GBP 0.04580 per unit on 106,716 units	5	5	18 December 2020
– GBP 0.04580 per unit on 107,168 units	5	5	21 January 2021
– GBP 0.04580 per unit on 107,620 units	5	5	19 February 2021
– GBP 0.04580 per unit on 108,076 units	5	5	18 March 2021
– GBP 0.04580 per unit on 108,537 units	5	5	20 April 2021
– GBP 0.04580 per unit on 109,000 units	5	5	21 May 2021
– GBP 0.04580 per unit on 109,462 units	5	5	18 June 2021
	<u>59</u>	<u>60</u>	

	2020		
	in GBP	in US\$	Date of distribution
Distributions declared and paid during the year			
– GBP 0.06200 per unit on 103,812 units	6	7	18 June 2020
	<u>6</u>	<u>7</u>	

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

9 Distributions (continued)

Class AMg Distribution H2-NZD

	2021		
	in NZD	in US\$	Date of distribution
Distributions declared and paid during the year			
– NZD 0.05000 per unit on 214.407 units	11	8	20 July 2020
– NZD 0.05000 per unit on 215.460 units	11	7	20 August 2020
– NZD 0.05000 per unit on 216.489 units	11	7	18 September 2020
– NZD 0.05000 per unit on 26,690.350 units	1,335	891	20 October 2020
– NZD 0.05000 per unit on 32,273.171 units	1,614	1,103	19 November 2020
– NZD 0.05000 per unit on 5,801.375 units	290	205	18 December 2020
– NZD 0.05000 per unit on 5,802.394 units	290	209	21 January 2021
– NZD 0.05000 per unit on 5,803.412 units	290	210	19 February 2021
– NZD 0.05000 per unit on 15,099.958 units	755	541	18 March 2021
– NZD 0.05000 per unit on 15,100.999 units	755	539	20 April 2021
– NZD 0.05000 per unit on 19,720.044 units	986	714	21 May 2021
– NZD 0.05000 per unit on 10,425.573 units	521	408	18 June 2021
	<u>6,869</u>	<u>4,842</u>	
	2020		
	in NZD	in US\$	Date of distribution
Distributions declared and paid during the year			
– NZD 0.07500 per unit on 212.842 units	<u>16</u>	<u>10</u>	18 June 2020

9 Distributions (continued)

Class AMg Distribution H2-RMB

	2021 in RMB	in US\$	Date of distribution
Distributions declared and paid during the year			
– RMB 0.05830 per unit on 920.976 units	54	9	20 July 2020
– RMB 0.06250 per unit on 926.240 units	58	8	20 August 2020
– RMB 0.06250 per unit on 68,297.616 units	4,269	627	18 September 2020
– RMB 0.06250 per unit on 68,704.926 units	4,294	640	20 October 2020
– RMB 0.07080 per unit on 69,119.011 units	4,894	740	19 November 2020
– RMB 0.07080 per unit on 69,578.937 units	4,926	754	18 December 2020
– RMB 0.07080 per unit on 70,033.802 units	4,958	766	21 January 2021
– RMB 0.07080 per unit on 70,490.376 units	4,991	778	19 February 2021
– RMB 0.07080 per unit on 89,336.951 units	6,325	973	18 March 2021
– RMB 0.07080 per unit on 110,169.828 units	7,800	1,195	20 April 2021
– RMB 0.07080 per unit on 145,244.984 units	10,283	1,597	21 May 2021
– RMB 0.07080 per unit on 186,776.287 units	13,224	2,067	18 June 2021
	<u>66,076</u>	<u>10,154</u>	

	2020 in RMB	in US\$	Date of distribution
Distributions declared and paid during the year			
– RMB 0.08750 per unit on 913.150 units	<u>80</u>	<u>11</u>	18 June 2020

Class AMg Distribution H2-SGD

	2021 in SGD	in US\$	Date of distribution
Distributions declared and paid during the year			
– SGD 0.04580 per unit on 182.990 units	8	6	20 July 2020
– SGD 0.05000 per unit on 183.812 units	9	7	20 August 2020
– SGD 0.05000 per unit on 184.688 units	9	7	18 September 2020
– SGD 0.05000 per unit on 185.569 units	9	7	20 October 2020
– SGD 0.05000 per unit on 186.464 units	9	7	19 November 2020
– SGD 0.05000 per unit on 187.342 units	9	7	18 December 2020
– SGD 0.05000 per unit on 188.209 units	9	7	21 January 2021
– SGD 0.05000 per unit on 189.076 units	9	7	19 February 2021
– SGD 0.05000 per unit on 189.953 units	10	7	18 March 2021
– SGD 0.05000 per unit on 190.840 units	10	7	20 April 2021
– SGD 0.05000 per unit on 191.730 units	10	7	21 May 2021
– SGD 0.05000 per unit on 192.620 units	<u>10</u>	<u>7</u>	18 June 2021
	<u>111</u>	<u>83</u>	

	2020 in SGD	in US\$	Date of distribution
Distributions declared and paid during the year			
– SGD 0.06880 per unit on 181.766 units	<u>13</u>	<u>9</u>	18 June 2020

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

9 Distributions (continued)

Class AMg Distribution HKD

	2021		
	in HKD	in US\$	Date of distribution
Distributions declared and paid during the year			
– HKD 0.05000 per unit on 1,007.399 units	50	7	20 July 2020
– HKD 0.05000 per unit on 1,012.277 units	51	7	20 August 2020
– HKD 0.05000 per unit on 48,121.678 units	2,406	310	18 September 2020
– HKD 0.05000 per unit on 48,126.531 units	2,406	310	20 October 2020
– HKD 0.05000 per unit on 48,131.459 units	2,407	310	19 November 2020
– HKD 0.05000 per unit on 48,136.284 units	2,407	310	18 December 2020
– HKD 0.05000 per unit on 102,883.417 units	5,144	663	21 January 2021
– HKD 0.05000 per unit on 102,930.544 units	5,147	664	19 February 2021
– HKD 0.05000 per unit on 102,978.151 units	5,149	663	18 March 2021
– HKD 0.05000 per unit on 148,906.600 units	7,445	958	20 April 2021
– HKD 0.05000 per unit on 148,954.874 units	7,448	959	21 May 2021
– HKD 0.05000 per unit on 186,988.441 units	9,349	1,205	18 June 2021
	<u>49,409</u>	<u>6,366</u>	
	2020		
	in HKD	in US\$	Date of distribution
Distributions declared and paid during the year			
– HKD 0.07500 per unit on 1,000.000 units	<u>75</u>	<u>10</u>	18 June 2020

9 Distributions (continued)

Class AMg Distribution USD

	2021	
	in US\$	Date of distribution
Distributions declared and paid during the year		
– USD 0.05000 per unit on 14,381.773 units	719	20 July 2020
– USD 0.05000 per unit on 24,073.533 units	1,204	20 August 2020
– USD 0.05000 per unit on 28,880.163 units	1,444	18 September 2020
– USD 0.05000 per unit on 31,716.999 units	1,586	20 October 2020
– USD 0.05000 per unit on 40,274.688 units	2,014	19 November 2020
– USD 0.05000 per unit on 47,716.947 units	2,386	18 December 2020
– USD 0.05000 per unit on 70,575.627 units	3,529	21 January 2021
– USD 0.05000 per unit on 79,808.340 units	3,990	19 February 2021
– USD 0.05000 per unit on 67,632.235 units	3,382	18 March 2021
– USD 0.05000 per unit on 93,685.710 units	4,684	20 April 2021
– USD 0.05000 per unit on 102,301.706 units	5,115	21 May 2021
– USD 0.05000 per unit on 111,037.826 units	5,552	18 June 2021
	<hr/>	
	35,605	
	<hr/>	
	2020	
	in US\$	Date of distribution
Distributions declared and paid during the year		
– USD 0.07500 per unit on 129.988 units	10	18 June 2020
	<hr/>	

10 Financial risk management

The Sub-Fund maintains an investment portfolio in a variety of listed or quoted financial instruments as dictated by its investment management strategy. The investment objective of the Sub-Fund before 27 April 2020 is to achieve a long-term capital appreciation and income by investing primarily in U.S. corporate bonds rated below investment grade. The investment objective of the Sub-Fund starting from 27 April 2020 is to achieve income and long-term capital appreciation by investing primarily in preferred securities and interest bearing securities. The Sub-Fund's investment portfolio comprises equities, bonds, warrants and forward contracts.

The Sub-Fund's investing activities expose it to various types of risks that are associated with the financial instruments and markets in which it invests. The Management has set out below the most important types of financial risks inherent in each type of financial instrument. The Management would like to highlight that the following list of associated risks only sets out some of the risks but does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Sub-Fund.

The nature and extent of the financial instruments outstanding at the date of the statement of net assets and the risk management policies employed by the Sub-Fund are discussed below.

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(a) Market price risk

Market price risk is the risk that the value of the Sub-Fund's investment portfolio will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The Sub-Fund is exposed to price risk arising from changes in market prices. Price risk is managed by investing in a portfolio of different investments in accordance with the investment objectives of the Sub-Fund.

The following table discloses the financial assets and liabilities at fair value through profit or loss of the Sub-Fund by product type:

	2021 US\$	2020 US\$
Financial assets at fair value through profit or loss		
Equities	3,770,479	4,786,800
Bonds	8,886,895	10,158,894
Warrants (note 10(f))	35,664	–
Forward contracts (note 10(f))	236,099	27,430
	<u>12,929,137</u>	<u>14,973,124</u>
Financial liabilities at fair value through profit or loss		
Forward contracts (note 10(f))	17,226	25,258
	<u>17,226</u>	<u>25,258</u>

The impact on a 5% (2020: 5%) increase in value of the investments as at 30 June 2021, with all other variables held constant, is shown below. An equal change in the opposite direction would have reduced the net assets attributable to unitholders by an equal but opposite amount.

10 Financial risk management (continued)

(a) Market price risk (continued)

Price sensitivity	Market exposures US\$	Change in net assets if investment value increased by 5% US\$
As at 30 June 2021		
Equities	3,770,479	188,524
As at 30 June 2020		
Equities	4,786,800	239,340

As at 30 June 2021 and 2020, the Sub-Fund invested in debt securities. The Manager considers that the price of debt investments is more sensitive to fluctuation in interest rates and credit ratings which are set out in notes 10(b) and 10(d) respectively.

(b) Interest rate risk

Interest rate risk arises from changes in interest rates which may inversely affect the value of debt instruments and therefore result in potential gain or loss to the Sub-Fund. The Sub-Fund's interest rate risk is managed on an ongoing basis by the Manager.

The following table details the exposure of the Sub-Fund to interest rate risk. It includes the Sub-Fund's interest-bearing assets and liabilities, categorised by the earlier of contractual re-pricing or maturity date measured by the carrying value of the assets and liabilities.

	2021 US\$	2020 US\$
Assets		
Cash and cash equivalents		
– 1 year or less	193,896	31,872
Financial assets as fair value through profit or loss		
– 1 year or less	–	299,570
– over 1 year to 5 years	1,189,179	185,237
– over 5 years	7,697,716	9,674,087
Total interest-bearing assets	9,080,791	10,190,766

Interest rate sensitivity

At 30 June 2021, assuming all other factors unchanged, it is estimated that an increase in interest rates of 50 basis points (2020: 50 basis points) would result in a decrease in the net assets attributable to the unitholders and the profit for the year by US\$200,041 (2020: US\$212,431); an equal change in the opposite direction would have changed the net assets attributable to unitholders by an equal but opposite amount.

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(c) Currency risk

The Sub-Fund may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency. Consequently, the SubFund is exposed to risk that the exchange rate of its functional currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Sub-Fund's assets or liabilities denominated in other currencies.

The fluctuations in the rate of exchange between the currency in which the asset or liability is denominated and the functional currency could result in an appreciation or depreciation in the fair value of that asset or liability. The Manager may mitigate this risk by using financial derivative instruments. The Manager monitors the Sub-Fund's currency exposures on an ongoing basis.

As at 30 June 2021, had the US\$ weakened by 5% (2020: 5%) in relation to respective major currencies, with all other variables held constant, net assets attributable to unitholders would have (decreased) by the amounts shown below.

	Net monetary and non-monetary exposure US\$	Change in net assets if US\$ weakened by 5% US\$
<i>As at 30 June 2021</i>		
Australian dollar	(10,400)	46,779
Canadian dollar	47	207
Euro	(2,738)	4,450
Renminbi	235,385	3,391,243
New Zealand Dollar	309	5,835
Singapore Dollar	(3)	210
	<u>222,600</u>	<u>3,448,724</u>
<i>As at 30 June 2020</i>		
Australian dollar	232	1,707
Canadian dollar	80	188
Euro	89	123
Renminbi	(137,051)	5,347,814
New Zealand Dollar	164	221
Singapore Dollar	42	189
	<u>(136,444)</u>	<u>5,350,242</u>

10 Financial risk management (continued)

(d) Credit risk

The Sub-Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The main concentration to which the Sub-Fund is exposed arises from the Sub-Fund's investments in debt securities. The Sub-Fund is also exposed to counterparty credit risk on trading derivative products, cash and cash equivalents, interest receivable, amounts receivable on subscription, amounts due from brokers and other receivables balances.

Credit risk arising from investments in fixed income instruments is managed by reviewing and monitoring the credit quality and publicly available information of fixed income instruments or the relevant issuers on an ongoing basis.

As at 30 June 2021 and 2020, the credit ratings of the fixed income instruments or the relevant issuers as determined by S&P's are shown in the following table:

	2021	2020
A	–	6%
BBB	76%	72%
BB	23%	18%
CCC	–	4%
Not rated	1%	–
	<hr/> 100%	<hr/> 100%

Credit risk arising from derivative transactions with counterparties relates to transactions awaiting settlement. This credit risk is managed by monitoring the credit quality of the derivative instruments held by the Sub-Fund and the financial position of the derivative instrument counterparties.

Credit risk arising from investment transactions with brokers relates to transactions awaiting settlement. Risk relating to unsettled transactions is considered low due to the short settlement period involved and the high credit quality of the brokers used.

All of the cash held by the Sub-Fund is deposited with the HSBC Group. Bankruptcy or insolvency of the bank may cause the Sub-Fund's rights with respect to the cash held by the bank to be delayed or limited. The bank is a group company of the HSBC Group with a credit rating of A- (2020: A-) by S&P's, for which credit risk is considered insignificant. The Manager monitors the credit rating and financial position of the bank on an ongoing basis.

The Sub-Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. At 30 June 2021 and 30 June 2020, all cash and cash equivalents, interest receivable, amounts receivable on subscription, amounts due from brokers and other receivables are held with counterparties with a credit rating of A (2020: A) or higher and are due to be settled within 1 week. Management considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Sub-Fund.

The maximum exposure to credit risk at year end is the carrying amount of the financial assets as shown on the statement of net assets. As at 30 June 2021 and 2020, there were no significant concentrations of credit risk to counterparties.

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(e) Liquidity risk

Liquidity risk is the risk that the Sub-Fund will encounter difficulty in meeting obligations associated with financial liabilities.

The Sub-Fund's constitution provides for the daily creation and cancellation of units and it is therefore exposed to the liquidity risk of meeting unitholder redemptions at any time. The listed investments of the Sub-Fund are considered to be readily realisable under normal market conditions. The Sub-Fund, however, also invests in quoted fixed income securities which may not be publicly traded on exchanges and may be illiquid.

The policy of the Sub-Fund is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities to meet its liquidity requirements in the short and long term.

As at 30 June 2021 and 2020, the financial liabilities of the Sub-Fund are due within three months.

Redeemable units are redeemed on demand at the holder's option. However, the Manager does not envisage that the contractual maturity will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

At 30 June 2021 and 2020, no individual investor held more than 10% of the Sub-Fund's redeemable units.

(f) Specific instruments

Forward contracts are commitments either to purchase or sell a designated financial instrument, currency, commodity or an index at a specified future date for a specified price and may be settled in cash or the underlying financial asset. Forwards are customised over-the-counter contracts and result in credit exposure to the counterparty.

Forward contracts result in exposure to market risk based on changes in market prices relative to contracted prices. Market risks arise due to the possible movement in foreign currency exchange rates, indices, and securities' values underlying these instruments. In addition, forward contracts are generally subject to liquidity risk.

As at 30 June 2021 and 2020, the details of the Sub-Fund's holdings in net settled foreign currency forward contracts are specified in the tables below:

10 Financial risk management (continued)

(f) Specific instruments (continued)

Foreign currency forward contracts

As at 30 June 2021

Buy		Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
AUD	2,245	USD	1,710	15-Jul-21	–	(25)
AUD	872,037	USD	664,171	15-Jul-21	–	(9,590)
AUD	8	USD	6	15-Jul-21	–	–
AUD	746	USD	579	15-Jul-21	–	(19)
AUD	8	USD	6	15-Jul-21	–	–
AUD	750	USD	582	15-Jul-21	–	(20)
AUD	19,417	USD	15,037	15-Jul-21	–	(462)
AUD	8	USD	6	15-Jul-21	–	–
AUD	753	USD	579	15-Jul-21	–	(13)
AUD	39,604	USD	30,004	15-Jul-21	–	(276)
CAD	2,042	USD	1,625	15-Jul-21	24	–
CAD	2,042	USD	1,626	15-Jul-21	24	–
CAD	7	USD	6	15-Jul-21	–	–
CAD	10	USD	8	15-Jul-21	–	–
CAD	7	USD	6	15-Jul-21	–	–
CAD	10	USD	8	15-Jul-21	–	–
CAD	7	USD	6	15-Jul-21	–	–
CAD	10	USD	8	15-Jul-21	–	–
CNH	70,129,506	USD	10,620,847	15-Jul-21	224,440	–
CNH	1,184,942	USD	179,455	15-Jul-21	3,792	–
CNH	43,546	USD	6,631	15-Jul-21	104	–
CNH	5,057	USD	770	15-Jul-21	12	–
CNH	230,414	USD	35,334	15-Jul-21	298	–
CNH	373,371	USD	57,365	15-Jul-21	374	–
CNH	43,776	USD	6,769	15-Jul-21	–	–
CNH	5,090	USD	787	15-Jul-21	–	–
CNH	108,481	USD	16,933	15-Jul-21	–	(157)
CNH	269,757	USD	42,068	15-Jul-21	–	(352)
CNH	179,427	USD	28,020	15-Jul-21	–	(273)
CNH	5,124	USD	798	15-Jul-21	–	(6)
CNH	197,531	USD	30,539	15-Jul-21	8	–
CNH	10,000	USD	1,543	15-Jul-21	4	–
CNH	35,169	USD	5,440	15-Jul-21	–	(1)
CNH	24,186	USD	3,744	2-Jul-21	–	–
CNH	1,665,475	USD	257,519	15-Jul-21	37	–
EUR	1,330	USD	1,582	15-Jul-21	–	(5)
EUR	1,330	USD	1,582	15-Jul-21	–	(5)
EUR	4	USD	5	15-Jul-21	–	–
EUR	5	USD	6	15-Jul-21	–	–
EUR	85,616	USD	104,260	15-Jul-21	–	(2,709)
EUR	4	USD	5	15-Jul-21	–	–
EUR	336	USD	408	15-Jul-21	–	(10)
EUR	4	USD	5	15-Jul-21	–	–
EUR	337	USD	409	15-Jul-21	–	(9)

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(f) Specific instruments (continued)

Foreign currency forward contracts (continued)

As at 30 June 2021 (continued)

Buy		Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
EUR	35	USD	42	15-Jul-21	–	–
GBP	1,167	USD	1,603	15-Jul-21	9	–
GBP	1,167	USD	1,603	15-Jul-21	9	–
GBP	4	USD	5	15-Jul-21	–	–
GBP	5	USD	7	15-Jul-21	–	–
GBP	4	USD	5	15-Jul-21	–	–
GBP	5	USD	7	15-Jul-21	–	–
GBP	4	USD	5	15-Jul-21	–	–
GBP	5	USD	7	15-Jul-21	–	–
GBP	31	USD	43	15-Jul-21	–	–
NZD	2,394	USD	1,682	15-Jul-21	–	(10)
NZD	161,798	USD	113,709	15-Jul-21	–	(697)
NZD	11	USD	8	15-Jul-21	–	–
NZD	9	USD	6	15-Jul-21	–	–
NZD	49,505	USD	35,690	15-Jul-21	–	(1,112)
NZD	9	USD	6	15-Jul-21	–	–
NZD	11	USD	8	15-Jul-21	–	–
NZD	9	USD	6	15-Jul-21	–	–
NZD	11	USD	8	15-Jul-21	–	–
NZD	63	USD	44	15-Jul-21	–	–
NZD	2,905	USD	2,032	15-Jul-21	–	(3)
SGD	2,049	USD	1,526	15-Jul-21	–	(1)
SGD	2,049	USD	1,526	15-Jul-21	–	(1)
SGD	7	USD	6	15-Jul-21	–	–
SGD	10	USD	7	15-Jul-21	–	–
SGD	7	USD	6	15-Jul-21	–	–
SGD	10	USD	7	15-Jul-21	–	–
SGD	7	USD	6	15-Jul-21	–	–
SGD	10	USD	7	15-Jul-21	–	–
SGD	53	USD	40	15-Jul-21	–	–
EUR	4	USD	5	15-Jul-21	–	–
USD	15,396	CNH	101,564	15-Jul-21	–	(307)
USD	6,527	CNH	42,746	15-Jul-21	–	(83)
USD	54,891	CNH	358,325	15-Jul-21	–	(511)
USD	7,398	CNH	48,165	15-Jul-21	–	(49)
USD	7,433	CNH	48,420	15-Jul-21	–	(54)

10 Financial risk management (continued)

(f) Specific instruments (continued)

Foreign currency forward contracts (continued)

As at 30 June 2021 (continued)

Buy		Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
USD	85,582	CNH	556,529	15-Jul-21	–	(466)
USD	63,464	CNH	409,690	15-Jul-21	120	–
USD	79,269	CNH	510,577	15-Jul-21	326	–
USD	17,076	CNH	110,412	15-Jul-21	5	–
USD	390,829	CNH	2,519,388	15-Jul-21	1,294	–
USD	72,048	NZD	100,020	15-Jul-21	2,133	–
USD	42,472	CNH	271,880	15-Jul-21	435	–
USD	1,698	CNH	10,846	15-Jul-21	21	–
USD	8,199	CNH	52,574	15-Jul-21	70	–
USD	36,659	CNH	234,715	15-Jul-21	369	–
USD	12,907	CNH	82,786	15-Jul-21	107	–
USD	175,157	CNH	1,121,063	15-Jul-21	1,823	–
USD	10,044	CNH	64,336	15-Jul-21	97	–
USD	6,630	CNH	42,492	15-Jul-21	60	–
USD	14,197	CNH	91,149	15-Jul-21	104	–
USD	710	CNH	4,595	15-Jul-21	–	–
USD	3,739	CNH	24,186	15-Jul-21	–	–
					<u>236,099</u>	<u>(17,226)</u>

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(f) Specific instruments (continued)

Foreign currency forward contracts (continued)

As at 30 June 2020

Buy		Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
AUD	1,998	USD	1,292	15-Jul-20	84	–
AUD	61	USD	42	15-Jul-20	–	(0)
AUD	11	USD	7	15-Jul-20	0	–
AUD	1,998	USD	1,292	15-Jul-20	84	–
AUD	61	USD	42	15-Jul-20	–	(0)
AUD	14	USD	9	15-Jul-20	0	–
AUD	30,005	USD	20,589	15-Jul-20	65	–
CAD	1,814	USD	1,292	15-Jul-20	40	–
CAD	57	USD	42	15-Jul-20	–	(0)
CAD	11	USD	8	15-Jul-20	0	–
CAD	1,814	USD	1,292	15-Jul-20	40	–
CAD	57	USD	42	15-Jul-20	–	(0)
CAD	14	USD	10	15-Jul-20	0	–
EUR	1,189	USD	1,291	15-Jul-20	44	–
EUR	37	USD	41	15-Jul-20	–	(0)
EUR	4	USD	5	15-Jul-20	–	(0)
EUR	1,189	USD	1,291	15-Jul-20	44	–
EUR	37	USD	41	15-Jul-20	–	(0)
EUR	6	USD	7	15-Jul-20	–	(0)
GBP	1,038	USD	1,289	15-Jul-20	–	(6)
GBP	32	USD	41	15-Jul-20	–	(1)
GBP	6	USD	8	15-Jul-20	–	(0)
GBP	1,038	USD	1,289	15-Jul-20	–	(6)
GBP	32	USD	41	15-Jul-20	–	(1)
GBP	5	USD	6	15-Jul-20	–	(0)
USD	40,544	CNH	286,335	15-Jul-20	65	–
USD	707,063	CNH	4,989,928	15-Jul-20	1,624	–
USD	949,568	CNH	6,698,170	15-Jul-20	2,630	–
USD	243,653	CNH	1,724,320	15-Jul-20	–	(118)
USD	372,728	CNH	2,645,083	15-Jul-20	–	(1,215)
USD	46,001	CNH	326,181	15-Jul-20	–	(112)
USD	465,287	CNH	3,300,063	15-Jul-20	–	(1,251)
USD	166,955	CNH	1,187,952	15-Jul-20	–	(988)
USD	628,311	CNH	4,470,370	15-Jul-20	–	(3,676)
USD	334,135	CNH	2,371,611	15-Jul-20	–	(1,146)

10 Financial risk management (continued)

(f) Specific instruments (continued)

Foreign currency forward contracts (continued)

As at 30 June 2020 (continued)

Buy		Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
USD	229,290	CNH	1,629,586	15-Jul-20	–	(1,089)
USD	166,794	CNH	1,185,066	15-Jul-20	–	(742)
USD	159,769	CNH	1,141,229	15-Jul-20	–	(1,570)
USD	6,885	CNH	49,177	15-Jul-20	–	(68)
USD	23,686	CNH	168,787	15-Jul-20	–	(176)
USD	13,236	CNH	94,285	15-Jul-20	–	(93)
USD	486,376	CNH	3,480,123	15-Jul-20	–	(5,618)
USD	86,727	CNH	617,462	15-Jul-20	–	(565)
USD	21,700	CNH	155,562	15-Jul-20	–	(292)
USD	24,033	CNH	173,250	15-Jul-20	–	(460)
USD	1,420	CNH	10,191	15-Jul-20	–	(21)
USD	101,334	CNH	723,535	15-Jul-20	–	(954)
USD	24,457	CNH	174,257	15-Jul-20	–	(178)
USD	909,298	CNH	6,447,882	15-Jul-20	–	(2,255)
USD	27,998	CNH	197,997	15-Jul-20	7	–
USD	404,719	CNH	2,867,675	15-Jul-20	–	(691)
USD	147,705	CNH	1,047,924	15-Jul-20	–	(443)
USD	25,672	CNH	182,290	15-Jul-20	–	(99)
USD	12,959	CNH	91,856	15-Jul-20	–	(27)
USD	14,971	CNH	106,111	15-Jul-20	–	(30)
USD	5,322	CNH	37,684	15-Jul-20	–	(6)
USD	16,344	CNH	115,391	15-Jul-20	31	–
USD	29,615	CNH	209,541	15-Jul-20	–	(8)
USD	137,092	CNH	970,798	15-Jul-20	–	(152)
CNH	144,157,194	USD	20,370,269	15-Jul-20	14,074	–
CNH	5,084,181	USD	720,122	15-Jul-20	–	(1,200)
CNH	38,198	USD	5,344	15-Jul-20	57	–
CNH	42,315	USD	5,926	15-Jul-20	58	–
CNH	2,976,344	USD	413,913	15-Jul-20	6,957	–
CNH	3,653,818	USD	515,368	15-Jul-20	1,296	–
CNH	40,408	USD	5,696	15-Jul-20	18	–
NZD	2,128	USD	1,288	15-Jul-20	82	–
NZD	65	USD	42	15-Jul-20	0	–
NZD	13	USD	8	15-Jul-20	–	(0)
NZD	2,128	USD	1,288	15-Jul-20	82	–
NZD	65	USD	42	15-Jul-20	0	–
NZD	16	USD	10	15-Jul-20	–	(0)
CNH	9,132	USD	1,285	15-Jul-20	6	–
CNH	294	USD	41	15-Jul-20	0	–
CNH	80	USD	11	15-Jul-20	0	–

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(f) Specific instruments (continued)

Foreign currency forward contracts (continued)

As at 30 June 2020 (continued)

Buy	Sell		Settlement date	Fair value assets US\$	Fair value (liabilities) US\$
SGD	1,818 USD	1,282	15-Jul-20	21	–
SGD	59 USD	42	15-Jul-20	0	–
SGD	10 USD	7	15-Jul-20	0	–
SGD	1,818 USD	1,282	15-Jul-20	21	–
SGD	59 USD	42	15-Jul-20	0	–
SGD	13 USD	9	15-Jul-20	–	(1)
				<u>27,430</u>	<u>(25,258)</u>

Warrants

As at 30 June 2021, the details of the Sub-Fund's holdings in warrant contracts are specified in the table below:

As at 30 June 2021

Type of contract	Expiration	Underlying	Fair value assets US\$
Warrants	6 October 2024	Cenveo Inc	–
Warrants	25 March 2026	CCF Holdings LLC	35,664

As at 30 June 2020

Type of contract	Expiration	Underlying	Fair value assets US\$
Warrants	6 October 2024	Cenveo Inc	–

10 Financial risk management (continued)

(g) Fair value information

The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the year end date. The Sub-Fund utilises the last traded market price for both financial assets and financial liabilities.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Sub-Fund for similar financial instruments.

HKFRS 13 requires the Sub-Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgement by the Sub-Fund. The 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.

Allianz Preferred Securities and Income (continued)

Notes to the Financial Statements (continued)

10 Financial risk management (continued)

(g) Fair value information (continued)

The table below analyses financial instruments measured at fair value at the date of the statement of net assets by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
--	-----------------	-----------------	-----------------	---------------

As at 30 June 2021

Assets

Financial assets at fair value through profit or loss

– Equities	3,664,493	105,986	–	3,770,479
– Bonds	–	8,886,895	–	8,886,895
– Warrants	–	35,664	–	35,664
– Forward contracts	–	236,099	–	236,099

Liabilities

Financial liabilities at fair value through profit or loss

– Forward contracts	–	17,226	–	17,226
---------------------	---	--------	---	--------

Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
-----------------	-----------------	-----------------	---------------

As at 30 June 2020

Assets

Financial assets at fair value through profit or loss

– Equities	4,784,844	1,956	–	4,786,800
– Bonds	–	10,158,894	–	10,158,894
– Warrants	–	–	–	–
– Forward contracts	–	27,430	–	27,430

Liabilities

Financial liabilities at fair value through profit or loss

– Forward contracts	–	25,258	–	25,258
---------------------	---	--------	---	--------

10 Financial risk management (continued)

(g) Fair value information (continued)

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1. The Sub-Fund does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2.

There were no transfers of financial assets and financial liabilities between the fair value hierarchy levels during the years ended 30 June 2021 and 2020.

The assets and liabilities included in the statement of net assets, other than financial assets and liabilities at fair value through profit or loss, are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

(h) Capital risk management

The capital of the Sub-Fund is represented by the net assets attributable to unitholders. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Sub-Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. The Sub-Fund's objective when managing capital is to safeguard the Sub-Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Sub-Fund.

In order to maintain or adjust the capital structure, the Sub-Fund's policy is to perform the following:

- monitor the level of daily subscriptions and redemptions relative to the liquid assets; and
- redeem and issue units in accordance with the Trust Deed of the Sub-Fund.

The Management monitors capital on the basis of the value of net assets attributable to unitholders.

Allianz Preferred Securities and Income (continued)

Supplementary Information

Portfolio statement
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	% of NAV
<i>Listed/unlisted but quoted investments 98.01%</i>			
Listed equities 28.30%			
United States 28.30%			
BANK OF AMERICA CORP PFD	4,000	109,200	0.84
CAPITAL ONE FINANCIAL CORP PFD	10,000	263,900	2.04
CCF HOLDINGS LLC COM NPV	43,998	782	0.01
CITIGROUP CAPITAL XIII PFD SHS	32,850	916,515	7.07
FIRST HORIZON CORP PFD	18,840	527,520	4.07
FORD MOTOR COMPANY PFD	10,800	295,380	2.28
REGIONS FINANCIAL CORP PFD	7,000	207,200	1.60
REGIONS FINANCIAL CORP PFD	5,000	126,850	0.98
SYNCHRONY FINANCIAL PFD	12,950	354,312	2.74
TRUIST FINANCIAL CORP PFD	3,925	104,484	0.81
WELLS FARGO & COMPANY PFD	15,000	392,250	3.03
WELLS FARGO & COMPANY PFD	14,000	366,100	2.83
Total listed equities		<u>3,664,493</u>	<u>28.30</u>
Unlisted but quoted equities 0.82%			
United States 0.82%			
CCF HLDGS LLC ORD NPV	96,617	70,530	0.54
CCF HOLDINGS LLC CLASS M	1,071	32,119	0.25
ERICKSON INC NEW COM NPV	116	<u>3,337</u>	<u>0.03</u>
Total unlisted but quoted equities		<u>105,986</u>	<u>0.82</u>

Listed/unlisted but quoted investments 98.02% (continued)

Investments	Portfolio holdings	Market value US\$	% of NAV
Listed bonds 23.20%			
France 4.11%			
CREDIT AGRICOLE SA SER 144A (REG) VAR PERP	436,000	532,707	4.11
Great Britain 2.56%			
HSBC HOLDINGS PLC (REG) VAR PERP 31/12/2049	320,000	331,786	2.56
United States 16.53%			
JPMORGAN CHASE & CO (SER R) VAR PERP	685,000	746,595	5.77
METLIFE INC (REG) 10.75% 01/08/2039	600,000	1,058,078	8.17
TIME WARNER ENTERTAINMENT CO. L.P. 8.375% 15/07/2033	216,000	335,910	2.59
Total listed bonds		<u>3,005,076</u>	<u>23.20</u>
Unlisted but quoted bonds 45.42%			
Canada 4.50%			
TRANSCANADA TRUST VAR 15/09/2079	523,000	581,808	4.50
Germany 4.57%			
DEUTSCHE BANK AG (SER #) VAR PERP 31/12/2049	550,000	591,355	4.57
Great Britain 5.64%			
LLOYDS BANKING GROUP PLC (REG) VAR PERP 31/12/2049	627,000	730,978	5.64
United States 30.71%			
ALLY FINANCIAL INC (SER B) VAR PERP 31/12/2049	125,000	130,852	1.01
CENVEO CORPORATION 6.000% SENIOR NOTES DUE 15/05/24	175,000	56,320	0.43
COMERICA INC (REG) VAR PERP 31/12/2049	290,000	325,543	2.51
EDISON INTERNATIONAL (SER A) VAR PE RP 31/12/2049	125,000	129,434	1.00
ENERGY TRANSFER LP (SER G) (REG) VAR PERP 31/12/2049	250,000	262,276	2.03
ENERGY TRANSFER LP (SER H) (REG) VAR PERP 31/12/2049	250,000	256,347	1.98
ENTERPRISE PRODUCTS OPER (SER E) VAR 16/08/2077	532,000	566,148	4.37
GENERAL ELECTRIC CO SER D (REG) VAR PERP	100,000	98,591	0.76
HUNTINGTON BANCSHARES SER (F) (REG) VAR PERP	580,000	682,364	5.27
LIBERTY MUTUAL GROUP INC (SER 144A) (REG) 4.3% 01/02/2061	200,000	187,163	1.45
MURPHY OIL CORP (REG) 6.375% 15/07/2028	100,000	107,804	0.83
Listed/unlisted but quoted investments 98.02% (continued)			

Allianz Preferred Securities and Income (continued)

Supplementary Information (continued)

Portfolio statement (continued)
as at 30 June 2021 (Unaudited)

Investments	Portfolio holdings	Market value US\$	% of NAV
Unlisted but quoted bonds 45.42% (continued)			
United States 30.71% (continued)			
PLAINS ALL AMERICAN PIPE (SER B) (REG) VAR PERP 31/12/2049	452,000	405,818	3.13
SFX ENTERTAINMENT INC SER 144A (REG) 9.625% 01/02/2019	100,000	–	–
SVB FINANCIAL GROUP VAR PERP 31/12/2049	170,000	173,073	1.34
UNITED AIRLINES INC (SER 144A) 4.62 5% 15/04/2029	125,000	131,101	1.01
VIACOM INC (REG) VAR 28/02/2057	400,000	464,844	3.59
Total unlisted but quoted bonds		5,881,819	45.42
Unlisted but quoted warrants 0.28%			
United States 0.28%			
CENVEO INC COMMON STOCK PURCHASE WARRANT 10/06/2024	18,500	–	0.00
CCF HOLDINGS LLC WARRANTS	72,784	35,664	0.28
Total unlisted but quoted warrants		35,664	0.28
Total listed/unlisted but quoted investments		12,693,038	98.01
Forward Contracts (1.69%)		218,873	1.69
Total Investments		12,911,911	99.7
Other net assets		38,943	0.30
Net assets attributable to unitholders as at 30 June 2021		12,950,854	100
Total Investments, at cost		11,932,130	

Note: Investments are accounted for on a trade date basis.

Additional Details on Financial Derivative Instruments

Forward Foreign Exchange

Contracts/Underlying Assets	Counterparties	Fair Value US\$
Buy AUD Sell USD	Hongkong and Shanghai Banking Corporation Limited	(10,405)
Buy CAD Sell USD	Hongkong and Shanghai Banking Corporation Limited	48
Buy CNH Sell USD	Hongkong and Shanghai Banking Corporation Limited	228,280
Buy EUR Sell USD	Hongkong and Shanghai Banking Corporation Limited	(2,738)
Buy GBP Sell USD	Hongkong and Shanghai Banking Corporation Limited	18
Buy NZD Sell USD	Hongkong and Shanghai Banking Corporation Limited	(1,822)
Buy SGD Sell USD	Hongkong and Shanghai Banking Corporation Limited	(2)
Buy USD Sell CNH	Hongkong and Shanghai Banking Corporation Limited	3,361
Buy USD Sell NZD	Hongkong and Shanghai Banking Corporation Limited	2,133

Warrants	Underlying Assets	Counterparties	Fair Value US\$
Warrants	Cenveo Inc	Cenveo Inc	–
Warrants	CCF Holdings LLC	CCF Holdings LLC	35,664

Allianz Preferred Securities and Income (continued)

Supplementary Information (continued)

Statement of movement in portfolio holdings
for the year ended 30 June 2021 (Unaudited)

	% of Net Assets 2021	% of Net Assets 2020
<i>Listed/unlisted but quoted investments</i>		
Listed equities		
United States	28.30	31.82
Total listed equities	28.30	31.82
Unlisted but quoted equities		
United States	0.82	0.01
Total unlisted but quoted equities	0.82	0.01
Listed bonds		
France	4.11	6.05
Great Britain	2.56	3.84
Switzerland	–	2.00
United States	16.53	10.93
Total listed bonds	23.20	22.82
Unlisted but quoted bonds		
Canada	4.50	5.43
Germany	4.57	–
Great Britain	5.64	6.28
United States	30.71	32.98
Total unlisted but quoted bonds	45.42	44.69
Unlisted but quoted warrants		
United States	0.28	0.00

Allianz Global Investors Asia Fund
Annual Report –
For the year ended 30 June 2021

	% of Net Assets 2021	% of Net Assets 2020
Total warrants	0.28	0.00
Total listed/unlisted but quoted investments	98.01	99.34
Forward Contracts	1.69	0.01
Total investments	99.70	99.35
Other net assets/(liabilities)	0.30	0.65
Net assets attributable to unitholders as at year end	100.00	100.00

Allianz Preferred Securities and Income (continued)

Supplementary Information (continued)

Performance record (Unaudited)

(a) Price record (Dealing net asset value per unit) since inception

Year	Class AM Distribution H2-RMB			
	Lowest		Highest	
2021	RMB	6.94	RMB	7.58
2020	RMB	6.23	RMB	7.96
2019	RMB	7.49	RMB	8.18
2018	RMB	8.14	RMB	8.94
2017	RMB	8.59	RMB	9.04
2016	RMB	7.99	RMB	9.64
2015	RMB	9.46	RMB	10.04

Year	Class AM Distribution H2-AUD			
	Lowest		Highest	
2021	AUD	10.21	AUD	11.10
2020	AUD	9.96	AUD	10.54

Year	Class AM Distribution H2-CAD			
	Lowest		Highest	
2021	CAD	10.21	CAD	11.12
2020	CAD	9.97	CAD	10.54

Year	Class AM Distribution H2-EUR			
	Lowest		Highest	
2021	EUR	10.22	EUR	11.17
2020	EUR	9.96	EUR	10.54

Year	Class AM Distribution H2-GBP			
	Lowest		Highest	
2021	GBP	10.23	GBP	11.19
2020	GBP	9.96	GBP	10.55

Year	Class AM Distribution H2-SGD			
	Lowest		Highest	
2021	SGD	10.23	SGD	11.15
2020	SGD	9.97	SGD	10.55

(a) Price record (Dealing net asset value per unit) since inception (continued)

		Class AM Distribution H2-NZD	
Year		Lowest	Highest
2021		NZD 10.21	NZD 11.11
2020		NZD 9.97	NZD 10.54
		Class AM Distribution USD	
Year		Lowest	Highest
2021		US\$ 10.22	US\$ 11.15
2020		US\$ 9.97	US\$ 10.56
		Class AM Distribution HKD	
Year		Lowest	Highest
2021		HKD 10.23	HKD 11.18
2020		HKD 9.97	HKD 10.56
		Class AMg Distribution H2-RMB	
Year		Lowest	Highest
2021		RMB 10.20	RMB 11.01
2020		RMB 9.96	RMB 10.56
		Class AMg Distribution H2-AUD	
Year		Lowest	Highest
2021		AUD 10.19	AUD 10.93
2020		AUD 9.96	AUD 10.54
		Class AMg Distribution H2-CAD	
Year		Lowest	Highest
2021		CAD 10.19	CAD 10.96
2020		CAD 9.97	CAD 10.54
		Class AMg Distribution H2-EUR	
Year		Lowest	Highest
2021		EUR 10.21	EUR 11.01
2020		EUR 9.96	EUR 10.54
		Class AMg Distribution H2-GBP	
Year		Lowest	Highest
2021		GBP 10.21	GBP 11.04
2020		GBP 9.96	GBP 10.55

Allianz Preferred Securities and Income (continued)

Supplementary Information (continued)

Performance record (Unaudited) (continued)

(a) Price record (Dealing net asset value per unit) since inception (continued)

		Class AMg Distribution H2-SGD	
Year		Lowest	Highest
2021		SGD 10.20	SGD 10.99
2020		SGD 9.97	SGD 10.55
		Class AMg Distribution H2-NZD	
Year		Lowest	Highest
2021		NZD 10.18	NZD 10.97
2020		NZD 9.96	NZD 10.54
		Class AMg Distribution USD	
Year		Lowest	Highest
2021		US\$ 10.20	US\$ 11.00
2020		US\$ 9.97	US\$ 10.56
		Class AMg Distribution HKD	
Year		Lowest	Highest
2021		HKD 10.20	HKD 11.02
2020		HKD 9.97	HKD 10.56
		Class IT Accumulation EUR	
Year		Lowest	Highest
2021		EUR –	EUR –
2020		EUR –	EUR –
2019		EUR –	EUR –
2018		EUR –	EUR –
2017		EUR –	EUR –
2016		EUR 9.96	EUR 11.88
2015		EUR 9.79	EUR 12.29
		Class IT Accumulation USD	
Year		Lowest	Highest
2021		US\$ –	US\$ –
2020		US\$ 12.26	US\$ 12.98
2019		US\$ 11.11	US\$ 12.35
2018		US\$ 11.40	US\$ 11.73
2017		US\$ 10.09	US\$ 11.45
2016		US\$ 9.82	US\$ 10.09

(b) Total net asset value (calculated in accordance with HKFRS)

	2021		2020		2019	
Total net asset value	US\$	12,950,854	US\$	15,045,531	US\$	35,042,922

(c) Net asset value per unit (calculated in accordance with HKFRS)

	2021		2020		2019	
Net asset value per unit						
– Class AM Distribution H2-RMB	RMB	7.58	RMB	6.94	RMB	7.70
– Class IT Accumulation EUR		–	EUR	–	EUR	–
– Class IT Accumulation USD		–	US\$	–	US\$	12.32
– Class AM Distribution H2-AUD	AUD	11.10	AUD	10.17	AUD	–
– Class AM Distribution H2-CAD	CAD	11.12	CAD	10.16	CAD	–
– Class AM Distribution H2-EUR	EUR	11.17	EUR	10.25	EUR	–
– Class AM Distribution H2-GBP	GBP	11.19	GBP	10.16	GBP	–
– Class AM Distribution H2-NZD	NZD	11.11	NZD	10.17	NZD	–
– Class AM Distribution H2-SGD	SGD	11.15	SGD	10.22	SGD	–
– Class AM Distribution HKD	HKD	11.18	HKD	10.23	HKD	–
– Class AM Distribution USD	US\$	11.15	US\$	10.23	US\$	–
– Class AMg Distribution H2-AUD	AUD	10.93	AUD	10.15	AUD	–
– Class AMg Distribution H2-CAD	CAD	10.96	CAD	10.14	CAD	–
– Class AMg Distribution H2-EUR	EUR	11.01	EUR	10.23	EUR	–
– Class AMg Distribution H2-GBP	GBP	11.04	GBP	10.14	GBP	–
– Class AMg Distribution H2-NZD	NZD	10.97	NZD	10.15	NZD	–
– Class AMg Distribution H2-RMB	RMB	11.01	RMB	10.20	RMB	–
– Class AMg Distribution H2-SGD	SGD	10.99	SGD	10.22	SGD	–
– Class AMg Distribution HKD	HKD	11.02	HKD	10.22	HKD	–
– Class AMg Distribution USD	US\$	11.00	US\$	10.22	US\$	–

Allianz Preferred Securities and Income (continued)

Supplementary Information (continued)

Information on exposure arising from financial derivative instruments

The following table details the exposures arising from the use of financial derivative instruments as a percentage of net asset value of the Sub-Fund for the year ended 30 June 2021:

	Gross exposure %	Net exposure %
– Highest	27.82 [#]	27.82
– Lowest	13.30 [#]	13.30
– Average	21.92 [#]	21.92

[#] There are some share classes with currency hedging features. For the avoidance of doubt, it is not included in the calculation of the gross exposure of the fund portfolio.

